



**Helvetia Switzerland**

# **Annual Report 2014**

**Helvetia Prisma Group Foundation  
for Employee Pensions.**

**Your Swiss Insurer.**



# Table of contents.

## **3 Portrait**

## **4 Financial statements 2014**

4 Balance sheet

5 Operative account

## **7 Explanatory notes to the financial statements**

## **16 Auditor's report**

The annual report of the Helvetia Prisma Group Foundation is published in German, French, Italian and English. Should the French, Italian or English versions deviate from the original German text, the German text shall be binding.

# Portrait.

The identification of management employees with the company depends on the employee benefit scheme as well as the company. In the search for qualified employees or managers who will make a considerable contribution to the success of the company as top performers, not only is an outstanding recruitment tool required but also a good employee benefit solution.

## **Tailored to needs and flexible**

Helvetia Prisma Group Foundation, which was set up in 1984, offers tailor-made solutions in the area of occupational pension provision for management employees. Helvetia Prisma's pension solutions are highly flexible. This means that the additional pension needs of management employees can be seamlessly coordinated with the basic pension provision, that it is possible to react quickly to changes in environmental circumstances and that the pension solutions can be flexibly adjusted to suit new needs.

## **Guaranteed security**

Helvetia Prisma Group Foundation offers the comprehensive security of a full insurance model: all the insurance entitlements are hedged via a collective insurance contract (also known as a full insurance contract) with Helvetia. The foundation therefore transfers the risks in the disability, death and longevity trends, the investment risks for the pension assets entrusted to it and the management to Helvetia. The full insurance contract guarantees Helvetia Prisma Group Foundation that it will always be able to meet its obligations vis-à-vis the active participants and pensioners. This means that there will never be any underfunding. The associated employers and employees benefit from this not only in the form of the greatest possible security for their pension assets; they will also never have to make solidarity payments for the financial restructuring of the foundation.

## **Support from a strong partner**

In Helvetia, the Helvetia Prisma Group Foundation has the support of a partner that knows how to deal with risks. Helvetia Swiss Life Insurance Company Ltd is the fourth largest collective life insurance company in Switzerland and can look back on over 150 years of experience. The supervisory security provisions and control mechanisms for Swiss life insurance companies are extremely tight. In contrast to the provisions to which autonomous pension funds are subject, those for Swiss life insurance companies come into force even before the obligations vis-à-vis the participants can no longer be fully covered.

## **Competent**

The density of regulations within the legislation and the complexity of the framework requirements for occupational benefit schemes are constantly increasing. This means that professionalism in implementing occupational benefit schemes becomes increasingly important. By delegating the management of such schemes, the affiliated pension plans benefit from the know-how of Helvetia's highly specialised employees.

# Financial statements 2014.

## Balance sheet

in CHF	31.12.2014	31.12.2013
<b>Assets</b>		
Receivables from Helvetia	2 714.52	2 661.29
Foundation investments	2 714.52	2 661.29
Receivables from affiliated employers	5 234 940.95	4 316 433.05
Receivables from Helvetia	49 364 070.46	53 021 303.93
Investments for pension plans	54 599 011.41	57 337 736.98
Prepayments and accrued income	1 345 978.90	1 321 881.30
Assets from insurance contracts	583 674 766.45	544 267 060.55
<b>Total</b>	<b>639 622 471.28</b>	<b>602 929 340.12</b>
<b>Liabilities</b>		
Vested benefits and pensions	2 845 123.55	2 634 598.05
Liabilities to Helvetia	5 234 940.95	4 316 433.05
Other liabilities	31 449.30	62 912.40
Liabilities	8 111 513.80	7 013 943.50
Accrued liabilities and deferred income	17 070 550.29	24 113 858.83
Employer-paid contribution reserves	12 356 403.45	11 466 664.56
Liabilities under insurance contracts	583 674 766.45	544 267 060.55
Pension liabilities and actuarial reserves	583 674 766.45	544 267 060.55
Non-committed funds of pension plans	18 406 522.77	16 065 151.39
<b>Foundation's non-committed funds</b>		
Balance at beginning of period	2 661.29	2 507.79
Income surplus	53.23	153.50
Balance at end of period	2 714.52	2 661.29
<b>Total</b>	<b>639 622 471.28</b>	<b>602 929 340.12</b>

