



FINANCIAL STATEMENTS 2016


copré
LA COLLECTIVE
DE PRÉVOYANCE
SINCE 1974



A CLEAR VISION FOR MORE THAN 40 YEARS

FINANCIAL STATEMENTS

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Ta the Foundation Board of

La Collective de Prévoyance — COPRÉ, Carouge

Lancy, 27 April 2017

Translation of the French report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of La Collective de Prévoyance - COPRE, which comprise the balance sheet, operating account and notes, for the year ended 31 December 2016.

Foundation Board's responsibility

The Foundation Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and with the foundation's deed of formation and the regulations. This responsibility includes designing, implementing and maintaining an internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Foundation Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the expert in occupational benefits

In addition to the auditor, the Foundation Board appoints an expert in occupational benefits to conduct the audit. The expert regularly checks whether the occupational benefit scheme can provide assurance that it can fulfil its obligations and that all statutory insurance-related provisions regarding benefits and funding comply with the legal requirements. The reserves necessary for underwriting insurance-related risks should be based on the latest report provided by the expert in occupational benefits in accordance with article 52e paragraph 1 of the Occupational Pensions Act (OPA) and article 48 of the Occupational Pensions Ordinance 2 (OPO 2).

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2016 comply with Swiss law and with the foundation's deed of formation and the regulations.

Report on additional legal and other requirements

We confirm that we meet the legal requirements on licensing (article 52b OPA) and independence (article 34 OPO 2) and that there are no circumstances incompatible with our independence. Furthermore, we have carried out the audits required by article 52c paragraph 1 OPA and article 35 OPO 2. The Foundation Board is responsible for ensuring that the legal requirements are met and that the statutory and regulatory provisions on organization, management and investments are applied.

We have assessed whether:

- ▶ organization and management comply with the legal and regulatory requirements and whether an internal control exists that is appropriate to the size and complexity of the foundation;
- ▶ funds are invested in accordance with legal and regulatory requirements;
- ▶ the occupational pension accounts comply with legal requirements;
- ▶ measures have been taken to ensure loyalty in fund management and whether the Governing Body
- ▶ has ensured to a sufficient degree that fund managers fulfill their duties of loyalty and disclosure of interests;
- ▶ the available funds or discretionary dividends from insurance contracts have been used in compliance with the legal and regulatory provisions;
- ▶ the legally required information and reports have been given to the supervisory authority;
- ▶ the pension fund's interests are safeguarded in disclosed transactions with related entities.

We confirm that the applicable legal and statutory requirements have been met.

We recommend that the financial statements submitted to you be approved.

Ernst & Young SA

Blaise Wägli
Licensed audit expert
(Auditor in charge)



Stefanie Ajihan
Licensed audit expert



Enclosure

- ▶ Financial statements (balance sheet, operating account and notes)



BALANCE SHEET		31.12.2016	31.12.2015
	Index on attachment	CHF	CHF
ASSETS			
Investments		1'619'489'175.38	1'296'211'195.26
Liquidities	6.4	88'925'672.82	165'210'336.13
Money market investment funds	6.4	54'657'331.02	584'059.28
Debtors	7.4	28'046'990.11	2'613'771.77
Bonds	6.4	234'358'124.18	280'811'160.43
Shares	6.4	447'603'962.31	350'278'713.70
Non-traditional investments	6.4	195'966'848.11	111'907'058.93
Real estate	6.4	565'607'481.58	382'430'550.33
Claims of employer contributions	6.10/6.4	4'322'765.25	2'375'544.69
Accruals and deferrals, assets	7.5	9'129'150.13	21'946'447.88
Total assets		<u>1'628'618'325.51</u>	<u>1'318'157'643.14</u>
LIABILITIES			
Debts			
Vested benefits and pensions		83'030'751.65	70'803'484.70
Mortgages debts	7.7	43'275'788.70	21'444'856.35
Debts - Life annuity commitments	6.4.2	34'000'000.00	49'000'000.00
Other debts		5'618'500.00	0.00
		136'462.95	358'628.35
Accruals and deferrals, liabilities	7.6	3'429'391.17	115'870'151.24
Reserve of employer contributions without renunciation	6.10	4'558'725.95	3'873'205.60
Disposable funds of affiliates	5.10	1'635'949.87	2'301'543.80
Non-technical provisions	7.8	645'000.00	0.00
Pension insurance capital and technical provisions			
Pension insurance capital, active insured	5.3	1'468'571'646.42	1'071'503'697.22
Pension insurance capital, pensioners	5.5	793'748'719.65	616'440'032.45
Technical provisions	5.6	642'754'457.67	419'736'664.77
	5.6	32'068'469.10	35'327'000.00
Reserve for fluctuation in securities	6.3	66'746'860.45	53'805'560.58
Capital of the Foundation / Disposable funds / Overdraft		0.00	0.00
Situation at start of period		0.00	0.00
Surplus revenues / Surplus charges (-)		0.00	0.00
Total liabilities		<u>1'628'618'325.51</u>	<u>1'318'157'643.14</u>



OPERATING ACCOUNT		2016	2015
	Index on attachment	CHF	CHF
Contributions, ordinary inflows and others		93'917'011.30	75'986'569.95
Employee contributions	7.3	33'352'596.35	26'457'126.50
Employer contributions	7.3	49'607'636.10	40'098'276.40
Single premiums and buybacks		10'628'623.75	9'075'940.30
Inflows in the reserve of employer contributions		884'618.45	757'548.40
Taken from the reserve of employer contributions to finance contributions		-625'089.85	-476'129.55
Subsidies of the guarantee fund		68'626.50	73'807.90
Entry benefits		403'843'104.27	176'768'212.74
Vested benefit lump sums	7.1	199'703'507.65	113'097'140.19
Allocations in event of taking over a group of insured			
- to the employer contributions reserve		425'991.75	105'553.75
- to the disposable funds of the affiliates		4'430'228.97	2'888'936.95
- to the mathematical reserves and technical provisions		194'399'199.50	59'380'702.60
Reimbursement of advance payments for home ownership / divorce		4'884'176.40	1'295'879.25
<i>Inflows coming from contributions and entry benefits</i>		497'760'115.57	252'754'782.69
Regulatory benefits		-42'934'706.15	-33'373'745.30
Old-age pensions		-24'532'352.00	-20'641'796.10
Survivors' pensions		-4'219'393.40	-3'196'336.55
Disability pensions		-3'673'575.00	-3'277'285.70
Liberation from contribution obligations		-1'935'966.35	-1'497'064.65
Capital benefits at retirement		-7'008'556.55	-4'328'570.40
Capital benefits in event of death or disability		-1'564'862.85	-432'691.90
Exit benefits		-92'820'037.25	-91'361'013.65
Vested benefits in event of exit	7.2	-82'400'359.10	-84'341'163.05
Transfer of additional funds in event of collective exit			
- employer contributions reserve		0.00	-31'112.45
- mathematical reserves and technical provisions		-4'270'574.00	-2'649'391.80
Advance payments for home ownership / divorce		-6'149'104.15	-4'339'346.35
<i>Expenses related to benefits and advance payments</i>		-135'754'743.40	-124'734'758.95
Dissolution / Constitution of retirement capital, technical provisions, disposable funds of affiliates, contribution reserves		-397'087'875.62	-151'041'073.17
Dissolution / Constitution of retirement capital active insured	5.3	-164'306'739.70	-77'383'834.55
Dissolution / Constitution of retirement capital, pensioners	5.5	-223'017'792.90	-88'771'200.07
Dissolution / Constitution of technical provisions	5.6	3'258'530.90	20'359'000.00
Remuneration of savings capital of active insured	5.3	-13'001'947.50	-12'320'598.10
Dissolution / Constitution of disposable funds of affiliates	5.10	665'593.93	7'431'419.70
Dissolution / Constitution of contribution reserves	6.10	-685'520.35	-355'860.15

