

Annual Report 2017



100 years

For 100 years we have dedicated ourselves to improving the safety of people in the workplace and in their leisure time, making an important contribution to social peace in Switzerland. Find out more about Suva's history in its anniversary year: suva.ch/100jahre

Suva is more than just insurance: it brings prevention, insurance and rehabilitation together under one roof. Suva offers this to insured companies and their workers in a holistic, integrated form.

Facts and figures 4

Welcome 6

Management report 8

Corporate Governance 16

Financial report 26

Cover photo

Simon Furrer, electrician at CKW and WorldSkills champion at work. He is wearing personal protective equipment.

Suva has been committed to occupational safety for 100 years. However, every year 25,000 apprentices suffer an occupational accident.

The "Safe apprenticeship" campaign aims to prevent this.

www.suva.ch/lehrzeit

Facts and figures

2,011,800

full-time employees insured

129,290

companies insured

149.6

bn CHF
insured payroll OAI (occupational accident insurance)

4.2

bn CHF
gross premium income

465,701

registered accidents and occupational diseases

4.3

bn CHF
insurance benefits paid

538

m CHF
operating costs

103

m CHF
investment in prevention of occupational accidents
and diseases and non-occupational accidents

302

m CHF
annual result after the reduction in the equalisation reserve

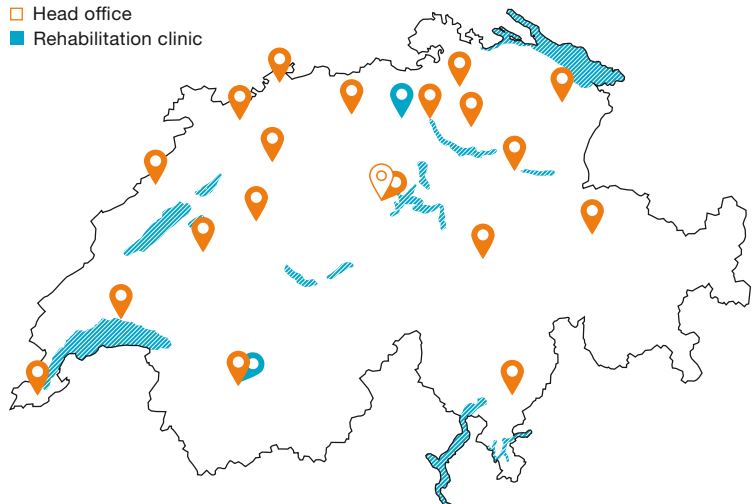
4,189

staff
(3,374 full-time positions)

Anchored in Switzerland

Suva performs its comprehensive prevention, insurance and rehabilitation services at its head office in Lucerne, its 18 agency locations and its two rehabilitation clinics. The specialists in occupational safety and health protection operate in Lucerne and Lausanne. Together with the Swiss Confederation and the cantons, they work to ensure that the workplaces of Switzerland are safe and healthy.

- Agency
- Head office
- Rehabilitation clinic





Markus Dürr
Chairman
of the Suva Council

Felix Weber
Chairman
of the Board of
Management

“Our vision is to make work and leisure time safe. Acting in close partnership with our customers to promote a healthy Swiss workplace.”

Ladies and Gentlemen

2017 was a successful financial year for Suva, but also an intense and eventful one. The insurance benefits paid out were in line with our estimates. Our investments achieved an above-average performance of 7.8 per cent. Suva thus increased its financial coverage ratio from 136 per cent in the previous year to 143 per cent. All long-term obligations, in particular around 88,000 pensions, have solid cover and will remain secured even in the event of a financial crisis. The operating income of CHF 364 million was very pleasing.

The revised Swiss Federal Act on Accident Insurance (AIA) has been in force since the beginning of 2017. The lawmakers supported our business model, thereby demonstrating their trust in Suva. We are aware that we must earn this trust every day. We will only manage this by focusing on the needs of our customers. This is why we redefined our strategy after the revision of the law to place greater emphasis on customer benefits.

Our core business is at the heart of this, which covers everything we do in relation to compulsory accident insurance and military insurance. We also give particular attention to prevention. Our vision is to make work and leisure time safe. Further investment is required to profitably implement the new strategy. In 2017, Suva identified and implemented potential savings in order to provide the relevant resources.

It is not only the change of strategy that is giving Suva a new direction. Digitalisation is also having a particularly strong impact on Suva, increasing the demands placed on staff and infrastructure. Technological progress requires flexibility. Only by developing constantly will we succeed in offering Swiss industry efficient, high-quality solutions in future too.

In 2018, Suva is celebrating its 100th anniversary in an excellent, fundamentally healthy condition, both in terms of its ability to assume risk and with an adapted corporate governance and organisation. The Suva Council, with its new Chairman Gabriele Gendotti, the Board of Management and our staff will do everything they can to ensure that Suva is equipped for the coming challenges. We firmly believe that we can continue to look to the future with optimism.



Markus Dürr
Chairman of the Suva Council



Felix Weber
Chairman of the Board of
Management



**We support
some 129,300
companies
with two million
insurees.**

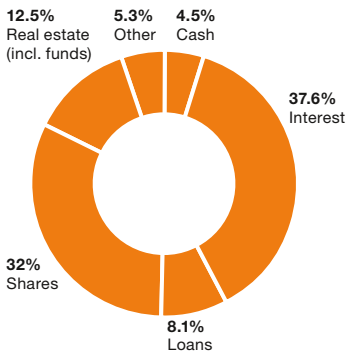


Management report 2017

“We have been supporting Swiss industry for 100 years with fair premiums for companies and reasonable benefits for injured people.”

Felix Weber,
Chairman of the Board of Management

Investment portfolio



The distribution is based on risk premiums. The share ratio also includes private equity portfolios and equity hedge portfolios, for example.

Our activities

Suva plays a key role in Switzerland’s social security system. As a self-supporting company under public law, it insures employees at work and at home against the consequences of an accident or an occupational disease. Suva provides prevention, insurance and rehabilitation services under a single umbrella as well as running two rehabilitation clinics and organising military insurance (MI) and accident insurance for the un-employed (AIU).

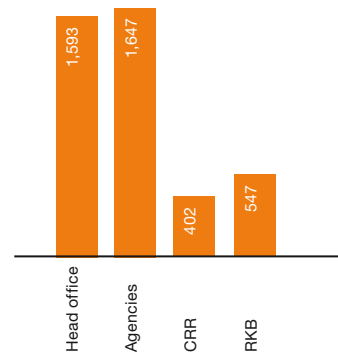
Insurance premiums and investments

The annual premiums of around CHF 4 billion paid by the companies insured are given back in the form of insurance benefits to the people who have suffered accidents. Suva manages non-current assets worth some CHF 51 billion in order to safeguard its pensions in particular for the long term. Suva sets aside annuity reserves, i.e. the funds required for future pension payments, in the year a pension is granted. It is these reserves that form the bulk of Suva’s non-current assets. The remainder is made up of provisions for short-term insurance benefits, such as treatment costs and daily allowances, as well as other reserves.

We insure half of Switzerland

Our 4,189 staff provide prevention, rehabilitation and insurance support to around 129,300 companies employing nearly two million people. In other words, Suva insures approximately one in two Swiss employees against the consequences of occupational and non-occupational accidents.

Suva and clinic employees



Of Suva’s 4,189 employees (2016: 4,220), 40 per cent work at the head office in Lucerne and another 40 per cent in the agencies, while 20 per cent work at the clinics in Bellikon (RKB) and Sion (CRR).

Our benefits – in support of Swiss industry

Insurees are entitled to receive medical treatment for the consequences of an accident or occupational disease – without any restrictions in terms of time or contributions. Suva’s insurance benefits also include cash benefits such as daily allowances, disability pensions and survivors’ pensions. Our staff work to rehabilitate and reintegrate people in the workplace after they have suffered an accident and received medical treatment. All these measures are helping to strengthen Swiss industry.

Developments and trends

Legal and political: AIA revision and political discussions on using private investigators

In the reporting year, the new Swiss Federal Act on Accident Insurance (AIA), with which Suva is very satisfied, came into force. Thanks to good planning, Suva was able to implement all the major changes by the time the law took effect.

Following the ruling of the European Court of Human Rights, which stipulated that the legal framework in Switzerland for using private investigators to detect suspected insurance fraud was insufficient, the legislators began to address the issue. During initial deliberations, the Council of States Social Security and Health Committee (SSHC-S) developed a legal framework for surveillance, which was approved by a large majority of the Federal Council. The Council of States accepted the proposal of its committee in the 2017 winter session, creating the legal framework required for surveillance. Among other measures, the law permits sound and images to be recorded during surveillance.

Social: human factors in prevention

Occupational accidents have been declining steadily thanks to technical and organisational measures to promote occupational safety. In order to further reduce the number of accidents, Suva is making humans the focus of prevention. The “Human Factors” discipline looks at the role of humans in complex systems. What causes humans to conduct themselves in a less risky manner in a given environment? Suva aims to make use of these findings to create effective prevention services.

Technological: digitalisation

Suva sees digitalisation as an opportunity. A wide range of systems are being used to support work steps or perform them autonomously. Every service process involved in the “Digital@Suva” programme has also been instructed to instigate useful digitalisation projects in order to make workflows more efficient.

Corporate strategy “avance”

In autumn 2016, the Suva Council approved the new “avance” corporate strategy. This strategy focuses on the core business (AIA/MiIIA) and prevention without losing sight of the effective combination of prevention, insurance and rehabilitation. Some internal restructuring was carried out to fund the investment required. The service processes began working on initial implementation projects in the reporting year. In order to provide our customers with even better advice on prevention issues in future, prevention specialists are now available at our agencies.

A stronger partnership for rapid reintegration

To enable people who are unable to work to return to their workplace as soon as possible, agreements between Suva agencies, trade associations, DI offices and medical professionals have been signed in various cantons. In these agreements, the parties affirm their desire to promote the rapid and reliable reintegration of people suffering from an illness or accident into work processes.

Compensation fund for asbestos victims

For decades now, Suva has been committed to ensuring that the asbestos issue is resolved completely. This is why it contributed ideas and helped with technical matters when the round table organised by Federal Councillor Berset discussed how to help asbestos victims and their families quickly, fairly and without bureaucracy, irrespective of whether the victims’ illness has been recognised as an occupational disease. The result was the compensation fund for asbestos victims founded in March 2017 by associations and companies.

Ten years of Swissdec

In order to limit administrative expenditure for correspondence between companies and public administration, over 13 million data sets are transmitted from Swissdec-certified payroll accounting software. Suva’s Felix Weber is Chairman of the association Swissdec, which celebrated its 10th anniversary in the reporting year. A third of all wage data required is now reported to Suva via the Swissdec interface.

New Chairman of the Suva Council



At a meeting on 17 November 2017, the Suva Council elected Gabriele Gendotti of Ticino as its new Chairman. He took up office on 1 January 2018. Gendotti succeeds Markus Dürr, who has retired after four years.

Occupational and leisure-time safety



Occupational accidents and diseases

177,973

The number of registered occupational accidents and occupational diseases fell by 0.2 per cent.

Leisure-time accidents

268,934

The number of registered non-occupational accidents rose by 1.9 per cent.

Examinations

43,656

The number of medical examinations differed from 2016.

Case risk for occupational accidents

84.6

The case risk for occupational accidents (accidents per 1,000 full-time employees) fell by 0.6 per cent.

Case risk for non-occupational accidents

130.1

The case risk for non-occupational accidents (accidents per 1,000 full-time employees) rose by 1.3 per cent.

Vital rules

63 %

of all workers surveyed (2017 prevention panel) knew about the vital rules.

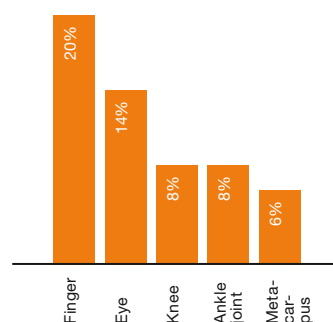
Key areas of focus in occupational safety

In the reporting year, we continued rigorously promoting and advocating training in the vital rules or company-specific safety rules. For example, this year's building site tour was used as a training tour. Our safety experts showed the site foremen how to teach workers the vital rules so that they are remembered in the long term.

The issue of training was focused on systematically in over 20,000 company checks. According to the prevention panel's assessment, training leads to safer behaviour. As of the end of 2017, 5,200 companies had signed up to the Safety Charter, which is 56 per cent more than in 2016.

We registered 49 fatal occupational accidents in 2017. This is the lowest number in Suva's history and confirms for us that "Vision 250 lives" is achievable.

Top five injured body parts in all occupational accidents reported in 2017



Exposed: finger and eye injuries are reported most frequently.

“More and more companies are implementing the Safety Charter and vital rules. This makes Swiss industry even safer.”

Edouard Currat,
Head of the Health Protection Department

Occupational diseases

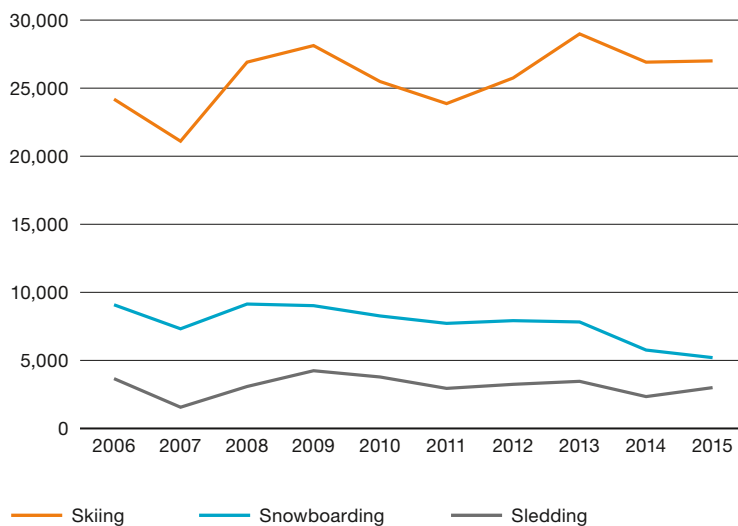
Asbestos was again a key issue in the prevention of occupational diseases in 2017 and thus given appropriate attention.

Protecting the skin in hairdressing businesses and protection against UV radiation while working outdoors to prevent skin cancer – initially in the road construction and gardening sectors – were included as additional areas of focus.