## Operative account

in CHF	2014	2013
Employee contributions	18 955 207.75	17 757 523.15
Employer contributions	42 700 558.95	39 300 009.40
of which withdrawal from the employer-paid contribution reserves to finance contributions	-953 796.15	-716 840.20
Contributions from third parties	18 001.95	17 659.15
One-time payments and purchase amounts	23 274 479.30	26 192 610.85
Transfers to employer-paid contribution reserves	1 687 957.55	1 620 778.65
Ordinary and other contributions and transfers-in	85 682 409.35	84 171 741.00
Vested benefit transfers	32 659 664.50	19 641 030.05
Contributions for transfers of insured persons to		
– non-committed funds	1 199 150.98	768 362.60
– employer-paid contribution reserves	214 464.24	0.00
Reimbursements of withdrawals for encouragement of home ownership/divorce	1 045 500.00	265 189.00
Entry lump sum transfers	35 118 779.72	20 674 581.65
<b>Inflow from contributions and entry lump sum transfers</b>	<b>120 801 189.07</b>	<b>104 846 322.65</b>
Retirement pensions	-3 774 367.95	-3 701 111.19
Survivors' pensions	-900 548.20	-916 000.65
Disability pensions	-929 123.95	-918 141.20
Other regulatory benefits	-3 816 714.05	-3 074 588.25
Lump sum payments on retirement	-28 563 865.50	-24 591 155.41
Lump sum payments on death or disability	-3 721 715.80	-4 998 550.95
Regulatory benefits	-41 706 335.45	-38 199 547.65
Vested benefits for leavers	-36 388 087.35	-41 392 163.29
Transfer of additional funds in case of collective withdrawal	-66 630.45	-1 604 623.54
Withdrawals for encouragement of home ownership/divorce	-5 436 279.95	-2 265 147.55
Termination benefits	-41 890 997.75	-45 261 934.38
<b>Outflow for benefits and withdrawals</b>	<b>-83 597 333.20</b>	<b>-83 461 482.03</b>
Decrease/increase in non-committed funds	-2 243 860.48	-1 912 053.16
Decrease/increase in contribution reserves	-828 472.24	-327 043.40
Decrease/increase in pensioners' liabilities, actuarial reserves and contribution reserves	-3 072 332.72	-2 239 096.56
Insurance benefits	80 359 256.15	79 453 788.29
Surpluses from insurances	4 687 700.35	5 577 668.30
Income from insurance benefits	85 046 956.50	85 031 456.59
Insurance premiums		
– Savings premiums	-49 354 840.80	-45 331 328.40
– Risk premiums	-9 504 419.25	-8 951 810.30
– Cost premiums	-2 734 999.10	-2 653 324.20
One-time contributions to insurances	-57 552 559.40	-47 177 336.65
Contributions to the guarantee fund	-31 661.10	-63 401.10
Insurance cost	-119 178 479.65	-104 177 200.65
<b>Net result of insurance activities</b>	<b>0.00</b>	<b>0.00</b>

in CHF	2014	2013
Interest income on accounts receivable	303 911.37	336 020.26
Interest on non-committed funds	-97 510.90	-84 912.20
Interest expense for liabilities	-145 133.82	-195 215.46
Interest expense for employer-paid contribution reserves	-61 266.65	-55 892.60
Net return on investments of pension plans	0.00	0.00
Interest rate income on dotation capital	53.23	153.50
Net result on investments of foundation's non-committed funds	53.23	153.50
Income from services rendered	15 682.30	10 730.25
Other income	60 725.40	35 257.30
Other income	76 407.70	45 987.55
General administration	-28 926.10	-10 730.25
Auditors and pension fund actuary	-14 612.40	-12 944.40
Supervisory authority	-32 869.20	-22 312.90
Administration expenses	-76 407.70	-45 987.55
<b>Income/expense surplus</b>	<b>53.23</b>	<b>153.50</b>

# Explanatory notes to the financial statements.

## 1 General information and organisation

### 1.1 Legal form and objective

Helvetia Prisma Group Foundation for Employee Pensions (hereinafter referred to the "foundation") is a group foundation that was set up by Helvetia Swiss Life Insurance Company Ltd (hereinafter referred to as "Helvetia").

