



# Annual Report 2016

Suva is more than just insurance: it brings prevention, insurance and rehabilitation together under one roof. Suva offers these services to insured companies and their workers in a holistic, integrated form, from preventing accidents and occupational diseases via professional claims management through to rehabilitation and reintegration.

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**Markus Dürr**  
Chairman of the  
Board of Directors



**Felix Weber**  
Chairman of the  
Board of Management

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## Ladies and Gentlemen

Suva can look back on a successful financial year 2016. Despite the low interest rate environment, we achieved a pleasing investment performance of 4.1 per cent. Expenditure on benefits was within the expected margins, with the financial coverage ratio increasing from 133 per cent in the previous year to 136 per cent as of the end of 2016. All long-term obligations thus continue to be secured.

Switzerland as a business location continues to face a tough economic environment, which has particularly affected many of the companies insured by Suva. The negative interest rate on the Swiss capital market makes prospects for the next few years very gloomy, as it means high costs for Suva and therefore also for our insurees.

Our primary aim is to use the means available to us to act as an efficient provider of accident insurance and to offer our customers a high quality of service. We achieve this by constantly optimising our processes. As of 2016, we have dispensed with the premium surcharge used to compensate for increases in the cost of living. This saves businesses some 200 million Swiss francs per year.

On 9 November 2016, the Federal Council decided to bring into force the Federal Act on Accident Insurance (AIA), revised in 2015, and the associated ordinances, as of 1 January 2017. The lawmakers support Suva's successful business model, which provides prevention, insurance and rehabilitation all under one roof. The new regulations improve the legal certainty surrounding various insurance-related issues and enshrine the performance of secondary activities.

Since January 2016, the Board of Management has carried out its duties in a new composition under the leadership of Felix Weber. The future holds significant challenges for Suva. In particular, we are actively observing the development of digitalisation and determining the risks and opportunities it presents.

We have further refined our corporate strategy to ensure that Suva remains well positioned in the years to come. In future, we will be concentrating on our core business. We will only be carrying out secondary activities where these provide measurable support to our core business and are financially self-supporting. With this strategy, we aim to generate sustainable benefits for our customers. We are confident that it will be a success.

Markus Dürr

Chairman of the Board  
of Directors

Felix Weber

Chairman of the Board  
of Management

## Key figures

127,900

companies insured

1,996,880

insurees  
(full-time employees, excluding  
unemployed persons and volun-  
tary insurance for entrepreneurs)

147.8  
bn CHF

insured payroll OAI  
(occupational accident insurance)

4.1  
bn CHF

gross premium income

461,010

registered accidents and  
occupational diseases

4.2  
bn CHF

insurance benefits paid

700  
m CHF

operating costs

108.5  
m CHF

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

77  
m CHF

operating income prior to  
reduction in equalisation  
reserve

4,224

staff  
(3,375 full-time positions)

# Management report 2016



“Our aim is to act as an efficient provider of accident insurance and to offer our customers a high quality of service.”

Felix Weber, Chairman of the Board of Management, Head of the Management and Support Department

## 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 unemployed (AIU).

## Insurance premiums and investments

The annual premiums of around CHF 4bn 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 48bn 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 4,200 staff provide prevention, rehabilitation and insurance support to around 127,900 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.

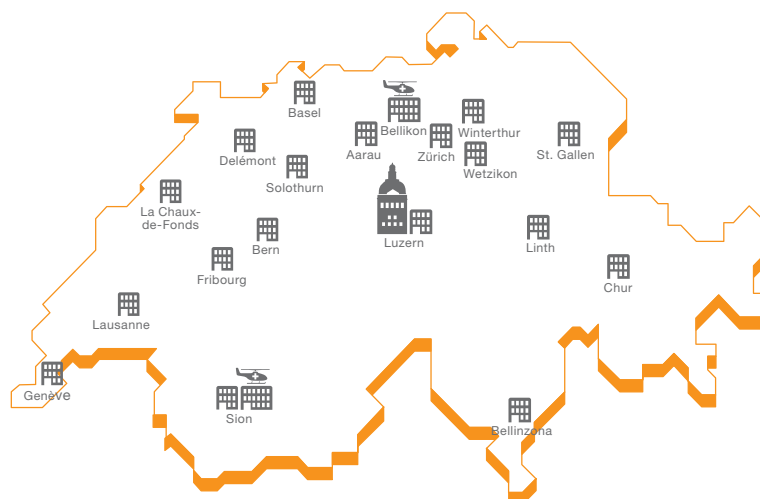
## Our benefits – in support of Swiss industry

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.

## Anchored in Switzerland

Suva performs its comprehensive prevention, insurance and rehabilitation services at its head office in Lucerne, its 18 agencies 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.



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## Revision of the AIA

The most important changes from 1 January 2017:

Insurance cover begins on the first day of the employment relationship and ends on the 31st day.

Suva may pursue secondary activities, as long as they are financially self-supporting and are closely linked to Suva's principal task.

The Board of Directors is now called the Suva Council and has the authority to choose members of the Board of Management. The Federal Council was previously responsible for this.

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## Developments and trends

### Legal and political: AIA revision and ECHR ruling

The revision of the Swiss Federal Act on Accident Insurance (AIA) has clarified Suva's role and eliminated some legal grey areas. Suva is now permitted to pursue secondary activities that have been defined and enshrined in law. The European Court of Human Rights (ECHR) ruled in the autumn that the use of private investigators to detect insurance fraud is not wholly clear from a legal perspective. Suva will therefore not be employing any private investigators until further notice. Meanwhile, the Swiss Parliament is required to come up with a concise legal framework in this regard.

### Social: changes in risk behaviour

Whilst the number of occupational accidents has been falling for a number of years, leisure-time accidents are on the rise. This trend is being underpinned by changes in employees' risk behaviour and the tertiarisation of the economy, posing some new challenges for Suva: what will prevention activities look like in the future? Suva is actively engaged in this debate with all its stakeholders.

### Technological: digitalisation

Suva is actively investigating the opportunities that digitalisation can bring. There is a need for every service process to instigate digitalisation projects in order to make workflows more efficient. A wide range of systems are already being used to support work steps or perform them autonomously.

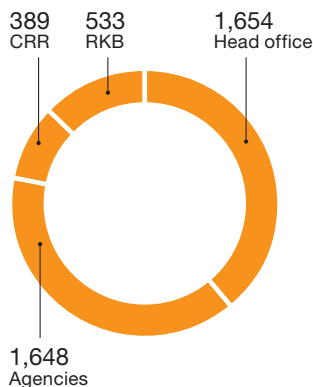
### Economic: interest rates

Negative interest rates are affecting Suva in several ways. Holding the necessary liquidity incurs costs, while bonds and loans denominated in Swiss francs have not generated any meaningful yields for many years now. Assuming risk is kept at an acceptable level, the returns that can be achieved nowadays are much lower. This means either higher costs or lower benefits.

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## Number of employees



Of Suva's 4,224 employees, 40% work at the head office in Lucerne and another 40% in the agencies, while 20% work at the clinics in Bellikon (RKB) and Sion (CRR).

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## New "avance" strategy

With its new "avance" strategy, Suva is responding to the challenges posed by low interest rates, a shift in accident patterns from work to leisure time, digitalisation and a shrinking market share. By focusing on its core business and core areas of expertise and by reducing its operating costs, Suva will ensure that its unique combination of prevention, rehabilitation and insurance will bring lasting benefit to its customers in the future too. This will help to reinforce Suva's leading position in the insurance market.

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## Changes to the employee benefit institution

Suva's employee benefit institution has overhauled its benefit system. Its technical interest rate has been cut from 3.0 per cent to 2.0 per cent. The steady increase in life expectancy is now being modelled using generational mortality tables. The institution has also switched from a defined-contribution to a defined-benefit scheme. The level of contributions remains unchanged, although some benefits have decreased. The changes should ensure healthy finances for the system over the long term, even in the highly challenging environment it is currently facing.

## Occupational and leisure-time safety

<p><b>175,589</b> occupational accidents</p> <p>The number of registered occupational accidents fell by 1.6 per cent.</p>	<p><b>263,987</b> leisure-time accidents</p> <p>The number of registered non-occupational accidents fell by 0.5 per cent.</p>	<p><b>62,300</b> examinations</p> <p>were performed as part of Suva's occupational health check-ups.</p>
<p><b>85.1</b> case risk for occupational accidents</p> <p>The case risk for occupational accidents (number of accidents and occupational diseases per 1,000 full-time employees) fell by 2.5 per cent.</p>	<p><b>128.4</b> case risk for non-occupational accidents</p> <p>The case risk for non-occupational accidents (number of leisure-time accidents per 1,000 full-time employees) fell by 1.6 per cent.</p>	<p><b>12,233</b> checks</p> <p>were conducted on building sites by specialists. 13 per cent of these encountered significant shortcomings.</p>



“With our new ‘avance’ strategy, we are reinforcing prevention. This benefits Swiss industry.”

Edouard Currat, Head of the Health Protection Department

## Occupational safety and health protection

### Key areas of focus in occupational safety

Suva made consistent progress with its “Vision 250 lives” prevention programme in 2016, targeting industries and activities with high risk levels in a bid to prevent serious accidents. The vital rules play a key role here; a focus was thus placed on companies raising awareness of the rules and ensuring they are complied with. Other work included stepping up publicity for the Safety Charter, which Suva supports. This move proved successful as membership grew by 168 per cent in 2016 to 3,500 companies. Workplace checks also focused on the vital rules: 12,233 were conducted on building sites alone, with 13 per cent revealing significant shortcomings. In other industries, such shortcomings were discovered in 1 per cent of 8,537 checks.

### Occupational diseases

Asbestos was again a key issue in the prevention of occupational diseases in 2016 and thus given appropriate attention. Preventive measures for 2017 were also agreed with industry representatives from other sectors. Protecting the skin against the effects of chemicals and UV radiation will be one area of focus.

### Occupational health check-up

The occupational health check-up schemes were adapted in line with the newly defined key areas of focus for preventing occupational diseases during the reporting year. For instance, tests for ionising radiation were discontinued in summer 2016. Dosimeters have been providing accurate readings for many years now, with medical examinations carried out in the event of increased exposure. Initial adjustments were also made to the care given in the automobiles to help prevent hearing loss. Employees who carry weapons and are thus exposed to impulse noise are no longer tested.





The subject of the new snow sports campaign is depicted in a humorous yet striking manner to show that sports injuries can have unpleasant consequences.

## Leisure-time safety

### 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. The “do it yourself” prevention modules on this topic are also the most popular. Companies ordering them get all the information they need to address their chosen prevention issue themselves.

To raise awareness of falls in winter, 70,000 buckets of rock salt were kitted out with a campaign slogan and tips on preventing these kinds of accident.

### Football

One-third of all football injuries are caused by a foul. Fair play was an important message of prevention during the reporting year. For instance, football experts held training demos to show people how to succeed at the sport while avoiding injury. The Fair Play Trophy is also awarded every year to the clubs that show the most fair play, with the winners qualifying automatically for the Swiss Cup.

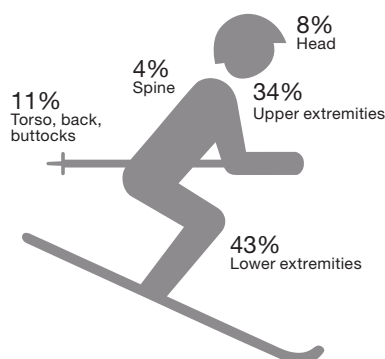
### Snow sports

A new snow sports campaign was launched in autumn to reduce the number and cost of accidents in these sports. The central element is the “snow sports check-up”. This online questionnaire with a personalised assessment raises awareness amongst snow sports enthusiasts and helps them to cut their risk of an accident. Over 15,000 of them completed the check-up in the reporting year alone.