OPERATING ACCOUNT		2016	2015
	Index on attachment	CHF	CHF
Revenues from insurance benefits		3'010'753.10	2'492'513.45
Insurance benefits		3'010'753.10	2'492'513.45
Insurance charges		-9'522'694.30	-4'782'116.70
Risk premiums		-4'516'785.30	-4'021'633.30
Premiums for management costs		-573'542.85	-510'668.30
Single inflow to the insurances		-4'125'050.25	0.00
Contributions to the guarantee fund		-307'315.90	-249'815.10
Net result of the insurance activity		-41'594'444.65	-25'310'652.68
Net result of investments		60'903'989.03	24'635'434.78
Result liquidities	6.8.1	-477'241.34	-879'294.94
Result money market	6.8.2	-133'094.77	3'207.40
Result forward exchange	6.8.3	-93'972.31	389'883.61
Result bonds	6.8.4	3'882'790.23	1'997'992.81
Result shares	6.8.5	18'848'046.98	7'425'730.13
Result non-traditional investments	6.8.6	15'284'864.35	10'582'940.06
Result real estate	6.8.7	32'924'228.69	11'466'842.52
Administration costs of investments	6.8.8	-9'202'792.78	-6'135'700.37
Retrocessions	6.7	97'106.65	86'317.39
Interest on exit benefits		-225'946.67	-302'483.83
Dissolution / Constitution of non-technical provisions		-645'000.00	0.00
Other revenues		1'256'693.16	655'093.10
Other costs		-331'933.49	-216'729.92
Administration costs		-6'648'004.18	-5'595'429.20
Operating costs		-661'174.09	-760'090.25
Operating costs - Project INTERNA	9.7.1	-461'003.55	0.00
Cantonal surveillance authority		-15'700.00	-11'800.00
Federal monitoring of the occupational pension system		-5'008.64	-3'700.00
Administrative management fees, Hpr S.A.		-1'606'878.00	-1'319'409.00
Expert fees, Mercer S.A.		-138'900.90	-67'554.00
Auditing fees, Ernst & Young S.A.		-93'707.90	-84'353.40
Fees Dionysos Consulting S.A.		-7'452.00	-63'544.50
Attendance fees of the Board and Committees (incl. charges)		-159'549.65	-162'461.20
Fees for various mandates		-117'355.05	-120'866.50
Miscellaneous advertising costs		-290'751.15	-208'642.85
Brokerage costs		-1'890'523.25	-1'593'007.50
Marketing costs, Hpr S.A.		-1'200'000.00	-1'200'000.00
Surplus of revenues (+) / charges (-) before constitution of the reserve for securities fluctuations		12'941'299.87	-5'832'283.92
Constitution/Dissolution of the reserve for securities fluctuations	6.3	-12'941'299.87	5'832'283.92
Surplus of revenues (+) / charges (-)		0.00	0.00

Appendix

1 Bases and organisation

1.1 Legal form and purpose

La Collective de Prévoyance - Copré (hereinafter the Foundation), formerly Columna Fondation communautaire for occupational pension insurance, was founded by the ex-Banque Populaire Suisse.

Its registered office is in Geneva. It is a collective semi-autonomous collective foundation, governed by articles 80 et seq of the Swiss Civil Code, by article 331 to 331^e of the Code of Obligations (CO), by the Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plan (LOB), by the relative Federal ordinances, by the Federal and Cantonal directives on pensions, and by its own by-laws and regulations.

The purpose of the Foundation is to protect the staff of each affiliate from the economic consequences of old age, disability and death by guaranteeing determined benefits in compliance with the provisions of the occupational pension regulations and the pension plan.

1.2 LOB registration and guarantee fund

The Foundation fulfils the obligations of the LOB and is inscribed in the register of occupational pension insurance. It contributes to the LOB guarantee fund.

1.3 Indication of acts and regulations

Act of foundation	06.12.2012 Approved by the ASFIP Geneva, 07.03.2013
Pension insurance regulations	Approved 11.12.2014 (modifications approved 31.05.2016) Valid from 01.01.2014 to 31.12.2016 New regulations came into force 01.01.2017
Organisation regulations	Came into force 01.01.2016 Approved 03.12.2016
Investment regulations	Came into force 01.01.2016. Approved 07.03.2017
Internal regulations for affiliated companies	Approved 05.07.2005
Regulations on actuarial liabilities	Approved 03.02.2017 Came into force 31.12.2015
Regulations for partial liquidation	Approved by the ASFIP Geneva 13.01.2017 Came into force 01.01.2016

1.4 Supreme organ, management and right to signature

The organs of the Foundation are the Board of Trustees, the Assembly of Delegates, and the auditing body.

The Board of Trustees is the supreme organ under the terms of article 51 LOB. It is composed jointly, in principle, of representatives of affiliated companies and representatives of the insured. It meets when circumstances require it, but at least four times a year.

The Board of Trustees is responsible for the general management of the pension institution, ensures the accomplishment of the tasks defined by the law, establishes the strategic objectives and the principles of the pension institution, as well as the means to implement them.

It determines the organisation of the pension institution, ensures its financial stability and monitors the management, in conformity with the legal provisions and the directives of the Surveillance Authority. It is responsible for the application of the regulatory provisions, and performs all the tasks that are not explicitly those of another body.

The Assembly of Delegates meets when circumstances require it, but at least once a year. The Assembly of Delegates appoints the members of the Board of Trustees. It takes note of the balance sheet, operating account and attachment, and takes cognizance of the auditors' report. It gives discharge to the Board of Trustees. It approves modifications of the by-laws and takes note of modifications to the pension regulations.

The Board of Trustees is currently composed of 6 members. As of 31 December 2016, it had the following composition:

	<u>Function</u>	<u>End of mandate</u>	<u>Representation</u>	<u>Signature</u>
Rancic Christina	Member, Chairman	2017	employer	jointly of 2
Fiechter Robert	Member, Vice-Chairman	2019	employer	jointly of 2
Grivel Jacques	Member	2017	employer	jointly of 2
Gerbail Christian	Member	2017	insured	jointly of 2
Gordon Robin	Member	2019	insured	jointly of 2
Izzo Mario	Member	2019	insured	jointly of 2

Management is composed of the Chairman, Vice-Chairman and the Managing Director of the Foundation. It manages day-to-day business. Mr Marçal Decoppet is employed by the Foundation as Managing Director, and Mme Nathalie Bergeret as Management Assistant and signing officer. They have joint signature of 2.

1.5 Experts, auditing body, advisors and surveillance authority

Expert in occupational pension insurance Mme Ileana Christodorescu, Mercer (Switzerland) SA, Nyon

Expert Etude Schneider Troillet, Geneva (legal opinion)

Consulting physician Dr Jean-Pierre Boss, Lausanne

Auditing body Ernst & Young SA, Lancy

Technical and accounting administration Hpr SA, Vevey

Development of offering, partnership and others Dionysos Consulting SA, Nyon

Consultant on real estate investment CBRE (Geneva) SA.

Surveillance authority Cantonal authority for surveillance of pension foundations and institutions of the Canton of Geneva, register number GE 1118

1.6 Affiliated employers

	2016	2015
Number on 31 December of previous period	614	550
Entries	81	114
Exits	-51	-50
Number at 31 December	644	614

2 Active members and pensioners

2.1 Active insured

	2016	2015
Number on 31 December of previous period	8'118	7'091
Entries	3'140	2'729
Exits	-2'182	-1'624
Retirements	-90	-64
Disabilities	-4	-11
Deaths	-10	-3
Number on 31 December	8'972	8'118

2.2 Beneficiaries of pensions

	31.12.2016	31.12.2015
Retired persons	1'127	774
Children of retired persons	27	21
Disabled	245	198
Children of disabled	87	83
Spouses	317	172
Orphans	36	27
Total	1'839	1'275

The number of pension beneficiaries evolved as follows in the course of 2016:

	Number on 31.12.2015	New cases **	Transfers to another PF	Deaths	End of entitlement	Number on 31.12.2016 *
Retired persons	774	379	-8	-18	0	1'127
Children of retired persons	21	13	0	0	-7	27
Disabled	198	60	0	-11	-2	245
Children of disabled	83	20	0	0	-16	87
Spouses	172	154	0	-2	-7	317
Orphans	27	12	0	0	-3	36
Total	1'275	638	-8	-31	-35	1'839

* including 221 beneficiaries whose pension is reinsured at 31.12.2016 (31.12.2015: 183)

** including 533 take-overs of pensions in 2016 (2015: 188)

3 Application of the purpose

3.1 Explanation of the pension plans

In order to achieve its objectives, the Foundation has established pension regulations common to all those affiliated. The pension plan proper to each affiliated company describes the insured benefits chosen by the company.