The foundation provides an occupational benefit scheme in the area of non-mandatory insurance for employees of companies with a contract of association with the foundation and domicile, registered office or operating premises in Switzerland. Within the framework of the statutory provisions, occupational benefit scheme measures can also be applied for employers and self-employed persons.

### 1.2 Registration LOB and guarantee fund

The foundation is entered in the register for occupational benefit plans (register no. NBS-3100) and is affiliated with the LOB Guarantee Fund (register no. C1 NR32).

### 1.3 Plan statutes and regulations

#### ■ Foundation instrument

17.12.1984, revised on 15.06.2007

#### ■ Organisation rules

14.05.2014

#### ■ Pension fund regulations

01.01.2014

#### ■ Partial liquidation regulations

26.04.2010

### 1.4 Supreme body/authorised signatories

The members of the Board of Foundation, the managing company Helvetia Swiss Life Insurance Company Ltd (hereinafter Helvetia) and any other authorised signatories have a collective authority to sign with dual signature authority.

#### ■ Members of the Board of Foundation

- Andreas Lindner, Chair
- Vittorio Bruno, Vice-Chair
- Bernhard Aerni, Member
- Marc Hürzeler, Member

#### ■ Other authorised signatories

- Donald Desax
- Philipp Ammann
- Uwe Jockers
- Thomas Klaiber
- René Eggimann
- Angela Godoy
- Daniel Meyer
- Carmen Pepe

### 1.5 Actuaries, auditors, advisors, supervisory authority

#### ■ Auditors

KPMG Ltd, Zurich

#### ■ Pension actuaries

Dipeka Ltd, Basel, Dominique Koch

#### ■ Supervisory authority

BVG- und Stiftungsaufsicht beider Basel (BSABB)



## 1.6 Affiliated employers

Number	2014	2013
As at 31.12. prior year	931	932
Entries	70	76
Departures	-52	-77
<b>As at 31.12. year under review</b>	<b>949</b>	<b>931</b>

## 2 Active participants and pensioners

### 2.1 Active participants

Number	2014	2013
As at 31.12. prior year	4 341	4 196
New recruits	1 002	834
Resignations	-557	-591
Retirements	-96	-98
<b>As at 31.12. year under review</b>	<b>4 690</b>	<b>4 341</b>

### 2.2 Pensioners

Number	2014	2013
<b>Retirement pensioners</b>		
Initial sum	358	356
Entries	12	16
Departures	-10	-14
Final sum of old-age pensioners	360	358

Number	2014	2013
<b>Recipients of pensioner's children's pension<sup>1</sup></b>		
Initial sum	5	5
Entries	1	1
Departures	0	-1
Final sum of recipients of pensioner's children's pension	6	5
<b>Recipients of invalidity pension</b>		
Initial sum	47	50
Entries	8	11
Departures	-4	-14
Final sum of recipients of invalidity pension	51	47
<b>Recipients of disabled's children's pension<sup>1</sup></b>		
Initial sum	2	0
Entries	0	2
Departures	0	0
Final sum of recipients of disabled's children's pension	2	2
<b>Recipients of spouse's pension</b>		
Initial sum	38	38
Entries	2	1
Departures	-3	-1
Final sum of recipients of spouse's pension	37	38
<b>Recipients of orphan's pension<sup>1</sup></b>		
Initial sum	10	7
Entries	2	5
Departures	-1	-2
Final sum of recipients of orphan's pension	11	10
<b>Total</b>		
Initial sum	460	456
Entries	25	36
Departures	-18	-32
<b>Final sum of pensioners</b>	<b>467</b>	<b>460</b>

<sup>1</sup> The method for calculating pensioners (recipients of pensioner's children's pension, disabled's children's pension and orphan's pension) was adjusted compared to the previous year. The previous year's figures are also listed according to the new methodology.



### 3 Implementation of objectives

The objective of the foundation is achieved by affiliating employers to the foundation by means of a contract of association. The conclusion of a contract of association leads to the formation of a pension plan.