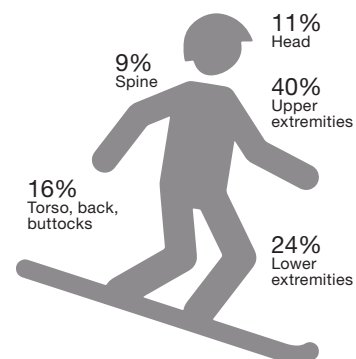
### The most frequent injuries among snow sports enthusiasts

The lower extremities, in particular the knees, are most frequently affected in skiing accidents, followed by the arms and the shoulders (upper extremities). For snowboarders, the opposite is true: they injure their shoulders, arms and hands most often, followed by the lower extremities.

#### Skiing



#### Snowboarding



## Health management

Consultation sessions helped reach out to over 100,000 employees at Suva-insured companies in 2016, offering them prevention activities relating to leisure-time safety and occupational health management. Suva’s prevention modules help businesses to make their staff more aware of risks in their leisure time and improve their personal health. There is also an extensive range of prevention modules available to smaller companies.





“Despite interest rates being at a historic low, Suva remains very solidly financed.”

Ernst Mäder, Head of the Finance Department

## Insurance

0.96%

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

4.8

bn CHF

The investment value of Suva's real estate portfolio as at the end of 2016.

1.30%

The average net premium rate for non-occupational accident insurance remained unchanged.

48.0

bn CHF

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

135.9%

coverage ratio

Suva's financial obligations have solid cover.

4.1%

investment performance

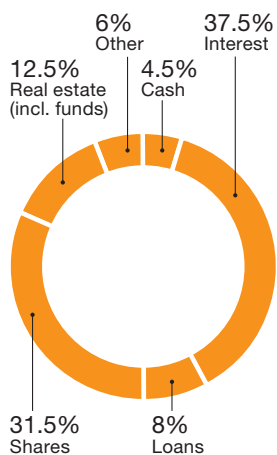
Suva's performance was pleasing despite a challenging market environment.

### Premiums stay low

Premiums for 2016 remained stable at a low level for most insured companies. Only a quarter of all risk groups saw their premiums revised upwards or downwards. The net premium rates for occupational accident insurance fell slightly from 0.97 to 0.96 per cent. For non-occupational accident insurance, they remained at 1.3 per cent.

The maximum insured payroll was increased from CHF 126,000 to CHF 148,200 with effect from 1 January 2016.

### Investment portfolio



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

### Investment performance and coverage ratio

Suva achieved an overall performance of 4.1 per cent in the reporting year despite interest rates being at a historic low. Real estate, bonds, shares, private market investments and commodities made particularly positive contributions to the result. The investment situation in money market investments and currencies proved more difficult. Suva's non-current assets are ring-fenced and now amount to CHF 48bn (up by CHF 1.6bn). Suva has also invested in accordance with environmental, ethical and social principles for many years and is a founding member of the Swiss Sustainable Finance (SSF) initiative.

#### Real estate

Suva is continuously expanding its property holdings and engages in long-term, secure investments throughout Switzerland. Sustainability assessments form an integral part of this asset class. Investments worth CHF 76.7m and disposals worth CHF 47.9m were made in 2016. The real estate portfolio has an investment volume of CHF 4.8bn and generates annual rental income of CHF 268m.



“This year, we have again made every effort to provide rapid and targeted support to injured persons. This has had a positive effect on costs.”

Daniel Roscher, Head of the Insurance Benefits and Rehabilitation Department

## Claims management and rehabilitation

<b>1,670</b> disability pensions were awarded in the reporting year in line with expectations.	<b>561</b> m CHF Total costs for disability cases (benefit liabilities).	<b>949</b> suspected cases were processed by specialists as part of anti-fraud measures.
<b>1,349</b> m CHF Costs for daily benefits in 2016.	<b>1,208</b> m CHF Amount paid out for treatment costs.	<b>4,112</b> CHF The average costs per case remained steady in the reporting year.

### Accident rate continuing to fall

In 2016, 461,010 accidents and occupational diseases were reported to Suva (-0.4 per cent). The average number of days for which daily benefits were paid remained stable at 41.2. The introduction of new software led to more claims being settled. This was one of the reasons behind an increase in daily benefit costs to CHF 1.349bn (+3.5 per cent) and in treatment costs to CHF 1.208bn (+1.9 per cent).

Treatment costs per case remained steady at CHF 2,016. The average costs per case (treatment costs plus daily benefits) also remained unchanged at CHF 4,112 despite rising healthcare costs.

The number of newly awarded disability pensions stood at 1,670, up 66 on the previous year. Total costs for disability cases (benefit liabilities) climbed by 8.3 per cent to CHF 561m.

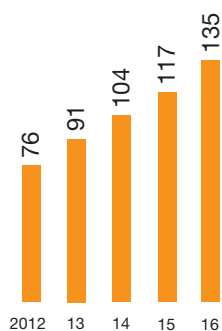
### Anti-fraud measures

Suva combats insurance fraud rigorously and systematically. The specialists investigate specific suspicious incidents and clarify the facts. Suva has not employed any private investigators since the European Court of Human Rights issued its ruling on this matter. A total of 949 suspected cases were actively processed in the past financial year, 65 per cent more than in 2015. This resulted in savings of CHF 18m (+38 per cent), bringing the total amount saved since anti-fraud measures were introduced in 2007 to CHF 135m.

### The smartCare project – the claims management of tomorrow

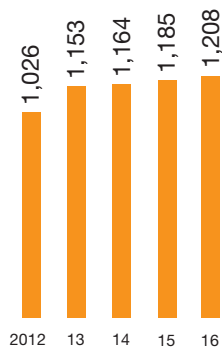
Developments in Swiss industry and in the Swiss healthcare market, along with new business models, are changing the environment for our claims management and the demands placed upon it. The smartCare project responds to these developments, using the technological opportunities of the future to reduce operating and service costs to create additional customer benefits. The most important areas for action were determined and the strategic focus defined in the reporting year.

### Anti-fraud measures



Accumulated total savings since 2007 in CHF m

### Treatment costs



The development of treatment costs in CHF m

### Medical treatment cost management 2020

Medical treatment cost management was further developed in 2016 as planned. This included support with treatment costs as well as the central verification authority for inpatient invoices in Lucerne. The various agencies thus have access to central points of contact for any questions relating to treatment costs (outpatient and SwissDRG). To ensure a uniform approach, several agencies had their treatment costs audited for the first time.

### Medical tariffs

Negotiations at the Central Office for Medical Tariffs over tariff agreements between the hospitals on the one hand and the accident, military and disability insurance providers on the other proved challenging. Ultimately, a sufficient number of hospitals were contracted and cooperation was able to continue in the spirit of partnership between the two sides. In the outpatient sector, no agreement has yet been reached on modifying the doctors' tariff structure (Tarmed).

### Military insurance (MI)

Suva provides MI as a self-contained form of social security on behalf of the Swiss government. Of the cases processed, 75 per cent involved disease or illness and 25 per cent accidents. MI ended the year with a good result (p. 54). With the Swiss nominal wage index increasing by 0.9 per cent, the Swiss Federal Council opted to increase benefits and premiums. As of 1 January 2017, the maximum annual income insured has stood at CHF 152,276.

The Military Insurance Division spent approximately CHF 212m on insurance benefits and administrative expenses in 2016. This was financed with CHF 194m from the Swiss Confederation and CHF 18m from premiums and recourse income.

Expenditure	Treatment costs and prevention		Administrative costs	
			Cash benefits	
Pensions	90	72	29	21
Swiss Confederation	194			18
Income			Premiums/recourses	

### Bellikon Rehabilitation Clinic (RKB)

Work to expand and refurbish the clinic progressed on schedule and included investments in its IT infrastructure: all 205 patient rooms have now been fitted with network connections. All the clinic's rooms will be linked up to the latest-generation clinic network once the building work is complete. Bed occupancy fell slightly (94.4 per cent) because 11 fewer rooms were available due to the refurbishment.

### Clinique romande de réadaptation (CRR)

An occupancy rate of 95.9 per cent during the reporting year justifies the decision to expand the clinic. Patients have also been kept happy, voting the CRR the best rehabilitation clinic in Switzerland – as they had in 2015 as well. The creation of a new Chair of Clinical Neuroengineering at the Swiss Federal Institute of Technology Lausanne (EPFL) has reinforced the importance of the site in Sion.

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## Corporate Governance

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### **Legal and internal regulations**

Compliance and risk management are part of Suva's corporate and management culture. 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.

### **Data protection and information security**

With regard to compliance, Suva places great value on modern data protection measures and effective information security. For this reason, regular training is provided on the data protection issues that arise in the course of day-to-day work. Suva also proactively monitors technical developments and changes in legislation, adapting its internal regulations where necessary and appropriate. One of the main issues for 2016 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 and internal control system**

Risk management helps Suva to achieve its goals. It 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 Management Committee on the company's current risk situation, as well as on the measures that have been defined and implemented. A main focus for 2016 was to update the principles and procedures relating to crisis management at Suva.

The internal control system (ICS) is part of risk management. It involves the use of effective monitoring to minimise key risks in the business processes, thereby contributing to the reliability of the financial reporting. ICS also facilitates effective, efficient business activities, helping Suva to comply with the relevant laws and internal regulations.

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## The Board of Directors



### Markus Dürr

born 1 May 1947

Chairman of the Board of Directors and the Management Committee since 1 January 2014, Doctor of Veterinary Medicine

Career: Head of the Department of Health and Social Affairs of the Government of Lucerne until 2009; Chairman of the Swiss Conference of the Cantonal Ministers of Public Health (GDK) 2004–2007; Mayor of the Municipality of Malters 1987–1996; manager of his own veterinary practice with secondary activities 1977–1999.

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.



### Vasco Pedrina

born 28 June 1950

Vice-Chairman of the Board of Directors since 1 August 2010, graduate in Political Science

Career: National Secretary of Unia and Member of the Board of the Swiss Federation of Trade Unions 2007–2016; Vice- and Co-Chairman of the Swiss Federation of Trade Unions from 1991 for a total of 15 years; Co-Chairman of the interprofessional union Unia 2005–2006; Chairman of the union of construction and industrial workers 1993–2004; General Secretary and then Chairman of the construction and timber union 1988–1992; Secretary of the Swiss Workers' Education Centre (SABZ) 1980–1987; Member of General Management in marketing at SBB 1974–1980. Various roles in the international trade union movement since 1992; Vice-Chairman of the International Federation of Building and Wood Workers (IFBWW) and Member of the Board of the European Trade Union Confederation (ETUC) 2006–2013.

Vasco Pedrina is a Member of the Foundation Board of the Global Labour Institute, the Consultative Committee of the European Free Trade Association (EFTA), and the Federal Commissions for International Development Cooperation and for matters concerning the International Labour Organization (ILO).



### Kurt Gfeller

born 14 September 1960

Vice-Chairman of the Board of Directors since 1 January 2015, graduate in Political Science

Career: Vice-Director since 1998 and Secretary of the Association 1992–1997 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 the employers' delegate in the Federal Coordination Commission for Occupational Safety (FCOS), as well as being a member of the Occupational Pension Supervisory Commission and the Executive Board of the Union of Equalisation Fund Associations, and the delegate of the ASGA pension fund.

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## The Board of Directors

Suva's Board of Directors has a composition that is based on social partners and comprises 40 members. In addition to 16 representatives each of employees and employers, the Board also has 8 members from the Swiss Government. The composition of the Board of Directors ensures that insureds can take their concerns to the very highest management body. The Board of Directors is primarily tasked with defining the strategic objectives and the means needed to achieve these.

The Federal Council selects the Board based on the Federal Act on Accident Insurance (AIA), in force until 31 December 2016, for a term of office of 6 years. With its 8 members from the Board of Directors, the Management Committee of Suva fulfils the tasks of a Board of Directors within the meaning of the law on companies limited by shares. Dr Markus Dürr has been the Chairman of the Board of Directors and the Management Committee since 1 January 2014. The Vice-Chairmen are Kurt Gfeller, Vice-Director of the Swiss Trade Association (SGV), and Vasco Pedrina, National Secretary of Unia until 31 January 2016.