Occupational health screening

The occupational health screening schemes were adapted in line with the key areas of focus for preventing occupational diseases as of the end of 2017. We gave particular attention to preventing hearing loss. Hearing is damaged by noise in the first few years of being exposed to noise at work. It is therefore important to protect hearing properly right at the start of a professional career, especially for young employees. We place emphasis on informing employees and training them in how to wear hearing protection correctly and on raising awareness of the issue.

Snow sports accidents
2006–2015



Skiing accidents on the rise

There is a wide variety of reasons why skiing accidents are increasing. For example, the age groups with the highest number of births are on the slopes more often. These are insurees over 45 with the corresponding physical constitution. Smooth slopes, snow that is easier to ski on, ski lifts with larger capacities and changes in risk behaviour are further factors contributing to the rise in accidents. This is why offers like the snow sports check-up are such key tools in Suva's mix of prevention services.

Leisure-time safety

Snow sports

Most snow sports accidents are self-inflicted. The ongoing snow sports check-up campaign helps skiers and snowboarders to take a safety-conscious approach. A new partnership with Switzerland Tourism is complementing the traditional and online communication channels. The snow sports check-up is now included in the ski destinations' official winter sports report.

Around 34,000 people completed the test in full in winter 2016/2017.

A follow-up survey showed that many snow sports enthusiasts reflected on the risks and even changed their behaviour.

Football

One-third of all football injuries are caused by a foul. Fair play was also an important message of prevention during the reporting year. Suva launched the green card in the Swiss Cup together with the Swiss Football Association, giving referees a new opportunity to acknowledge particularly fair actions.



The subject of a poster for raising awareness for more fair play on the football pitch.

Trips and falls

Trips and falls are commonplace, with virtually one in two consultations in conjunction with a non-occupational accident coming under the umbrella of the "stolpern.ch" campaign. Migros Central Switzerland and Suva worked together to raise awareness of stairs – a real accident hotspot – with an unusual initiative. This involved people (actors) supposedly injured in accidents wandering through selected shopping centres in Central Switzerland. The aim was for the (ostensibly) injured men and

women to make Migros customers aware of the dangers of falling on stairs, showing how this can be avoided with simple changes in behaviour. This initiative had an impact not only on Migros customers, but also on the 6,200-plus Migros employees. It is being expanded to other cooperatives.

Occupational health management

Suva reached out to over 100,000 employees at companies that it insures in 2017, offering them prevention activities relating to leisure-time safety and occupational health management. Many companies have recognised that prevention must not be a side issue. They are staying on the case and raising awareness among employees with regular prevention information on various subjects. This has had pleasing results, with many companies managing to reduce their employees' days of absence.

Insurance



Net premium rate for OAI

0.95%

The average net premium rate for occupational accident insurance has fallen slightly.

Net premium rate for NOAI

1.32%

The average net premium rate for non-occupational accident insurance has risen slightly.

Coverage ratio

143%

Suva's financial obligations are covered, even in the event of a financial crisis.

Real estate portfolio value

4.87

bn CHF
The investment value of Suva's real estate portfolio as at the end of 2017.

Non-current assets

51.2

bn CHF
The value of Suva's non-current assets (market value).

Investment performance

7.8%

Suva achieved a pleasing overall performance on its non-current assets.

Stable risks and premiums

The risk situation remained stable overall once again in 2017. Premium rates remain unchanged for almost half of the insured companies. The average net premium rate for occupational accident insurance fell slightly from 0.96 to 0.95 per cent.

For non-occupational accident insurance, net premium rates rose slightly from 1.30 to 1.32 per cent.

The surcharges for financing administrative costs and preventing accidents and occupational diseases remained the same overall.

Investment portfolio

A pleasing overall performance of 7.8 per cent was achieved on non-current assets of CHF 51.2 billion. The shares asset class (in particular the emerging markets), fixed-interest capital investments, real estate and alternative investments made positive contributions to the result. The investment situation in money market investments proved more difficult as their yield was affected by negative interest rates. The financial coverage ratio increased from 136 per cent in the previous year to around 143 per cent, meaning that pensions are secured even in the event of a financial crisis.

In addition to financial principles, Suva has also invested in accordance with environmental, ethical and social principles and is a signatory to the United Nations-supported Principles for Responsible Investment (UNPRI). It is also a founding member of the Swiss association for responsible investments (SVVK) and the Swiss Sustainable Finance (SSF) association. [More →](#)

“With a financial coverage ratio of 143 per cent, Suva remains very solidly financed.”

Ernst Mäder,
Head of the Finance Department

Real estate

Suva invests in existing and new property throughout Switzerland, placing importance on solid potential for growth and earnings with a sustainable, long-term focus. The real estate portfolio is continuously optimised to ensure its marketability and value retention. The portfolio's mix of uses includes residential, industrial, retail and office space.

Investments worth CHF 68.5 million and disposals worth CHF 87.9 million were made in financial year 2017. The portfolio has an investment volume of CHF 4.87 billion and generates an annual target rental income of CHF 266.3 million.

Suva's real estate portfolio management was honoured in the reporting year with two IAZI Real Estate Investment Awards.

Claims management and rehabilitation



Treatment costs

1,206

m CHF

Treatment costs remained stable as against the previous year.

Daily benefit costs

1,373

m CHF

Daily benefit costs, however, increased slightly by 1.7 per cent.

Disability pensions

1,658

The number of newly awarded disability pensions decreased slightly.

Policy reserve

576

m CHF

The total costs for disability cases (policy reserve) climbed by 2.8 per cent.

Suspected cases

1,271

Anti-fraud specialists investigated 25 per cent more suspected cases.

Reintegration rate

88%

of 4,200 accident victims with an unfavourable prognosis managed to return to working life.

Slightly higher number of accidents

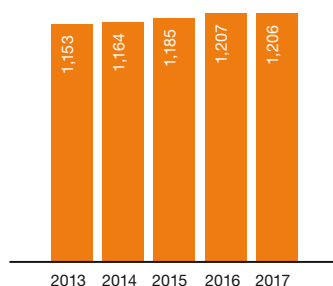
In 2017, 465,701 accidents and occupational diseases were reported to Suva (+1.0 per cent). The average number of days for which daily benefits were paid fell slightly to 41 (previous year: 41.2 days).

The rising number of daily benefits cases (+1.9 per cent) had an impact on daily benefit costs, which increased to CHF 1.373 billion (+1.7 per cent). The treatment costs were affected by the cost-cutting measures. Although the number of cases climbed by 0.4 per cent, treatment costs remained stable at CHF 1.206 billion (-0.1 per cent).

Treatment costs per case reduced to CHF 2,006 (-0.5 per cent). The average costs per case (treatment costs plus daily benefits) increased by 0.5 per cent due to higher daily benefit costs. Therefore, in the reporting year, an accident cost Suva CHF 4,133 on average.

The number of newly awarded disability pensions decreased slightly to 1,658, down 12 on the previous year. Total costs for disability cases (policy reserve) amounted to CHF 576 million (+2.8 per cent).

Treatment costs The development of treatment costs in CHF m



“Our treatment cost management is having a visible impact. The average treatment costs per case continued to decline.”

Daniel Roscher,
Head of the Insurance Benefits
and Rehabilitation Department

Occupational reintegration incentives

Suva offers “occupational reintegration incentives”. For suitable claims, employers can benefit from financial incentives if they offer employment opportunities to injured people. Around CHF 0.6 million in incentive financing was issued, giving 38 injured people a new job. These investments are doubly worthwhile as over CHF 10 million in future pension payments could be avoided.

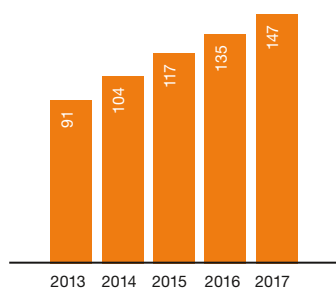
Medical tariffs

Both the wheelchair tariff and dental tariff for outpatients were finalised in the reporting year. In the inpatient sector, the Central Office for Medical Tariffs (ZMT) concluded the new “MTK SwissDRG” (“Medical Tariff Commission Swiss Diagnosis Related Groups”) agreement with 105 clinics. The ZMT made use of the contractual autonomy enshrined in the Swiss Federal Act on Accident Insurance to do this and chose service providers selectively based on qualitative, economic and quantitative criteria.

Combating insurance fraud

A total of 1,271 suspected cases were processed in 2017 (+25 per cent). Due to the ruling of the European Court of Human Rights in October 2016, Suva has not employed any private investigators. This reduced the savings made by 30 per cent to CHF 12.5 million. The decision to forgo such investigations thus had a significant impact on the result. In previous years, surveillance was only arranged in a small number of cost-intensive cases.

Anti-fraud measures Accumulated total savings since 2007 in CHF m



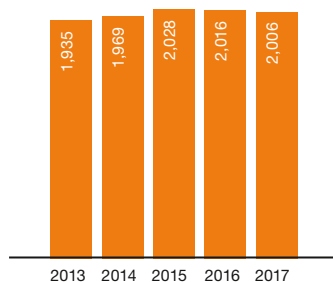
smartCare project

Digitalisation will change claims management: portals and apps, automated data exchange between customers and Suva and regulations are set to satisfy the growing expectation for rapid information and efficient working processes in future. However, this must not result in a reduction in quality. In the reporting year, the claims management strategy was approved and the first implementation projects were started.

Medical treatment cost management

Medical treatment cost management was further optimised in the reporting year. Various processes were improved or reorganised. The central points of contact for support provide vital help to the agencies with checking invoices. And this pays off, as checking inpatient invoices (Swiss-DRG) significantly increased savings. The average treatment costs per case continued to decline.

Treatment costs per case (CHF)



Bellikon Rehabilitation Clinic (RKB)

Work to refurbish and expand the rehabilitation clinic progressed on schedule in the reporting year. Even with construction in full swing, the clinic reported a very pleasing bed occupancy rate of 94 per cent. The clinic was also audited by the Swiss Safety Center to ISO standard 9001:2015 in the reporting year. The certification body confirmed effective quality management and specifically praised the interdisciplinary and interprofessional collaboration and exemplary consistency of processes.

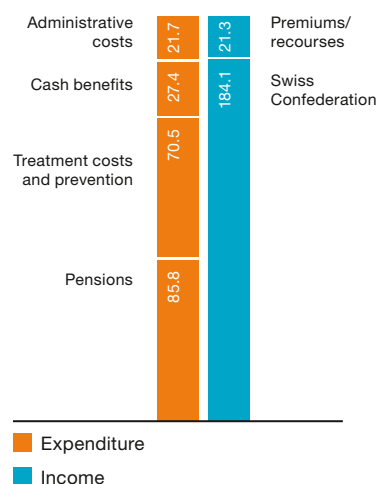
Clinique romande de réadaptation (CRR)

The previous year's positive trend was continued in the reporting year with a bed occupancy rate of 95.1 per cent. As the most important centre for paraplegics in French-speaking Switzerland, the CRR organised the region's first paraplegia conference in May. The CRR's employees also took advantage of an appearance in the TV programme "Caravane FM" from broadcaster RTS to introduce themselves and the clinic to the region and its inhabitants in a sympathetic way.

Military insurance

Suva provides military insurance (MI) as a self-contained form of social insurance on behalf of and for the account of the Swiss Confederation. Of the cases processed, around 75 per cent involve disease or illness and 25 per cent accidents. MI ended the year with a **good result**. Due to the Confederation's stabilisation programme running from 2017 to 2019, the federal government developed a new premium system for military insurance, which came into force on 1 January 2018. This is set to increase income by over CHF 2 million each year. Professional soldiers and retired professional soldiers will continue to pay a standard premium, which will now be calculated on the basis of the total costs for illness incurred rather than 2.3 per cent of the maximum annual income insured as before. Illness costs during militia service, peacebuilding or humanitarian missions completed by the insured professionals will not be included in the premium calculation. Further information is available in the **2018 statistics volume**.

Expenditure and income of the military insurance in CHF m



The military insurance spent approximately CHF 205 million on insurance benefits and administrative expenses in 2017. This was financed with CHF 184 million from the Swiss Confederation and CHF 21 million from premiums and recourse income.



Suva has been
managed by
social partners
for 100 years.

Corporate Governance

Legal and internal regulations

Compliance and risk management are part of Suva's corporate and management culture. The Suva Council, Board of Management and all employees must comply with the legal and internal regulations. This ensures that our employees always act in compliance with the law, while also making an active contribution towards minimising any damage to our reputation. The Governance and Risk Management sectors support, advise and train all the organisational units in individual matters, projects and professional conduct.

Compliance

With regard to compliance, Suva places great value on modern data protection measures and effective information security. For this reason, regular attention is given to and training is provided on the data protection issues that arise in the course of day-to-day work. Suva also actively monitors technical developments and changes in legislation, adapting its internal regulations where necessary and appropriate. One of the main issues for 2017 was the topic of digital transformation, which was addressed at the highest levels of management. The technological change associated with this affects not just our customers but also Suva itself.

Risk management

Risk management facilitates the appropriate level of risk assessment and creates transparency. Risks are identified, prioritised and evaluated on a yearly basis. The Board of Management provides regular updates to the Suva Council Committee on the company's current risk situation, as well as on the measures that have been defined and implemented. The Risk Management sector also issues regulations for ensuring safety and security (of people, information and buildings) to meet our protection objectives of confidentiality, availability and integrity.

As part of risk management, the internal control system (ICS) involves the use of effective monitoring to minimise key risks in the business processes, thereby contributing to the reliability of the financial reporting.

Internal Auditing Division

In functional terms, the Internal Auditing Division reports to the Suva Council Committee and the Chairman of the Suva Council. It provides independent and objective audit and advisory services designed to create added value and improve business processes. The Internal Auditing Division supports Suva in achieving its objectives by adopting a systematic and targeted approach to evaluating the effectiveness of risk management, controls and management and monitoring processes and helping to improve them. It works independently and in compliance with the international standards for the professional practice of internal auditing.

External Auditing

The auditing company reviews Suva's accounting practices and statements of account in accordance with the provisions of the Swiss Code of Obligations (Art. 727 et seqq.). It defines its main areas of focus by taking the activities of the Internal Auditing Division into consideration. The external auditing company, which is KPMG as of the financial year 2016, may work for Suva for a maximum of six consecutive years.