#### 3.1 Characteristics of the pension benefit plan

Every pension plan has its own pension benefit plan as part of the mandatory occupational benefit scheme. The retirement benefits are based on the defined contribution plan, the risk benefits on either the defined benefit plan or the defined contribution plan, depending on the pension plan and benefits.

#### 3.2 Financing, financing method

Financing is governed separately for each pension plan.

### 4 Significant accounting policies and valuation methods, consistency

#### 4.1 Statement of compliance with Swiss GAAP FER 26

The accounts are prepared in accordance with the special accounting recommendations of Swiss GAAP FER 26, version dated 01.01.2004.

#### 4.2 Significant accounting policies and valuation methods

##### 4.2.1 Significant accounting policies

The financial statements give a true and fair view of the financial position, the cash flows and results of operations in accordance with Swiss GAAP FER 26 and comply with Swiss law.

##### 4.2.2 Valuation methods

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Accounts receivable	Par value less amortisation
Prepayments and accrued income	Par value

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### 4.3 Amendment of valuation, bookkeeping and accounting principles

The method for calculating pensioners (recipients of pensioner's children's pension, disabled's children's pension and orphan's pension) was adjusted compared to the previous year. The previous year's figures were also listed according to the new methodology.

### 5 Actuarial risks/risk benefit coverage/coverage rate

#### 5.1 Type of risk benefit coverage, re-insurance

The risks of old age, death and disability are guaranteed for every pension plan by means of a collective life insurance contract with Helvetia, dated 21.12.2007.

#### 5.2 Comments on assets and liabilities from insurance contracts

The assets and liabilities from insurance contracts listed in the balance sheet amounting to CHF 583,674,766.45 (prior year: CHF 544,267,060.55) comprise all the retirement savings capital of the active participants that is managed by Helvetia.

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in %	2014	2013
Interest on LOB non-mandatory savings capital	1.25	1.00

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All pensions are re-insured. The off-balance-sheet actuarial reserves for pensioners equal CHF 97,840,000 (prior year: CHF 92,080,000).

#### 5.3 Conclusions of the last actuarial report

The pension actuary confirmed in his report dated 28.01.2015 that, as per 31.12.2014, the foundation is able to fulfil its obligations and that no other technical provisions need to be accrued.

#### **5.4 Actuarial principles and other significant actuarial assumptions**

Based on the congruent cover of all the insurance risks, it is not necessary for the foundation to accrue actuarial reserves.

#### **5.5 Changes in actuarial principles and assumptions**

There are no changes compared with the prior year.

#### **5.6 Funded status under Art. 44 OOB2**

All the regulatory pension benefits of the foundation are completely re-insured with Helvetia (so-called full insurance model). The foundation therefore transfers to Helvetia all the biometric risks associated with the management of the occupational benefits insurance as well as the investment risk. This means that the obligations of the foundation are completely covered at all times. In principle, the foundation can therefore not suffer from underfunding.

### **6 Explanatory notes on investments and net return on investments**

#### **6.1 Organisation of investment activities, investment rules and regulations**

All the assets from insurance contracts are transferred to Helvetia and then invested. The investment of the funds by Helvetia is governed in the following documents:

- Helvetia Group Investment Guidelines, version dated 06.05.2013, and implementation guidelines for Market Switzerland, version dated 09.08.2013

#### **6.2 Comments on net return on investments**

In the "Net return on investments of pension plans" position, interest on the assets invested with Helvetia is recognised. The interest received from Helvetia is credited to the corresponding investments. The invested assets comprise the non-committed funds, the employer-paid contribution reserves of the pension plans as well as the liabilities to the beneficiaries.

#### **6.3 Asset management expense report**

The reporting and determination of the asset management expense takes place pursuant to the OAK BV instructions dated 23.04.2013.

- The sum of all the expense figures for collective investments amounts to CHF 0.00 for the year under review (prior year: CHF 0.00).
- The total asset management expense indicated in the operative account as a percentage of cost-transparent investments amounts to 0% in the year under review (prior year: 0%).
- The cost transparency ratio is 100% for the year under review (prior year: 100%).

## 6.4 Comments on investments in an employer's enterprise and on employer-paid contribution reserves

### 6.4.1 Investments in the employer's enterprise

The assets for affiliated employers amounting to CHF 5,234,940.95 (prior year: CHF 4,316,433.05) are premium receivables. In 2014 the foundation levied a default interest of 5% (prior year: 5%).

