Your Swiss Insurer.

Helvetia Group

Business profile
Disclaimer

NEITHER THIS DOCUMENT NOR ANY PART OR COPY OF IT NOR THE INFORMATION CONTAINED IN IT AND ANY RELATED MATERIALS MAY BE TAKEN OR TRANSMITTED INTO THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN OR DISTRIBUTED OR REDISTRIBUTED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN OR TO ANY RESIDENT THEREOF.

This document, which has been prepared by Helvetia Group, is private and confidential and may not be copied, altered, offered, sold or otherwise distributed to anybody by the recipient without the consent of Helvetia Group. Although all reasonable effort has been made to ensure that the facts stated herein are correct and the opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to and an overview of the business of Helvetia Group. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed as accurate by Helvetia Group. Neither Helvetia Group nor any of its directors, officers, employees and advisors nor any other person is liable in any way for any loss howsoever arising directly or indirectly from the use of this information.

The facts and information contained in this document are as up to date as is reasonably possible and may be subject to revision in the future. Neither Helvetia Group nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this document. This document may contain projections or other forward-looking statements related to Helvetia Group which, by their very nature, involve inherent risks and uncertainties, both general and specific, and there is a risk that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These include (1) changes in general economic conditions, in particular in the markets in which we operate; (2) the performance of financial markets; (3) changes in interest rates; (4) changes in currency exchange rates; (5) changes in laws and regulations, including accounting policies or practices; (6) risks associated with implementing our business strategies; (7) the frequency, magnitude and general development of insured events; (8) mortality and morbidity rates; (9) policy renewal and lapse rates; and (10) realization of synergies and scale benefits. We caution you that the foregoing list of important factors is not exhaustive; when evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties. All forward-looking statements are based on information available to Helvetia Group on the date of its publication and Helvetia Group assumes no obligation to update such statements unless otherwise required by applicable law.

This document serves for information purposes only. This document does not constitute an offer or a solicitation to sell, exchange, buy or subscribe to securities, nor does it constitute an offering circular as defined by article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus as defined by the listing rules of the SIX Swiss Exchange Ltd. Investors should make their decision to sell, buy or subscribe to securities in Helvetia Holding AG solely on the basis of the relevant offer prospectus which will be published in due course.

This document is not an offer of securities for sale or purchase in the United States. The securities to which this document relates have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There will not be a public offering of securities in the United States.
Who we are – Helvetia at a glance

Our profile
- Leading Swiss all-lines insurer (Top 3) with business operations in five additional country markets in Europe and in selected niche markets worldwide (Specialty Markets)
- Active in non-life (property & casualty) and life insurance as well as in Specialty Markets (specialty insurance and reinsurance business)
- Over 5 million customers – focus on SME and private clients; 6,481 employees
- Market capitalisation of CHF 5,455 million as of 31 December 2016

Our strengths
- Balanced portfolio mix\(^1\) of life (54%) and non-life (46%) business
- Geographic diversification (CH / Europe, through Specialty Markets also worldwide)
- Multi-channel approach, strong cooperation partners
- Solvent partner – strong capitalisation

Our promise
- Top quality provider and solid Swiss insurance company
- Strong service mentality: tailor-made solutions, fair and reliable
- Sustainable and reliable dividend payments with attractive yields
- Continuing long-term growth through a well balanced combination of attractive markets and profitable insurance and pension solutions

\(^1\) in percentage of business volume 2016
Helvetia is well positioned and has an excellent portfolio for the future

**Switzerland**
- Business volume 2016: CHF 5,107 million
- Top 3 position in stable and profitable home market
- Solid foundation for Group’s further development

**Europe**
- Business volume 2016: CHF 2,635 million
- Profitable and expandable market positions
- Same customer segments (retail/SME)
- Additional synergies within the Group

**Specialty Markets (worldwide)**
- Business volume 2016: CHF 771 million
- Strong positioning in selected niche markets (top 1 CH, top 2 FR)
- Good international diversification
We have grown profitably on an organic basis and through selected acquisitions over almost 160 years