The Suva Council and the Suva Council Committee

Members

40

Employees' representatives

16

Employers' representatives

16

Members from the Swiss Confederation

8

The Suva Council has a composition that is based on social partners and comprises 40 members. In addition to 16 representatives each of employees and employers, the Council also has 8 members from the Swiss Confederation. The composition of the Suva Council ensures that insurees can take their concerns to the very highest management body. The Suva Council is primarily tasked with defining the strategic objectives and the means needed to achieve these. The Federal Council selects the Suva Council based on the Federal Act on Accident Insurance (AIA), in force since 1 January 2017, for a term of office of four years.

Tasks

The Suva Council is responsible for enacting regulations concerning the way Suva is organised, for holding various elections, approving the accounting principles and determining premium tariffs, for approving the annual estimate for the operating costs, the financial plan and the organisation of the accounts as well as the Annual Report and annual financial statements for the Federal Council. It makes decisions regarding the agency network and establishes the principles of the prevention policy.

The Suva Council Committee

With its eight members from the Suva Council, the Suva Council Committee fulfils the tasks of a Board of Directors within the meaning of the law on companies limited by shares. It is responsible for reviewing Suva's management and operations. It also reviews the corporate strategy and ensures that a suitable internal con-

trol system, risk management and compliance management system are in place. It selects the members of the Board of Management, the division heads, including members of management at the rehabilitation clinics, and the agency heads. It enacts regulations concerning the investment and management of Suva's assets and makes decisions on various business and elections assigned to it by the Suva Council. It also determines the compensation of the "hors classe" employees.

Compensation of the Suva Council

On the basis of the regulation enacted by the Suva Council and valid until 30 June 2017 and on the basis of the new regulation approved by the Federal Council which applies from 1 July 2017, the 40 members of the Suva Council received total fees amounting to CHF 693,640 (previous year: CHF 717,180) and additional payments amounting to CHF 26,239 (previous year: CHF 32,565) in 2017. The total amount of compensation paid to the Suva Council was therefore CHF 719,879 (previous year: CHF 749,745) in 2017. The Chairman of the Suva Council received a fee of CHF 99,800 (previous year: CHF 100,000) and additional payments of CHF 3,110 (previous year: CHF 2,662). Dr Markus Dürr has been the Chairman of the Suva Council and the Suva Council Committee since 1 January 2014. As of 31 December 2017, the Vice-Chairpersons are Kurt Gfeller, Vice-Director of the Swiss Trade Association (SGV), and Doris Bianchi, Deputy Principal Secretary of the Confederation of Swiss Trade Unions (SGB).

The Chairpersons of the Suva Council



Markus Dürr

born 1 May 1947
Chairman of the Suva Council
and the Suva Council Committee
from 1 January 2014 to 31 December 2017,
Doctor of Veterinary Medicine

Career: 1999–2009 Head of the Department of Health and Social Affairs of the Government of Lucerne, 2002–2015 Member of the Agency Council of swissmedic, 2004–2007 Chairman of the Swiss Conference of the Cantonal Ministers of Public Health (GDK), 1987–1996 Mayor of the Municipality of Malters, 1977–1999 Manager of his own veterinary practice with secondary activities.

Markus Dürr is a Member of the Board of Directors of the rehabilitation clinic Hasliberg AG, the private clinic Reichenbach b. Meiringen AG, Michel Services AG and B&I Capital AG, Vice-Chairman of Verdunova AG and a Member of the Advisory Board of Trendtage Gesundheit Luzern.



Doris Bianchi

born 18 December 1974
Vice-Chairwoman of the Suva
Council from 1 January 2017 to
31 January 2018,
Doctor of Law

Career: Since 2011 Managing Secretary of Social Insurance and Deputy Principal Secretary of the Confederation of Swiss Trade Unions (SGB), 2005–2010 Central Secretary responsible for health protection, occupational safety and employment law at the SGB, 2003–2005 Researcher at the Swiss University Conference in Bern, 2000–2002 Research Assistant, Chair of Constitutional, Administrative and European Law, University of Zurich.

Doris Bianchi is Chairwoman of the Substitute Occupational Benefit Institution, Managing Director of the SGB pension fund cooperative and a Member of the Foundation Board of the Occupational Pensions Act (OPA) Guarantee Fund, Federal OPA Commission, Federal OASI/DI Commission and addiction foundation Sucht Schweiz.



Kurt Gfeller

born 14 September 1960
Vice-Chairman of the Suva Council
since 1 January 2015, graduate in
Political Science

Career: Since 1998 Vice-Director and 1992–1997 Secretary of the Swiss Trade Association (SGV).

Kurt Gfeller is a Member of the Foundation Board of the replacement accident insurance company as per the Accident Insurance Act (AIA) and the commercial pension organisation *proparis* Vorsorge Gewerbe Schweiz, as well as Chairman of the latter's Investment Committee. He also sits on the Executive Board of the association *Artisana* and is a member of the Federal Coordination Commission for Occupational Safety (FCOS), the Occupational Pension Supervisory Commission and the Executive Board of the Union of Equalisation Fund Associations, and the delegate of the ASGA pension fund.

Chairman

Markus Dürr
Malters

Federal representatives

Reto Babst
Cantonal Hospital Lucerne

Markus Dürr*
Malters

Monika Bütler
Zurich

Gabriele Gendotti*
Faido

Philippe Maeder
Adliswil

Markus Notter
Zurich

Pascal Richoz
State Secretariat for Economic Affairs (SECO),
Bern

Barbara Schaerer
Federal Office of Personnel (EPA), Bern

First Vice-Chairwoman

Doris Bianchi
Bern

Employees' representatives

Renzo Ambrosetti
Unia union, Bern

Maria Bernasconi
Federal Employees' Association (PVB), Bern

Doris Bianchi*
Confederation of Swiss Trade Unions, Bern

Vincent Brodard
Swiss Transport Workers' Union (SEV), Bern

Judith Bucher
Association of Public Service Employees
(vpod), Zurich

Nicole de Cerjat
Swiss Association of Commercial Employees,
Yverdon-les-Bains

Natalie Imboden
Unia union, Bern

Arno Kerst*
Syna union, Olten

Matthias Kuert Killer
Travail.Suisse, Bern

Catherine Laubscher Paratte
Unia union, Neuchâtel

Nico Lutz*
Unia union, Bern

Rudolf Marti
SE Real Estate & Tourism, Kallnach

Urs Masshardt
Hotel & Gastro Union, Lucerne

Giorgio Pardini
syndicom, Bern

Renato Ricciardi
Organizzazione Cristiano Sociale
Ticinese (OCST), Lugano

Vacancy

Second Vice-Chairman

Kurt Gfeller
Bern

Employers' representatives

Thierry Bianco
suissetec, Zurich

Thomas Bösch
Employers' Association of Basel Pharmaceutical,
Chemical and Service Industries, Basel

Peter Dietrich
Swissmem, Zurich

Judith Fischer
Zug

Kurt Gfeller*
Swiss Union of Crafts and Small and
Medium-sized Enterprises, Bern

Heiner Gossweiler*
Swiss Contractors' Association, Zurich

Silvia Huber-Meier
Federation of Swiss Food Industries, Bern

Gian-Luca Lardi
Swiss Contractors' Association, Zurich

François Matile
Employers' Federation of the Swiss
Watchmaking Industry, La Chaux-de-Fonds

Markus Meyer
Swiss Association for Visual Communication
(viscom), Zurich

Roland A. Müller*
Confederation of Swiss Employers, Zurich

Roman Rogger
VSIG Swiss Trade, Basel

Hans Rupli
Swiss Association of Timber Construction
Companies, Zurich

Georg Staub
Swissstaffing, Dübendorf

Urs Wernli
Swiss Automobile Trade Association (AGVS),
Bern

Markus Zemp
Swiss Brewery Foundation, Zurich

Last updated 31 December 2017.
The ordinary term of office of the
Suva Council is from 1 January 2014 to
31 December 2019.

*Members of the Suva Council Committee

Commissions of the Suva Council

Financial Supervisory Commission

Roman Rogger (Chairman)

Urs Masshardt
Judith Bucher
Kurt Gfeller
Markus Notter

Real Estate Supervisory Commission

Renzo Ambrosetti (Chairman)

Heiner Gosswiler
Gabriele Gendotti
Rudolf Marti
Hans Rupli

Military Insurance Commission

Barbara Schaerer (Chairwoman)

Gabriele Gendotti
Thomas Bösch
Urs Masshardt

The Financial Supervisory Commission, the Real Estate Supervisory Commission and the Military Insurance Commission support the Suva Council in their areas of responsibility.

Financial Supervisory Commission

The responsibilities of the Financial Supervisory Commission include assessing Suva's financial situation, reviewing the accounting and checking the annual financial statements. The inspection activities of the external auditors form the basis for the Commission's report to the Suva Council. The mathematical expert advises the Financial Supervisory Commission in all its areas of responsibility and presents an annual report on their advisory activities to the Suva Council.

Real Estate Supervisory Commission

The Real Estate Supervisory Commission evaluates and approves the strategic component of direct real estate investments. Its responsibilities include acting as an expert advisory body to the Suva Council Committee and approving the real estate strategy within the context of the long-term overall investment strategy adopted by the Suva Council Committee. It also has a right of veto with regard to the strategy conformity of decisions made by the Board of Management on the acquisition and sale of Suva's direct real estate investments above a defined investment amount. For defined transactions, it also submits an opinion to the Suva Council Committee.

Military Insurance Commission

Suva provides military insurance as a self-contained form of social insurance from the Swiss Confederation. The Military Insurance Commission was established to supervise these activities. The Military Insurance Commission's other tasks include preliminary deliberations on business which falls under the remit of the Suva Council and affects military insurance; protecting the interests of military insurance vis-à-vis the supervisory authority; preliminary deliberations on the military insurance budget and accounts for the attention of the Board of Management and submitting opinions on major issues and business which affect military insurance. The Military Insurance Commission has one representative each of employers and employees, and two Federal representatives.

The Board of Management

Tasks

The Board of Management is responsible for implementing the corporate strategy and is the highest managing and executive operational body. It represents Suva externally. The Chairman and the three members decide on all measures that are required for furthering Suva's purpose and for uniform management of the businesses.

The Board of Management prepares the business of the Suva Council and its committees and commissions and implements their decisions. It is composed of the Management and Support Department under the leadership of the Chairman of the Board of Management Felix Weber. His deputy, Ernst Mäder, is in charge of the Finance Department. The Insurance Benefits and Rehabilitation Department is managed by Daniel Roscher and the Health Protection Department by Edouard Currat. The Chairman of the Board of Management supervises the departments and bears the overall responsibility towards the Suva Council for the operational management of the company.

Compensation of the Board of Management

Compensation to the four members of the Board of Management is made up of a basic salary and a variable performance-based salary component, and was CHF 2,183,369 (previous year: CHF 2,205,992) in total in 2017, together with additional payments, in accordance with the relevant provisions of the Management Salaries Ordinance. The Chairman of the Board of Management received a fixed salary in the amount of CHF 455,000 (CHF 440,000), one-off payments of variable performance-based components amounting to CHF 130,000 (CHF 140,000) and additional payments of CHF 3,375 (previous year: CHF 3,324). The compensation to the members of the Board of Management is determined annually by the Suva Council Committee. As with the other management staff, the members of the Board of Management are insured under the same conditions as employees in Suva's employee benefit institution. There is also a separate pension plan.



Felix Weber

born 3 November 1965
Chairman of the Board of Management since 2016, Member of the Board of Management since 2009, graduate in Economics from St. Gallen University, business economist

Career: Zurich Insurance Group (various management roles), Concordia Swiss Health and Accident Insurance, Lucerne (Member of the Board of Management, Head of the Market Business Unit), Suva (Member of the Board of Management and Head of the Insurance Benefits and Rehabilitation Department).

Chairman of the Federal Coordination Commission for Occupational Safety (FCOS), Chairman of the Board of Trustees of the Swiss Council for Accident Prevention.

Directorships with the consent of the Suva Council Committee: MediData AG, Root*, software development/electronic data transport, Venture Incubator AG, Zug*, business for the promotion of start-up companies, Betagtenzentren Emmen AG, Emmen.



Ernst Mäder

born 26 July 1954
Member of the Board of Management since 2001, doctorate in Economics, economist

Career: Union Bank of Switzerland and Schweizerische Kreditanstalt (various management roles), Credit Suisse First Boston (Director and Head of Fixed Income Research Switzerland/Europe), Credit Suisse Private Banking (Head of Investment Research), Suva (Head of the Finance Division).

Directorships with the consent of the Suva Council Committee: Member of the Board of Directors/Management Committee of MediData G, Root*: software development/electronic data transport.

* Mandates on behalf of Suva



Edouard Currat

born 7 June 1960
Member of the Board of Management since 2003, Chemical Engineering graduate from the Swiss Federal Institute of Technology in Lausanne, MBA-HEC

Career: CibaGeigy SA, Monthey (Head of Technical Development for Pigments, Pigments Operations Manager), Biazzi SA, Vevey (Deputy Director of Projects and Processes), Elvia Allianz, Geneva (Risk Manager, Controller, Deputy Director, Division Head Controlling and Sales Administration), CAP Rechtsschutz Versicherung, Geneva (Member of the Board of Management, Department Head Marketing and Products), ISREC (Swiss Institute for Experimental Cancer Research), Lausanne-Epalinges (Vice-Director, Department Head Finance, Administration and Communication), FSASD (Home Care and Support Services Foundation), Carouge/Geneva (Director), Suva Lausanne (Agency Head).

No directorships in private companies.