3.2 Financing, methods of financing

The financing of contributions varies from one affiliate to another and is defined in the pension plan proper to the affiliate.

3.3 Other information on the activity of the pension plan insurance

In its meeting of 3 February 2017, the Board of Trustees decided to refrain from adjusting pensions to inflation for 1 January 2017.

4 Principles for valuation and presentation of the accounts, permanence

4.1 Confirmation on the presentation of the accounts according to the Swiss standard GAAP RPC 26

The Foundation's accounts have been established and presented in compliance with the Swiss standard GAAP RPC 26 in force since 01.01.2014.

4.2 Accounting and valuation principles

Investments:	The valuation of securities is based on the market value at the date of the balance sheet or the last known NAV. Due to the accounting principle adopted (market value), the gains/losses resulting from the annual valuations to draw up the balance sheet are posted separately to avoid confusing them with the gains/losses on securities sold during the accounting period, which are operations requiring a cash flow .
Foreign currencies:	Revenues and charges in foreign currencies are converted at the exchange rate of the day. Assets and liabilities in foreign currencies appear on the balance sheet at the end-of-year exchange rate (bank rate): USD 1.0163, EUR 1.072, GBP 1.256, SEK 0.112. Resulting losses or gains are posted on the profit and loss account.
Direct properties in Switzerland:	These have been valued at their yield value, i.e. the dynamic rental status as at 01.01.2017 capitalised at a rate of 5.75% as against 6.25% in 2015, with the exception of properties acquired during the course of the year, which are valued at their acquisition value .
Real estate acquired in lifetime annuity commitment :	The value on the balance sheet corresponds to the cost of acquisition, taking into account the current value of the lifetime annuity and the right of occupation, but at most at the market value for a comparable property.
Mortgage loan:	The valuation of the mortgage loan is made at nominal value.
Other assets:	The valuation of other assets is made at nominal value.
Other liabilities:	The valuation of other liabilities is made at nominal value.

4.3 Modification of the accounting principles, valuation and presentation of the accounts

In 2016, the yield value of the properties was calculated with a capitalisation at 5.75%, as against 6.25% in 2015 on the rental status value.

In point 7.1 « Explanation of the item 'vested benefit lump sums', the vested benefit lump sums of the active insured have been split since this year so as to highlight the amounts of retroactive contributions. These are amounts that were included after the closing had been completed, once the affiliation of the insured person had been received by the employer. The comparative figures have been reprocessed in consequence.

5 Cover of risks / Technical rules / Degree of cover

5.1 Nature of the cover of risks, reinsurance

Until 31 March 2003, the longevity risk was fully reinsured. From 1 April 2003 the Foundation itself insured this risk, and to this end constitutes mathematical reserves for pensioners, a provision for longevity and a provision for improvement of the conversion rate

Then, until 31 December 2008, the death and disability risks were covered by a reinsurance contract. The indexing of current pensions decided by the Board of Trustees is at the charge of the Foundation, which constitutes mathematical reserves to this end.

From 1 January 2009 to 31 December 2014, the Foundation opted for a reinsurance contract of the excess-of-loss type. The Foundation thus constituted, as of that date, the mathematical reserves and provision for risk fluctuations that are necessary in this situation.

In 2016 and since 1 January 2015, the Foundation has been fully reinsured through a complete reinsurance contract covering death and disability risks, with the company Zurich Life Insurances, for a period of 5 years.

The risk premium is based on a flat-rate premium rate.

This contract is concluded with a participation in the risk-related surpluses. These surpluses are calculated every 5 years.

5.2 Explanations of assets and liabilities on insurance contracts

The Foundation possesses assets and liabilities with 3 insurance companies (Bâloise for CHF 22'341'716, Zürich for CHF 5'502'192 and SwissLife for CHF 329'842), for a total amount of CHF 28'173'750.

5.3 Development of the cover capital for active insured with defined contribution plan

	2016 CHF	2015 CHF
Balance on 1 January of retirement insurance capital of active insured	616'440'032.45	526'735'599.80
Retroactive attributions/dissolutions or art. 17 FLV	-2'806'428.70	-2'674'425.26
Savings contributions	66'766'737.15	52'396'467.80
Other contributions and buy-back contributions	10'315'623.75	8'788'991.35
Vested benefits paid in	196'086'329.10	109'595'292.41
Distribution of disposable funds	5'060'602.45	5'225'369.35
Reimbursement of payments for home ownership / divorce	4'884'176.40	1'295'879.25
Vested benefits in event of exit	-78'509'399.10	-74'310'739.05
Payments for home ownership / divorce	-6'149'104.15	-4'339'346.35
Dissolution due to retirements, deaths and disabilities	-31'374'819.00	-18'695'274.35
Remuneration of pension insurance capital	13'001'947.50	12'320'598.10
Attribution/dissolution of exit benefits (art. 17 FLV)	33'021.80	101'619.40
Total retirement insurance capital of active insured	793'748'719.65	616'440'032.45

For insured persons still active on 1 January 2017 and for the reference period from 1 January 2016 to 31 December 2016, the interest granted on the savings accounts of the active insured, the insured with incapacity to earn and the disabled has been calculated on the regulatory retirement assets at a rate of 1.75 % (2.25% in 2015).

For insured persons who exited during 2016, the interest granted until the exit date has been calculated at the LOB rate on the minimum LOB portion of the retirement capital. For insured persons who exited on 31 December 2016 the rate is 1.75 %.

5.4 Total retirement capital as per LOB

	31.12.2016	31.12.2015
	CHF	CHF
Retirement capital as per LOB (pilot accounts)	372'161'517.15	276'070'775.10
Minimum LOB interest rate set by the Federal Council	1.25%	1.75%

5.5 Evolution of cover capital for pensioners

	2016	2015
	CHF	CHF
A - Evolution and remuneration of savings capital of disabled		
Balance on 1 January of savings capital	20'905'550.77	19'115'958.90
Adjustments	0.00	330'165.45
Transfer of freed-up capital	485'533.50	2'774'496.40
Savings contributions	1'259'943.40	992'124.95
Vested benefits paid in	3'204'567.70	19'443.50
Split of disposable funds	0.00	5'365.40
Remuneration of pension insurance capital	413'914.55	463'074.52
Dissolution savings capital	-1'450'824.25	-2'795'078.35
Savings capital of disabled at 31.12	24'818'685.67	20'905'550.77
B - Mathematical reserves of pensioners		
Balance of pension insurance capital at 1 January	325'238'672.45	253'964'042.00
Transfer of savings capital to pensioners	23'909'255.10	13'893'249.95
Inflow of retirement insurance capital from new affiliated companies	150'321'341.00	48'232'049.85
Modification related to change of technical base	9'433'574.00	0.00
Modification related to new insured numbers status at 31.12	-23'055'300.55	9'149'330.65
Mathematical reserves of pensioners at 31.12	485'847'542.00	325'238'672.45
C - Mathematical reserves for pensions AVS bridge		
Balance of pension insurance capital at 1 January	1'040'238.05	0.00
Inflow of RM for pensions AVS bridge of new affiliated companies	0.00	500'000.00
Modification related to change of technical base	225.00	0.00
Modification related to new insured numbers status at 31.12	-389'907.05	540'238.05
Mathematical reserves for pensions AVS bridge at 31.12	650'556.00	1'040'238.05
D - Mathematical reserves of disabled		
Balance of pension insurance capital at 1 January	27'650'114.70	24'704'044.00
Inflow of RM disabled of new affiliated companies	16'221'697.35	266'975.40
Modification related to change of technical base	-923'046.00	0.00
Modification related to new insured numbers status at 31.12	15'274'194.95	2'679'095.30
Mathematical reserves of disabled at 31.12	58'222'961.00	27'650'114.70
E - Mathematical reserves for survivors		
Balance of pension insurance capital at 1 January	44'902'088.80	33'181'419.00
Inflows of RM for survivors from new affiliated companies	23'903'021.00	10'381'677.35
Modification related to change of technical base	789'401.00	0.00
Modification related to new insured numbers status at 31.12	3'620'202.20	1'338'992.45
Mathematical reserves for survivors at 31.12	73'214'713.00	44'902'088.80
Mathematical reserves of pensioners (A+B+C+D+E) at 31.12	642'754'457.67	419'736'664.77

