



## **FINANCIAL STATEMENTS 2016**

**PATRIMONIA  
PREVOYANCE  
MODERNE**

**Warning**

The document which you have in front of you is an information document in deliberately simplified form. Persons wishing to obtain the complete annual report of the Patrimonia Foundation, drawn up in compliance with the SWISS GAAP RPC 26 accounting standard, can request a copy by calling 022 888 30 00 or at the address [info@patrimonia.ch](mailto:info@patrimonia.ch).

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## Comment on the financial year 2016

### **GROWTH CONTINUES**

As we had announced previously in our 2015 report, efforts to acquire new members continued in line with our strategy and Patrimonia once again reported strong growth in 2016: +25% in terms of affiliations, +36% in terms of the balance sheet as at 31.12.2016 and +79% in terms of active insured members. This growth is set to continue in 2017 with the affiliations already recorded which took effect on 1 January. We are pleased to note that this increase has been accompanied by a reduction in the average age of insured members which has fallen to 40.8 (Swiss average = around 42 years of age). That proves the vitality and dynamism of our Foundation. Last year we were exposed once again to varying asset management outcomes. With a performance of 3,53% (Swiss average figure quoted by CS: 3,87% and by UBS: 3,50%), Patrimonia falls within the average range for Swiss pension funds and has easily exceeded its minimum target of 2,23% thanks to the asset allocation decided by the Foundation Board.

### **Improving overall investment performance**

For this purpose in particular, the Board has decided to pursue its efforts seeking to identify the new or existing asset classes in which active management is liable to improve overall investment performance. That is why the Foundation has recently allocated 3% of its assets to the commodities sector (on a long/short basis, i.e. enabling a yield to be achieved in both bull and bear market phases). It has also decided to increase the share of investments in Swiss and international real estate to the detriment of Swiss and international bonds. In view of the environment prevailing at present, the Foundation Board has decided to grant remuneration of 1,50% on all the savings capital, in other words 0,25% more than the minimum fixed by the Federal Council for the compulsory share only. It has also decided to follow the recommendations made by its own expert and by the Swiss Chamber of Pension Fund Experts and to reduce its actuarial rate to 2,5% on the basis of the generational tables.

The funding ratio of the Foundation's commitments stands at 104,65%. This trend is attributable essentially to the reduction of the actuarial rate, to the use of the generational bases, to the maintenance at present of a conversion rate of the non-actuarial occupational benefit assets and also in part to the increased number of affiliations.

The Foundation Board takes the view that benefits accrue from a consolidated actuarial base through:

- a reduction of the actuarial rate;
- better control over disability/death risks;
- an increase in the number of insured members well in excess of the cost of a reduction in cover of the commitments.

However, it is very well aware of the importance of the value fluctuation reserve. In that spirit, it has decided to undertake a reduction programme for the conversion rate which will fall from 6,8% to 6,5%, still without splitting, in successive stages of 0,1% between 2018 and 2020. For the record, the application of a non-actuarial rate results in the obligation to state provisions in the balance sheet and these provisions have the effect of reducing the funding ratio of commitments.

### **Reduction of management costs**

This report would not be complete without a reference to management costs. The substantial growth of membership numbers and of funds under management has been accompanied by a relative reduction of management costs (-7%) calculated on the basis of the balance sheet total which shows benefits of scale resulting from the increase in size.

## KEY FIGURES

	2016	2015
<b>Total assets of the Foundation (balance sheet)</b>	CHF 698.2 mio.	CHF 515.3 mio.
<b>Technical provisions</b>	CHF 22.4 mio.	CHF 14.9 mio.
<b>Affiliates' uncommitted funds</b>	CHF 3.5 mio.	CHF 3.1 mio.
<b>Net performance on investments</b>	3,53%	1,71%
<b>Funding ratio</b>	104,65%	107,24%
<b>Number of affiliated employers</b>	520	415
<b>Number of active insured members</b>	5'699	3'181
<b>Number of pension beneficiaries</b>	597	488
<b>Benefits paid</b>	CHF 72.5 mio.	CHF 64.0 mio.
<b>Income collected</b>	CHF 240.14 mio.	CHF 168.41 mio.