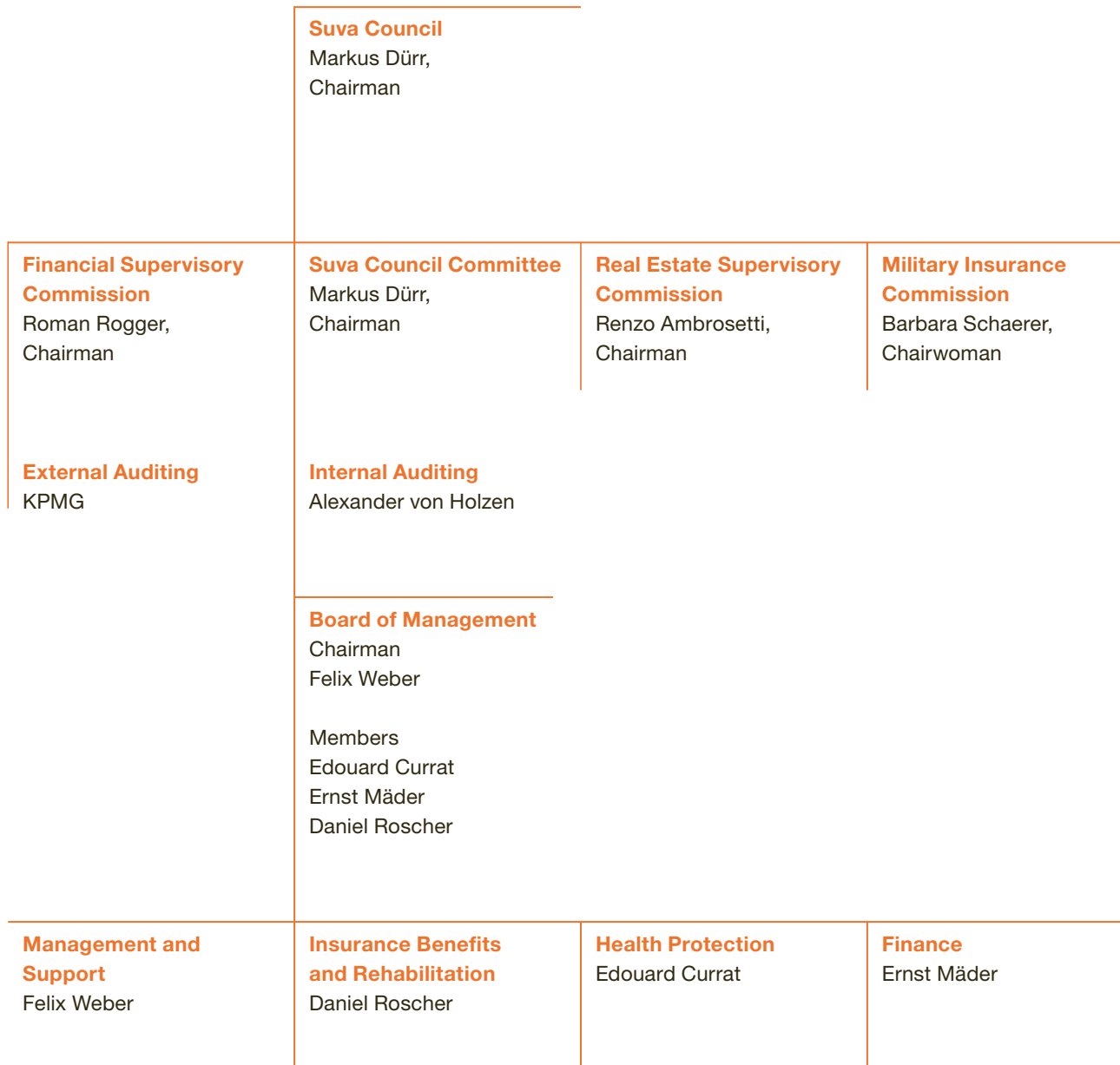
Daniel Roscher

born 28 September 1962
Member of the Board of Management since 2016, Business Administration graduate from AKAD University of Applied Sciences, Executive MBA from the University of Zurich

Career: Zurich (various management roles), Limmat Versicherungsgesellschaft and Swiss Mobiliar (Head of Claims), Zurich (Personal Insurance, Key Account Business Claims and Underwriting), Suva (Zurich Agency Head and Process Controller for Claims Management).

Directorships with the consent of the Suva Council Committee: SwissDRG AG, Medizinaltarifkommission UVG (Medical Tariff Commission)*, WFJB (foundation for living space for young people with disabilities), Oberrieden.

Organisational structure



Operational organisation

Management and Support

Felix Weber

General Secretariat Marc Epelbaum
Suva Medical Director Christian A. Ludwig
Suva General Counsel Franz Erni
IT Stefan Scherrer
Communication and Marketing Daniela Bassi
Personnel and Logistics Wolfgang J. Pfund
Corporate Development Hans-Joachim Gerber

Insurance Benefits and Rehabilitation

Daniel Roscher

Medical Tariffs Andreas Christen
Military Insurance Stefan A. Dettwiler
Legal Division Franz Erni
Insurance Benefits Thomas Mäder
Insurance Medicine Christian A. Ludwig
Bellikon Rehabilitation Clinic Director Toni Scartazzini Medical Director Sönke Johannes
Clinique romande de réadaptation, Sion Clinic Director Jean-Raphaël Kurmann Medical Director Gilles Rivier
Suva Aarau Susanne Studer Wacker
Suva Basel Christophe Schwyzer
Suva Bern Bruno Schatzmann
Suva Solothurn Kilian Bärtschi
Suva Zentralschweiz Remo Molinaro
ZMT ²⁾ Andreas Christen

Health Protection

Edouard Currat

Occupational Medicine Claudia Pletscher
Occupational Safety, Lucerne André Meier
Occupational Health Protection Martin Gschwind
Prevention Services Edith Müller Loretz
Occupational Safety, Lausanne Marc Truffer
Suva Bellinzona ¹⁾ Roberto Dotti
Suva Delémont Jean-Marie Hauser
Suva Fribourg Gilbert Muller
Suva Genève ¹⁾ Patrick Garazi
Suva La Chaux-de-Fonds François Schaer
Suva Lausanne Philippe Conus
Suva Sion Willy Bregy

Finance

Ernst Mäder

Finance Hubert Niggli
Real Estate Franz Fischer
Actuarial Practice Olivier Steiger
Suva Chur Marcel Kempf
Suva Linth Rainer Bättschmann
Suva St. Gallen ¹⁾ Willi Kleeli
Suva Wetzikon Oliver Eugster
Suva Winterthur Daniel Vogel
Suva Zürich Daniel Roth
CAIS ³⁾ Oliver Ruf

¹⁾ Including military insurance branch offices

²⁾ The Central Office for Medical Tariffs in Accident Insurance

³⁾ Coordination group for Accident Insurance Statistics

As at 31 December 2017

As of the end
of 2017, the real
estate portfolio
was worth
CHF 4.7 billion.



Financial report

Brief commentary on the 2017 financial year

26

Brief commentary

28

Overall statement of operations

29

Balance sheet

30

Cash flow statement

31

Statement of changes in equity

32

Annex to the financial statements

47

Auditor's report on the annual financial statements 2017

49

Report by the Financial Supervisory Commission

50

Resolutions by the Suva Council

51

Notes on the financial statements

54

Statement of operations

64

Key figures over the past five years

General

At CHF 363.7m, Suva posted its best result since the introduction of the Swiss Federal Act on Accident Insurance (AIA) in 2017 (previous year: CHF 77.1m). Taking into account the return of equalisation reserves to the insured companies amounting to CHF 62.1m (previous year: CHF 44.9m), the result is still a very pleasing CHF 301.6m (previous year: CHF 32.2m).

Technical comments

Premium income increased by 0.8 per cent across all branches of insurance in 2017. The two largest branches, occupational accident insurance (OAI) and non-occupational accident insurance (NOAI), showed differing trends. Income from OAI premiums fell by 0.2 per cent, while income from NOAI premiums rose by 2.7 per cent.

Average premium rates fell by 1.3 per cent for occupational accident insurance and rose by 1.5 per cent for non-occupational accident insurance.

Average treatment costs per case declined for the second time in a row in 2017 to 0.5 per cent (2016: 0.3 per cent). This can be attributed, firstly, to the fact that no major modifications were made to the substantial SwissDRG and Tarmed tariffs to increase costs in this period and, secondly, to the fact that Suva systematically checks medical service invoices, which has a positive impact on treatment costs.

1,658 new disability pensions were issued in 2017 (previous year: 1,670). Disability pension costs have risen due to the new accounting principles as of 2014 and also to the increase in insured income.

On a comparable basis, the risk account closed with a profit of CHF 63.7m (previous year: CHF 53.6m).

Financial comments

In financial year 2017, Suva's overall performance reached 7.8 per cent, which is above the average of the last ten years of 3.8 per cent. The shares asset class, in particular the emerging markets, made by far the largest contribution to the positive investment performance. However, all the other segments such as fixed-interest capital investments, real estate and alternative investments also made pleasing contributions to the result. The investment situation in money market investments proved more difficult as their yield was affected by the negative interest rates.

Suva's non-current assets increased from CHF 48.0bn to CHF 51.2bn in financial year 2017. The financial coverage ratio – the relationship between assets and obligations – rose from 135.9 per cent in the previous year to 142.7 per cent as of the end of 2017.

Viewed against this background, the financial result (including expenses for technical interest) amounts to CHF 274.3m (previous year: CHF 160.0m).

Operating costs

At CHF 538.5m, the 2017 operating costs are lower than in the previous year (CHF 700.3m). If the one-off additional expenditure (financing the employee benefit institution) is deducted from the 2016 calculation, a cost saving of CHF 11.7m was achieved in the year under review. The lower operating costs reflect the various measures to increase efficiency introduced by the Board of Management in 2017.

Lucerne, 9 April 2018

Chairman of the Board
of Management:
Felix Weber

Members of the Board of Management:
Edouard Currat, Ernst Mäder,
Daniel Roscher

Overall statement of operations 2017

	Ref. no. ²⁾	2017 CHF in 1,000s	2016 CHF in 1,000s
Premiums	1	4 165 402	4 131 385
Allocated investment return		876 540	896 931
Care benefits and reimbursement of expenses		-1 378 117	-1 401 775
Daily benefits		-1 403 261	-1 389 884
Pensions and lump-sum benefits		-1 426 947	-1 409 893
Cost-of-living allowances for pensioners		-245 046	-255 480
Recourse income		181 256	199 502
Insurance benefits paid		-4 272 115	-4 257 530
Provisions for short-term benefits		-165 500	-167 300
Provisions for long-term benefits		-137 398	-113 968
Provisions for cost-of-living allowances		-18 000	-26 096
Change in technical provisions	11	-320 898	-307 364
Claims expense		-4 593 013	-4 564 894
Reimbursed expenses for occupational safety		86 930	92 737
Contribution to the prevention of occupational accidents and diseases		-92 057	-92 295
Reimbursed expenses for military insurance		184 096	194 332
Other underwriting result		178 969	194 774
Operating costs	2	-538 535	-700 276
Ordinary allocation to the general reserve¹⁾		0	-40 811
Underwriting result		89 363	-82 891
Investment return	3	1 194 993	1 104 300
Technical interest		-876 540	-896 931
Other financial return		-1 422	-2 736
Expenses for investment management	4	-42 699	-44 633
Financial result		274 332	160 000
Annual result prior to the reduction in the equalisation reserve		363 695	77 109
Reduction in the equalisation reserve		-62 084	-44 903
Annual result after the reduction in the equalisation reserve		301 611	32 206
Allocation reserves		301 611	32 206
Appropriation of the annual result		301 611	32 206

¹⁾ The ordinary allocation to the general reserve is omitted in accordance with the revised Federal Act on Accident Insurance (AIA) in force since 1 January 2017.

²⁾ See Annex from page 32 onwards

Balance sheet as of 31 December 2017

	Ref. no. ¹⁾	2017	2016
		CHF in 1,000s	CHF in 1,000s
Assets			
Non-current assets		43 281 173	41 562 626
Capital investments	5	43 089 627	41 357 672
Intangible assets	6	145 153	157 249
Tangible fixed assets	7	46 393	47 705
Current assets		5 442 628	5 277 742
Receivables	8	4 538 786	4 458 854
Cash	9	717 380	614 193
Material and goods inventories		1 633	519
Prepayments and accrued income	10	184 829	204 176
Total assets		48 723 801	46 840 368
Liabilities and equity			
Equity		3 018 726	2 717 114
General reserves		1 332 955	1 333 345
Equalisation reserves		1 685 771	1 383 769
Liabilities		45 705 075	44 123 254
Non-current (long-term) liabilities		40 453 902	38 962 110
Provisions for short-term benefits		8 704 900	8 539 400
Provisions for long-term benefits		24 146 966	24 009 568
Provisions for cost-of-living allowances		81 244	63 244
Technical provisions	11	32 933 110	32 612 212
Non-technical provisions	12	7 503 381	6 334 487
Financial liabilities	5	17 411	15 411
Current (short-term) liabilities		5 251 173	5 161 144
From goods/services	13	45 894	49 241
Other	14	250 158	243 188
Short-term liabilities		296 052	292 429
Accrued liabilities and deferred income	15	4 955 121	4 868 715
Total liabilities and equity		48 723 801	46 840 368

¹⁾ See Annex from page 32 onwards

Cash flow statement 2017

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Annual result	301 611	32 206
Provisions for long-term benefits	137 398	113 968
Provisions for short-term benefits	165 500	167 300
Provisions for cost-of-living allowances VIE and AIU	18 000	26 096
Provisions for risks from investments	1 157 901	715 087
Provisions for company development	12 807	-51 280
Provisions for real estate maintenance and renovation	-1 924	3 047
Increase in Assistance Fund	115	169
Value adjustment of financial and capital investments	80 222	291 228
Value adjustment on operating properties	88 484	81 698
Value adjustment on intangible assets	12 096	-79 885
Value adjustment on tangible fixed assets	12 010	10 120
Allocations to the general reserves	0	40 811
Expenditure and income with no effect on liquidity	1 682 608	1 318 360
Premium balance	-79 307	-1 293 782
Other short-term credit balance	-624	-14 512
Material and goods inventories	-1 114	1 317
Prepayments and accrued income	19 347	53 514
Payables from goods and services	3 624	40 159
Accrued liabilities and deferred income	86 406	1 351 723
Change in current assets	28 331	138 419
Cash flow from operating activities	2 012 551	1 488 984
Net investments in money market investments	-206 495	-405 262
Net investments in capital market investments	-1 531 477	-1 224 441
Net investments in investment properties	-74 205	-61 959
Net investments in operating properties	-88 484	-81 698
Net investments in intangible assets	0	176 857
Net investments in tangible fixed assets	-10 698	-8 569
Cash flow from investment activities	-1 911 358	-1 605 072
Repayment/investments of passive mortgages	2 000	3 834
Withdrawal from equalisation reserve	0	-63 333
Withdrawal/benefits from Assistance Fund	-5	-21
Cash flow from financing activities	1 995	-59 519
= Net change in cash funds	103 188	-175 607
+ Opening balance of cash funds	614 193	789 800
= Closing balance of cash funds	717 380	614 193

Statement of changes in equity 2017

	OAI	NOAI	VIE	AIU	Secondary activities ¹⁾	Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
General reserves						
Status: 1 January 2016	597 225	656 104	7 064	31 750	–	1 292 143
Ordinary allocation	16 490	21 987	217	2 117	–	40 811
Status: 31 December 2016	613 715	678 092	7 282	33 866	–	1 332 955
Ordinary allocation	–	–	–	–	–	–
Status: 31 December 2017	613 715	678 092	7 282	33 866	–	1 332 955
Equalisation reserves						
Status: 1 January 2016	651 723	601 869	51 286	110 331	78	1 415 287
Allocation	–	55 484	1 015	28 744	313	85 556
Withdrawal	–8 448	–	–	–	–	–8 448
Reduction	–44 903	–	–	–	–	–44 903
Withdrawal as a result of revaluation	–24 174	–35 428	–342	–3 388	–	–63 332
Status: 31 December 2016	574 198	621 925	51 959	135 687	391	1 384 160
Allocation	159 903	199 633	9 921	–	368	369 825
Withdrawal	–	–	–	–6 130	–	–6 130
Reduction	–62 084	–	–	–	–	–62 084
Status: 31 December 2017	672 017	821 558	61 880	129 557	759	1 685 771
Total equity	1 285 732	1 499 650	69 162	163 423	759	3 018 726

¹⁾ See Table 16 in the Annex for details, page 46

Annex to the financial statements 2017

General

Corporate Governance

As an independent establishment of the federal government under public law, Suva is not a publicly owned company quoted on the stock exchange, but its reporting is in line with the authoritative guidelines on corporate governance such as the Swiss GAAP FER. However, attention should be paid to special, company-specific features, which are determined in particular by its legal form and the outlining of its organisational framework by the relevant statutory regulations.