### Tasks

Suva's Board of Directors is responsible in particular for enacting regulations concerning the way Suva is organised, for holding various elections, approving the accounting principles, determining reserves and provisions, and for the annual estimate of the administrative costs and the expenditure for the prevention of accidents and occupational diseases. It checks the annual reports and the annual financial statements. It approves and adopts the premium tariffs.

The Management Committee, whose members are selected from the Board of Directors, is responsible in particular for reviewing Suva's management and operations. It also reviews the corporate strategy and ensures that appropriate risk management is in place. The Financial Supervisory Commission, the Real Estate Supervisory Commission and the Military Insurance Commission support the Board of Directors 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 Board of Directors. Mathematical experts advise the Financial Supervisory Commission in all its areas of responsibility and present an annual report on their advisory activities to the Board of Directors.

### 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 Management Committee and approving the real estate strategy within the context of the long-term overall investment strategy adopted by the Management 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 Management Committee.

#### **Military Insurance Commission**

Suva provides military insurance as a self-contained form of social insurance from the Swiss Government. The Military Insurance Commission was established to supervise these activities. It has one representative each of employers and employees, and two Federal representatives.

#### **Internal Auditing Division**

The Internal Auditing Division examines and evaluates the opportunities and risks that could have an impact on Suva's strategic objectives and draws up recommendations for the further development of Suva. It acts as an advisory partner to the management in matters concerning the economy, efficiency and effectiveness of Suva's commercial and information-based processes. In functional terms, the Internal Auditing Division reports to the Management Committee and the Chairman of the Board of Directors. It works independently and in compliance with the international standards for the professional practice of internal auditing (IIA IPPF).

#### **External Auditing**

An 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, is chosen annually by the Board of Directors at the request of the Financial Supervisory Commission. It may work for Suva for a maximum of six consecutive years.

#### **Compensation of the Board of Directors**

On the basis of a regulation enacted by the Board of Directors and upon the decision of the latter, the members of the Board of Directors received total compensation of CHF 717,180 in 2016 (previous year: CHF 698,845). The highest compensation paid to an individual was CHF 100,000 (previous year: CHF 104,400).



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### Chairman

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**Markus Dürr**, Malters

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### Federal representatives

**Reto Babst**  
Cantonal Hospital Lucerne

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**Monika Bütler**  
Zurich

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**Markus Dürr**  
Malters

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**Gabriele Gendotti**  
Faido

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**Philippe Mäder**  
Adliswil

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**Markus Notter**  
Zurich

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

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**Barbara Schaerer**  
Federal Office of Personnel, Bern

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### First Vice-Chairman

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**Vasco Pedrina**, Zurich

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### Employees' representatives

**Renzo Ambrosetti**  
Unia, Bern

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**Alain Carrupt**  
Federal Employees' Association (PVB), Bern

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**Maria Bernasconi**  
Confederation of Swiss Trade Unions, Bern

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**Vincent Brodard**  
Swiss Transport Workers' Union, Bern

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**Judith Bucher**  
Association of Public Service Employees,  
Zurich

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**Natalie Imboden**  
Unia, Bern

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**Matthias Kuert Killer**  
Travail.Suisse, Bern

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**Peter Kyburz**  
Swiss Association of Commercial  
Employees, Zurich

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**Catherine Laubscher Paratte**  
Unia, Neuenburg

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**Rudolf Marti**  
SE Real Estate & Tourism, Kallnach

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**Urs Masshardt**  
Hotel & Gastro Union, Lucerne

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**Giorgio Pardini**  
syndicom, Bern

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**Vasco Pedrina**  
Confederation of Swiss Trade Unions,  
Bern

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**Kurt Regotz**  
Syna, Olten

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**Renato Ricciardi**  
Organizzazione Cristiano Sociale Ticinese,  
Lugano

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**Janine Wicki**  
Bern

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### Second Vice-Chairman

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**Kurt Gfeller**, Bern

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### Employers' representatives

**Thierry Bianco**  
suissetec, Zurich

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

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**Peter Dietrich**  
Swissmem, Zurich

---

**Judith Fischer**  
Zug

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

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**Heinrich Gosswiler**  
Swiss Contractors' Association, Zurich

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**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

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**Markus Meyer**  
Swiss Association for Visual Communication,  
Zurich

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**Roland A. Müller**  
Confederation of Swiss Employers, Zurich

---

**Roman Rogger**  
VSI Swiss Trade, Basel

---

**Hans Rupli**  
Swiss Association of Timber Construction  
Companies, Zurich

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**Georg Staub**  
swisstaffing, Dübendorf

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**Urs Wernli**  
Swiss Automobile Trade Association, Bern

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**Markus Zemp**  
Swiss Brewery Federation, Zurich

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## The Board of Management



### Felix Weber

born 3 November 1965  
Chairman of the Board of Management since 2016, 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 FCOS, President of the Board of Trustees of the Swiss Council for Accident Prevention.

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



### 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 Versicherungs-Gesellschaft and Swiss Mobiliar (Head of Claims), Zurich (Personal Insurance, Key Account Business Claims and Underwriting), Suva (Director of the Zurich agency and Process Controller for Claims Management).

Directorships with the consent of the Management Committee: SwissDRG AG, Medizinaltarif-Kommission UVG (Medical Tariff Commission)\*, WFJB (foundation for living space for young people with disabilities), Oberrieden.

\* Mandates on behalf of Suva

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## The Board of Management

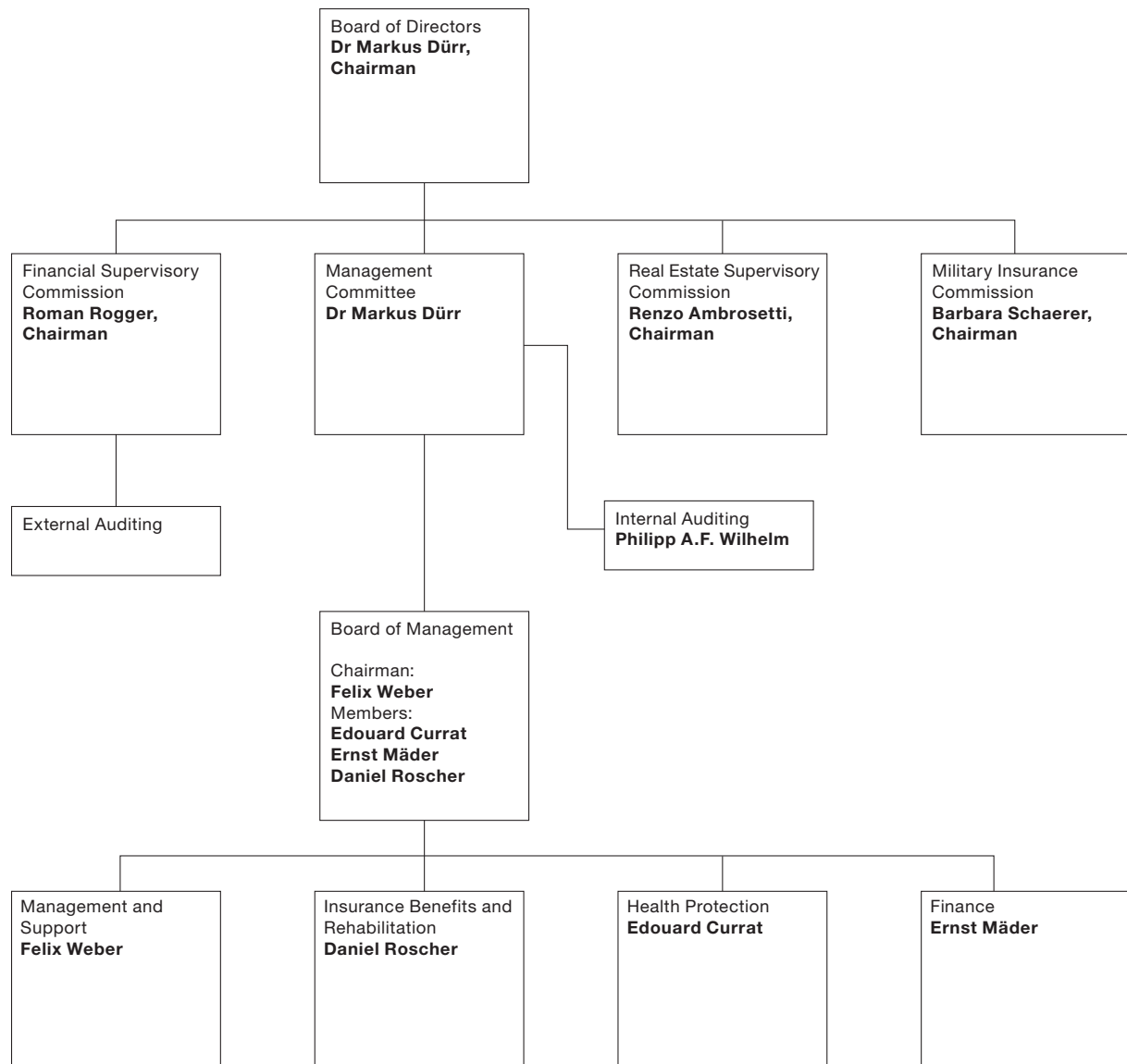
The Board of Management is responsible for implementing the corporate strategy and is the highest managing and executive operational body. It represents Suva externally. The Chairman and the three members decide on all measures that are required for furthering Suva's purpose and for uniform management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

The Board of Management carries out the business of the Board of Directors and its committees and commissions and implements its decisions. It is composed of the Management and Support Department under the leadership of the Chairman of the Board of Management, since 1 January 2016 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 Board of Directors for the operational management of the company.

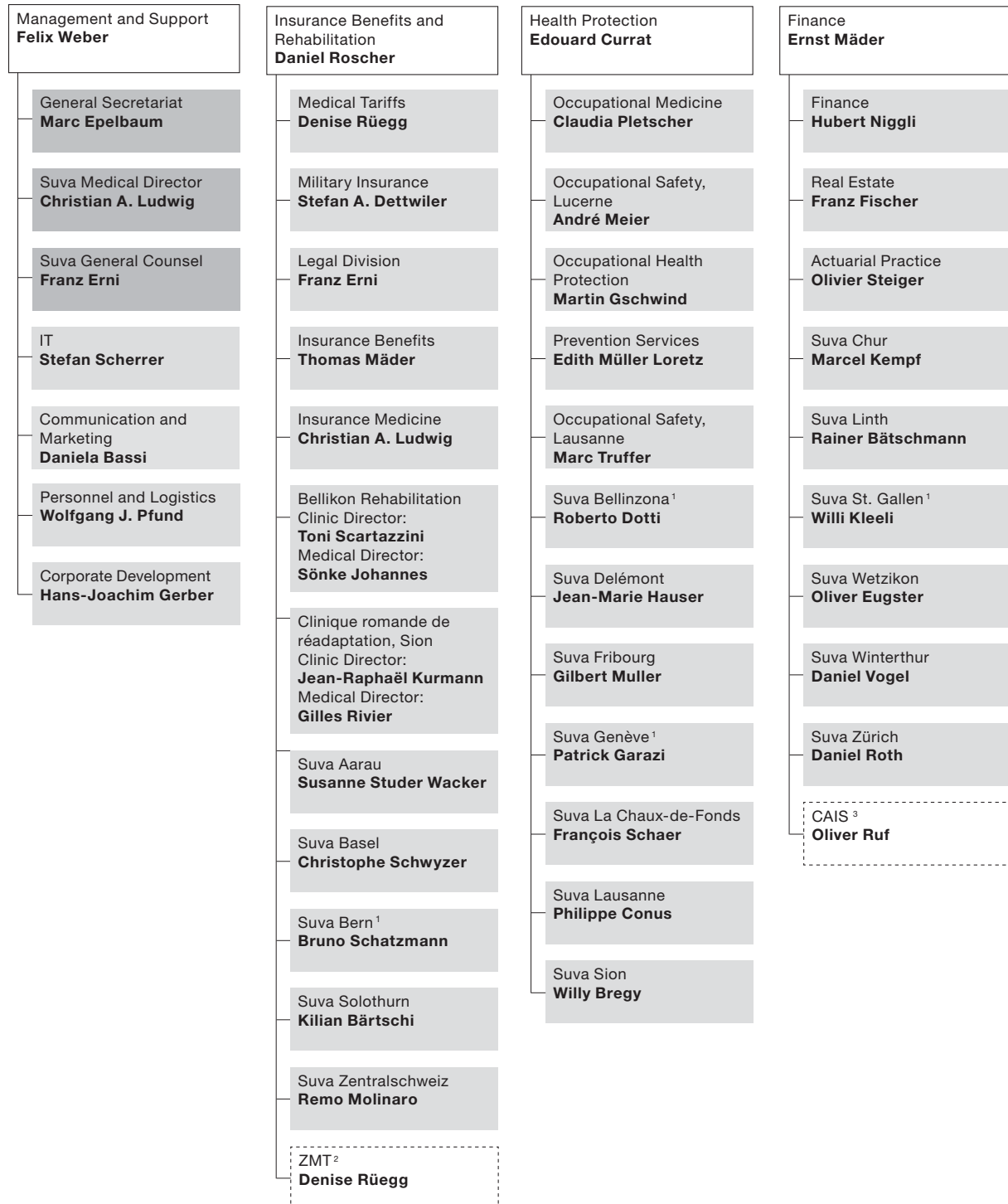
### **Compensation of the Board of Management**