Almost 160 years of insurance expertise
- 1858 start as transport insurer
- 1870-1970 initially, expansion strategy with small portfolios worldwide
- From 1990 focusing on 6 European core markets
- 1996 merger of Helvetia Insurance & Patria Mutual
- Creation of Helvetia Patria Holding AG, Listing at SIX Exchange
- 2006 change of name to Helvetia Holding AG

Transactions since 2008

- 2008: CEAT
- 2009: Padana Assicurazioni
- 2010: Phenix Alba
- 2011: SEV
- 2012: gan Eurocourtage
- 2013: Nationale Suisse
- 2014: MoneyPark
- 2015: Baloise AT
- 2016: Chiara Vita
- 2017: Chiara Assicurazioni
- 2018: CH
- 2019: FR
- 2020: IT
- 2021: AT
Our strength is a well developed sales network with excellent partners

**Multi-channeling approach**

- Strong tied agents network
- Successful online distribution channel smile.direct
- High-quality broker relations
- Exclusive and renowned cooperation partners
- Strong cross-selling potential (life / non-life)

**Our distribution partners**

- Raiffeisen
- Vontobel
- Swisscanto
- Notenstein Privatbank
- ARAG
- Banco di Desio e della Brianza
- AgustaWestland
- ENI
- Terna

---

**Omni-channeling**

- Mobile
- Own sales-force
- Online
helvetia 20.20 makes us fit for the future

Fit for the future
- Innovative and digital
- Customer-centric by combining traditional strengths and new opportunities
- Agile and efficient

Still personal and reliable
- Sustainable promises to customers
- Healthy capital base

Added value for customers
- Customised insurance and secure pension solutions offering greater convenience

Added value for employees
- Attractive and forward-looking employer

Added value for shareholders
- Constant increase in profit and dividend capacity
helvetia 20.20 gives answers to the most important trends

More individual and demanding customer needs:
Our answer:
Consistent orientation by customer demands, convenient, personalised range of products

Digitalisation as a strong driver:
Our answer:
Modernisation of customer interaction, stronger integration of partners, use of smart data, automation

Changes in the market
Our answer:
Growth in non-life, repositioning life business, targeted M&A, corporate venturing and innovations
We enhance digitalisation with new business models, eco systems and innovation management – first examples of implementation

<table>
<thead>
<tr>
<th>Eco systems</th>
<th>Corporate Venturing</th>
<th>Corporate Incubation</th>
</tr>
</thead>
</table>
| - Interaction, network, cooperation of different solution suppliers, service providers and customers  
- New revenue sources out of new business areas  
- MoneyPark | - Secure innovative strength through own venture fund  
- Focus: start-ups, InsurTechs, potential links and support functions to insurance business  
- Helvetia Venture Fund in cooperation with b-to-v | - Development and implementation of own business innovations  
- Starting with the idea to prototypes and first marketable product pilots all the way to market launch and scaling (e.g. by the means of own start-ups)  
- First own product pilots (Home Security Insurance), InsurTech Accelerator with Swiss Start Up Factory (SSUF) |
We modernise the customer interaction and strengthen existing channels with new online-models – first examples of implementation

**Strengthening mortgage business**
- Clearer positioning of Helvetia as a mortgage provider
- Enhancement of customer loyalty and eco system "home"
- Advice for property owner
- Simple offerings at the point of sale

**Strengthening SME business**
- Stronger positioning of Helvetia as an SME insurance provider
- Realisation of growth potential in a saturated non-life market
- Relaunch and optimisation of product range
- Strengthening of local positioning in the SME business

**New online-models**
- Expansion of digital product and service range
- Provision of more centralised digital services
- Digital insurance solutions (GER)
  - Household VIVA online
  - Pet insurance
  - Smart & Easy for founders
- Home-insurance online (ES)
- Telematics app (ES)
The combination of increasing profit contribution in Switzerland and profitable growth opportunities abroad make Helvetia attractive.