## BOARD OF DIRECTORS OF THE FOUNDATION

	Position (4 year term of office)	Representation
<b>Bardet Guy</b>	Member until 31.07.2020	Affiliated employer
<b>Curzon Jacqueline</b>	Vice Chairman until 01.12.2017	Affiliated employer
<b>Giavera Andrea</b>	Member until 01.08.2019	Affiliated employer
<b>Cuendet Yves</b>	Chairman until 01.12.2017	Employee
<b>Delacuisine Blaise</b>	Member until 01.12.2017	Employee
<b>Moscheni Fabrice</b>	Member until 01.08.2019	Employee

## ORGANIZATION AND EXTERNAL SERVICE PROVIDERS

	Company
Occupational benefits expert	<b>Christophe Steiger, allea SA</b>
Auditor	<b>Gérofid Société Fiduciaire SA</b>
Technical and administrative management	<b>Internal management</b>
Supervisory authority	<b>ASFIP Genève</b>
Asset managers	<b>UBS/Vontobel/Babson / Credit Suisse/Pictet/Mirabaud / Schroders / Patrimonium / GAM / Picard Angst / IST</b>
Property management	<b>Bory &amp; Cie Agence Immobilière SA</b>
Property expert	<b>I Consulting SA</b>
Global Custody	<b>UBS</b>
Investment Controller	<b>PPCmetrics</b>
ISO 9001 quality certification	<b>SQS</b>
Internal quality auditor	<b>SIG</b>

## GOVERNANCE

Patrimonia highly values the compliance to legal requirements, loyalty and integrity. We have signed the ASIP Charter and put in place our own governance rules covering the aspects of organisation, behaviour, transparency and communication. Patrimonia is also a member of Ethos, the Swiss Foundation for Sustainable Development.

### An independent foundation

The management of Patrimonia is totally independent from any third party: no interest-bearing shareholders, no dependence on intermediaries and a team that is specifically dedicated to the administration of the foundation. In this way, Patrimonia works in the interest of its affiliates and insured members.

## BALANCE SHEET AS OF 31.12.2016

(in CHF thousand)

<b>ASSETS</b>	<b>2016</b>	<b>2015</b>
Cash and cash equivalents	23'879	24'327
Bonds	294'848	252'193
Equities	186'763	127'512
Alternative investments	31'753	18'560
Real estate	153'625	88'180
Investments with employers	5'088	3'361
Expenses prepaid	2'242	1'203
<b>Total assets</b>	<b>698'198</b>	<b>515'336</b>
<b>LIABILITIES</b>		
Amounts payable	23'711	21'193
Expenses accrued	17'326	23'907
Employer's contribution reserve	3'964	3'333
Non-actuarial provision	50	100
Vested benefits of affiliates	3'516	3'185
Occupational benefit capital and actuarial provisions	620'784	432'308
Value fluctuation reserve	28'847	31'310
<b>Total liabilities</b>	<b>698'198</b>	<b>515'336</b>

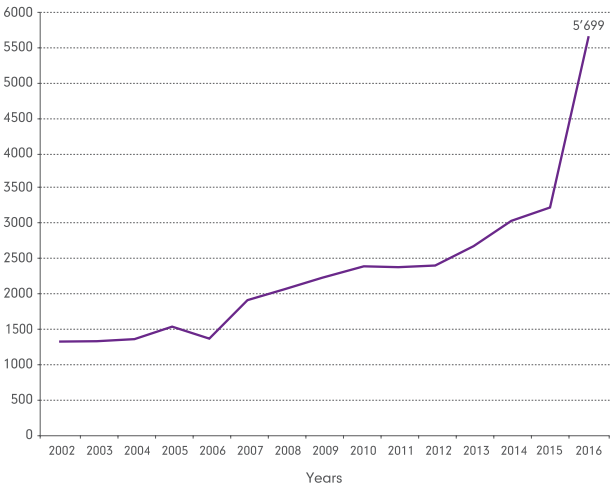
## OPERATING ACCOUNT AS OF 31.12.2016

(in CHF thousand)

	2016	2015
Contributions and other amounts received	51'153	35'576
Payments upon joining	188'990	132'841
Transfer-in at entry	-20'792	-9'619
Termination payments	-51'739	-54'464
Accumulation/liquidation of actuarial capital, technical provisions and reserve	-189'273	-104'167
Proceeds of insurance benefits	194	197
Insurance costs	-481	-336
<b>Net result of the insurance activity</b>	<b>21'948</b>	<b>28</b>
Net result of investments	22'201	6'913
Allocation of non-actuarial provisions	50	-
Other proceeds	7	67
Administration costs	-1'442	-1'255
Brokerage costs	-804	-499
Marketing and publicity costs	-124	-106
Marketing cost	-280	-225
Other expenses	-123	-117
Surplus income/charges before setting up the value fluctuation reserve	-2'463	4'806
Liquidation/accumulation value fluctuation reserve	2'463	-4'806
<b>Surplus income/charges</b>	<b>-</b>	<b>-</b>