Events subsequent to the balance sheet date

Since the balance sheet date and up to the date of printing this report, no events have occurred that substantially affect the financial status and results of the year under review.

Valuation principles

Basis

Accounting, balance sheet reporting and valuation are carried out according to the regulations of the Federal Act on Accident Insurance (AIA), in particular Art. 65, the ordinance of the Federal Department of Home Affairs (FDHA) of 1 September 1998 relating to accounting principles (assessment of technical provisions) as well as Swiss GAAP FER accounting standards. The following exceptions will continue to apply to the latter:

- Swiss GAAP FER 2, 14
Investments are largely valued at minimum values while maintaining the value fluctuation provision.
- Swiss GAAP FER 23
In particular, the provisions required for cost-of-living allowances are dispensed with since the Federal Act on Accident Insurance (AIA) stipulates that the cost-of-living allowances must be financed by investment income or cost-sharing contributions (Federal Act on Accident Insurance [AIA], Art. 90). Furthermore, provisions for operating costs can be made for equalisation purposes.

Suva is not involved in either active or passive reinsurance business. All business transactions are entered in the books on the balance sheet date and evaluated from this moment in time to determine earnings according to the following principles.

Bonds in Swiss francs

Bonds in Swiss francs are reported in the balance sheet using the amortised-cost method. This spreads any difference between historical cost and repayment amount evenly over time to maturity. For prematurely redeemable bond issues, the reduced time to maturity as well as any premium are taken into account. Applying the amortised-cost method breaks the lower-of-cost-or-market principle for this balance sheet item.

Other capital market investments

Other capital market investments are reported in the balance sheet at acquisition cost or at the current value ("fair value", stock exchange price) if lower on the balance sheet date. The lower valuation in each case is maintained until the sale of the share (lower-of-cost-or-market principle).

Mortgages and loans

Mortgages and loans are reported in the balance sheet at nominal value. However, appropriate value adjustments are made for identifiable possible losses; this is based on individual valuations and takes counterparty risk into account.

Derivatives

All derivative financial instruments open on the balance sheet date are stated at current values.

Investment properties

Valuation is effected on the basis of acquisition or manufacturing costs less cumulative write-downs or, if it is lower, at market value (e.g. discounted cash flow). Write-downs are effected over 50 years until the carrying amount has reached 80 per cent of the market value. If the market value increases during this time, the write-down is adjusted.

Investments in companies

Investments in companies (infrastructure in nature and joint ventures by insurance carriers) are reported in the balance sheet at acquisition cost less the depreciations required by business.

Items in foreign currencies

Items in foreign currencies are translated at the mean rate of exchange on the balance sheet date. Daily exchange rates are used for periods of less than one year. The most important year-end rates are:

Balance sheet year-end exchange rates (CHF)

	2017	2016
	CHF	CHF
1 EUR	1.1703	1.0717
1 GBP	1.3168	1.2579
1 USD	0.9743	1.0200
1 CAD	0.7760	0.7579
100 JPY	0.8646	0.8709
1 AUD	0.7610	0.7341

Intangible assets

Acquired intangible assets are to be recorded in the balance sheets if they bring a measurable benefit over several years.

Internally developed intangible assets are not capitalised, with the exception of the core application of the insurance business, which is identifiable and has a specific and measurable benefit over several years.

Write-downs are scheduled on a linear basis over a period of 3 to 5 years, or over a maximum of 20 years in justified cases.

Tangible fixed assets

Tangible fixed assets with an overall investment sum (per investment decision) under CHF 500,000 are not capitalised but debited directly to the income statement. In addition, operating properties (clinics) are basically valued at token value.

Write-downs are scheduled throughout the life of the tangible fixed asset. The estimated period of usage of the individual asset groups is determined as follows:

- Tenant improvements 10 years
- Furniture/machines/vehicles 5 years
- IT equipment (hardware) 3 years

Inventories

Purchased material and goods and finished occupational safety products are valued at the cost of acquisition or manufacture, but no higher than the lower net market value. The values of inventories with a long storage life and non-standard articles are adjusted appropriately.

Technical provisions

The determination of technical provisions is based on anticipated obligations towards insureds and claimants. The policy reserve for current pensions at the time of the final balance sheet is worked out according to the uniform calculation principles determined by the FDHA on 1 January 2014. Current and future cost-of-living allowances for occupational and non-occupational accident insurance are financed in accordance with Art. 90b of the Federal Act on Accident Insurance (AIA) according to the pay-as-you-go process and are not deferred.

Provisions for pending claims are determined according to recognised actuarial methods based on empirical values from previous years.

In connection with military insurance, Suva acts as the fiduciary processor but not as the insurance carrier. Based on the contract with the Federal Council of 19 May 2005, Suva has neither an agreed nor a factual obligation to make technical provisions.

Other restricted provisions

In this item, individual valuations and provisions are made for all identifiable possible losses in accordance with the principle of prudence. In addition, this item contains an all-inclusive provision for risks from investments. Value adjustments and provisions no longer required for operations are released and reflected in the income statement.

Other assets, liabilities and equity

Other assets, liabilities and equity (including receivables) are posted in the balance sheet at nominal value or acquisition value. Any appropriate value adjustments are deducted.

Off-balance-sheet transactions

Contingent liabilities and other liabilities not to be balanced are posted at their nominal value.

Taxes and duties

Taxes and duties are posted as expenditure for the accounting period in which the corresponding business position occurred.

Leasing

Financial leasing agreements are entered in the balance sheet using Swiss GAAP FER 13.

Secondary activities

The secondary activities in accordance with Art. 67a of the Federal Act on Accident Insurance (AIA) are managed as a service centre within Suva. Internal transactions are not eliminated and the result and balance sheet items are also reported net. The result for secondary activities is allocated to or drawn from its own reserve.

The rehabilitation clinics in Bellikon and Sion do their own accounting on the basis of the H+ accounting schedule and the provisions of Swiss GAAP FER.

Employee benefits

As far as their pension plan is concerned, our employees are members of Suva's employee benefit institution, which is a legally independent foundation. This providential fund is financed with contributions made by employers and employees. All members of staff are insured with the exception of trainees, whose wages are below the lower limit according to the Occupational Pensions Act (OPA). Employers' contributions are posted under personnel expense.

Members of the Board of Management can join a collective foundation for non-compulsory occupational benefits.

Related party transactions

Suva does not conduct any transactions with related persons and organisations. Members of the Suva Council are not considered to be related persons.

Impairment of assets

The intrinsic value of the assets is assessed on each balance sheet date. If there are any indications of a reduction in value, the realisable value is calculated (impairment test). If the carrying amount exceeds the realisable value or the utility value, a value adjustment takes place by means of depreciation.

The following reported relative rates of change are calculated on the effective values throughout.

Tabular value – = no value recorded/available
Tabular value 0 = < than measuring unit

1. Premiums

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Occupational accident insurance (OAI)	1 420 180	1 422 460	-0.2
Non-occupational accident insurance (NOAI) incl. special premium arrangements	1 978 527	1 925 717	2.7
Voluntary insurance for entrepreneurs (VIE)	19 167	19 156	0.1
Insurance for the unemployed (AIU)	175 520	188 341	-6.8
Military insurance (MI)	16 794	16 933	-0.8
Net premiums	3 610 188	3 572 607	1.1
Occupational accident insurance (OAI)	164 982	165 063	-0.0
Non-occupational accident insurance (NOAI)	251 687	244 689	2.9
Voluntary insurance for entrepreneurs (VIE)	2 707	2 347	15.3
Insurance for the unemployed (AIU)	20 194	21 667	-6.8
Premium supplement for administrative costs	439 570	433 766	1.3
Occupational accident insurance (OAI)	91 768	91 981	-0.2
Non-occupational accident insurance (NOAI)	14 754	14 371	2.7
Insurance for the unemployed (AIU): Occupational accident insurance share	289	314	-8.0
Insurance for the unemployed (AIU): Non-occupational accident insurance share	1 284	1 377	-6.8
Premium surcharge for accident prevention	108 095	108 043	0.0
Occupational accident insurance (OAI)	192	789	-75.7
Non-occupational accident insurance (NOAI)	281	1 046	-73.1
Surcharge for the financing of cost-of-living allowances	473	1 835	-74.2
Occupational accident insurance (OAI)	11 561	12 044	-4.0
Non-occupational accident insurance (NOAI)	10 687	10 788	-0.9
Voluntary insurance for entrepreneurs (VIE)	207	197	5.1
Surcharge for payment by instalments	22 455	23 029	-2.5
Occupational accident insurance (OAI)	1 597	1 566	2.0
Non-occupational accident insurance (NOAI)	2 208	2 104	4.9
Voluntary insurance for entrepreneurs (VIE)	24	23	4.3
Default interests	3 829	3 693	3.7
Occupational accident insurance (OAI)	-10 024	-5 306	88.9
Non-occupational accident insurance (NOAI)	-8 995	-6 255	43.8
Voluntary insurance for entrepreneurs (VIE)	-189	-27	600.0
Net premium losses	-19 208	-11 588	65.8
Total premiums (gross) prior to the reduction in the equalisation reserve	4 165 402	4 131 385	0.8
Occupational accident insurance (OAI)	-62 084	-44 903	38.3
Reduction in the equalisation reserve	-62 084	-44 903	38.3
Total premiums (gross)	4 103 318	4 086 482	0.4

2. Operating costs

	2017	2016	+/–	+/–
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	in %
Personnel expenses	440 019	444 634	–4 615	–1.0
Payments for services by third parties	35 230	39 772	–4 542	–11.4
Legal and consulting expenses	12 338	20 209	–7 871	–38.9
Furniture/machines/vehicles	3 954	2 994	960	32.1
IT expenses	59 724	69 865	–10 141	–14.5
Cost of premises	41 328	42 673	–1 345	–3.2
Office and administrative expenses	31 337	34 829	–3 492	–10.0
Material and special expenses	5 174	3 707	1 467	39.6
Value adjustments	32 200	28 772	3 428	11.9
Other expenses ¹⁾	23 903	155 604	–131 701	–84.6
Total operating costs, gross	685 207	843 059	–157 852	–18.7
Proceeds from products and services ²⁾	–37 775	–34 640	3 135	9.1
Offsetting internal services and activations	–108 897	–108 143	754	0.7
Total operating costs, net	538 535	700 276	–161 741	–23.1

¹⁾ 2016 including one-off contribution for financing the employee benefit institution

²⁾ Including the operating income of the secondary activities (not distributed over the insurance branches)

Distribution of operating costs over the insurance branches

	2017 OAI	2016 OAI	2017 NOAI	2016 NOAI	2017 VIE	2016 VIE	2017 AIU	2016 AIU	2017 MI	2016 MI	2017 Total	2016 Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Insurance operations	168 633	246 997	228 644	305 783	1 853	2 403	15 118	15 412	21 687	21 510	435 935	592 105
Prevention of occup. accidents and diseases	86 931	92 737	–	–	–	–	–	–	–	–	86 931	92 737
Prevention of non-occup. accidents	–	–	15 266	14 371	–	–	771	1 377	–	–	16 037	15 748
Total	255 564	339 734	243 910	320 154	1 853	2 403	15 889	16 789	21 687	21 510	538 903	700 590

Information on the pension fund (economic benefits/economic obligations and pension benefit expense)

	31.12.2017		31.12.2016		2017		2016	
	Surplus/deficit according to Swiss GAAP FER 26	Economic proportion of the company	Economic proportion of the company	Economic proportion of the company	Change recognised	Contributions concerning the business period	Pension benefit expense in personnel costs	Pension benefit expense in personnel costs
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Pension plans without surplus/deficit	0	0	0	0	0	57 533	57 533	57 779

3. Investment return

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Liquid assets	-16 069	-6 837	135.0
Mortgages, loans and syndicated loans	99 753	107 041	-6.8
Bonds	308 944	323 129	-4.4
Indirect real estate investments	40 751	40 119	1.6
Investment properties	195 523	199 246	-1.9
Shares	158 613	160 552	-1.2
Alternative investments	379 737	259 093	46.6
Overlays, hedging and opportunities	3 975	2 233	78.0
Current earnings	1 171 226	1 084 576	8.0
Liquid assets	1 777	3 937	-54.9
Mortgages, loans and syndicated loans	33 189	7 724	329.7
Bonds	482 980	688 313	-29.8
Indirect real estate investments	92 790	44 660	107.8
Investment properties	17 329	4 537	282.0
Shares	1 167 383	764 793	52.6
Alternative investments	588 631	537 258	9.6
Overlays, hedging and opportunities	3 412 117	3 732 879	-8.6
Profit from sales	5 796 197	5 784 101	0.2
Total earnings from investments	6 967 423	6 868 677	1.4
Liquid assets	-2 556	-4 797	-46.7
Mortgages, loans and syndicated loans	-2 712	-11 166	-75.7
Bonds	-313 585	-502 982	-37.7
Indirect real estate investments	-249	-2 003	-87.6
Investment properties	0	0	-
Shares	-217 726	-240 073	-9.3
Alternative investments	-361 044	-161 429	123.7
Overlays, hedging and opportunities	-3 636 435	-3 835 612	-5.2
Losses from sales	-4 534 307	-4 758 062	-4.7
Liquid assets	-1 970	-21 256	-90.7
Mortgages, loans and syndicated loans	15 844	-2 704	-685.9
Bonds	54 353	-68 671	-179.1
Indirect real estate investments	43 882	-15 156	-389.5
Investment properties	-12 328	-9 263	33.1
Shares	-3 567	-47 077	-92.4
Alternative investments	-229 002	15 574	-
Overlays, hedging and opportunities	52 567	-142 674	-136.8
Value adjustments	-80 222	-291 228	-72.5
Total expenses from investments	-4 614 529	-5 049 290	-8.6
Allocation of the provision for investment risks	-1 157 901	-715 087	61.9
Investment return	1 194 993	1 104 300	8.2

4. Expenses for investment management

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Liquid assets	1 116	1 088	2.6
Mortgages, loans and syndicated loans	4 770	4 628	3.1
Bonds	5 462	6 149	-11.2
Indirect real estate investments	1 157	1 171	-1.2
Investment properties	13 820	15 514	-10.9
Shares	6 713	6 792	-1.2
Alternative investments	7 302	7 661	-4.7
Overlays, hedging and opportunities	2 359	1 630	44.7
Total expenses for investment management	42 699	44 633	-4.3

The expenses directly incurred at Suva are listed in the table. Further costs are partly incurred by external asset managers and are offset against income.