5.6 Recapitulation, evolution and explanation of technical provisions

	2016 CHF	2015 CHF
A - Provision for longevity		
Balance of the provision for longevity at 01.01	4'332'000.00	6'237'000.00
Modification related to change of technical bases	-5'338'000.00	0.00
Modification related to new insured numbers status at 31.12	1'006'000.00	-1'905'000.00
Provision for longevity 31.12	0.00	4'332'000.00
B - Provision for non-actuarial conversion rate		
Balance provision for non-actuarial conversion rate at 01.01	22'663'000.00	18'559'000.00
Modification related to change of technical bases	-1'146'000.00	0.00
Modification related to new insured numbers status at 31.12	5'537'000.00	4'104'000.00
Provision for non-actuarial conversion rate at 31.12	27'054'000.00	22'663'000.00
C - Provision for fluctuation of risks		
Balance provision for fluctuation of risks at 01.01	8'332'000.00	15'767'000.00
Modification related to change of technical bases	-71'000.00	0.00
Modification related to new insured numbers status at 31.12	-3'855'000.00	-7'435'000.00
Provision for fluctuation of risks at 31.12	4'406'000.00	8'332'000.00
D - Provision for solvency		
Balance provision for fluctuation of risks at 01.01	0.00	15'123'000.00
Modification related to new insured numbers status at 31.12	0.00	-15'123'000.00
Provision for solvency at 31.12	0.00	0.00
E - Special technical provision for affiliates		
Balance special technical provision for affiliates at 01.01	0.00	0.00
Increase related to contributions "special risks"	47'760.15	0.00
Increase related to transfer of non-allocated disposable funds	35'220.45	0.00
Retroactive inflow of special technical provision for affiliates	546'638.50	0.00
Modification related to new insured numbers status at 31.12	-21'150.00	0.00
Special technical provision for affiliates at 31.12	608'469.10	0.00
Total of technical provisions (A+B+C+D+E) at 31.12	32'068'469.10	35'327'000.00

The provision for longevity serves to finance the increase in the pension insurance capital of pension beneficiaries due to a change of the actuarial tables. This provision was fully dissolved on 31.12.16 following a change of table (from LOB 2010 to LOB 2015).

The provision for non-actuarial conversion rate is constituted in order to maintain the conversion rate as stable as possible over time. It is fixed on the basis of an estimation of the possible retirement cases during the following five years, considering 75% of the additional pension insurance capital required to cover the difference between the pension effectively provided at the conversion rate determined by the Foundation and a pension based on the conversion rate in line with the technical bases used. This approach is based on the estimation that 25% of retirement benefits are taken in the form of capital.

The provision for fluctuation of risks is intended to mitigate in the short term the unfavourable fluctuations of disability and death risks for the active insured, by taking into consideration, as appropriate, the existing reinsurance cover. In view of the reinsurance contract concluded with Zurich Assurances as of 01.01.2015, the provision for fluctuation of risks is constituted for incapacities to earn that occurred before 01.01.2015 as well as for the liberation of the savings contributions for incapacities to earn that arose since 01.01.2015 taking into account a probability depending on the employer that these do not result in cases of disability. To this is added the amount necessary to cover the possible costs as a result of unknown cases taken over by Lloyds in 2014.

The provision for solvency was created in 2014 following the affiliation of groups of pensioners, and was destined to improve the security of pensions that are not linked to an affiliated employer. It was 10% of the corresponding mathematical reserves. This provision has become obsolete, as the calculation of the commitments to pensions which are not attached to an affiliated employer is made differently (see figure 5.8 below). The special technical provision for affiliates is destined to finance special benefits offered by the pension plans of certain affiliates. At 31.12.2016, this provision is constituted for the financing of the AVS bridge pensions of a pension fund and is fed by the contribution for special risks paid by the employer.

5.7 Results of the last actuarial appraisal

The expert on occupational pension insurance carried out an actuarial appraisal at 31.12.2016, the conclusions of which are as follows:

« In our capacity as approved expert of La Collective de Prévoyance Copré (hereinafter: the Foundation) in the sense of article 52e LOB, we attest that:

- The degree of cover as per article 44 OBB2 amounts to 104.5% at 31.12.2016, a slight decrease compared to 31.12.2015. The Foundation offers at this date the guarantee that it can meet its financial commitments.
- The regulatory provisions of an actuarial nature and relative to the benefits and financing comply with the legal provisions.

In addition we note that:

- The actuarial tables used are the latest actuarial tables published, namely the LOB 2015 tables, and are therefore representative of demographic reality.
- The rates for technical interest used (2.5% for pension beneficiaries with employer and 1.6% for pension beneficiaries without employer) are within the limits permitted by the DTA 4 of the Swiss Chamber of Pension Fund Experts (CSEP) at 31.12.2016.
- We consider that the level of financing is sufficient, taking into account the return expected on the assets.
- The technical provisions are constituted in line with their purpose.
- The reserve for securities fluctuations is only financed to the extent of 28.9% of the defined target value. We therefore consider that the capacity of risk is limited. »

5.8 Technical bases and other significant assumptions on the actuarial level

The technical bases used to calculate the pension insurance capital of pensioners and the technical provisions are the (periodical) LOB 2015 actuarial tables with a technical rate of 2.5%. For beneficiaries of pensions who are not attached to an affiliated employer it is the (generational) LOB 2015 actuarial tables with a technical rate of 1.6 % at 31.12.2016 that are used (as against 2% at 31.12.2015).

5.9 Modifications of the bases and technical assumptions

In 2016, the technical rate for pensioners not attached to an affiliated employer amounts to 1.6%, as indicated in figure 5.8 above, as indicated in figure 5.8 above. In addition the LOB 2015 technical bases (generational and periodical) have been used since 01.01.2016 (at 31.12.2015: LOB 2010).

5.10 Disposable funds of affiliates

	2016	2015
	CHF	CHF
Balance of disposable funds of affiliates at 1 January	2'301'543.80	9'732'963.50
Constitution of disposable funds of affiliates	4'430'228.97	2'927'385.90
Dissolution of disposable funds of affiliates	-5'095'822.90	-10'358'805.60
Disposable funds of affiliates at 31 December	1'635'949.87	2'301'543.80

5.11 Degree of cover as per article 44 OBB2

	31.12.2016	31.12.2015
	CHF	CHF
Pension insurance capital of active insured	793'748'719.65	616'440'032.45
Pension insurance capital of pensioners	642'754'457.67	419'736'664.77
Technical provisions	32'068'469.10	35'327'000.00
Pension insurance capital necessary in the sense of art. 44 OBB2 (Cp)	<u>1'468'571'646.42</u>	<u>1'071'503'697.22</u>
Total assets on balance sheet	1'628'618'325.51	1'318'157'643.14
./. Debts and deferred liabilities	-86'460'142.82	-186'673'635.94
./. Reserve of employer contributions without renunciation	-4'558'725.95	-3'873'205.60
./. Disposable funds of affiliates	-1'635'949.87	-2'301'543.80
./. Non-technical provision	-645'000.00	0.00
Pension insurance capital available in the sense of art. 44 OBB2 (Fp)	<u>1'535'318'506.87</u>	<u>1'125'309'257.80</u>
Degree of cover (Fp/Cp)	104.54%	105.02%

6 Explanations relating to investments and net result of investments

6.1 Organisation of the investment activity, investment consultants and managers, investment regulations

Securities depositories

The Foundation's investments are placed with Crédit Suisse, with the exception of a few investments placed with Fund Partner Solutions (Europe) SA Luxembourg, Livingbridge EP LLP Scotland, Montana Capital Partners Jersey OSP, Northern Trust Luxembourg, Investindustrial GB, Willowridge Partners, Inc. (fond Amberbrook VII) USA, Linden Capital Partners USA, Alinda Capital Partners Ltd USA, Astorg Partners SAS Luxembourg, Platinum Equity, LLC USA, G Square Healthcare Private Equity LLP Guernsey, Ufenau Capital Partners AG Luxembourg, Caisse d'Épargne de Nyon, Swiss Collective Pensions CY, Supre Real Estate Ltd CY. At 31 December 2016, the management mandates for the securities portfolio are entrusted to Crédit Suisse AG and UBS AG. These banks are subject to the FINMA.