Compensation to the Members of the Board of Management is made up of a basic salary and a variable performance-based salary component, and was CHF 2.05m in total (previous year: CHF 2.29m). The highest compensation paid to an individual was CHF 550,000 (previous year: CHF 640,000). The compensation to the Members of the Board of Management is determined annually by the Management 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 a separate pension plan.

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 Organisational structure


## Operational organisation

<sup>1</sup> Including military insurance branch offices<sup>2</sup> The Central Office for Medical Tariffs in Accident Insurance<sup>3</sup> Coordination group for Accident Insurance Statistics

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## Financial report

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### Brief commentary on the 2016 financial year

#### General

In 2016, Suva's annual result amounted to CHF 32.2m (previous year: CHF -20.7m). This takes into account a further return of equalisation reserves to the insured companies amounting to CHF 44.9m (previous year: CHF 47.7m).

#### Technical comments

Premium income decreased by 2.6 per cent due to the surcharge for the financing of cost-of-living allowances not being levied. Net premiums increased by 3.1 per cent, which can largely be attributed to the increase in maximum insured income. Average premium rates fell by 1.0 per cent for occupational accident insurance and rose by 0.5 per cent for non-occupational accident insurance.

Treatment costs increased by 1.9 per cent in 2016 as a result of a 2.5 per cent rise in the number of open cases with treatment costs and a 0.6 per cent decline in treatment costs per case.

1,670 new disability pensions were issued in 2016 (previous year: 1,605). In the past year, a new lifetime disability pension required benefit liabilities of CHF 335,000 on average (previous year: CHF 322,000). The increase in the associated expenditure can be attributed, firstly, to the new accounting principles as of 2014 (lower average technical interest rate, steadily rising life expectancy) and, secondly, to the increase in insured income.

On a comparable basis, the risk account closed with a profit of CHF 53.6m (previous year: CHF 27.1m).

### **Financial comments**

In financial year 2016, Suva's overall performance reached 4.1 per cent, which is above the average of the last ten years of 3.3 per cent. Real estate, bonds, shares, private market investments, gold and commodities made particularly positive contributions to the result. The investment situation in money market investments and currencies proved more difficult, in particular where the resulting hedging costs were concerned.

Suva's non-current assets increased from CHF 46.4bn to CHF 48.0bn in financial year 2016. The financial coverage ratio – the relationship between assets and obligations – rose slightly from 133.6 per cent in the previous year to 135.9 per cent as of the end of 2016.

Viewed against this background, the financial result (including expenses for technical interest) amounts to CHF 160.0m (previous year: CHF 15.2m).

### **Operating costs**

The one-off effect of financing Suva's employee benefit institution had an impact on the calculation of the 2016 operating costs (CHF 150m). Here, Suva is involved as an employer in the financial impacts of the change in the basis used, which comprises the move from a defined-benefit scheme to a defined-contribution scheme, the reduction in the technical interest rate, the increase in the years of contribution and the application of a new generation mortality table. Without this one-off, expenditure, the operating costs are CHF 550.3m and are thus lower than in the previous year (CHF 557.3m).

Lucerne, 10 April 2017

Chairman of the Board of Management:  
Felix Weber

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



## Overall statement of operations 2016

	Ref. no. <sup>3)</sup>	2016	2015
		CHF in 1,000s	CHF in 1,000s
<b>Premiums</b>	1	<b>4 131 385</b>	4 239 647
<b>Allocated investment return<sup>1)</sup></b>		<b>896 931</b>	648 021
Care benefits and reimbursement of expenses		-1 401 775	-1 345 898
Daily benefits		-1 389 884	-1 332 925
Pensions and lump-sum benefits		-1 409 893	-1 395 724
Cost-of-living allowances for pensioners		-255 480	-265 344
Recourse income		199 502	154 123
Insurance benefits paid out		-4 257 530	-4 185 768
Provisions for short-term benefits		-167 300	-157 000
Provisions for long-term benefits		-113 968	-126 132
Provisions for cost-of-living allowances		-26 096	-7 163
Change in technical provisions	11	-307 364	-290 295
<b>Claims expense</b>		<b>-4 564 894</b>	-4 476 063
Reimbursed expenses for occupational safety		92 737	93 331
Contribution to the prevention of occupational accidents and diseases		-92 295	-91 187
Reimbursed expenses for military insurance		194 332	197 218
<b>Other underwriting result</b>		<b>194 774</b>	199 362
<b>Operating costs</b>	2	<b>- 700 276</b>	- 557 326
<b>Ordinary allocation to the general reserves<sup>2)</sup></b>		<b>-40 811</b>	-41 890
<b>Underwriting result</b>		<b>- 82 891</b>	11 751
Investment return		1 104 300	711 360
Technical interest <sup>1)</sup>	3	-896 931	-648 021
Other financial return		-2 736	-2 819
Expenses for investment management	4	-44 633	-45 298
<b>Financial result</b>		<b>160 000</b>	15 222
<b>Annual result prior to the reduction in the equalisation reserve</b>		<b>77 109</b>	26 973
<b>Reduction in the equalisation reserve</b>		<b>-44 903</b>	-47 687
<b>Annual result after the reduction in the equalisation reserve</b>		<b>32 206</b>	-20 714
Allocation/withdrawal reserves		32 206	-20 714
<b>Appropriation of the annual result</b>		<b>32 206</b>	-20 714

<sup>1)</sup> With the elimination of the premium surcharge for financing the cost-of-living allowances as of 2016, these allowances must now be fully financed by investment income. In order to maintain an economically consistent representation, the allocated investment return must contain this part of the investment income.

<sup>2)</sup> In accordance with Art. 111, § 1 AIO

<sup>3)</sup> See Annex from page 32 onwards

## Balance sheet as of 31 December 2016

		<b>2016</b>	2015
	Ref. no. <sup>1)</sup>	CHF in 1,000s	CHF in 1,000s
<b>Assets</b>			
<b>Non-current assets</b>		<b>41 562 626</b>	40 260 714
Capital investments	5	41 357 672	39 957 237
Intangible assets	6	157 249	254 221
Tangible fixed assets	7	47 705	49 256
<b>Current assets</b>		<b>5 277 742</b>	4 199 886
Receivables	8	4 458 854	3 150 560
Cash	9	614 193	789 800
Material and goods inventories for occupational safety		519	1 836
Prepayments and accrued income	10	204 176	257 690
<b>Total assets</b>		<b>46 840 368</b>	44 460 600
<b>Liabilities and equity</b>			
General reserves		1 333 345	1 292 221
Equalisation reserves		1 383 769	1 415 209
<b>Equity</b>		<b>2 717 114</b>	2 707 430
Provisions for short-term benefits		8 539 400	8 372 100
Provisions for long-term benefits		24 009 568	23 895 600
Provisions for cost-of-living allowances		63 244	37 148
Technical provisions	11	32 612 212	32 304 848
Non-technical provisions	12	6 334 487	5 667 484
Financial liabilities	5	15 411	11 576
<b>Non-current (long-term) liabilities</b>		<b>38 962 110</b>	37 983 908
From goods/services	13	49 241	40 162
Other	14	243 188	212 108
Short-term liabilities		292 429	252 270
Accrued liabilities and deferred income	15	4 868 715	3 516 992
<b>Current (short-term) liabilities</b>		<b>5 161 144</b>	3 769 262
<b>Liabilities</b>		<b>44 123 254</b>	41 753 170
<b>Total liabilities and equity</b>		<b>46 840 368</b>	44 460 600

<sup>1)</sup> See Annex from page 32 onwards

## Funds flow statement 2016

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
<b>Annual result</b>	<b>32 206</b>	-20 714
Provisions for long-term benefits	113 968	126 132
Provisions for short-term benefits	167 300	157 000
Provisions for cost-of-living allowances VIE and AIU	26 096	7 163
Provisions for risks from investments	715 087	1 004 904
Provisions for company development	-51 280	-12 754
Provisions for real estate maintenance and renovation	3 047	1 714
Increase in Assistance Fund	169	138
Value adjustment of financial and capital investments	291 228	1 130 019
Value adjustment on operating properties	81 698	59 344
Value adjustment on intangible assets	-79 885	28 383
Value adjustment on tangible fixed assets	10 120	12 392
Allocations to the general reserves	40 811	41 890
<b>Expenditure and income with no effect on liquidity</b>	<b>1 318 360</b>	2 556 325
Premium balance	-1 293 782	-2 629 487
Other short-term credit balance	-14 512	-3 235
Material and goods inventories	1 317	349
Prepayments and accrued income	53 514	-25 192
Payables from goods and services	40 159	-243 506
Accrued liabilities and deferred income	1 351 723	2 787 879
<b>Change in current assets</b>	<b>138 419</b>	-113 192
<b>Cash flow from operating activities</b>	<b>1 488 984</b>	2 422 419
Net investments in money market investments	-405 262	-286 811
Net investments in capital market investments	-1 224 441	-1 914 482
Net investments in investment properties	-61 959	-122 612
Net investments in operating properties	-81 698	-58 988
Net investments in intangible assets	176 857	-32 058
Net investments in tangible fixed assets	-8 569	-9 286
<b>Cash flow from investment activities</b>	<b>-1 605 072</b>	-2 424 236
Repayment/investments of passive mortgages	3 834	-70 000
Withdrawal from equalisation reserve	-63 333	-
Withdrawal/benefits from Assistance Fund	-21	-129
<b>Cash flow from financing activities</b>	<b>-59 519</b>	-70 129
<b>= Net change in cash funds</b>	<b>-175 607</b>	-71 947
<b>+ Opening balance of cash funds</b>	<b>789 800</b>	861 746
<b>= Closing balance of cash funds</b>	<b>614 193</b>	789 800

## Statement of changes in equity 2016

	<b>OAI</b>	<b>NOAI</b>	<b>VIE</b>	<b>AIU</b>	<b>Clinics</b>	<b>Total</b>
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
<b>General reserves according to Art. 111 AIO</b>						
Status: 1 January 2015	580 074	633 521	6 847	29 811	–	1 250 253
Ordinary allocation	17 152	22 582	216	1 940	–	41 890
Status: 31 December 2015	597 226	656 103	7 063	31 751	–	1 292 143
Ordinary allocation	16 490	21 987	217	2 117	–	40 811
<b>Status: 31 December 2016</b>	<b>613 716</b>	<b>678 090</b>	<b>7 280</b>	<b>33 868</b>	<b>–</b>	<b>1 332 954</b>
<b>General reserves</b>						
Status: 1 January 2015	–	–	–	–	–	–
Allocation	–	–	–	–	78	78
Status: 31 December 2015	–	–	–	–	78	78
Allocation	–	–	–	–	313	313
<b>Status: 31 December 2016</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>391</b>	<b>391</b>
<b>Equalisation reserves</b>						
Status: 1 January 2015	665 391	654 637	39 910	76 063	–	1 436 001
Allocation	34 019	–	11 376	34 268	–	79 663
Withdrawal	–	–52 768	–	–	–	–52 768
Reduction	–47 687	–	–	–	–	–47 687
Status: 31 December 2015	651 723	601 869	51 286	110 331	–	1 415 209
Allocation	–	55 484	1 015	28 744	–	85 243
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
<b>Status: 31 December 2016</b>	<b>574 198</b>	<b>621 925</b>	<b>51 959</b>	<b>135 687</b>	<b>–</b>	<b>1 383 769</b>
<b>Total equity</b>	<b>1 187 914</b>	<b>1 300 015</b>	<b>59 239</b>	<b>169 555</b>	<b>391</b>	<b>2 717 114</b>

## Annex to the financial statements 2016

### 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), 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  
Capital 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.