5. Investments

	Carrying amount 31.12.2016	2017	31.12.2017	Market value 31.12.2016	31.12.2017
	Balance CHF in 1,000s	Changes in value CHF in 1,000s	Balance CHF in 1,000s	Balance CHF in 1,000s	Balance CHF in 1,000s
Liquid assets ^{1), 4)}	2 328 145	204 524	2 532 669	2 328 145	2 532 669
Mortgages	549 395	102 823	652 219	549 395	652 219
Loans and syndicated loans ²⁾	5 538 235	56 560	5 594 796	5 538 235	5 594 796
Bonds in CHF ⁴⁾	7 678 816	931 777	8 610 593	8 171 341	9 023 286
Bonds in foreign currency ⁴⁾	4 937 951	465 403	5 403 354	5 252 966	5 687 399
Indirect real estate investments ⁴⁾	1 060 398	59 695	1 120 093	1 346 139	1 492 798
Investment properties ³⁾	4 031 086	61 201	4 092 287	4 960 903	5 099 584
Shares in Switzerland ⁴⁾	2 129 627	-9 702	2 119 925	3 192 296	3 429 982
Shares outside Switzerland ⁴⁾	6 161 486	-411 488	5 749 998	7 680 781	8 205 833
Alternative investments ⁴⁾	7 004 537	63 549	7 068 086	8 977 405	9 320 214
Overlays, hedging and opportunities ⁴⁾	-62 004	207 612	145 608	-36 103	163 955
Total	41 357 672	1 731 955	43 089 627	47 961 504	51 202 734

¹⁾ Including cash accounts for investments in the amount of CHF 4,303.1m (previous year: CHF 3,066.6m). As some of the cash accounts serve as collateral, the balance in liquid assets reported is lower than the balance of the cash accounts.

²⁾ Including loans to companies for the promotion of occupational safety

³⁾ At year end, investment properties were subject to pledges in the amount of CHF 17.4m.

⁴⁾ Derivatives included in these items are listed in the "Open financial derivative instruments" table below.

**Open financial derivative instruments
(derivatives shown in the capital investments)**

	Contract value		Market values/carrying amounts			
	31.12.2017	31.12.2016	31.12.2017 Positive	31.12.2017 Negative	31.12.2017 Total	31.12.2016 Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Hedging						
Currency forward transactions (OTC)	19 833 175	17 879 560	158 023	-106 984	51 039	-146 403
Total hedging	19 833 175	17 879 560	158 023	-106 984	51 039	-146 403
Trade						
Bond futures (ETD)	1 552 799	1 427 953	0	0	0	0
Credit default swaps (OTC)	533 070	741 782	10 974	-663	10 311	19 699
Interest rate swaps (OTC)	1 071 407	1 079 975	27 024	-64 932	-37 908	-41 815
Total bond and interest derivatives	3 157 277	3 249 710	37 998	-65 595	-27 597	-22 115
Stock futures (ETD)	852 099	535 796	0	0	0	0
Volatility/dividend futures (ETD)	42 238	35 909	0	0	0	0
Total stock derivatives	894 337	571 706	0	0	0	0
Currency forward transactions (OTC)	16 353 949	654 953	84 019	-81 920	2 099	-6 790
Total currency forward transactions	16 353 949	654 953	84 019	-81 920	2 099	-6 790
Index swaps (OTC)	1 239 697	571 695	73 097	-62 720	10 377	1 722
Total index swaps	1 239 697	571 695	73 097	-62 720	10 377	1 722
Total trade	21 645 260	5 048 064	195 114	-210 235	-15 121	-27 183
Total derivatives	41 478 435	22 927 623	353 137	-317 219	35 918	-173 587
Hedging of OTC derivatives (CSA)			158 000	-72 948	85 052	238 213
Residual counterparty risk					120 970	64 627

For the reduction of the counterparty risk of over-the-counter derivatives, hedging contracts (CSA) were concluded with the counterparties. Daily fluctuations in the value of the derivative portfolio are offset by corresponding collateral payments in cash. The value of the OTC derivative portfolio of CHF 35.9m (previous year: CHF -173.6m) was offset as of the end of 2017 by collateral items amounting to a total of CHF 85.1m (previous year: CHF 238.2m).

In the repo market, Suva had a total of CHF 69.0m outstanding as cash provider and CHF 250.0m as cash taker as at 31 December 2017. These repo transactions were covered by collateral of the same amount as is usual in the repo market.

Other obligations not to be recorded in the balance sheet as of 31 December 2017 amounted to CHF 2,935.1m (previous year: CHF 2,578.4m). They are made up of the following:

- customary, irrevocable payment obligations for private equity of CHF 2,837.3m (previous year: CHF 2,510.1m) as well as for mortgages of CHF 9.8m (previous year: CHF 12.1m)
- forward loans transactions with disbursement date 2018 of CHF 8.0m (previous year: CHF 12.9m)
- pledged syndicated loans of CHF 80.0m (previous year: CHF 43.3m)

There are no other obligations on the part of Suva in favour of third parties such as guarantees and acceptances of guarantee.

6. Intangible assets

	Acquired EDP software		Suva-generated EDP software		Total intangible assets	
	2017	2016	2017	2016	2017	2016
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Net carrying amount on 1 January	0	0	157 249	254 221	157 249	254 221
Historic costs						
Status: 1 January	4 688	4 688	199 404	376 261	204 092	380 949
Additions	–	–	–	–	–	–
Disposals	–	–	–	–176 857	–	–176 857
Status: 31 December	4 688	4 688	199 404	199 404	204 092	204 092
Accumulated value adjustments						
Status: 1 January	–4 688	–4 688	–42 155	–122 040	–46 843	–126 728
Systematic amortisation	–	–	–12 096	–12 096	–12 096	–12 096
Disposals	–	–	–	91 981	–	91 981
Status: 31 December	–4 688	–4 688	–54 251	–42 155	–58 939	–46 843
Net carrying amount on 31 December	0	0	145 153	157 249	145 153	157 249

7. Tangible fixed assets

	Operating properties		Tenant improvements		Other tangible fixed assets		Total tangible fixed assets	
	2017	2016	2017	2016	2017	2016	2017	2016
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Net carrying amount on 1 January	0	0	43 575	45 811	4 130	3 445	47 705	49 256
Historic costs								
Status: 1 January	588 188	506 490	128 533	121 931	20 488	18 521	737 209	646 942
Additions	88 484	81 698	5 854	6 602	4 844	1 967	99 182	90 267
Disposals	-	-	-	-	-	-	0	0
Status: 31 December	676 672	588 188	134 387	128 533	25 332	20 488	836 391	737 209
Accumulated value adjustments								
Status: 1 January	-588 188	-506 490	-84 958	-76 120	-16 358	-15 076	-689 504	-597 686
Systematic amortisation	-88 484	-81 698	-8 718	-8 838	-3 292	-1 282	-100 494	-91 818
Disposals	-	-	-	-	-	-	0	0
Status: 31 December	-676 672	-588 188	-93 676	-84 958	-19 650	-16 358	-789 998	-689 504
Net carrying amount on 31 December	0	0	40 711	43 575	5 682	4 130	46 393	47 705

8. Receivables

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Premium balance	3 363 838	3 316 822	1.4
Accounts receivable recourse	1 045 665	1 018 415	2.7
Accounts receivable insurance benefits	15 114	15 197	-0.5
Withholding tax credit balance	53 457	57 260	-6.6
Real estate settlement account	29 049	26 235	10.7
Special account OA/OD (FCOS)	30 997	25 359	22.2
Provision for doubtful debts	-26 192	-32 704	-19.9
Other receivables	26 858	32 270	-16.8
Total receivables	4 538 786	4 458 854	1.8

9. Cash

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Cash on hand	108	257	-58.0
Postal account	675 050	568 170	18.8
Banks	42 222	45 766	-7.7
Total cash	717 380	614 193	16.8

10. Prepayments and accrued income

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Accrued interest	156 115	168 343	-7.3
Other	28 714	35 833	-19.9
Total prepayments and accrued income	184 829	204 176	-9.5

11. Technical provisions¹⁾

	Provisions for short-term benefits		Provisions for long-term benefits		Provisions for cost-of-living allowances		Total technical provisions	
	2017	2016	2017	2016	2017	2016	2017	2016
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
OAI	2 686 000	2 654 500	10 938 043	10 935 301	-	-	13 624 043	13 589 801
NOAI	5 571 500	5 461 300	12 195 129	12 092 045	-	-	17 766 629	17 553 345
VIE	46 200	45 800	209 106	213 145	10 791	7 791	266 097	266 736
AIU	401 200	377 800	804 688	769 077	70 453	55 453	1 276 341	1 202 330
Total technical provisions	8 704 900	8 539 400	24 146 966	24 009 568	81 244	63 244	32 933 110	32 612 212

¹⁾ Military insurance is financed in a pay-as-you-go process, which is why no provisions are made.

12. Non-technical provisions

	Provision for risks from investments		Other provisions		Total non-technical provisions	
	2017	2016	2017	2016	2017	2016
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Status: 1 January	6 067 242	5 352 155	267 245	315 329	6 334 487	5 667 484
Creation	1 157 901	715 087	35 563	19 385	1 193 464	734 472
Appropriation	-	-	-24 570	-28 224	-24 570	-28 224
Reclassification	-	-	-	-39 245	0	-39 245
Status: 31 December	7 225 143	6 067 242	278 238	267 245	7 503 381	6 334 487

There is a contingent liability of CHF 250m towards Suva's employee benefit institution to secure short-term liquidity.

13. Short-term payables from goods and services

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Accounts payable insurance benefits	17 003	22 071	-23.0
Accounts payable suppliers	27 729	25 854	7.3
Other accounts payable	1 162	1 316	-11.7
Accounts payable	45 894	49 241	-6.8
Total short-term payables from goods and services	45 894	49 241	-6.8

14. Other short-term liabilities

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Co-insurance	68 983	67 115	2.8
FCOS/financial assets	41 000	28 000	46.4
Military insurance, current account	54 366	54 806	-0.8
Short-term provisions	39 150	39 245	-0.2
Other	46 659	54 022	-13.6
Total other short-term liabilities	250 158	243 188	2.9

15. Accrued liabilities and deferred income

	2017	2016	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Premiums billed in advance	3 188 760	3 135 147	1.7
Recourse	1 010 064	994 767	1.5
Clearing accounts Syrius	607 001	569 234	6.6
Other accrued liabilities and deferred income	149 296	169 567	-12.0
Total accrued liabilities and deferred income	4 955 121	4 868 715	1.8

16. Secondary activities

	Rehabilitation clinics	Claims process- ing for third parties	Safety products	Occupational health promotion	Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Turnover	136 515	3 608	2 286	726	143 135
Result for 2017 (allocation to reserve)	172	0	0	196	368

Auditor's report

on the annual financial statements of Suva, Lucerne

Annual financial statements 2017

Auditor's report on the annual financial statements

As auditor, we have audited the annual financial statements of Suva, which comprise the overall statement of operations, balance sheet, cash flow statement, statement of changes in equity and Annex (pages 26 to 46) for the financial year ended 31 December 2017.

Responsibility of the Suva Council

The Suva Council is responsible for the preparation of the annual financial statements in accordance with statutory regulations and the accounting policies described in the Annex. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error. The Suva Council is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the auditor

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with the Swiss Federal Act on Accident Insurance (AIA) and Swiss Auditing Standards. Those standards require that we plan and conduct the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the preparation of the annual 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 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 annual financial statements. We believe that the audit evidence we have obtained represents a sufficient and appropriate basis for our opinion.

Opinion

In our opinion, the annual financial statements for the financial year ended 31 December 2017 comply with the accounting principles described in the Annex.

Report on other statutory regulations

We confirm that we meet the statutory requirements on licensing according to the Auditor Oversight Act (AOA) and independence (Art. 728 of the Swiss Code of Obligations [CO] and Art. 11 AOA) and that there are no circumstances incompatible with our independence.

Within the meaning of Art. 728a, §1, item 3 of the Swiss Code of Obligations and in accordance with Swiss Auditing Standard 890, we confirm the existence of an internal control system designed in accordance with the instructions of the Suva Council for the preparation of the annual financial statements.

The Suva Council is responsible for compliance with the statutory regulations on financing short-term benefits and pensions in accordance with Art. 90 of the Federal Act on Accident Insurance (AIA) ("Compliance with the regulations on the financing process"). In accordance with Art. 64b, §1 of the AIA, the auditor must audit compliance with these regulations. Based on our audit procedures, we confirm that the regulations on the financing process were complied with for the financial year ended 31 December 2017.

We recommend that these annual financial statements for 2017 be approved.

KPMG AG

Hieronymus T. Dormann
Licensed Audit Expert
Auditor in Charge

Raphael Sousa
Licensed Audit Expert

Zurich, 26 April 2018

Report by the Financial Supervisory Commission

On behalf of the Financial Supervisory Commission, external auditor KPMG AG conducted a regular audit of Suva's annual financial statements for 2017. According to its assessment, the annual financial statements for 2017 are in line with statutory regulations as well as with the accounting and valuation principles set out in the Annex to Suva's annual financial statements.