Asset Managers	Credit Suisse AG, Zürich UBS AG, Zürich
Management of the real estate portfolio	CBRE (Geneva) SA
Administration of properties	Régie du Rhône SA, Lancy et Privera SA, Genève
Investment Committee	Grivel Jacques, Chairman Dunning Martin Gerbail Christian Izzo Mario
Investment regulations	Approved on 07.03.2017 Entered into force on 01.01.2016
Investment consultant	AON, Nyon, study and advice Portfolio Advisors, LLC, Zürich (Private Equity)
Support for the Investment Committee	Société Dionysos Consulting SA, Ch. Gerbail

6.2 Utilisation of extensions (art. 50, para. 4 OBB2)

In the context of the Investment Regulations, the Foundation has made use of the freedom afforded by the law to extend the possibilities for investment. The investment areas concerned are detailed in attachment 2.2 of the Investment Regulations. The necessary measures have been taken to ensure that the proper attention is paid to the choice, management and control of investments. The Board of Trustees has made certain in particular that the objectives of the pension insurance are attained, especially by adopting a management strategy that takes into account the assets and liabilities as well as the structure and foreseeable future evolution of the number of insured

.At 31.12.2016, we note an overrun of the OBB2 limits for real estate by 4.7%. This overrun is authorised by the Investment Regulations which define a strategy at 40%.

The Board of Trustees took this decision with the following objectives

- Increase real estate investments in an asset class that is stable in comparison with the volatility of the financial markets at the time;
- Ensure recurrent revenue higher than that of traditional fixed income securities;
- Opt for real estate diversification abroad; and
- Optimise the amount of the securities fluctuation reserve thanks to a lower average volatility in function of the global wealth.

6.3 Goals and calculation of the reserve for securities fluctuations

The new target level of the RSF corresponds to the provision that would be necessary for the probability of the Foundation going into an under-coverage position in the next three years to be lower than 2.5%. This implies a Value-at-Risk (VaR) with a security level of 97.5% and a time horizon of three years

The target value of the securities fluctuation reserve has been recalculated and amounts on 31.12.2016 to CHF 230.7 million. It is reconstituted at 28.93%.

	2016	2015
	CHF	CHF
Balance at 1 January of the securities fluctuation reserve	53'805'560.58	59'637'844.50
Increase/decrease due to the operating result	12'941'299.87	-5'832'283.92
Reserve for securities fluctuations at 31 December	<u>66'746'860.45</u>	<u>53'805'560.58</u>
Target value of the securities fluctuation reserve	<u>230'700'000.00</u>	<u>184'700'000.00</u>
Insufficiency of the securities fluctuation reserve	<u>-163'953'139.55</u>	<u>-130'894'439.42</u>

6.4 Presentation of investments by category

6.4.1 Structure of investments

	31.12.2016	Effective split	31.12.2015	Effective split	Strategy from 2016	Margin	
	CHF		CHF			inf.	sup.
Liquidities	88'925'673	5.6%	165'210'336	12.6%			
Money market investments	54'657'331	3.4%	584'059	0.0%			
Total liquidities and money market investments	143'583'004	8.8%	165'794'395	12.6%	0.0%	0.0%	40.0%
Bonds in CHF (incl. investment funds (IFs))	193'873'895	11.9%	240'824'771	18.3%	13.0%	6.5%	19.0%
Bonds in MET (incl. IFs)	40'484'229	2.5%	39'986'389	3.0%	4.0%	2.0%	6.0%
Total bonds	234'358'124	14.4%	280'811'160	21.3%	17.0%	8.5%	25.0%
Shares in CHF (incl. IFs)	224'690'575	13.8%	176'588'492	13.4%	14.0%	7.0%	20.0%
Shares in MET (incl. IFs)	222'913'387	13.7%	173'690'221	13.2%	14.0%	7.0%	20.0%
Total shares	447'603'962	27.5%	350'278'714	26.6%	28.0%	14.0%	40.0%
Non-traditional investments CHF	86'873'450	5.3%	63'511'867	4.8%			
- incl. Private Equity	86'873'450	5.3%	63'511'867	4.8%			
Non-traditional investments MET	109'093'398	6.7%	48'395'192	3.7%			
- incl. Private Equity	11'473'576	0.7%	6'243'100	0.5%			
- incl. Trade Finance	78'729'846	4.8%	42'152'092	3.2%			
- incl. Infrastructure	1'902'055	0.1%	0	0.0%			
- incl. mortgage loan	5'945'648	0.4%	0	0.0%			
- incl. advance on real estate investment abroad	7'825'895	0.5%	0	0.0%			
- incl. others	3'216'378	0.2%	0	0.0%			
Total non-traditional investments	195'966'848	12.0%	111'907'059	8.5%	15.0%	7.5%	21.0%
Swiss real estate	492'806'491	30.3%	334'166'756	25.4%	35.0%	17.5%	49.0%
- incl. direct (see figure 6.4.2)	492'806'491	30.3%	334'166'756	25.4%			
- incl. indirect	0	0.0%	0	0.0%			
Foreign real estate	72'800'991	4.5%	48'263'794	3.7%	5.0%	2.5%	7.0%
- incl. direct	0	0.0%	0	0.0%			
- incl. indirect	72'800'991	4.5%	48'263'794	3.7%			
Total real estate	565'607'482	34.7%	382'430'550	29.0%	40.0%	20.0%	56.0%
Investments with employers	4'322'765	0.3%	2'375'545	0.2%			
Other claims CHF	37'176'140	2.3%	24'560'220	1.8%			
Total assets	1'628'618'326	100.0%	1'318'157'643	100.0%	100.0%		

Global limits, as per investment regulations:

	31.12.2016	Effective split	31.12.2015	Effective split	Maximum global limits
	CHF		CHF		
Company shares or investment funds invested in commodities (shares)	0.00	0.0%	0.00	0.0%	5.0%
Company shares or investment funds invested in emerging markets	19'334'243.08	1.2%	17'278'654.00	1.3%	7.5%
Total exposure in foreign currency, net of exchange cover	401'265'733.69	24.6%	280'404'453.71	21.3%	40.0%

Control of limits as per art. 55 OBB2:

	31.12.2016	Effective split	31.12.2015	Effective split	Art. OBB2	Limits OBB2
	CHF		CHF			
Property deeds and liens	0	0.0%	0	0.0%	55 a)	50.0%
Shares	447'603'962	27.5%	350'278'714	26.6%	55 b)	50.0%
Real estate	565'607'482	34.7%	382'430'550	29.0%	55 c)	30.0%
Non-traditional investments	195'966'848	12.0%	111'907'059	8.5%	55 d)	15.0%
Total exposure in foreign currency, net of exchange cover	401'265'734	24.6%	280'404'454	21.3%	55 e)	30.0%

Although constituting a homogeneous whole, La Levratte is composed of seven plots which are individually assignable. The investment regulations stipulate that investment in a single property may not exceed 10% of the assets less the loans. All the objects in the portfolio respect this limit.

The mortgage debt of CHF 34 million represents about 6% of the real estate assets (statutory authorisation: 50%) and about 2.1% of total assets. The average interest paid on 31.12.2016 is 3.309%. The spread of due dates is presented under point 7.7. On 31 December 2015, the mortgage debt was CHF 49 million and represented about 14.7% of the real estate assets, with an average interest paid on 31.12.2015 of 3.168%.