As at 31.01. the risk and cost premiums are each owed within 30 days after joining the pension plan. The savings premiums are payable by 31.12. The foundation monitors whether the premiums are received on time and institutes the necessary claims proceedings in the event of default.

Any premium losses that the foundation incurs are borne by Helvetia after deduction of the loss cover by the LOB Guarantee Fund.

### 6.4.2 Employer-paid contribution reserves

in CHF	2014	2013
Employer-paid contribution reserves as at 01.01.	11 466 664.56	11 083 728.56
Transfers-in	1 687 957.55	1 620 778.65
Transfers from new contracts	214 464.24	0.00
Used for premium payments	-953 796.15	-716 840.20
Used for one-time payments	-68 668.00	-148 291.00
Benefits under termination of contracts	-51 485.40	-428 604.05
Interest	61 266.65	55 892.60
<b>Employer-paid contribution reserves as at 31.12.</b>	<b>12 356 403.45</b>	<b>11 466 664.56</b>

The majority of the employer-paid contribution reserves earned interest at 0.5%.

## 7 Comments on other balance sheet and operative account positions

### 7.1 Comments on receivables from Helvetia

in CHF	31.12.2014	31.12.2013
Current account balances	2 845 123.55	2 634 598.05
Current account balances LOB Guarantee Fund	31 449.30	62 912.40
Surplus safekeeping accounts	16 647 059.80	15 503 209.15
Employer-paid contribution reserves	12 356 403.45	11 466 664.56
Non-committed funds of pension plans	1 759 462.97	561 942.24
Prepaid premiums	3 646 174.89	4 349 597.16
Outstanding one-time payments of participants	12 078 396.50	18 442 380.37
<b>Total receivables from Helvetia</b> (from investments for pension plans)	<b>49 364 070.46</b>	<b>53 021 303.93</b>

The receivables from Helvetia from investments by the foundation amounted to CHF 2,714.52 in the year under review (prior year: CHF 2,661.29).

### 7.2 Comments on prepayments and accrued income

in CHF	31.12.2014	31.12.2013
Prepaid benefits	1 308 397.70	1 304 569.30
Other accruals	37 581.20	17 312.00
<b>Total prepayments and accrued income</b>	<b>1 345 978.90</b>	<b>1 321 881.30</b>

### 7.3 Comments on liabilities to Helvetia

in CHF	31.12.2014	31.12.2013
Premiums owed	5 234 940.95	4 316 433.05
<b>Total liabilities to Helvetia</b>	<b>5 234 940.95</b>	<b>4 316 433.05</b>

### 7.4 Comments on accrued liabilities and deferred income

in CHF	31.12.2014	31.12.2013
Insurance benefits received in advance	1 308 397.70	1 304 569.30
Premiums received in advance	3 646 174.89	4 349 597.16
Outstanding one-time payments	12 078 396.50	18 442 380.37
Other accruals	37 581.20	17 312.00
<b>Total accrued liabilities and deferred income</b>	<b>17 070 550.29</b>	<b>24 113 858.83</b>

## 7.5 Comments on non-committed funds of pension plans

in CHF	31.12.2014	31.12.2013
Individual surpluses	15 301 222.75	14 211 384.20
Collective surpluses	1 345 837.05	1 291 824.95
Non-committed funds	1 759 462.97	561 942.24
<b>Total non-committed funds of pension plans</b>	<b>18 406 522.77</b>	<b>16 065 151.39</b>

## 7.6 Comments on net result of insurance activities

The reconciled net return on insurance activities reflects the fact that the foundation itself does not bear any risk within the framework of the full insurance solution. Helvetia guarantees all the benefits as well as the statutory interest.

### 7.6.1 Explanation of income from insurance benefits

in CHF	2014	2013
Insurance benefits	80 359 256.15	79 453 788.29
Surpluses from insurances	4 687 700.35	5 577 668.30
<b>Total income from insurance benefits</b>	<b>85 046 956.50</b>	<b>85 031 456.59</b>

The foundation is entitled to the profit shares granted from the collective life insurance agreement with Helvetia. The surpluses are determined separately, i.e. in relation to the savings, risk and cost processes. Accordingly, risk, cost or interest surpluses can be distributed.