**Switzerland:**
- Increase in Switzerland’s profit contribution through organic growth, innovation and synergies from past acquisitions
- Objective: **Best Swiss insurer**

**Europe:**
- Further expansion in Europe and increase in profit contribution by focusing on growth, acquisitions, synergy effects and efficiency enhancements
- Objective: **Significantly improved positioning**

**Specialty Markets:**
- Profitable growth in current selected niche markets with growing contribution to the Group
- Objective: **Further growth as selective niche player**

---

**Target positioning of helvetia 20.20**

(illustration)

- **Switzerland:**
  - Organic growth rates (2010 - 2015) and profit contributions
  - Expected organic growth

- **Europe:**
  - Premium growth

- **Specialty Markets:**
  - Premium growth

Size of circles = premium volumes
## Vision and objectives for strategy implementation

### Strategy implementation

<table>
<thead>
<tr>
<th>Vision</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Identity</strong> as the leading Swiss all-lines insurer...</td>
<td>Accelerating profitable growth</td>
</tr>
<tr>
<td>... with a national and an international ambition...</td>
<td>Improving efficiency</td>
</tr>
<tr>
<td>... digital and innovative ...</td>
<td>Delivering quality</td>
</tr>
<tr>
<td>... and with a highly developed customer focus</td>
<td>Stimulating foundations</td>
</tr>
</tbody>
</table>

### Financial targets

- **Volume**: CHF 10 billion
- **Non-life**: Net CR < 93%
- **Life**: NBM > 1%
- **Synergies (pre-tax)**: > CHF 130 million
- **Return on equity**: 8-11%
- **Dividend (5y)**: > CHF 1 billion
- **SST ratio**: 140-180%
- **S&P rating**: A
Our Executive Management structure strengthens integration of all market areas and strategy implementation

- **Corporate Secretary**
  - Christophe Niquille

- **CEO**
  - Philipp Gmür

- **Internal Audit**
  - Simon Schneider

1) Reports to the Chairman of the Board of Directors

**Members of the Executive Management**

**Support functions**

**Human Resources**
- Roland Bentele

**Corporate Centre**
- Kaspar Hartmann

**Corporate Development**
- Martin Tschopp

**Investments**
- Ralph-Thomas Honegger

**Finance**
- Paul Norton

**Actuarial**
- Beat Müller

**IT**
- Achim Baumstark

**Market areas / Segments**

**Non-Life Switzerland**
- Adrian Kollegger

**Individual-Life Switzerland**
- Reto Keller

**Group-Life Switzerland**
- Donald Desax

**Distribution Switzerland**
- Ralph Jeltziner

**Europe**
- Markus Gemperle

**Specialty Markets**
- David Ribeaud

**Switzerland**
Where we are today: sustainable and solid development of volume, profit and combined ratio (1/2)

<table>
<thead>
<tr>
<th>After tax profit(^1) (in CHF million)</th>
<th>Business Volume (in CHF million)</th>
<th>Our focus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• Profitable growth</td>
</tr>
<tr>
<td>2013: 364</td>
<td>2013: 7,477</td>
<td></td>
</tr>
<tr>
<td>2014: 422</td>
<td>2014: 7,767</td>
<td></td>
</tr>
<tr>
<td>2015: 439</td>
<td>2015: 8,235</td>
<td></td>
</tr>
<tr>
<td>2016: 492</td>
<td>2016: 8,513</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net combined ratio (Non-life) (in %)</th>
<th>Value of new business (Life) (in CHF million)</th>
<th>Our focus</th>
</tr>
</thead>
</table>
|                                     |                                               | • Strong technical results  
|                                     |                                               | • Profitability and efficiency enhancement |
| 2013: 93.6                          | 2013: 53                                      |           |
| 2014: 93.5                          | 2014: 26                                      |           |
| 2015: 92.1                          | 2015: 23                                      |           |
| 2016: 91.6                          | 2016: 33                                      |           |

\(^1\) Basis underlying earnings
Where we are today: Our shareholders benefit from a sustainable payout of dividends with an attractive yield (2/2)

**Shareholders’ equity**
- 2013: 3,831 CHF million
- 2014: 4,963 CHF million
- 2015: 4,655 CHF million
- 2016: 4,813 CHF million

**Dividend per share**
- 2013: 17.50 CHF
- 2014: 18.00 CHF
- 2015: 19.00 CHF
- 2016: 21.00 CHF

**Solvency**
- SST (2016): 140-180%

**Dividend yield / Pay-out ratio**
- 2013: 3.9%
- 2014: 3.8%
- 2015: 3.4%
- 2016: 3.8%

---

**Our focus**
- **Financial strength**
- **Sustainable dividend policy**

---

1) Excl. preferred securities
2) Basis underlying earnings
3) Basis IFRS
Non-life: We focus on retaining the good portfolio quality by pursuing a cautious underwriting policy