6.4.2 List of properties held directly

Properties	Estimation at 31.12.2016	Estimation at 31.12.2015
	CHF	CHF
Altdorf, Gründligasse 2	1'590'470.00	1'440'780.10
Bad Zursach, Hauptstrasse 55	8'104'696.00	9'136'545.20
Buchs, Amsleracherweg 16	2'012'661.00	1'995'863.90
Bussigny, Lausanne 8	6'884'661.00	5'950'848.00
Corsier, Ch. Neuf 1-3	5'063'583.00	4'545'667.00
Crans, Pas de l'Ours 4	2'885'635.00	2'654'784.00
Diessenhofen, Kapfstrasse 6	3'490'017.00	3'783'876.55
Embrach, Bergstrasse 2-4	3'064'278.00	3'104'079.80
Geneva, Cavour 17	8'543'583.00	7'547'328.00
Geneva, Contamines 1	12'730'661.00	11'718'544.00
Geneva, Gaspard Vallette 10	7'873'670.00	7'207'680.00
Gerlafingen, Langfeldstrasse 1 à 3	3'039'277.00	3'175'233.05
Gerlafingen, Mittelfeldstrasse 2-4	2'941'774.00	3'167'620.45
Glarus, Hauptstrasse 53	1'532'035.00	1'463'106.90
Goldach, Wiesenstrasse 3	947'061.00	1'080'608.55
Grand-Lancy, Palettes 23	10'899'130.00	9'986'880.00
Herzogenbuchsee, Lanzenbühlweg 1-7	5'553'809.00	5'548'538.30



Lausanne, Echallens 80	3'789'983.00	3'235'584.00
Lausanne, Tour 1 / Ale 6	2'702'052.00	2'039'630.95
Lausanne, Tour 3 / Ale 8	5'568'757.00	5'065'344.00
Lucens, Chemin des Bergères 2-16	26'949'704.00	27'197'123.20
Meyrin, Livron 21	8'586'574.00	7'745'472.00
Meyrin, Livron 23	7'118'400.00	6'543'168.00
Mont-s/-Lausanne, Lausanne 33	8'417'252.00	7'701'632.00
Neuchâtel, Grand-Rue 1a	4'053'078.00	3'711'043.00
Nyon, Levratte 8-38	107'691'548.00	97'678'456.00
Opfikon, Mühlegasse 7/9	4'679'165.00	6'046'461.80
Paudex, Bernadaz 3	3'636'730.00	3'338'112.00
Penthaz, Cossonay 1-7	7'830'887.00	7'114'560.00
Petit-Saconnex, Lamartine 22bis	9'582'104.00	8'815'536.00
Petit-Saconnex, Lamartine 24	17'061'287.00	12'372'096.00
Petit-Saconnex, Lamartine 24 ter	5'360'348.00	4'931'520.00
Rickenbach, Haldenstrasse 10	6'022'539.00	8'290'250.00
Schaffhausen, Schützengraben 28	1'434'157.00	1'412'192.25
Sulgen, Bühlstrosse 5	1'638'470.00	2'297'705.35
Sulgen, Winkelstrasse 2-4	3'773'009.00	4'006'813.05
Vevey, Gutenberg 18	18'306'678.00	16'367'136.00
Yverdon, Cheminet 31-39	16'495'513.00	14'748'936.00
*Aarburg - Strickereistrasse 4A	31'867'351.15	0.00
*Ennetaach - Aachweg 1-3	3'189'742.00	0.00
*Erlen - Auwiesen 2-12	15'341'626.00	0.00
*Erlen - Bachstrasse 4	1'675'865.25	0.00
*Genève - XXXI décembre	14'120'742.70	0.00
*Herisau - Bruggereggsstrasse	10'334'161.00	0.00
*Neuenegg - Grabmattweg 2-4	5'934'630.40	0.00
*Prilly - Flumeaux 41	33'443'020.00	0.00
	473'762'374.50	334'166'755.40
*Martigny - Promotion "Vivaldi"	2'255'000.00	0.00
*Sierre - Promotion "Avenue des Platanes"	2'449'115.45	0.00
	4'704'115.45	0.00
**Property acquired in life annuity commitment	14'340'000.00	0.00
Total real estate held directly	492'806'489.95	334'166'755.40

* In 2016, Copré acquired 8 new properties and 2 plots of land which are the object of building development underway.

** Concerning property in life annuity commitment, Copré acquired during 2016 eleven objects in French-speaking Switzerland for an amount (cash out, costs included) of CHF 9'122'060.-. Unlike the other properties, the balance sheet value of an object acquired in life annuity commitment is equivalent to the acquisition cost (in total CHF 14'340'000.- on 31.12.2016), taking into consideration the current value of the life annuity and the right to occupation (respectively CHF 1'404'305.- and CHF 4'214'195.- on 31.12.2016) for a total of CHF 5'618'500.-, considered on the balance sheet as debts. Out of the eleven properties acquired in life annuity commitment, six are the object of a monthly life annuity.

Out of CHF 193'163'800.- of mortgage notes, CHF 123'592'800.- are pledged as per figure 9.1, the balance of CHF 69'571'000.- remaining free.

6.4.3 Explanations on the management of the properties

Due to the size of the real estate holdings, the Board of Trustees has adopted a policy for property management and a system of control of real estate activities. The system of control guarantees respect of the prudential rules and, in particular, of the rules applicable to conflicts of interest.

In the context of their auditing mandate, our auditors Ernst & Young audit the real estate activities delegated to CBRE (Geneva) SA.

6.5 Derivative financial instruments (open)

Product	Term	Qty	Price	Value on 31.12.2016
Sale of call options SMI, exercise price 7'900	18.03.2017	-250	402.00	-1'005'000
Sale of call options SMI, exercise price 7'600	17.06.2017	-200	615.40	-1'230'800
Sale of call options SMI, exercise price 7'700	16.09.2017	-550	624.30	-3'433'650
Sale of call options Euro Stoxx 50, exercise price 2'850	18.03.2017	-75	447.10	-359'511
Sale of call options Euro Stoxx 50, exercise price 2'800	17.06.2017	-75	459.00	-369'079
Sale of call options Euro Stoxx 50, exercise price 2'850	16.09.2017	-230	445.60	-1'098'800
Sale of call options S&P 500, exercise price 2'000	17.03.2017	-80	250.80	-2'039'205
Sale of call options S&P 500, exercise price 1'900	16.06.2017	-80	353.09	-2'870'904
Sale of call options S&P 500, exercise price 2'025	15.09.2017	-160	259.80	-4'224'764
				-16'631'713
Nominal forward contract EUR 113'698.96 against CHF 121'900.-	04.01.2017			-8
				-8

At 31 December 2015, there were sales of call options SMI for a value of - CHF 298'800.

6.6 Open commitments of capital

Product		Initial commitment	Remaining commitment at 31.12.2015	Capital paid in 2016	Remaining commitment at 31.12.2016
Accel-KKR Capital Partners VLP (via Supre Ltd)	USD	5'000'000	5'000'000	0	5'000'000
AFIAA	CHF	50'000'000	18'000'000	12'600'000	5'400'000
Alinda Infrastructure Funds III	USD	10'000'000	10'000'000	1'871'457	8'128'543
Astorg VI	EUR	4'500'000	4'500'000	855'000	3'645'000
Linden Capital Partners III-A LP	USD	4'000'000	4'000'000	1'468'762	2'531'238
Livingbridge Enterprise 2 LP	GBP	2'500'000	2'311'595	406'060	1'905'535
MCP Opportunity Secondary Program III	EUR	4'200'000	3'847'659	864'591	2'983'068
Unicapital Investments V, FCP	EUR	4'700'000	70'500	70'500	0
Amberbrook VII (via Supre Ltd)	USD	6'000'000	New in 2016	1'036'284	4'963'716
G Square Capital II	EUR	5'500'000	New in 2016	143'379	5'356'621
Investindustrial VI	EUR	5'000'000	New in 2016	652'947	4'347'053
Margaritaville Beach resort	USD	11'000'000	New in 2016	7'700'000	3'300'000
Platinum Equity IV (via Supre Ltd)	USD	7'000'000	New in 2016	703'725	6'296'275
Ufenau V	EUR	3'000'000	New in 2016	225'435	2'774'565

The counterpart in CHF amounts to 58'991'305.

6.7 Retrocessions

Retrocessions concerning the 2016 period have been noted for an amount of CHF 97'106.65.

In 2015, retrocessions of Partners Fund E (CHF) for CHF 86'317.39 over the years 2014 and 2015 had been booked.