The distributed surpluses were used as follows:

in CHF	2014	2013
Individual accumulation	4 646 733.60	5 502 273.10
Collective accumulation	9 346.15	30 101.70
Credit to collection account	31 620.60	45 293.50
<b>Total surpluses</b>	<b>4 687 700.35</b>	<b>5 577 668.30</b>

In principle, the accumulation of the surpluses is made on an individual basis. In derogation of this, the Board of Trustees can resolve on collective accumulation or credit to the collection account.

## 7.6.2 Comments on insurance cost

in CHF	2014	2013
Risk premium	-9 504 419.25	-8 951 810.30
Cost premium	-2 734 999.10	-2 653 324.20
Savings premium	-49 354 840.80	-45 331 328.40
One-time payments	-57 552 559.40	-47 177 336.65
Contribution to the guarantee fund	-31 661.10	-63 401.10
<b>Total insurance cost</b>	<b>-119 178 479.65</b>	<b>-104 177 200.65</b>

## 7.7 Comments on other income

in CHF	2014	2013
Compensation for reminder costs Helvetia	9 482.30	9 030.25
Compensation for encouragement of home ownership costs	6 200.00	1 700.00
Other income	60 725.40	35 257.30
<b>Total other income</b>	<b>76 407.70</b>	<b>45 987.55</b>

## 7.8 Comments on administration expenses

in CHF	2014	2013
Reminder costs	-9 482.30	-9 030.25
Encouragement of home ownership costs	-6 200.00	-1 700.00
Auditors and pension fund actuary	-14 612.40	-12 944.40
Supervisory authority	-32 869.20	-22 312.90
General administration	-13 243.80	0.00
<b>Total administration expenses</b>	<b>-76 407.70</b>	<b>-45 987.55</b>

## **8 Supervisory authority requirements**

There are no requirements of the supervisory authority. Approval for the financial statements 2013 had not been granted by the time of the audit.

## **9 Further information regarding the financial situation**

### **9.1 Partial liquidations**

In 2014 there were some partial liquidations. These were processed in accordance with the regulations. If there were non-committed funds, they were distributed accordingly.

### **9.2 Disclosure of FATCA status**

The Helvetia Prisma Group Foundation for Employee Pensions is a pension fund and an exempted beneficial owner. It is a non-reporting Swiss financial institution and does not have to register with the US tax authorities.

## **10 Events subsequent to the balance sheet date**

No events occurred after the balance sheet date that will have a material impact on this financial statement.

Basel, 26 May 2015

Helvetia Prisma  
Group Foundation for Employee Pensions

Andreas Lindner  
Chair of the Board  
of Foundation

Vittorio Bruno  
Vice-Chair



# Auditor's report.

Source: KPMG AG, Zurich



**KPMG AG  
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Report of the Statutory Auditor to the Board of Foundation of the  
**Helvetia Prisma Group Foundation for Employee Pensions, Basel**

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**Report of the Statutory Auditor on the Financial Statements**

As statutory auditor, we have audited the accompanying financial statements of Helvetia Prisma Group Foundation for Employee Pensions, which comprise the balance sheet, operating account and notes for the year ended December 31, 2014.

*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 control 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. 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.



*Helvetia Prisma Group Foundation for Employee Pensions, Basel  
Report of the Statutory Auditor  
to the Board of Foundation*

*Opinion*

In our opinion, the financial statements for the year ended December 31, 2014 comply with Swiss law and with the foundation's deed of formation and the regulations.

**Reporting on the basis of 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 organisation, management and investments are applied.

We have assessed whether

- organisation 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;
- measures have been taken to ensure loyalty in fund management and whether the Governing Body has ensured to a sufficient degree that fund managers fulfil 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.

KPMG AG

Stefan Inderbinen  
*Licensed Audit Expert*

Christoph Vonder Mühl  
*Licensed Audit Expert*

Zurich, May 26, 2015

*Enclosure:*

- Financial statements comprising balance sheet, operating accounts and notes

**Helvetia Prisma**  
**Group Foundation for Employee Pensions**  
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