- Disciplined underwriting strategy
- Selective underwriting of large risks
- Portfolio optimisation if necessary

Combined Ratio < 94% on average

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims ratio</td>
<td>Acquisition cost ratio</td>
<td>Administration cost ratio</td>
<td></td>
<td></td>
</tr>
<tr>
<td>93.7%</td>
<td>93.6%</td>
<td>93.5%</td>
<td>92.1%</td>
<td>91.6%</td>
</tr>
<tr>
<td>8.4</td>
<td>9.2</td>
<td>8.7</td>
<td>9.0</td>
<td>8.9</td>
</tr>
<tr>
<td>20.5</td>
<td>21.0</td>
<td>21.9</td>
<td>20.4</td>
<td>20.3</td>
</tr>
<tr>
<td>64.8</td>
<td>63.4</td>
<td>62.9</td>
<td>62.7</td>
<td>62.4</td>
</tr>
</tbody>
</table>

1) Excl. active reinsurance
Life: We focus on stabilising the interest margin in the current low interest rate environment

- Sustainable balance sheet structure due to efficient asset-liability matching with low duration gap
- Limited long-term liabilities within our Swiss group pension business due to short contract durations
- Individual life: focus on modern capital efficient products (investment-linked) or interest rate guaranteed by external partner
- New business with lower interest guarantees

<table>
<thead>
<tr>
<th></th>
<th>Switzerland (CHF)</th>
<th>Europe (EUR)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>0.73%</td>
<td>0.67%</td>
</tr>
<tr>
<td>2015</td>
<td>1.78%</td>
<td>2.34%</td>
</tr>
<tr>
<td>2016</td>
<td>1.44%</td>
<td>2.20%</td>
</tr>
</tbody>
</table>

- **Margin**

- Average interest rate Helvetia has to generate in order to meet its obligations

*Without Belgium

1) Not taking into account the effect of the revaluation of bonds at market value (Switzerland: -7 bp; Europe: -10 bp)

2) Not taking into account the effect of the revaluation of bonds at market value (Switzerland: -7 bp; Europe: -8 bp)

3) Before legal quota (2014 excl. acquisitions)
Our investment portfolio is well diversified and the duration gap is small.

Portfolio by asset class

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alternative investments / investment funds / derivatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other(^1)</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Loans(^2)</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Equities(^2)</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Market risk PH</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Mortgages</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>Investment property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>60%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Performance by asset class 2016

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>7.2%</td>
</tr>
<tr>
<td>Bonds</td>
<td>2.8%</td>
</tr>
<tr>
<td>Investment property</td>
<td>3.8%</td>
</tr>
<tr>
<td>Mortgages</td>
<td>2.0%</td>
</tr>
<tr>
<td>Total yield</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

Duration gap 2016\(^3\)

Efficient asset-liability matching with a small duration gap of 0.4

---

\(^1\) Money market instruments and investments in associates
\(^2\) Equity exposure delta-adjusted: 4.5%
\(^3\) The duration gap represents the exposure of risk-bearing capital to interest rate changes
We target a shareholder structure with long-term focus

Free float \(^1\) by investor type

- Private individuals: 27.9%
- Banks and insurers: 26.5%
- Other institutional investors: 45.6%

Free float \(^1\) by geography

- Investors based abroad: 37.9%
- Swiss investors: 62.1%

1) As of 31/12/2016 and without disposed position
Our market positions

Market positions of country markets as of end of 2015
Business volume of country markets for FY 2016
Our product portfolio (1/2)

### Non-life

<table>
<thead>
<tr>
<th></th>
<th>CH</th>
<th>DE</th>
<th>IT</th>
<th>ES</th>
<th>AT</th>
<th>FR</th>
<th>LI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Motor vehicle</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Liability</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Accident / Health</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Travel</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Transport</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Engineering</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Art</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Active reinsurance</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
</tbody>
</table>