#### Changes to the accounting and valuation principles

As from the financial statements 2016, Suva now only activates internally developed software in cases relating to the insurance core application. The wider application of the voting rights of Swiss GAAP FER 10 holds no greater significance for Suva and thus has not increased the ability to control the annual financial statements. Similarly to the new assessment based on the application for the first time as of the financial statements 2009, the change has led to a correction in the non-current assets of CHF 84.9m. Where possible, the counter entry is made in the equalisation reserves (CHF 63.3m) without being

recorded in the income statement, with the difference being repaid over five years by the affected divisions.

#### **Bonds in Swiss francs**

Bonds in Swiss francs are reported in the balance sheet using the amortised-cost method. This spreads any difference between historic 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 method).

#### **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)	2016	2015
	CHF	CHF
1 EUR	1.0717	1.0877
1 GBP	1.2579	1.4770
1 USD	1.0200	1.0020
1 CAD	0.7579	0.7240
100 JPY	0.8709	0.8337
1 AUD	0.7341	0.7305

### 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 activated, 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 benefit liabilities for current pensions at the time of the final balance sheet are 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. 90 of the Federal Act on Accident Insurance (AIA) according to the pay-as-you-go method 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 insurer. 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 and liabilities**

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

#### **Rehabilitation clinics in Bellikon and Sion**

The rehabilitation clinics in Bellikon and Sion are not legal entities in their own right and report to Suva's uniform management. From an organisational standpoint, however, they are largely autonomous and do their own accounting on the basis of the H+ accounting schedule and the provisions of Swiss GAAP FER.

In Suva's annual financial statements, the clinics are accounted for in the same way as places of operation. Internal transactions are not eliminated and the clinics' result and balance sheet items are also reported net.

### **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 expenses.

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 Board of Directors 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

	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Occupational accident insurance (OAI)	1 422 460	1 394 668	2.0
Non-occupational accident insurance (NOAI) incl. special premium arrangements	1 925 717	1 860 714	3.5
Voluntary insurance for entrepreneurs (VIE)	19 156	19 114	0.2
Insurance for the unemployed (AIU)	188 341	172 586	9.1
Military insurance (MI)	16 933	16 973	-0.2
<b>Net premiums</b>	<b>3 572 607</b>	3 464 055	3.1
Occupational accident insurance (OAI)	165 063	163 064	1.2
Non-occupational accident insurance (NOAI)	244 689	237 803	2.9
Voluntary insurance for entrepreneurs (VIE)	2 347	2 263	3.7
Insurance for the unemployed (AIU)	21 667	19 848	9.2
<b>Premium supplement for administrative costs</b>	<b>433 766</b>	422 978	2.6
Occupational accident insurance (OAI)	91 981	90 861	1.2
Non-occupational accident insurance (NOAI)	14 371	13 942	3.1
Insurance for the unemployed (AIU): Occupational accident insurance share	314	326	-3.7
Insurance for the unemployed (AIU): Non-occupational accident insurance share	1 377	1 257	9.5
<b>Premium surcharge for accident prevention</b>	<b>108 043</b>	106 386	1.6
Occupational accident insurance (OAI)	789	98 093	-99.2
Non-occupational accident insurance (NOAI)	1 046	130 372	-99.2
<b>Surcharge for the financing of cost-of-living allowances</b>	<b>1 835</b>	228 465	-99.2
Occupational accident insurance (OAI)	12 044	14 773	-18.5
Non-occupational accident insurance (NOAI)	10 788	13 538	-20.3
Voluntary insurance for entrepreneurs (VIE)	197	248	-20.6
<b>Surcharge for payment by instalments</b>	<b>23 029</b>	28 559	-19.4
Occupational accident insurance (OAI)	1 566	1 387	12.9
Non-occupational accident insurance (NOAI)	2 104	1 833	14.8
Voluntary insurance for entrepreneurs (VIE)	23	22	4.5
<b>Default interests</b>	<b>3 693</b>	3 242	13.9
Occupational accident insurance (OAI)	-5 306	-6 036	-12.1
Non-occupational accident insurance (NOAI)	-6 255	-7 922	-21.0
Voluntary insurance for entrepreneurs (VIE)	-27	-80	-66.3
<b>Net premium losses</b>	<b>-11 588</b>	-14 038	-17.5
<b>Total premiums (gross) prior to the reduction in the equalisation reserve</b>	<b>4 131 385</b>	4 239 647	-2.6
Occupational accident insurance (OAI)	-44 903	-47 687	-5.8
<b>Reduction in the equalisation reserve</b>	<b>-44 903</b>	-47 687	-5.8
<b>Total premiums (gross)</b>	<b>4 086 482</b>	4 191 960	-2.5

## 2. Operating costs

	<b>2016</b>	2015	+/-	+/-
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	in %
Personnel expenses	444 634	447 957	-3 323	-0.7
Payments for services by third parties	39 772	29 908	9 864	33.0
Legal and consulting expenses	20 209	16 169	4 040	25.0
Furniture/machines/vehicles	2 994	3 111	-117	-3.8
IT expenses	69 865	96 933	-27 068	-27.9
Cost of premises	42 673	42 211	462	1.1
Office and administrative expenses	34 829	36 606	-1 777	-4.9
Material and special expenses	3 707	13 701	-9 994	-72.9
Value adjustments	28 772	29 704	-932	-3.1
Other expenses <sup>1)</sup>	155 604	-273	155 877	n/a
<b>Total operating costs, gross</b>	<b>843 059</b>	716 027	127 032	17.7
Proceeds from products and services <sup>2)</sup>	-34 640	-31 686	2 954	9.3
Offsetting internal services and activations	-108 143	-127 014	-18 871	-14.9
<b>Total operating costs, net</b>	<b>700 276</b>	557 327	142 949	25.6

<sup>1)</sup> Including one-off contribution for financing the employee benefit institution

<sup>2)</sup> Including the operating income of the Bellikon and Sion rehabilitation clinics (not distributed over the insurance branches)

<b>Distribution of operating costs over the insurance branches</b>	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015
	OAI	OAI	NOAI	NOAI	VIE	VIE	AIU	AIU	MI	MI	Total	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	246 997	174 859	305 783	234 088	2 403	1 975	15 412	15 507	21 510	21 281	592 105	447 710
Prevention of occup. accidents and diseases	92 737	93 331	-	-	-	-	-	-	-	-	92 737	93 331
Prevention of non-occup. accidents	-	-	14 371	15 106	-	-	1 377	1 257	-	-	15 748	16 363
<b>Total</b>	<b>339 734</b>	268 190	<b>320 154</b>	249 194	<b>2 403</b>	1 975	<b>16 789</b>	16 764	<b>21 510</b>	21 281	<b>700 590</b>	557 404

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

	<b>31.12.16</b>	<b>31.12.16</b>	31.12.15	<b>2016</b>	<b>2016</b>	<b>2016</b>	2015
	Surplus/deficit according to Swiss GAAP FER 26	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
Pension plans without surplus/deficit	<b>0</b>	<b>0</b>	0	<b>0</b>	<b>57 779</b>	<b>57 779</b>	57 967

Suva committed itself to a one-off payment of CHF 150m in financial year 2016 as the employer contribution to the future-oriented financing of the benefit institution for Suva employees.

### 3. Investment return

	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Liquid assets	-6 837	-2 676	155.5
Mortgages, loans and syndicated loans	107 041	117 279	-8.7
Bonds	323 129	330 274	-2.2
Indirect real estate investments	40 119	45 759	-12.3
Investment properties	199 246	201 032	-0.9
Shares	160 552	136 651	17.5
Alternative investments	259 093	260 714	-0.6
Derivatives (overlays) and opportunities	2 233	3 947	-43.4
<b>Current earnings</b>	<b>1 084 576</b>	1 092 980	-0.8
Liquid assets	3 937	2 231	76.5
Mortgages, loans and syndicated loans	7 724	17 541	-56.0
Bonds	688 313	657 316	4.7
Indirect real estate investments	44 660	157 270	-71.6
Investment properties	4 537	17 589	-74.2
Shares	764 793	1 483 403	-48.4
Alternative investments	537 258	239 916	123.9
Derivatives (overlays) and opportunities	3 732 879	7 127 985	-47.6
<b>Profit from sales</b>	<b>5 784 101</b>	9 703 251	-40.4
<b>Total earnings from investments</b>	<b>6 868 677</b>	10 796 231	-36.4
Liquid assets	-4 797	-697	588.5
Mortgages, loans and syndicated loans	-11 166	-45 294	-75.3
Bonds	-502 982	-632 636	-20.5
Indirect real estate investments	-2 003	-28 705	-93.0
Investment properties	0	0	-
Shares	-240 073	-214 106	12.1
Alternative investments	-161 429	-430 619	-62.5
Derivatives (overlays) and opportunities	-3 835 612	-6 597 891	-41.9
<b>Losses from sales</b>	<b>-4 758 062</b>	-7 949 948	-40.1
Liquid assets	-21 256	-53 989	-60.6
Mortgages, loans and syndicated loans	-2 704	-7 133	-62.1
Bonds	-68 671	-389 030	-82.3
Indirect real estate investments	-15 156	-33 038	-54.1
Investment properties	-9 263	-10 237	-9.5
Shares	-47 077	-145 383	-67.6
Alternative investments	15 574	-182 546	-108.5
Derivatives (overlays) and opportunities	-142 674	-308 664	-53.8
<b>Value adjustments</b>	<b>-291 228</b>	-1 130 019	-74.2
<b>Total expenses from investments</b>	<b>-5 049 290</b>	-9 079 967	-44.4
<b>Allocation of the provision for investment risks</b>	<b>-715 087</b>	-1 004 904	-28.8
<b>Investment return</b>	<b>1 104 300</b>	711 360	55.2

#### 4. Expenses for investment management

	<b>2016</b>	2015	+ / -
	CHF in 1,000s	CHF in 1,000s	in %
Liquid assets	1 088	1 256	-13.4
Mortgages, loans and syndicated loans	4 628	4 982	-7.1
Bonds	6 149	7 426	-17.2
Indirect real estate investments	1 171	1 378	-15.0
Investment properties	15 514	15 396	0.8
Shares	6 792	7 310	-7.1
Alternative investments	7 661	6 661	15.0
Derivatives (overlays) and opportunities	1 630	889	83.4
<b>Total expenses for investment management</b>	<b>44 633</b>	<b>45 298</b>	<b>-1.5</b>

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. Capital investments

Category	31.12.15	2016	31.12.16	31.12.15	31.12.16
	Balance	Changes in value	Balance	Balance	Market value
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Liquid assets <sup>1)</sup>	1 944 139	384 005	2 328 145	1 944 139	2 328 145
Mortgages	499 962	49 433	549 395	499 962	549 395
Loans and syndicated loans <sup>2)</sup>	5 722 828	-184 592	5 538 235	5 722 828	5 538 235
Bonds in CHF	7 931 551	-252 735	7 678 816	8 477 927	8 171 341
Bonds in foreign currency	4 563 281	374 670	4 937 951	4 847 653	5 252 966
Indirect real estate investments	1 051 115	9 284	1 060 398	1 355 887	1 346 139
Investment properties <sup>3)</sup>	3 979 179	51 907	4 031 086	4 826 098	4 960 903
Shares in Switzerland	2 052 361	77 266	2 129 627	3 332 358	3 192 296
Shares outside Switzerland	5 669 604	491 883	6 161 486	6 917 041	7 680 781
Alternative investments	6 798 965	205 572	7 004 537	8 684 484	8 977 405
Derivatives (overlays) and opportunities	-255 746	193 742	-62 004	-205 594	-36 103
<b>Total</b>	<b>39 957 237</b>	<b>1 400 435</b>	<b>41 357 672</b>	<b>46 402 782</b>	<b>47 961 504</b>

<sup>1)</sup> Including cash accounts for capital investments in the amount of CHF 3,066.6m (previous year: CHF 2,480.2m). As some of the cash accounts serve as collateral, the balance in liquid assets reported is lower than the balance of the cash accounts.