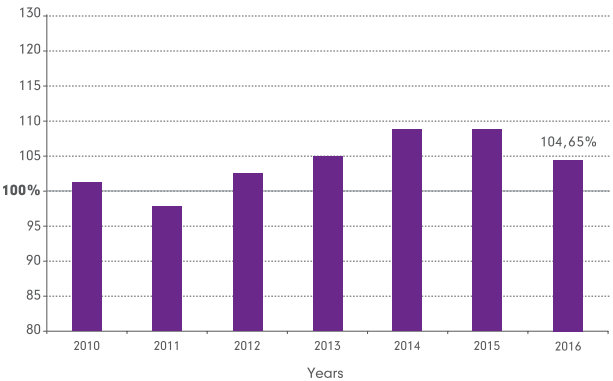


## ACTIVE INSURED MEMBERS



## FUNDING RATIO

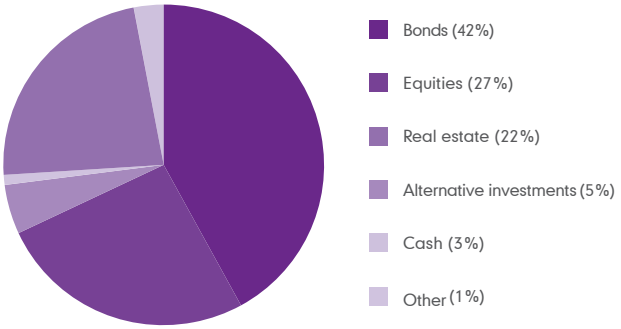
(actuarial rate of 2.5%, generational tables LPP 2015 as at 31.12.2016)



The funding ratio expresses the ratio between the total assets of the occupational benefits scheme and the total commitments in favour of insured members. A funding ratio equal to or greater than 100% means that the institution fully covers its commitments.

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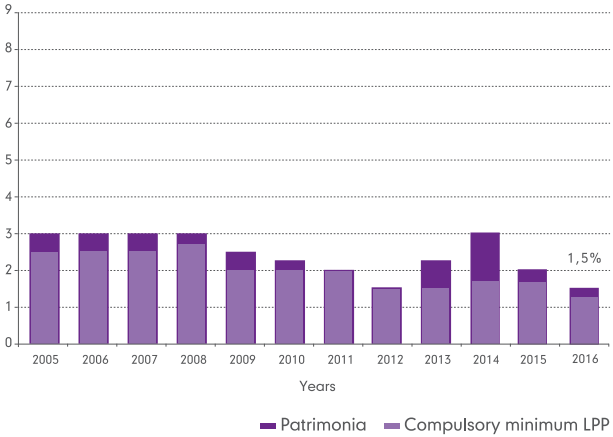
## ASSET ALLOCATION AS OF 31.12.2016



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## CREDITED INTEREST RATE

on the whole insured members' savings capital



The interest rate is the amount credited each year to the insured members' account. Its minimum is set each year by the Federal Council on the basis of the forecast return on investments. Since its creation in 1984, the Patrimonia Foundation has regularly been able to pay a higher rate of interest than the legal minimum to its insured members.

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## **PATRIMONIA, MODERN OCCUPATIONAL BENEFITS**

Patrimonia is an independent occupational benefits foundation as per the Federal law on occupational retirement, survivors and disability benefits (LPP). Our mission is to be the reference partner for companies that opt for active management of their second pillar.

### **Personalisation**

By joining Patrimonia, you benefit from a tailored 2nd pillar solution for your employees and executives. Close contacts with our affiliated members and professionalism enable us to satisfy the most specific requests. So much so that at Patrimonia there are more pension plans than affiliated companies!

### **Optimisation**

Our total independence and continuous improvement dynamic enable us to give priority to our affiliated companies, free from any conflict of interest. The 520 businesses in French-speaking Switzerland which place their confidence in us benefit from perfect transparency and from our constant endeavour to optimise our performance, keep our risks under control and limit our costs.

Contact us to find out more.

# PATRIMONIA PREVOYANCE MODERNE

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Patrimonia benefits from ISO 9001:2015 quality certification.



PATRIMONIA REPORTS RECORD FIGURES IN 2016:

+25% AFFILIATED ENTERPRISES, +79% ACTIVE  
INSURED MEMBERS, +36% ASSETS