**Premiums by business line (2016)**

- Property (incl. engineering)
- Motor vehicle
- Liability
- Accident / Health
- Transport (incl. art)
- Active reinsurance

**Premiums by segment (2016)**

- Europe
- Switzerland
- Specialty Markets

**Net combined ratio (2016)**

91.6%
Our product portfolio (2/2)

Life

Individual life

Traditional
Risk insurance and savings, financial and pension solutions with interest rate guarantees from Helvetia

<table>
<thead>
<tr>
<th>CH</th>
<th>DE</th>
<th>IT</th>
<th>ES</th>
<th>AT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Investment-linked
Insurance policies with investment risk either with the policyholder, at Helvetia with appropriate risk hedging or with an external partner

<table>
<thead>
<tr>
<th>CH</th>
<th>DE</th>
<th>IT</th>
<th>ES</th>
<th>AT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Deposits
Investment contracts (contracts without a significant insurance technical risk)

<table>
<thead>
<tr>
<th>CH</th>
<th>DE</th>
<th>IT</th>
<th>ES</th>
<th>AT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Business volume (2016)

Premiums by segment (2016)

Group life

Occupational pension plans (BVG) (Switzerland only)

Management pension scheme solutions via Helvetia Collective Foundation
All risks and benefits in occupational pension plans are assured and guaranteed by Helvetia Insurance. Assumption of complete administration. Package for companies and independent charitable organisations.

Kadervorsorge
Additional and separate pension solutions which go beyond the mandatory requirements.

Helvetia BVG Invest
Covers the risks of death and invalidity by means of insurance contracts with Helvetia. Assumes the complete administration. Manages the investments through the Helvetia Investment Foundation. Appropriate pension plans with return opportunities.

Risk insurance
Risk insurance and blanket risk contracts for semi-autonomous occupational pension foundations. Assumption of complete administration.

Swisscanto Foundations
As a joint venture of Helvetia Insurance and the Association of Swiss Cantonal Banks, the Swisscanto Collective Foundations offer products and services for occupational pension plans and supplemental provision. Savings investment via the cantonal banks; insuring against the risks of death and invalidity with Helvetia. Sales via cantonal banks and brokers. The Swisscanto Vested Benefits Foundation manages vested benefits accounts for customers of the cantonal banks who do not operate their own vested benefits foundation. Helvetia manages the branch offices of all three foundations.

Helvetia Investment Foundation
Joint investment and administration of the pension funds investment. Specialising in indexed and core satellite investment products, as well as real estate investments.

Helvetia Consulta AG
Draws up analyses and expert opinions, IAS19 calculations. Assumes the technical administration. Comprehensive consultation and services for occupational pension funds foundations.
How does non-life insurance work?
How does life insurance work?

Insurance process

- Risk benefits (death, disability)
- Guarantee granted to customer
- Insurance benefits

Risk process

- Risk premium
- Risk benefits (death, disability)
- Risk result

Savings process

- Savings premium (investments)
- Return on investments
- Guarantee granted to customer
- Savings result

Cost process

- Cost premium
- Acquisition costs / administration costs
- Cost result

Policyholders’ profit participation

Gross profit

Net profit

shareholders

Customer

Policy

Helvetia

Premium

Savings

Guarantee granted to customer

Risk

Benefit

Premium

Gross

Profit

Net

Profit
Additional documents

- Infokit full-year results 2016
- Equity story / Fact sheet
- Corporate story / Strategy helvetia 20.20
- Financial calendar
Calendar and contact

Important dates

- 28 April 2017  Ordinary Shareholders’ Meeting
- 8 June 2017  Capital Markets Day
- 4 September 2017  Publication of half-year results 2017
- 5 March 2018  Publication of financial results 2017

Contact

Investor Relations
Susanne Tengler
Head of Investor Relations
Helvetia Group
Dufourstrasse 40
9001 St Gall (Switzerland)
Telephone: +41 (0)58 280 57 79
Email: susanne.tengler@helvetia.ch

Corporate Communications
Jonas Grossniklaus
Media Relations Manager
Helvetia Insurance
St. Alban-Anlage 26
4002 Basel (Switzerland)
Telephone: +41 (0)58 280 50 33
Email: media.relations@helvetia.ch