<sup>2)</sup> Including loans to companies for the promotion of occupational safety

<sup>3)</sup> At year end, investment properties were subject to pledges in the amount of CHF 15.4m.

#### Insurance value of investment properties at year end

	<b>2016</b>	2015	+ / -
	CHF in 1,000s	CHF in 1,000s	in %
Investment properties: value of building insurance	4 236 940	4 314 839	-1.8

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

	Contract value		Market values/carrying amounts			
			Positive	Negative	Total	Total
	<b>31.12.16</b>	31.12.15	<b>31.12.16</b>	<b>31.12.16</b>	<b>31.12.16</b>	31.12.15
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
<b>Hedging</b>						
Currency forward transactions (OTC)	17 879 560	15 913 740	50 142	-196 546	-146 403	-304 183
<b>Total hedging</b>	<b>17 879 560</b>	15 913 740	<b>50 142</b>	<b>-196 546</b>	<b>-146 403</b>	-304 183
<b>Trade</b>						
Bond futures (ETD)	1 427 953	1 400 246	0	0	0	0
Credit default swaps (OTC)	741 782	420 284	26 745	-7 046	19 699	2 322
Interest rate swaps (OTC)	1 079 975	1 505 564	35 573	-77 388	-41 815	-45 711
Total bond and interest derivatives	3 249 710	3 326 094	62 319	-84 434	-22 115	-43 389
Stock futures (ETD)	535 796	810 562	0	0	0	0
Volatility/dividend futures (ETD)	35 909	121 260	0	0	0	0
Total stock derivatives	571 706	931 822	0	0	0	0
Currency forward transactions (OTC)	654 953	188 833	4 426	-11 216	-6 790	-730
Total currency forward transactions	654 953	188 833	4 426	-11 216	-6 790	-730
Index swaps (OTC)	571 695	558 522	2 944	-1 222	1 722	765
Total index swaps	571 695	558 522	2 944	-1 222	1 722	765
<b>Total trade</b>	<b>5 048 064</b>	5 005 272	<b>69 689</b>	<b>-96 873</b>	<b>-27 183</b>	-43 354
<b>Total derivatives</b>	<b>22 927 623</b>	20 919 012	<b>119 831</b>	<b>-293 418</b>	<b>-173 587</b>	-347 537
Hedging of OTC derivatives (CSA)			255 040	-16 827	238 213	126 240
Residual counterparty risk					64 627	-221 296

For the reduction of the counterparty risk of over-the-counter derivatives, hedging contracts (CSA) were concluded with some counterparties. Daily fluctuations in the value of the derivative portfolio are offset by corresponding collateral payments in cash in order to reduce net credit exposure with these counterparties. The value of the OTC derivative portfolio of CHF -173.6m (previous year: CHF -347.5m) was thus covered as of the end of 2016 by collateral items amounting to a total of CHF 238.2m (previous year: CHF 126.2m).

In the repo market, Suva had a total of CHF 368.0m outstanding as cash provider and CHF 300.0m as cash taker as at 31 December 2016. 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 2016 amounted to CHF 2,578.4m (previous year: CHF 2,221.5m). They are made up of the following:

- customary, irrevocable payment obligations for private equity of CHF 2,510.1m (previous year: CHF 2,182.3m) as well as for mortgages of CHF 12.1m (previous year: CHF 13.8m)
- forward loans transactions with disbursement date 2017 of CHF 12.9m (previous year: CHF 14.6m)
- pledged syndicated loans of CHF 43.3m (previous year: CHF 10.8m)

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	
	2016 CHF in 1,000s	2015 CHF in 1,000s	2016 CHF in 1,000s	2015 CHF in 1,000s	2016 CHF in 1,000s	2015 CHF in 1,000s
Net carrying amount on 1 January	0	0	254 221	250 546	254 221	250 546
Historic costs						
Status: 1 January	4 688	4 688	376 261	344 203	380 949	348 891
Additions	–	–	–	33 531	0	33 531
Disposals	–	–	–176 857	–1 473	–176 857	–1 473
Status: 31 December	4 688	4 688	199 404	376 261	204 092	380 949
Accumulated value adjustments						
Status: 1 January	–4 688	–4 688	–122 040	–93 657	–126 728	–98 345
Systematic amortisation	–	0	–12 096	–29 856	–12 096	–29 856
Disposals	–	–	91 981	1 473	91 981	1 473
Status: 31 December	–4 688	–4 688	–42 155	–122 040	–46 843	–126 728
<b>Net carrying amount on 31 December</b>	<b>0</b>	<b>0</b>	<b>157 249</b>	<b>254 221</b>	<b>157 249</b>	<b>254 221</b>

**7. Tangible fixed assets**

	Operating properties		Assets in construction		Tenant improvements		Other tangible fixed assets		Total tangible fixed assets	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	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
Net carrying amount on 1 January	0	0	0	356	45 811	47 470	3 445	4 891	49 256	52 717
Historic costs										
Status: 1 January	506 490	447 146	0	356	121 931	114 885	18 521	16 281	646 942	578 668
Additions	81 698	59 344	-	-	6 602	7 046	1 967	2 240	90 267	68 630
Disposals	0	0	-	-356	-	-	-	-	0	-356
Status: 31 December	588 188	506 490	-	0	128 533	121 931	20 488	18 521	737 209	646 942
Accumulated value adjustments										
Status: 1 January	-506 490	-447 146	-	-	-76 120	-67 415	-15 076	-11 390	-597 686	-525 951
Systematic amortisation	-81 698	-59 344	-	-	-8 838	-8 705	-1 282	-3 686	-91 818	-71 735
Disposals	-	-	-	-	-	-	-	-	-	-
Status: 31 December	-588 188	-506 490	-	-	-84 958	-76 120	-16 358	-15 076	-689 504	-597 686
<b>Net carrying amount on 31 December</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>43 575</b>	<b>45 811</b>	<b>4 130</b>	<b>3 445</b>	<b>47 705</b>	<b>49 256</b>

Insurance value of tangible fixed assets as at year end	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Operating properties: value of building insurance	282 019	283 703	-0.6
Other tangible fixed assets	157 823	161 742	-2.4
<b>Total insurance value</b>	<b>439 842</b>	<b>445 445</b>	<b>-1.3</b>

## 8. Receivables

	<b>2016</b>	2015	+ / -
	CHF in 1,000s	CHF in 1,000s	in %
Premium balance	3 316 822	2 612 687	27.0
Accounts receivable recourse	1 018 415	431 225	136.2
Accounts receivable insurance benefits	15 197	12 442	22.1
Withholding tax credit balance	57 260	52 802	8.4
Real estate settlement account	26 235	26 751	-1.9
Special account OA/OD (FCOS)	25 359	30 352	-16.5
Provision for doubtful debts	-32 704	-26 645	22.7
Other receivables	32 270	10 946	194.8
<b>Total receivables</b>	<b>4 458 854</b>	<b>3 150 560</b>	<b>41.5</b>

## 9. Cash

	<b>2016</b>	2015	+ / -
	CHF in 1,000s	CHF in 1,000s	in %
Cash on hand	257	271	-5.2
Postal account	568 170	764 540	-25.7
Banks	45 766	24 989	83.1
<b>Total cash</b>	<b>614 193</b>	<b>789 800</b>	<b>-22.2</b>

## 10. Prepayments and accrued income

	<b>2016</b>	2015	+ / -
	CHF in 1,000s	CHF in 1,000s	in %
Accrued interest	168 343	191 422	-12.1
Other	35 833	66 268	-45.9
<b>Total prepayments and accrued income</b>	<b>204 176</b>	<b>257 690</b>	<b>-20.8</b>

## 11. Technical provisions<sup>1)</sup>

	Provisions for short-term benefits		Provisions for long-term benefits		Provisions for cost-of-living allowances		Total technical provisions	
	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015	<b>2016</b>	2015
	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	2 654 500	2 605 800	10 935 301	10 912 524	-	-	13 589 801	13 518 324
NOAI	5 461 300	5 361 400	12 092 045	12 011 771	-	-	17 553 345	17 373 171
VIE	45 800	45 800	213 145	212 383	7 791	3 139	266 736	261 322
AIU	377 800	359 100	769 077	758 922	55 453	34 009	1 202 330	1 152 031
<b>Total technical provisions</b>	<b>8 539 400</b>	<b>8 372 100</b>	<b>24 009 568</b>	<b>23 895 600</b>	<b>63 244</b>	<b>37 148</b>	<b>32 612 212</b>	<b>32 304 848</b>

<sup>1)</sup> Military insurance is financed on a pay-as-you-go basis, which is why no provisions are made.

## 12. Non-technical provisions

	Provision for risks from capital investments		Other provisions		Total non-technical provisions	
	2016	2015	2016	2015	2016	2015
	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	5 352 155	4 347 251	315 329	326 359	5 667 484	4 673 610
Creation	715 087	1 004 904	19 385	14 797	734 472	1 019 701
Appropriation	-	-	-28 224	-25 827	-28 224	-25 827
Reclassification	-	-	-39 245	-	-39 245	-
<b>Status: 31 December</b>	<b>6 067 242</b>	<b>5 352 155</b>	<b>267 245</b>	<b>315 329</b>	<b>6 334 487</b>	<b>5 667 484</b>

## 13. Short-term payables from goods and services

	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Accounts payable insurance benefits	22 071	8 979	145.8
Accounts payable suppliers	25 854	29 686	-12.9
Other accounts payable	1 316	1 497	-12.1
<b>Accounts payable</b>	<b>49 241</b>	<b>40 162</b>	<b>22.6</b>
<b>Total short-term payables from goods and services</b>	<b>49 241</b>	<b>40 162</b>	<b>22.6</b>

## 14. Other short-term liabilities

	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Co-insurance	67 115	66 456	1.0
FCOS / financial assets	28 000	41 000	-31.7
Military insurance, current account	54 806	53 106	3.2
Short-term provisions	39 245	-	-
Other	54 022	51 546	4.8
<b>Total other short-term liabilities</b>	<b>243 188</b>	<b>212 108</b>	<b>14.7</b>

## 15. Accrued liabilities and deferred income

	2016	2015	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Premiums billed in advance	3 135 147	3 029 672	3.5
Recourse	994 767	390 001	155.1
Clearing accounts Sirius	569 234	29 093	1 856.6
Other accrued liabilities and deferred income	169 567	68 226	148.5
<b>Total accrued liabilities and deferred income</b>	<b>4 868 715</b>	<b>3 516 992</b>	<b>38.4</b>

## Report by the Financial Supervisory Commission

On behalf of the Financial Supervisory Commission, external auditor KPMG AG conducted an audit of Suva's annual financial statements for 2016. According to the assessment by KPMG AG acting on behalf of the Financial Supervisory Commission, the annual financial statements for 2016 are in line with statutory regulations as well as with Suva's accounting and valuation principles.