In accordance with Art. 728a, §1, item 3 of the Swiss Code of Obligations and Swiss Auditing Standard 890, KPMG AG also confirmed the existence of an internal control system designed in accordance with the instructions of the Suva Council and the Board of Management for the compilation of the annual financial statements.

On the basis of the reports submitted by KPMG AG on the audits conducted according to Swiss auditing standards, the Financial Supervisory Commission concludes that these audits represent an appropriate basis for the Financial Supervisory Commission's application to approve the annual financial statements.

The Suva Council is therefore requested to approve Suva's annual financial statements for 2017 for the Federal Council.

Lucerne, 26 April 2018

Financial Supervisory Commission

Chairman: Roman Rogger

Vice-Chairman: Urs Masshardt

Members: Judith Bucher, Kurt Gfeller, Markus Notter

Secretary: Alexandra Molinaro

Resolutions by the Suva Council

The report by the Financial Supervisory Commission of 26 April 2018 relating to the approval of Suva's annual financial statements for 2017 for the Federal Council has been noted.

1. Suva's Annual Report and financial statements for 2017 are approved.
2. The amount of CHF 1,157,901,342 is allocated to the provision for risks from investments and debited to the capital earnings account.
3. The income surplus of CHF 97,819,339 in occupational accident insurance is allocated to the equalisation reserve of this branch of insurance.
4. The income surplus of CHF 199,632,961 in non-occupational accident insurance is allocated to the equalisation reserve of this branch of insurance.
5. The income surplus of CHF 9,920,511 in voluntary insurance for entrepreneurs is allocated to the equalisation reserve of this branch of insurance.
6. The expenditure surplus of CHF 6,129,394 in insurance for the unemployed is drawn from the equalisation reserve of this branch of insurance.
7. The balanced statement of operations for the military insurance is approved.
8. The income surplus of CHF 367,910 in secondary activities is allocated to the secondary activities reserve.

Our thanks are due to the Board of Management as well as the members of staff in appreciation of their work.

The report and financial statements will be submitted to the Federal Council for approval in accordance with Art. 61, §3 of the Federal Act on Accident Insurance (AIA).

Lucerne, 26 June 2018

On behalf of the Suva Council

Chairman: Gabriele Gendotti

Secretary-General: Marc Epelbaum

Notes on the financial statements 2017

Investments

Investment year 2017

In financial year 2017, Suva posted an investment performance of 7.8 per cent. The shares asset class, in particular the emerging markets, made by far the largest contribution to the positive investment performance. The other segments such as fixed-interest capital investments, real estate and alternative investments also made pleasing contributions to the result. The investment situation in money market investments proved more difficult as their yield was affected by the negative interest rates. Suva's investment strategy focuses on the long term and aims at broad diversification. At least half of the assets are invested in interest rate and credit investments, 32 per cent are invested in shares and private equity investments, about 13 per cent are invested in real estate and real estate funds and the remainder is invested in other investments such as precious metals and commodities.

Performance

For investment year 2017, Suva posted a performance of 7.8 per cent (previous year: 4.1 per cent) with an investment market value (without the cash and cash equivalents of the current assets) as at 31 December 2017 of CHF 51,202.7m (previous year: CHF 47,961.5m).

Direct yield

Direct yield is calculated on the average amount of capital invested taking earned and accrued interest into account as well as accrued dividends and other current earnings. A direct yield of 2.3 per cent (previous year: 2.2 per cent) is posted for 2017.

Overview of the direct yield and performance of investments over the past five years:

Year	Direct yield	Total yield (performance)
	in %	in %
2013	2.3	4.7
2014	2.2	7.0
2015	2.2	1.2
2016	2.2	4.1
2017	2.3	7.8
Average of the last 3 years (geometric)	2.2	4.3
Average of the last 5 years (geometric)	2.3	4.9

The financial coverage ratio as at 31 December 2017 amounted to 142.7 per cent, which corresponds to solid financing.

Securities lending

	2017	2016	As of 31.12.2017	As of 31.12.2016
	Earnings CHF in 1,000s	Earnings CHF in 1,000s	Loaned CHF in 1,000s	Loaned CHF in 1,000s
Loan of securities	5 478	5 499	3 590 094	3 640 075

To collateralise securities lending, collateral in the amount of CHF 3,640,895,000 was made available to Suva.

Hidden reserves

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Liquid assets	0	0
Mortgages, loans and syndicated loans	0	0
Bonds	696 738	807 540
Indirect real estate investments	372 705	285 741
Investment properties	1 007 297	929 817
Shares	3 765 892	2 581 964
Alternative investments	2 252 128	1 972 869
Overlays, hedging and opportunities	18 347	25 902
Total	8 113 107	6 603 832

The entire reserves for risks from investment amounted to CHF 15,338.3m. These comprised hidden reserves amounting to CHF 8,113.1m and the provisions for risks from investments of CHF 7,225.1m.

Operating costs

Premium surcharges for operating costs

In the year under review, the income from premium surcharges for the administrative costs of insurance operations amounted to CHF 439.6m (previous year: CHF 433.7m). This amount is used by Suva to meet insurance operating costs.

Premium surcharges for occupational accident prevention

Suva received CHF 92.1m (previous year: CHF 92.3m) from the premium surcharge for occupational accident insurance and insurance for the unemployed. In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), Suva transferred this sum to the special account of the Federal Coordination Commission for Occupational Safety (FCOS). Suva's expenses as an occupational safety body are refunded by FCOS. In the year under review, this amounted to CHF 86.9m (previous year: CHF 92.7m).

Premium surcharges for non-occupational accident prevention

In accordance with Art. 88 of the Federal Act on Accident Insurance (AIA), Suva levies premium surcharges for leisure-time safety on the net premiums for non-occupational accident insurance. In financial year 2017, these amounted to CHF 16.0m (previous year: CHF 15.8m). These funds were used in accordance with Art. 100 of the Accident Prevention Ordinance (APO). Suva made CHF 12.8m (80 per cent) of these funds available to the Swiss Council for Accident Prevention (bfu) in Bern for their prevention activities in the areas of road safety, the household and sports. Suva used the remaining contributions for its own complementary activities and campaigns.

Allocation of costs

Compared with the previous year, overall operating costs decreased by CHF 161.7m or 23.1 per cent. This decrease is due to the one-off contribution for financing the change in basis for the employee benefit institution (CHF 150m) in 2016. Of the overall operating costs, 80.9 per cent (previous year: 84.5 per cent) went on insurance operations, 16.1 per cent (previous year: 13.2 per cent) went on the prevention of occupational accidents and diseases and 3.0 per cent (previous year: 2.3 per cent) went on the prevention of non-occupational accidents.

Statement of operations

Occupational accident insurance

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	1 690 280	1 693 903
Premium losses (balance)	-10 024	-5 305
Premiums	1 680 256	1 688 598
Allocated investment return	397 251	404 873
Care benefits and reimbursement of expenses	-427 167	-442 843
Daily benefits	-585 724	-586 420
Pensions and lump-sum benefits	-645 835	-632 059
Cost-of-living allowances to pensioners	-120 521	-126 288
Recourse income	35 287	42 635
Insurance benefits paid	-1 743 960	-1 744 975
Change in technical provisions	-34 242	-71 477
Claims expense	-1 778 202	-1 816 452
Reimbursed expenses for occupational safety	86 930	92 737
Contribution to the prevention of occupational accidents and diseases	-91 768	-91 981
Other underwriting result	-4 838	756
Insurance operations	-168 633	-246 997
Prevention of accidents and occupational diseases	-86 931	-92 737
Operating costs	-255 564	-339 734
Ordinary allocation to the general reserve	-	-16 490
Underwriting result	38 903	-78 449
Financial result	121 000	70 000
Annual result prior to the reduction in the equalisation reserve	159 903	-8 449
Reduction in the equalisation reserve	-62 084	-44 903
Annual result after the reduction in the equalisation reserve	97 819	-53 352

Statement of operations: notes

Occupational accident insurance

Stable accident figures

In 2017, 177,973 occupational accidents and diseases were reported to Suva. This represents 309 reports or 0.2 per cent less than in the previous year.

Decrease in new pension awards

The number of newly awarded occupational accident insurance disability pensions amounted to 846 (previous year: 860) and there were 128 (previous year: 145) survivors' pensions.

Positive closing

With premium income of CHF 1,680.3m (previous year: CHF 1,688.6m), allocated investment return of CHF 397.3m (previous year: CHF 404.9m) and claims expense of CHF 1,778.2m (previous year: CHF 1,816.5m), the statement of operations for occupational accident insurance posted an underwriting result of CHF 38.9m (previous year: CHF -78.4m). It also includes operating costs of CHF 255.6m (previous year: CHF 339.7m) as well as premium surcharges for the prevention of occupational accidents and diseases in the amount of CHF 91.8m (previous year: CHF 92.0m). In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), the latter have been transferred to the special account of the Federal Coordination Commission for Occupational Safety (FCOS).

Together with the financial result of CHF 121.0m (previous year: CHF 70.0m), the result for the reporting year is an income surplus of CHF 159.9m (previous year: expenditure surplus of CHF 8.5m). Taking into account the reduction in the equalisation reserve of CHF 62.1m, this results in an income surplus of CHF 97.8m, which is allocated to the equalisation reserve.

Increase in payroll

In the course of the year under review, the payroll on which the accounts are based increased by CHF 1.7bn or by 1.13 per cent to CHF 149.6bn.

Statement of operations

Non-occupational accident insurance

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	2 258 143	2 198 714
Premium losses (balance)	-8 995	-6 255
Premiums	2 249 148	2 192 459
Allocated investment return	435 175	439 541
Care benefits and reimbursement of expenses	-813 559	-822 496
Daily benefits	-708 890	-696 062
Pensions and lump-sum benefits	-649 465	-644 267
Cost-of-living allowances to pensioners	-121 931	-126 506
Recourse income	129 349	145 130
Insurance benefits paid	-2 164 496	-2 144 201
Change in technical provisions	-213 284	-180 174
Claims expense	-2 377 780	-2 324 375
Insurance operations	-228 644	-305 783
Prevention of non-occupational accidents	-15 266	-14 371
Operating costs	-243 910	-320 154
Ordinary allocation to the general reserve	-	-21 987
Underwriting result	62 633	-34 516
Financial result	137 000	90 000
Annual result	199 633	55 484

Statement of operations: notes

Non-occupational accident insurance

Increase in the number of accidents

In 2017, the number of non-occupational accidents reported to Suva amounted to 268,934, which is an increase of 4,947 cases or 1.9 per cent compared with the previous year.

New pension awards

The number of newly awarded disability pensions for non-occupational accidents amounted to 695 (previous year: 721) accompanied by a total of 108 survivors' pensions (previous year: 101).

Positive closing

With premium income of CHF 2,249.2m (previous year: CHF 2,192.5m), allocated investment return of CHF 435.2m (previous year: CHF 439.5m) and claims expense of CHF 2,377.8m (previous year: CHF 2,324.4m), the statement of operations for non-occupational accident insurance posted an underwriting result of CHF 62.6m (previous year: CHF -34.5m). It also includes operating costs of CHF 243.9m (previous year: CHF 320.2m) as well as the premium surcharges for leisure-time safety in the amount of CHF 16.0m (previous year: CHF 15.8m). From the latter, CHF 12.8m (previous year: CHF 12.6m) has been made available to the Swiss Council for Accident Prevention (bfu) in Bern as a contribution towards operating costs.

Together with the financial result of CHF 137.0m (previous year: CHF 90.0m), the result for the reporting year is an income surplus of CHF 199.6m (previous year: CHF 55.5m), which is allocated to the equalisation reserve.

Increase in payroll

The payroll on which the accounts are based increased by CHF 1.7bn or by 1.14 per cent to CHF 148.8bn.

Statement of operations

Voluntary insurance for entrepreneurs

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	22 106	21 723
Premium losses (balance)	-188	-27
Premiums	21 918	21 696
Allocated investment return	8 353	10 432
Care benefits and reimbursement of expenses	-5 586	-5 032
Daily benefits	-6 330	-6 014
Pensions and lump-sum benefits	-11 189	-11 585
Cost-of-living allowances to pensioners	-1 073	-1 110
Recourse income	1 771	662
Insurance benefits paid	-22 407	-23 079
Change in technical provisions	639	-5 414
Claims expense	-21 768	-28 493
Operating costs (insurance operations)	-1 853	-2 403
Ordinary allocation to the general reserve	-	-217
Underwriting result	6 650	1 015
Financial result	3 271	-
Annual result	9 921	1 015

Statement of operations: notes

Voluntary insurance for entrepreneurs

Increase in the number of accidents

At the end of the year under review, 9,047 people (previous year: 8,589) were voluntarily insured with Suva. They suffered 1,139 accidents (previous year: 1,094). The number of newly awarded voluntary insurance disability pensions amounted to 20 (previous year: 17), with 1 survivors' pension (previous year: 1).

Positive closing

With premium income of CHF 21.9m (previous year: CHF 21.7m), allocated investment return of CHF 8.4m (previous year: CHF 10.4m) and claims expense of CHF 21.8m (previous year: CHF 28.5m), the statement of operations for voluntary insurance for entrepreneurs posted an underwriting result of CHF 6.7m (previous year: CHF 1.0m). It includes the operating costs of CHF 1.9m (previous year: CHF 2.4m).

The year under review thus posted an income surplus of CHF 9.9m (previous year: CHF 1.0m), which is allocated to the equalisation reserve.

Increase in payroll

The insured payroll in voluntary insurance for entrepreneurs on which the accounts are based increased by CHF 25.1m or by 4.45 per cent to CHF 588.8m.

Statement of operations

Accident insurance for the unemployed

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Premiums	197 286	211 699
Allocated investment return	35 761	42 085
Care benefits and reimbursement of expenses	-61 261	-58 917
Daily benefits	-74 953	-72 600
Pensions and lump-sum benefits	-34 627	-32 371
Cost-of-living allowances to pensioners	-1 521	-1 576
Recourse income	10 313	9 944
Insurance benefits paid	-162 049	-155 520
Change in technical provisions	-74 011	-50 299
Claims expense	-236 060	-205 819
Contribution towards the prevention of occupational accidents and diseases	-289	-314
Other underwriting result	-289	-314
Insurance operations	-15 118	-15 412
Prevention of non-occupational accidents	-771	-1 377
Operating costs	-15 889	-16 789
Ordinary allocation to the general reserve	0	-2 117
Underwriting result	-19 191	28 745
Financial result	13 061	-
Annual result	-6 130	28 745

Statement of operations: notes

Accident insurance for the unemployed

Higher number of new pensions

In the year under review, jobseekers in Switzerland suffered 17,655 accidents (previous year: 17,647). The number of disability pensions awarded in accident insurance for the unemployed amounted to 97 (previous year: 72) and survivors' pensions were awarded in 8 cases (previous year: 2).