6.8 Explanations of net result of investments

	2016	2015
	CHF	CHF
6.8.1 Liquidities	-477'241.34	-879'294.94
- Interest on various current accounts	-267'496.56	-142'207.96
- Exchange differences not realised	-209'744.78	-737'086.98
6.8.2 Money market	-133'094.77	3'207.40
- Revenues	798'510.89	74'199.42
- Losses on sales	-289'072.50	-64'183.00
- Profits on sales	0.00	1'681.73
- Losses	-642'533.16	-8'490.75
6.8.3 Forward exchange	-93'972.31	389'883.61
- Exchange differences not realised	-93'972.31	389'883.61
6.8.4 Bonds	3'882'790.23	1'997'992.81
- Income from interest on foreign bonds in CHF	302'106.48	324'418.87
- Income from IFs in Swiss bonds	2'978'700.05	3'154'784.00
- Income from IFs foreign bonds in CHF	924'862.00	1'236'140.80
- Income from IFs foreign bonds in foreign currencies	1'028'870.60	1'009'205.85
- Losses on sales	-1'479'760.68	0.00
- Profits on sales	61'893.89	568'330.48
- Losses	-6'735'957.11	-9'162'307.11
- Gains	6'802'075.00	4'867'419.92
6.8.5 Total shares	18'848'046.98	7'425'730.13
6.8.5.1 Shares	16'624'890.33	13'399'519.62
- Dividends from IFs Swiss shares	4'788'261.57	2'805'401.25
- Dividends from IFs foreign shares in foreign currencies	4'188'134.68	3'457'344.35
- Losses on sales	-6'566'942.66	-291'134.70
- Profits on sales	6'954'122.09	2'607'462.18
- Exchange differences realised	-230'692.20	0.00
- Losses	-22'863'719.35	-4'490'808.58
- Gains	30'437'020.84	9'311'255.12
- Exchange differences not realised	-81'294.64	0.00
6.8.5.2 Company securities/investment funds emerging markets	2'223'156.65	-5'973'789.49
- Revenues	478'761.70	472'180.10
- Losses on sales	-630'855.05	-10'562.07
- Gains	2'375'250.00	0.00
- Losses	0.00	-6'435'407.52



	CHF	CHF
6.8.6 Non-traditional investments	15'284'864.35	10'582'940.06
- Revenues	4'999'734.00	3'134'928.23
- Profits on sales	291'126.03	874'538.21
- Losses on sales	-40'162.81	0.00
- Exchange differences realised	23'400.00	876'736.81
- Losses	-656'718.21	-193'881.67
- Gains	8'526'897.21	5'890'618.48
- Exchange differences not realised	2'140'588.13	0.00
6.8.7 Total real estate	32'924'228.69	11'466'842.52
6.8.7.1 Investment funds in real estate	2'095'447.85	-210'168.95
- Revenues	1'937'558.00	801'247.49
- Exchange differences realised	0.00	-849'521.94
- Losses	-1'042'437.61	-2'513'620.19
- Gains	1'542'764.20	2'351'725.69
- Exchange differences not realised	-342'436.74	0.00
6.8.7.2 Real estate	30'828'780.84	11'677'011.47
- Real estate charges transactions and miscellaneous	-15'586.95	0.00
- Current real estate charges	-3'934'727.58	-3'385'665.54
- Real estate charges - Life annuities	-552'980.00	0.00
- Real estate revenues	21'496'856.72	18'591'536.37
- Losses	-15'547'284.75	-4'741'178.46
- Gains	2'234'184.90	2'894'006.60
- Gains related to the change in capitalisation rate	28'412'256.00	0.00
- Mortgage interest	-1'263'937.50	-1'681'687.50
6.8.8 Administrative costs of investments		
Transparent investments	1'595'450'319.93	1'296'211'195.26
Non-transparent investments (see detail below)	24'038'855.45	0.00
Total investments	1'619'489'175.38	1'296'211'195.26
Transparency rate on costs	98.5%	100.0%

Collective investments where costs not known (non-transparent investments)

ISIN	Supplier	Name of product	Quantity	Market value (CHF) at 31.12.2016
LU1387565564	TSC Fund SICAV-SIF	Eurocare Real Estate Fund	10'000	10'721'259
GG00BZ4BLP53	Parts CS L/S Swiss Franc	Bond Fund Limited : Class-SB-	95'973	10'101'218
XF0040782165	Parts ELEUTHERA SPC		300	3'216'378
				24'038'855

These funds were issued in 2016, the TER are not known yet.

	2016 CHF	2015 CHF
Asset management costs invoiced and booked directly	3'697'931.41	2'411'543.93
Sum of TER costs for transparent collective investments	5'504'861.37	3'724'156.44
Total asset management costs booked	9'202'792.78	6'135'700.37
In % of transparent investments	0.58%	0.47%

		CHF	CHF
6.8.8.1 Administrative costs of securities investments		-2'218'463.24	-1'225'863.64
Costs on securities transactions		-553'852.50	-590'216.85
Costs on current accounts		-13'012.19	-7'664.33
Costs for asset management by Credit Suisse		-207'164.78	-160'221.45
Costs for asset management by UBS		-199'410.65	-158'366.60
Costs for bookkeeping of securities Credit Suisse		-24'030.00	-21'006.00
Asset management costs - Unicapital IV-V		-17'756.31	-86'236.33
Asset management costs - Portfolio Advisors		-210'190.61	-61'222.98
Asset management costs - Private Equity portfolio via Portfolio Advisors		-669'596.14	-48'497.50
Asset management costs - Supre Ltd	9.7.2	-4'344.85	-4'510.65
Asset management costs Supre Real Estate	9.7.2	-43'034.03	0.00
Asset management costs - Alinda III		-90'710.46	0.00
Asset management costs - Swiss Collective Pension	9.7.2	-14'735.18	0.00
Asset management costs - Trade Finance		0.00	0.00
Costs for management support Dionysos Consulting SA		-122'851.50	-87'920.95
Asset management costs - Investment Committee		-47'774.04	0.00
6.8.8.2 Administrative costs of real estate investments		-1'479'468.17	-1'185'680.29
Fees for financial, rental and administrative management, property agencies		-758'938.11	-616'825.05
Fees for technical management, property agencies		-57'315.75	-89'796.90
Fees for dynamic management of the portfolio CBRE		-229'996.01	-198'004.54
Fees for evaluation CBRE		0.00	-75'600.00
Fees for supervision CBRE		-394'468.40	-205'453.80
Management fees for properties in life annuity commitment TOUBATI Sàrl		-38'749.90	0.00
6.8.8.3 Sum of the costs calculated on the basis of the TER		-5'504'861.37	-3'724'156.44
Sum of TER costs (communicated by Credit Suisse)		-5'504'861.37	-3'724'156.44
		<u>-9'202'792.78</u>	<u>-6'135'700.37</u>

6.8.8.4 Performance of investments

According to the depository of the securities, the performance achieved on the whole of the investments during the 2016 period is 4.94%, against 2.37% for the 2015 period

This is explained on the one hand by the good performance of the different diversified classes of assets, especially alternative asset classes such as Private Equity and Trade Finance, and on the other hand by the fact that the capitalisation rate on properties was reduced from 6.25% to 5.75%. In fact, the reduction of this rate is the result of numerous property purchases made in 2015 and 2016 as well as the desire to be in phase with the rates observed on the market in the context of these operations.

Without the change in the capitalisation rate at 31.12.2016, the 2016 performance would have been 2.57%.

6.9 Market values and co-contracting parties in securities lending

Nil

6.10 Explanation of Investments with employers and of the employer contribution reserves

	31.12.2016	31.12.2015
	CHF	CHF
Claims of employer contributions, gross	4'544'965.25	2'582'024.09
Provision for losses on employer claims	-222'200.00	-206'479.40
Claims of employer contributions, net	<u>4'322'765.25</u>	<u>2'375'544.69</u>
Balance of the reserve of employer contributions at 1 January	3'873'205.60	3'517'345.45
Inflows in the reserve of employer contributions	1'310'610.20	863'102.15
Use of the reserve of employer contributions	-625'089.85	-476'129.55
Payment of the reserve of employer contributions	0.00	-31'112.45
Total reserve of employer contributions	<u>4'558'725.95</u>	<u>3'873'205.60</u>

The term "claims of employer contributions" is understood as the current account of each company affiliated to the Foundation. Most of these contributions were paid up during the first quarter of 2017. Contributions still outstanding are the object of regular follow-up.

6.11 Exercise of voting rights

Copré does not hold shares directly, so no exercise of voting rights is necessary.