In compliance with Article 728a, §1, item 3 of the Swiss Code of Obligations and Swiss Auditing Standard 890, KPMG AG also confirmed to the Financial Supervisory Commission 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 on the audits conducted according to Swiss auditing standards, the Financial Supervisory Commission concludes that these audits represent an appropriate basis for the Commission's application to approve the annual financial statements.

The Suva Council is therefore requested to approve the annual financial statements for 2016 and to formally approve the actions of the Board of Management.

Lucerne, 27 April 2017

Financial Supervisory Commission  
Chairman: Roman Rogger  
Vice-Chairman: Urs Masshardt  
Members: Judith Bucher, Markus Notter, Kurt Gfeller  
Secretary: Alexandra Molinaro

## Resolutions by the Suva Council

The report by the Financial Supervisory Commission of 27 April 2017 relating to the examination of Suva's accounts for the year 2016 has been noted.

- 1.** Suva's annual report and financial statements for 2016 are approved.
- 2.** The deposits scheduled in Art. 111 of the Ordinance on Accident Insurance of 20 December 1982 for the general reserves are set at 1 per cent of premium income to be debited to the technical account.
- 3.** The amount of CHF 715,087,487 is allocated to the provision for risks from investments and debited to the capital earnings account.
- 4.** The expenditure surplus of CHF 53,351,806 in occupational accident insurance is drawn from the equalisation reserve of this branch of insurance.
- 5.** The income surplus of CHF 55,484,335 in non-occupational accident insurance is allocated to the equalisation reserve of this branch of insurance.
- 6.** The income surplus of CHF 1,015,038 in voluntary insurance for entrepreneurs is allocated to the equalisation reserve of this branch of insurance.
- 7.** The income surplus of CHF 28,744,487 in insurance for the unemployed is allocated to the equalisation reserve of this branch of insurance.
- 8.** The balanced statement of operations for the military insurance is approved.
- 9.** The actions of the Board of Management and the accountants are formally approved.

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, 9 June 2017

On behalf of the Suva Council  
Chairman: Markus Dürri  
Secretary-General: Marc Epelbaum

## Notes on the financial statements 2016

### Investments

#### Investment year 2016

In financial year 2016, Suva posted an investment performance of 4.1 per cent. Real estate, bonds, shares, private markets, gold and commodities made particularly positive contributions to the result. The investment situation in money market investments and currencies proved more difficult, in particular where the resulting hedging costs were concerned. Furthermore, the negative interest rate on the Swiss money and capital market makes prospects for the next few years very gloomy. Suva's investment strategy focuses on the long term and aims at broad diversification. About half of the assets are invested in interest rate and credit investments, at least 30 per cent are invested in shares and private equity investments and the remainder is invested in real estate and hedge funds.

#### Performance

For investment year 2016, Suva posted a performance of 4.1 per cent (previous year: 1.2 per cent) with a capital investment market value (without the cash and cash equivalents of the current assets) as at 31 December 2016 of CHF 47,961.5m (previous year: CHF 46,402.8m).

#### 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 2.2 per cent (previous year: 2.2 per cent) is posted for 2016.

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

Year	Direct yield	Total yield (performance)
	in %	in %
2012	2.3	8.6
2013	2.3	4.7
2014	2.2	7.0
2015	2.2	1.2
<b>2016</b>	<b>2.2</b>	<b>4.1</b>
Average of the last 3 years (geometric)	2.2	4.1
Average of the last 5 years (geometric)	2.2	5.1

The financial coverage ratio as at 31 December 2016 amounted to 135.9 per cent, which corresponds to solid financing.

	2016	2015	As of 31.12.2016	As of 31.12.2015
	Earnings CHF in 1,000s	Earnings CHF in 1,000s	Loaned CHF in 1,000s	Loaned CHF in 1,000s
<b>Securities lending</b>				
Loan of securities	5 499	7 757	3 640 075	3 466 406

To collateralise securities lending, collateral in the amount of CHF 3,671,648,000 was made available to Suva.

<b>Hidden reserves</b>	2016	2015
	CHF in 1,000s	CHF in 1,000s
Liquid assets	0	0
Mortgages, loans and syndicated loans	0	0
Bonds	807 540	830 749
Indirect real estate investments	285 741	304 772
Investment properties	929 817	846 919
Shares	2 581 964	2 527 434
Alternative investments	1 972 869	1 885 519
Derivatives (overlays) and opportunities	25 902	50 152
<b>Total</b>	<b>6 603 832</b>	<b>6 445 545</b>

The entire reserves for risks from investment thus amounted to CHF 12,671.1m. These comprised hidden reserves amounting to CHF 6,603.8m and the provisions for risks from investments of CHF 6,067.2m



## 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 433.7m (previous year: CHF 423.0m). This amount is used by Suva to meet insurance operating costs.

### Premium surcharges for occupational accident prevention

Suva received CHF 92.3m (previous year: CHF 91.2m) 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 92.7m (previous year: CHF 93.3m).

### 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 2016, these amounted to CHF 15.8m (previous year: CHF 15.2m). These funds were used in accordance with Art. 100 of the Accident Prevention Ordinance (APO). Suva made CHF 12.6m (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 increased by CHF 142.9m or 25.6 per cent. This increase is due to the one-off contribution for financing the change in basis for the employee benefit institution (CHF 150m). Of the overall operating costs, 84.5 per cent (previous year: 80.3 per cent) went on insurance operations, 13.2 per cent (previous year: 16.8 per cent) went on the prevention of occupational accidents and diseases and 2.3 per cent (previous year: 2.9 per cent) went on the prevention of non-occupational accidents.

## Statement of operations

### Occupational accident insurance

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	1 693 903	1 762 846
Premium losses (balance)	-5 305	-6 036
<b>Premiums</b>	<b>1 688 598</b>	1 756 810
<b>Allocated investment return</b>	<b>404 873</b>	295 402
Care benefits and reimbursement of expenses	-442 843	-423 546
Daily benefits	-586 420	-556 107
Pensions and lump-sum benefits	-632 059	-610 044
Cost-of-living allowances to pensioners	-126 288	-126 698
Recourse income	42 635	31 597
Insurance benefits paid	-1 744 975	-1 684 798
Change in technical provisions	-71 477	-64 824
<b>Claims expense</b>	<b>-1 816 452</b>	-1 749 622
Reimbursed expenses for occupational safety	92 737	93 331
Contribution to the prevention of occupational accidents and diseases	-91 981	-90 861
<b>Other underwriting result</b>	<b>756</b>	2 470
Insurance operations	-246 997	-174 859
Prevention of accidents and occupational diseases	-92 737	-93 331
<b>Operating costs</b>	<b>-339 734</b>	-268 190
<b>Ordinary allocation to the general reserves</b>	<b>-16 490</b>	-17 152
<b>Underwriting result</b>	<b>-78 449</b>	19 718
<b>Financial result</b>	<b>70 000</b>	14 301
<b>Annual result prior to the reduction in the equalisation reserve</b>	<b>-8 449</b>	34 019
<b>Reduction in the equalisation reserve</b>	<b>-44 903</b>	-47 687
<b>Annual result after the reduction in the equalisation reserve</b>	<b>-53 352</b>	-13 668

## Statement of operations: notes

### Occupational accident insurance

#### **Declining accident figures**

In 2016, 178,282 occupational accidents and diseases were reported to Suva. This represents 2,033 reports or 1.1 per cent less than in the previous year.

#### **Increase in new pension awards**

The number of newly awarded occupational accident insurance disability pensions amounted to 860 (previous year: 805) and there were 145 (previous year: 143) survivors' pensions.

#### **Negative closing**

With premium income of CHF 1,688.6m (previous year: CHF 1,756.8m), allocated investment return of CHF 404.9m (previous year: CHF 295.4m) and claims expense of CHF 1,816.5m (previous year: CHF 1,749.6m), the statement of operations for occupational accident insurance posted an underwriting result of CHF -78.4m (previous year: CHF 19.7m). It includes the statutory allocation to the general reserves of CHF 16.5m (Art. 111 of the Accident Insurance Ordinance [AIO]). It also includes operating costs of CHF 339.7m (previous year: CHF 268.2m) as well as premium surcharges for the prevention of occupational accidents and diseases in the amount of CHF 92.0m (previous year: CHF 90.9m). 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 70.0m (previous year: CHF 14.3m), the result for the reporting year is an expenditure surplus of CHF 8.5m (previous year: income surplus of CHF 34.0m). Taking into account the reduction in the equalisation reserve of CHF 44.9m, this results in an expenditure surplus of CHF 53.4m, which is taken from the equalisation reserve.

#### **Increase in wages and salaries**

In the course of the year under review, the wages and salaries on which the accounts are based increased by CHF 4.3bn or by 3.02 per cent to CHF 147.9bn.

## Statement of operations

### Non-occupational accident insurance

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	2 198 714	2 258 202
Premium losses (balance)	-6 255	-7 922
<b>Premiums</b>	<b>2 192 459</b>	2 250 280
<b>Allocated investment return</b>	<b>439 541</b>	327 475
Care benefits and reimbursement of expenses	-822 496	-792 664
Daily benefits	-696 062	-676 044
Pensions and lump-sum benefits	-644 267	-649 901
Cost-of-living allowances to pensioners	-126 506	-135 919
Recourse income	145 130	113 295
Insurance benefits paid	-2 144 201	-2 141 233
Change in technical provisions	-180 174	-210 541
<b>Claims expense</b>	<b>-2 324 375</b>	-2 351 774
Insurance operations	-305 783	-234 088
Prevention of non-occupational accidents	-14 371	-15 106
<b>Operating costs</b>	<b>-320 154</b>	-249 194
<b>Ordinary allocation to the general reserves</b>	<b>-21 987</b>	-22 582
<b>Underwriting result</b>	<b>-34 516</b>	-45 795
<b>Financial result</b>	<b>90 000</b>	-6 973
<b>Annual result</b>	<b>55 484</b>	-52 768

## Statement of operations: notes

### Non-occupational accident insurance

#### **Decrease in the number of accidents**

In 2016, the number of non-occupational accidents reported to Suva amounted to 263,987, which is a decrease of 1,222 cases or 0.5 per cent compared with the previous year.

#### **New pension awards**

The number of newly awarded disability pensions for non-occupational accidents amounted to 721 (previous year: 719) accompanied by a total of 101 survivors' pensions (previous year: 130).

#### **Positive closing**

With premium income of CHF 2,192.5m (previous year: CHF 2,250.3m), allocated investment return of CHF 439.5m (previous year: CHF 327.5m) and claims expense of CHF 2,324.4m (previous year: CHF 2,351.8m), the statement of operations for non-occupational accident insurance posted an underwriting result of CHF -34.5m (previous year: CHF -45.8m). It includes the statutory allocation to the general reserves of CHF 22.0m (Art. 111 of the Accident Insurance Ordinance [AIO]). It also includes operating costs of CHF 320.2m (previous year: CHF 249.2m) as well as the premium surcharges for leisure-time safety in the amount of CHF 15.8m (previous year: CHF 15.2m). From the latter, CHF 12.6m (previous year: CHF 12.2m) 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 90.0m (previous year: CHF 7.0m), the result for the reporting year is an income surplus of CHF 55.5m (previous year: expenditure surplus of CHF 52.8m), which is allocated to the equalisation reserve.

#### **Increase in wages and salaries**

The wages and salaries on which the accounts are based increased by CHF 4.3bn or by 3.04 per cent to CHF 147.1bn.