Negative closing

With premium income of CHF 197.3m (previous year: CHF 211.7m), allocated investment return of CHF 35.8m (previous year: CHF 42.1m) and claims expense of CHF 236.1m (previous year: CHF 205.8m), the statement of operations for accident insurance for the unemployed posted an underwriting result of CHF -19.2m (previous year: CHF 28.7m). Premium income in accident insurance for the unemployed can fluctuate sharply depending on the state of the economy. The underwriting result includes operating costs of CHF 15.9m (previous year: CHF 16.8m) as well as premium surcharges for the prevention of occupational accidents and diseases in the amount of CHF 0.3m (previous year: CHF 0.3m). In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), the latter have been transferred to the special account of the Federal Coordination Commission for Occupational Safety (FCOS).

The year under review thus posted an expenditure surplus of CHF 6.1m (previous year: income surplus of CHF 28.7m), which is taken from the equalisation reserve.

Decrease in payroll

The insured payroll in this insurance branch amounted to CHF 5.1bn. This corresponds to a decrease of 2.32 per cent or CHF 121.2m.

Statement of operations

Military insurance

	2017	2016
	CHF in 1,000s	CHF in 1,000s
Premiums	16 794	16 933
Care benefits and reimbursement of expenses	-70 544	-72 487
Daily benefits	-27 364	-28 788
Pensions and lump-sum benefits	-85 831	-89 611
Recourse income	4 536	1 131
Insurance benefits paid	-179 203	-189 755
Claims expense	-179 203	-189 755
Reimbursed expenses for military insurance	184 096	194 332
Other underwriting result	184 096	194 332
Operating costs for insurance operations	-21 687	-21 510
Annual result	0	0

Statement of operations: notes

Military insurance

With the signing of the agreement on 18/19 May 2005 between the Swiss Confederation, represented by the Director of the Federal Department of Home Affairs, and Suva, the management of military insurance was transferred to Suva on 1 July 2005. Military insurance is managed by Suva as independent social insurance according to the Federal Act on Military Insurance (Milla). Insurance benefits and the administrative costs of military insurance continue to be financed by the Confederation in a special form of the pay-as-you-go process unless covered by premiums and recourse income. Suva conducts separate accounting for military insurance, which forms the basis for payments to be made by the Confederation.

The task of military insurance is to cover all health risks encountered by the Confederation's security forces (armed forces, civil defence, Swiss Humanitarian Aid Unit, peacekeeping missions of the Confederation as well as civilian service) during active duty. Military insurance covers all impairments to insureds' physical or mental health incurred while carrying out the aforementioned services or activities.

The Confederation bears the technical insurance risk. Suva acts as the fiduciary processor but not as insurance carrier for the Confederation. On this basis, Suva has neither an agreed nor a factual obligation to defer lump-sum benefits.

Care benefits

Although the case numbers and general cost trend increased slightly, costs were kept low thanks to efficient case management. This led to a decrease in care benefits compared with the previous year.

Pension payments on the decline

The number of new disability pensions has been reduced significantly over the past few years as a result of case management and consistently implemented occupational rehabilitation. The reduction in pension costs is also attributable to the demographic stratification among the pensioners.

Operating costs (insurance operations)

For managing the military insurance according to their agreement, the Swiss Confederation reimburses Suva for the effective operating costs it incurs for the implementation of the Milla. The costs rose slightly as against the previous year due to projects aimed at increasing efficiency.

Key figures over the past five years

Balance sheet

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Balance sheet total	48 723.8	46 840.4	44 460.6	40 680.9	39 197.6
Investments	43 089.6	41 357.7	39 957.2	38 763.4	37 798.8
Intangible assets	145.2	157.3	254.2	250.5	196.7
Tangible fixed assets	46.4	47.7	49.3	52.7	46.9
Non-current assets	43 281.2	41 562.7	40 260.7	39 066.6	38 042.4
Receivables	4 538.8	4 458.8	3 150.6	517.8	357.6
Cash	717.4	614.2	789.8	861.8	556.5
Material and goods inventories	1.6	0.5	1.8	2.2	2.4
Prepayments and accrued income	184.8	204.2	257.7	232.5	238.7
Current assets	5 442.6	5 277.7	4 199.9	1 614.3	1 155.2
General reserves	1 332.9	1 333.3	1 292.2	1 250.3	1 208.9
Equalisation reserves	1 685.8	1 383.8	1 415.2	1 436.0	1 330.2
Equity	3 018.7	2 717.1	2 707.4	2 686.3	2 539.1
Provisions for short-term benefits	8 704.9	8 539.4	8 372.1	8 215.1	8 073.4
Provisions for long-term benefits (incl. cost-of-living allowances)	24 228.2	24 072.8	23 932.7	23 799.5	23 533.4
Technical provisions	32 933.1	32 612.2	32 304.8	32 014.6	31 606.8
Non-technical provisions	7 503.4	6 334.5	5 667.5	4 673.6	3 777.8
Financial liabilities	17.4	15.4	11.6	81.6	81.0
Non-current (long-term) liabilities	40 453.9	38 962.1	37 983.9	36 769.8	35 465.6
Short-term liabilities	296.1	292.4	252.3	495.8	578.0
Accrued liabilities and deferred income	4 955.1	4 868.7	3 517.0	729.1	614.9
Current (short-term) liabilities	5 251.2	5 161.1	3 769.3	1 224.9	1 192.9

Overall statement of operations

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Premiums (gross, less losses)	4 165.4	4 131.4	4 239.6	4 207.0	4 184.5
Allocated investment return	876.5	896.9	648.0	649.7	751.1
Care benefits and reimbursement of expenses	-1 378.1	-1 401.8	-1 345.9	-1 305.8	-1 220.1
Daily benefits	-1 403.3	-1 389.9	-1 332.9	-1 320.4	-1 231.0
Pensions and lump-sum benefits	-1 426.9	-1 409.9	-1 395.7	-1 395.1	-1 389.7
Cost-of-living allowances to pensioners	-245.1	-255.4	-265.3	-275.5	-286.1
Recourse income	181.3	199.5	154.1	181.3	187.8
Insurance benefits paid	-4 272.1	-4 257.5	-4 185.7	-4 115.5	-3 939.1
Provisions for short-term benefits	-165.5	-167.3	-157.0	-141.7	-488.6
Provisions for long-term benefits	-137.4	-114.0	-126.1	-263.1	-100.9
Provisions for cost-of-living allowances	-18.0	-26.1	-7.2	-3.0	-4.9
Change in technical provisions	-320.9	-307.4	-290.3	-407.8	-594.4
Claims expense	-4 593.0	-4 564.9	-4 476.0	-4 523.3	-4 533.5
Reimbursed expenses for occupational safety	86.9	92.7	93.3	93.4	94.0
Contribution to the prevention of occupational accidents and occupational diseases	-92.0	-92.3	-91.2	-91.3	-90.9
Reimbursed expenses for military insurance	184.1	194.4	197.2	191.5	198.9
Other underwriting result	179.0	194.8	199.3	193.6	202.0
Operating costs	-538.5	-700.3	-557.3	-551.3	-547.9
Ordinary allocation to the general reserve	-	-40.8	-41.9	-41.3	-41.3
Underwriting result	89.4	-82.9	11.7	-65.6	14.9
Investment return	1 194.9	1 104.3	711.4	937.4	839.3
Technical interest	-876.5	-896.9	-648.0	-649.7	-751.1
Other financial income	-1.4	-2.8	-2.9	0.4	0.2
Expenses for investment management	-42.7	-44.6	-45.3	-46.2	-41.8
Financial result	274.3	160.0	15.2	241.9	46.6
Annual result prior to the reduction in the equalisation reserve	363.7	77.1	27.0	176.3	61.5
Reduction in the equalisation reserve	-62.1	-44.9	-47.7	-70.5	-50.0
Annual result after the reduction in the equalisation reserve	301.6	32.2	-20.7	105.8	11.5

Provisions for long-term benefits (excl. cost-of-living allowances)

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Long-term benefits in occupational accident insurance	10 938.0	10 935.3	10 912.5	10 879.0	10 799.0
Change	2.7	22.8	33.5	80.0	133.9
Long-term benefits in non-occupational accident insurance	12 195.1	12 092.1	12 011.8	11 912.0	11 752.3
Change	103.0	80.3	99.8	159.7	-55.2
Long-term benefits in voluntary insurance for entrepreneurs	209.1	213.1	212.4	221.2	217.1
Change	-4.0	0.7	-8.8	4.1	2.0
Long-term benefits in accident insurance for the unemployed	804.7	769.1	758.9	757.2	737.9
Change	35.6	10.2	1.7	19.3	20.1
Total	24 146.9	24 009.6	23 895.6	23 769.4	23 506.3

Provisions for short-term benefits (for current cases)

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Provisions	8 704.9	8 539.4	8 372.1	8 215.1	8 073.4
Change	165.5	167.3	157.0	141.7	488.6

Total insured wages and salaries

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Occupational accident insurance	149 547.9	147 875.0	143 545.2	142 823.1	140 224.2
Change	1 672.9	4 329.8	722.1	2 598.9	2 560.0
Non-occupational accident insurance	148 775.6	147 098.1	142 754.6	142 076.4	139 509.4
Change	1 677.5	4 343.5	678.2	2 567.0	2 553.9
Accident insurance for the unemployed	5 093.8	5 215.0	4 762.0	4 502.8	4 415.6
Change	-121.2	453.0	259.2	87.2	491.3

Development of accident figures

	2017	2016	2015	2014	2013
	No. of cases	No. of cases	No. of cases ¹⁾	No. of cases	No. of cases
Occupational accident insurance	177 973	178 282	180 315	182 141	183 763
Change	-309	-2 033	-1 826	-1 622	-2 153
Non-occupational accident insurance	268 934	263 987	265 209	261 360	263 021
Change	4 947	-1 222	3 849	-1 661	2 036
Voluntary insurance for entrepreneurs	1 139	1 094	1 135	1 146	1 233
Change	45	-41	-11	-87	63
Accident insurance for the unemployed	17 655	17 647	16 375	15 274	14 759
Change	8	1 272	1 101	515	759
Total	465 701	461 010	463 034	459 921	462 776

¹⁾ The number of cases for 2015 differs from the values published in the Annual Report 2015 due to internal corrections.

Development of market values of investments

	2017	2016	2015	2014	2013
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Liquid assets	2 532.7	2 328.1	1 944.1	1 711.3	2 011.7
Mortgages	652.2	549.4	500.0	419.6	416.8
Loans and syndicated loans	5 594.8	5 538.2	5 722.8	5 604.3	5 338.6
Bonds in CHF	9 023.3	8 171.3	8 477.9	7 577.3	7 235.3
Bonds in foreign currency	5 687.4	5 253.0	4 847.7	5 508.3	5 135.0
Indirect real estate investments	1 492.8	1 346.1	1 355.9	1 491.4	1 100.6
Investment properties (incl. investment properties under construction)	5 099.6	4 960.9	4 826.1	4 644.2	4 546.0
Shares in Switzerland	3 430.0	3 192.3	3 332.4	3 285.2	3 408.3
Shares outside Switzerland	8 205.8	7 680.8	6 917.0	7 273.6	6 475.9
Alternative investments	9 320.2	8 977.4	8 684.5	8 922.4	8 100.5
Overlays, hedging and opportunities	164.0	-36.1	-205.6	-151.5	236.6
Total market values of investments	51 202.7	47 961.5	46 402.8	46 286.1	44 005.3

Figures from the insurance business

Insurance benefits

	2017	2016	+/-
	CHF in m	CHF in m	in %
Occupational accident insurance	1 789	1 788	0
Non-occupational accident insurance	2 294	2 289	2.2
Voluntary insurance for entrepreneurs	24	24	0
Accident insurance for the unemployed	172	165	4.2
Military insurance	184	191	-3.7
Total insurance benefits¹⁾	4 453	4 457	-0.1

Accidents and occupational diseases

	2017	2016	+/-
	No. of cases	No. of cases	in %
Accidents reported (OAI, NOAI, VIE, AIU)	462 967	458 317	1.0
occupational accidents reported	175 239	175 589	-0.2
non-occupational accidents reported	268 934	263 987	1.9
accidents reported VIE ²⁾	1 139	1 094	4.1
accidents reported AIU ³⁾	17 655	17 647	0.0
Occupational diseases reported	2 734	2 693	1.5
Total accidents and occupational diseases reported	465 701	461 010	1.0

Pensions

	2017	2016	+/-
	No. of cases	No. of cases	in %
Newly awarded pensions	1 909	1 925	-0.8
of which disability	1 658	1 670	-0.7
of which survivors'	251	255	-1.6
Newly determined permanent impairment compensation	4 356	4 190	4.0
Disability pensions paid out	70 631	71 501	-1.2
Survivors' pensions paid out	16 009	16 537	-3.2

¹⁾ Care benefits and reimbursement of expenses, daily benefits, pensions and lump-sum benefits, cost-of-living allowances, excluding increase in provisions for accidents not yet settled, increase in pension reserves and contribution to the prevention of occupational accidents and diseases

²⁾ Voluntary insurance for entrepreneurs

³⁾ Accident insurance for the unemployed

Appeal proceedings

	2017	2016	+/-
	No. of cases	No. of cases	in %
Number of appeals submitted	4 009	3 975	0.9
Referral to cantonal insurance courts	1 028	1 004	2.4
Judgement fully in Suva's favour	733	712	2.9
Judgement partially in Suva's favour	66	74	-10.8
Judgement against Suva	173	143	21.0
Assessed by cantonal insurance courts	972	929	4.6
brought by insurees	117	165	-29.1
brought by Suva	30	18	66.7
Referral to Federal Supreme Court	147	183	-19.7
Judgement fully in Suva's favour	136	176	-22.7
Judgement partially in Suva's favour	13	6	116.7
Judgement against Suva	13	10	30.0
Assessed by the Federal Supreme Court	162	192	-15.6

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Design concept: MetaDesign AG, Zurich
Portrait images: Christof Schürpf, Lucerne & Christian Grund, Zurich
Project management: Marcel Hauri, Suva

Suva's Annual Report is available:
– in digital form in PDF format in German, French, Italian and English
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Publication number

1278-105-17.e

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