7 Explanations relating to other items on the balance sheet and the operating statement

7.1 Explanation of the item 'vested benefit lump sums'

	31.12.2016	31.12.2015
	CHF	CHF
Vested benefit lump sums, active insured	196'086'329.10	109'892'133.45
Vested benefit lump sums, active insured, allocated retroactively	113'979.95	419'549.10
Vested benefit lump sums, active insured, received after their exit	298'630.90	1'671'099.94
Vested benefit lump sums, disabled insured	3'204'567.70	1'114'357.70
Total of item 'vested benefit lump sums'	<u>199'703'507.65</u>	<u>113'097'140.19</u>

7.2 Explanation of the item 'vested benefits in case of exit'

	31.12.2016	31.12.2015
	CHF	CHF
Exit benefits, active insured	-78'341'108.30	-73'747'576.51
Exit benefits, active insured, received after their exit	-298'630.90	-1'671'099.94
Retroactive exit benefits, active insured	-3'680'752.75	-3'677'160.80
Exit benefits transferred to disabled pensioners	-79'867.15	-151'217.70
Disposable funds transferred	0.00	-5'094'108.10
Total of the item 'vested benefits in case of exit'	<u>-82'400'359.10</u>	<u>-84'341'163.05</u>

7.3 Explanation of the item 'contributions'

	31.12.2016	31.12.2015
	CHF	CHF
Savings bonuses	68'085'696.35	53'586'418.55
Contributions to cover risks disability and death	11'363'901.30	9'868'486.40
Contributions to the guarantee fund	290'487.45	228'264.55
Contributions for administrative costs	2'289'730.30	2'045'761.15
Contributions for adaptation of pensions to inflation	930'417.05	826'472.25
Total contributions, gross	<u>82'960'232.45</u>	<u>66'555'402.90</u>
i.e:		
Employee contributions	33'352'596.35	26'457'126.50
Employer contributions	49'607'636.10	40'098'276.40

7.4 Explanation of the item 'debtors'

	31.12.2016	31.12.2015
	CHF	CHF
Current account withholding tax	3'166'399.91	2'613'771.77
Mathematical reserves to be received	24'864'163.65	0.00
LOB guarantee fund	16'426.55	0.00
Total of the item 'debtors'	<u>28'046'990.11</u>	<u>2'613'771.77</u>

7.5 Explanation of the item 'accruals and deferrals, assets'

	31.12.2016	31.12.2015
	CHF	CHF
Accrued interest	93'561.91	100'471.83
Property rents to be received	345'382.50	272'299.10
Available on properties to be received	555'380.25	0.00
Benefits to be received from the reinsurer	38'028.15	2'485.80
Vested benefit to be received	0.00	1'119'028.00
Mathematical reserves for pensioners to be received	4'578.00	4'013'482.55
Down-payment on real estate operations	2'906'230.95	11'684'000.00
Acknowledgement of debt on property	0.00	49'800.00
Risk premium payed in advance	5'091'000.00	4'532'301.00
Invoices paid in advance	23'605.30	47'175.96
Retrocessions	67'271.27	86'317.39
Miscellaneous	4'111.80	39'086.25
Total of the item 'accruals and deferrals, assets'	<u>9'129'150.13</u>	<u>21'946'447.88</u>

7.6 Explanation of the item 'accruals and deferrals, liabilities'

	31.12.2016	31.12.2015
	CHF	CHF
Deposit to be reimbursed (non-affiliated company)	0.00	2'175.00
Amounts to be repaid	304'847.20	238'866.31
Salaries to be paid	0.00	252.70
Pension insurance capital received in advance	0.00	112'825'689.40
Vested benefit received but not allocated	92'770.45	326'961.06
Buy-backs received but not allocated	412'359.40	313'000.00
Vested benefits and pensions to be paid	0.00	65'644.85
Vested benefits received in advance	184'565.85	166'794.50
Contributions cashed in advance	41'461.50	83'434.10
Various fees 4th quarter to be paid	92'323.85	90'117.00
Balance commission costs to be paid	986'408.15	811'177.25
Property rents received in advance	99'570.00	122'225.20
Benefits received in advance from the reinsurer	797'311.75	711'174.65
Various invoices to be paid	34'895.84	50'887.25
Securities management costs to be paid	102'270.43	33'671.97
Fees Aon Hewitt	0.00	28'080.00
Properties - various charges to be paid	6'125.25	0.00
Mathematical reserves to be paid	156'829.00	0.00
Interna - various charges to be paid	117'652.50	0.00
Total of the Item 'accruals and deferrals, liabilities'	3'429'391.17	115'870'151.24

7.7 Explanation of the item 'mortgage debts'

The details of the mortgage debts with Crédit Suisse at 31 December 2016 are as follows:

	Amount in CHF	Interest rate	Start of contract	Due
Fixed mortgage	10'000'000	3.60%	31.03.2007	30.03.2022
Fixed mortgage	4'000'000	3.50%	15.05.2007	15.05.2017
Fixed mortgage deferred effects	10'000'000	3.05%	28.04.2009	28.04.2018
Fixed mortgage deferred effects	10'000'000	3.20%	28.04.2009	28.04.2019
Total mortgages	34'000'000			

This is a global framework contract, guaranteed by the mortgage notes mentioned under figure 9.1. At 31 December 2015, the total amount of mortgages was CHF 49 million.

7.8 Non-technical provisions

This concerns one-time administration costs that were invoiced as a result of taking over the management of a portfolio of pensioners not attached to an employer and that will be amortized over 14 years.

8 Requests from the surveillance authority

The financial statements at 31 December 2015 have not yet been the object of remarks from the surveillance authority. We have responded to all requests formulated for the 2016 period.

9 Other information relating to the financial situation

9.1 Pledging of assets

The mortgage notes pledged for the mortgage loans are as follows:

Property	Note 1 st level	Note 2 nd level	Note 3 rd level	Total CHF
Bussigny, Lausanne 8	3'000'000			3'000'000
Corsier, Ch. Neuf 1-3	520'000	150'000		670'000
Genève, Cavour 17	3'030'000			3'030'000
Genève, Contamines 1	4'600'000			4'600'000
Genève, Palettes 23	5'600'000			5'600'000
Lausanne, Ale 8	1'900'000	800'000		2'700'000
Lausanne, Echallens 80	2'000'000			2'000'000
Mont-s/-Lausanne, Lausanne 33	572'000	3'000'000		3'572'000
Meyrin, Livron 21	4'000'000			4'000'000
Meyrin, Livron 23	1'115'000	235'800		1'350'800
Neuchâtel, Grand-Rue 1a	1'800'000	450'000		2'250'000
Nyon, Levratte 8-38	60'000'000	5'000'000	420'000	65'420'000
Paudex, Bernadaz 3	2'000'000			2'000'000
Penthaz, Cossonay 1-7	4'000'000			4'000'000
Pt-Saconnex, Lamartine 22bis	1'800'000	1'500'000	2'500'000	5'800'000
Pt-Saconnex, Lamartine 24	5'350'000	250'000		5'600'000
Yverdon, Cheminet 31-39	3'000'000	5'000'000		8'000'000
Total	104'287'000	16'385'800	2'920'000	123'592'800

A limit of CHF 100 million, according to a framework contract on cover of maintenance margins, is a limit serving to cover the exposure value of the portfolio in options (on deposit 0251-759783-44-4), a surety bond limit in case of acquisition of properties in German-speaking Switzerland, as well as a surety bond for works underway relating to the property in Crans, Pas de l'Ours 4. It is guaranteed by the pledge of a part of the securities on deposit.

9.2 Overdraft / Explanation of measures taken (art.44 OBB 2)

None

9.3 Renunciation of the use by the employer of the employer contributions reserve

None

9.4 Partial liquidations

None

9.5 Legal proceedings underway

None

9.6 Particular operations and transactions on the assets

None



9.7 Other information

9.7.1 Internalisation

In line with the decision of the Board of Trustees communicated at the General Assembly of 31 May 2016, Copré has decided to internalise the administrative and technical management, effective 1 January 2018. All costs inherent in this internalisation project are mentioned under a specific heading « INTERNA ».

9.7.2 Creation of companies

The company Supre Ltd, Cayman Islands, has been created as a « tax blocker » for investments, principally in Private Equity, carried out in the United States. It belongs 100% to Copré.

The company Swiss Collective Pension Ltd, Cayman Islands, has been created to be able to grant a mortgage loan of USD 5'850'000.- to the company HHG PX Cayman LTD. A mortgage note of the same amount guarantees the loan. This company belongs 100% to Copré.

The company Supre Real Estate Ltd, Cayman Islands, has been created to be able to acquire 50 lots of the Margarita Ville Beach Resort, Grand Cayman. It belongs 100% to Copré.

10 Events subsequent to the balance sheet date

None



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