## Statement of operations

### Voluntary insurance for entrepreneurs

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	21 723	21 647
Premium losses (balance)	-27	-80
<b>Premiums</b>	<b>21 696</b>	21 567
<b>Allocated investment return</b>	<b>10 432</b>	5 496
Care benefits and reimbursement of expenses	-5 032	-5 490
Daily benefits	-6 014	-5 882
Pensions and lump-sum benefits	-11 585	-11 236
Cost-of-living allowances to pensioners	-1 110	-1 139
Recourse income	662	584
Insurance benefits paid	-23 079	-23 163
Change in technical provisions	-5 414	8 412
<b>Claims expense</b>	<b>-28 493</b>	-14 751
<b>Operating costs (insurance operations)</b>	<b>-2 403</b>	-1 975
<b>Ordinary allocation to the general reserves</b>	<b>-217</b>	-216
<b>Underwriting result</b>	<b>1 015</b>	10 121
<b>Financial result</b>	<b>-</b>	1 255
<b>Annual result</b>	<b>1 015</b>	11 376

## Statement of operations: notes

### Voluntary insurance for entrepreneurs

#### **Decrease in the number of accidents**

At the end of the year under review, 8,589 people (previous year: 8,249) were voluntarily insured with Suva. They suffered 1,094 accidents (previous year: 1,135). The number of newly awarded voluntary insurance disability pensions amounted to 17 (previous year: 8), with 1 survivors' pension (previous year: 2).

#### **Positive closing**

With premium income of CHF 21.7m (previous year: CHF 21.6m), allocated investment return of CHF 10.4m (previous year: CHF 5.5m) and claims expense of CHF 28.5m (previous year: CHF 14.8m), the statement of operations for voluntary insurance for entrepreneurs posted an underwriting result of CHF 1.0m (previous year: CHF 10.1m). It includes the statutory allocation to the general reserves of CHF 0.2m (Art. 111 AIO) as well as the operating costs of CHF 2.4m (previous year: CHF 2.0m).

The year under review thus posted an income surplus of CHF 1.0m (previous year: CHF 11.4m), which is allocated to the equalisation reserve.

#### **Increase in wages and salaries**

The insured wages and salaries in voluntary insurance for entrepreneurs on which the accounts are based increased by CHF 7.8m or by 1.41 per cent to CHF 563.6m.

## Statement of operations

### Accident insurance for the unemployed

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
<b>Premiums</b>	<b>211 699</b>	194 017
<b>Allocated investment return</b>	<b>42 085</b>	19 648
Care benefits and reimbursement of expenses	-58 917	-52 212
Daily benefits	-72 600	-66 670
Pensions and lump-sum benefits	-32 371	-30 663
Cost-of-living allowances to pensioners	-1 576	-1 587
Recourse income	9 944	7 468
Insurance benefits paid	-155 520	-143 664
Change in technical provisions	-50 299	-23 342
<b>Claims expense</b>	<b>-205 819</b>	-167 006
Contribution towards the prevention of occupational accidents and diseases	-314	-326
<b>Other underwriting result</b>	<b>-314</b>	-326
Insurance operations	-15 412	-15 507
Prevention of non-occupational accidents	-1 377	-1 257
<b>Operating costs</b>	<b>-16 789</b>	-16 764
<b>Ordinary allocation to the general reserves</b>	<b>-2 117</b>	-1 940
<b>Underwriting result</b>	<b>28 745</b>	27 629
<b>Financial result</b>	<b>-</b>	6 639
<b>Annual result</b>	<b>28 745</b>	34 268



## Statement of operations: notes

### Accident insurance for the unemployed

#### Higher number of accidents

In the year under review, jobseekers in Switzerland suffered 17,647 accidents (previous year: 16,375), which represented an increase of 7.8 per cent. The number of disability pensions awarded in accident insurance for the unemployed amounted to 72 (previous year: 73) and survivors' pensions were awarded in 2 cases (previous year: 3).

#### Positive result

With premium income of CHF 211.7m (previous year: CHF 194.0m), allocated investment return of CHF 42.1m (previous year: CHF 19.7m) and claims expense of CHF 205.8m (previous year: CHF 167.0m), the statement of operations for accident insurance for the unemployed posted an underwriting result of CHF 28.7m (previous year: CHF 27.6m). Premium income in accident insurance for the unemployed can fluctuate sharply depending on the state of the economy. The underwriting result includes the statutory allocation to the general reserves of CHF 2.1m (Art. 111 AIO). It also includes operating costs of CHF 16.8m (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 income surplus of CHF 28.7m (previous year: CHF 34.3m), which is allocated to the equalisation reserve.

#### Increase in wages and salaries

The wages and salaries insured in this insurance branch amounted to CHF 5.2bn. This corresponds to an increase of 9.51 per cent or CHF 453.0m.

## Statement of operations

### Military insurance

	<b>2016</b>	2015
	CHF in 1,000s	CHF in 1,000s
<b>Premiums</b>	<b>16 933</b>	16 973
Care benefits and reimbursement of expenses	-72 487	-71 986
Daily benefits	-28 788	-28 222
Pensions and lump-sum benefits	-89 611	-93 880
Recourse income	1 131	1 178
Insurance benefits paid	-189 755	-192 910
<b>Claims expense</b>	<b>-189 755</b>	-192 910
Reimbursed expenses for military insurance	194 332	197 217
<b>Other underwriting result</b>	<b>194 332</b>	197 217
<b>Operating costs for insurance operations</b>	<b>-21 510</b>	-21 281
<b>Annual result</b>	<b>0</b>	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 insurer for the Confederation. On this basis, Suva has neither an agreed nor a factual obligation to defer lump-sum benefits.

#### **Care benefits and reimbursement of expenses**

Despite almost 3 per cent more cases, in particular in the categories civilian service and peacebuilding, the rise in treatment costs was kept low thanks to good case management, increasing by just 0.7 per cent.

#### **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	2016	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
<b>Balance sheet total</b>	<b>46 840.4</b>	44 460.6	40 680.9	39 197.6	37 747.5
Capital investments	41 357.7	39 957.2	38 763.4	37 798.8	36 037.3
Intangible assets	157.3	254.2	250.5	196.7	167.1
Tangible fixed assets	47.7	49.3	52.7	46.9	68.6
<b>Non-current assets</b>	<b>41 562.7</b>	40 260.7	39 066.6	38 042.4	36 273.0
Receivables	4 458.8	3 150.6	517.8	357.6	333.6
Cash	614.2	789.8	861.8	556.5	916.2
Material and goods inventories	0.5	1.8	2.2	2.4	3.1
Prepayments and accrued income	204.2	257.7	232.5	238.7	221.6
<b>Current assets</b>	<b>5 277.7</b>	4 199.9	1 614.3	1 155.2	1 474.5
General reserves	1 333.3	1 292.2	1 250.3	1 208.9	1 167.7
Equalisation reserves	1 383.8	1 415.2	1 436.0	1 330.2	1 318.6
<b>Equity</b>	<b>2 717.1</b>	2 707.4	2 686.3	2 539.1	2 486.3
Provisions for short-term benefits	8 539.4	8 372.1	8 215.1	8 073.4	7 584.8
Provisions for long-term benefits (incl. cost-of-living allowances)	24 072.8	23 932.7	23 799.5	23 533.4	23 427.6
Technical provisions	32 612.2	32 304.8	32 014.6	31 606.8	31 012.4
Non-technical provisions	6 334.5	5 667.5	4 673.6	3 777.8	2 887.3
Financial liabilities	15.4	11.6	81.6	81.0	81.4
<b>Non-current (long-term) liabilities</b>	<b>38 962.1</b>	37 983.9	36 769.8	35 465.6	33 981.1
Short-term liabilities	292.4	252.3	495.8	578.0	718.9
Accrued liabilities and deferred income	4 868.7	3 517.0	729.1	614.9	561.2
<b>Current (short-term) liabilities</b>	<b>5 161.1</b>	3 769.3	1 224.9	1 192.9	1 280.1

Overall statement of operations	2016	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
<b>Premiums (gross, less losses)</b>	<b>4 131.4</b>	4 239.6	4 207.0	4 184.5	4 162.0
<b>Allocated investment return</b>	<b>896.9</b>	648.0	649.7	751.1	746.8
Care benefits and reimbursement of expenses	-1 401.8	-1 345.9	-1 305.8	-1 220.1	-1 147.0
Daily benefits	-1 389.9	-1 332.9	-1 320.4	-1 231.0	-1 265.2
Pensions and lump-sum benefits	-1 409.9	-1 395.7	-1 395.1	-1 389.7	-1 376.0
Cost-of-living allowances to pensioners	-255.4	-265.3	-275.5	-286.1	-296.7
Recourse income	199.5	154.1	181.3	187.8	201.5
Insurance benefits paid out	-4 257.5	-4 185.7	-4 115.5	-3 939.1	-3 883.4
Provisions for short-term benefits	-167.3	-157.0	-141.7	-488.6	-230.6
Provisions for long-term benefits	-114.0	-126.1	-263.1	-100.9	-287.1
Provisions for cost-of-living allowances	-26.1	-7.2	-3.0	-4.9	-4.7
Change in technical provisions	-307.4	-290.3	-407.8	-594.4	-522.4
<b>Claims expense</b>	<b>-4 564.9</b>	-4 476.0	-4 523.3	-4 533.5	-4 405.8
Reimbursed expenses for occupational safety	92.7	93.3	93.4	94.0	95.1
Contribution to the prevention of occupational accidents and occupational diseases	-92.3	-91.2	-91.3	-90.9	-90.9
Reimbursed expenses for military insurance	194.4	197.2	191.5	198.9	197.3
<b>Other underwriting result</b>	<b>194.8</b>	199.3	193.6	202.0	201.5
<b>Operating costs</b>	<b>-700.3</b>	-557.3	-551.3	-547.9	-555.3
<b>Ordinary allocation to the general reserves</b>	<b>-40.8</b>	-41.9	-41.3	-41.3	-41.5
<b>Underwriting result</b>	<b>-82.9</b>	11.7	-65.6	14.9	107.7
Investment return	1 104.3	711.4	937.4	839.3	926.4
Technical interest	-896.9	-648.0	-649.7	-751.1	-746.8
Other financial income	-2.8	-2.9	0.4	0.2	-0.9
Expenses for investment management	-44.6	-45.3	-46.2	-41.8	-39.5
<b>Financial result</b>	<b>160.0</b>	15.2	241.9	46.6	139.2
<b>Annual result prior to the reduction in the equalisation reserve</b>	<b>77.1</b>	27.0	176.3	61.5	246.9
<b>Reduction in the equalisation reserve</b>	<b>-44.9</b>	-47.7	-70.5	-50.0	-
<b>Annual result after the reduction in the equalisation reserve</b>	<b>32.2</b>	-20.7	105.8	11.5	246.9

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

	<b>2016</b>	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Long-term benefits in occupational accident insurance	10 935.3	10 912.5	10 879.0	10 799.0	10 665.1
Change	22.8	33.5	80.0	133.9	110.5
Long-term benefits in non-occupational accident insurance	12 092.1	12 011.8	11 912.0	11 752.3	11 807.5
Change	80.3	99.8	159.7	-55.2	159.0
Long-term benefits in voluntary insurance for entrepreneurs	213.1	212.4	221.2	217.1	215.1
Change	0.7	-8.8	4.1	2.0	-1.6
Long-term benefits in accident insurance for the unemployed	769.1	758.9	757.2	737.9	717.8
Change	10.2	1.7	19.3	20.1	19.2
<b>Total</b>	<b>24 009.6</b>	<b>23 895.6</b>	<b>23 769.4</b>	<b>23 506.3</b>	<b>23 405.5</b>

**Provisions for short-term benefits  
(for current cases)**

	<b>2016</b>	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Provisions	8 539.4	8 372.1	8 215.1	8 073.4	7 584.8
Change	167.3	157.0	141.7	488.6	230.6

**Total insured wages and salaries**

	<b>2016</b>	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
<b>Occupational accident insurance</b>	<b>147 875.0</b>	143 545.2	142 823.1	140 224.2	137 664.2
Change	4 329.8	722.1	2 598.9	2 560.0	2 684.9
<b>Non-occupational accident insurance</b>	<b>147 098.1</b>	142 754.6	142 076.4	139 509.4	136 955.5
Change	4 343.5	678.2	2 567.0	2 553.9	2 738.3
<b>Accident insurance for the unemployed</b>	<b>5 215.0</b>	4 762.0	4 502.8	4 415.6	3 924.3
Change	453.0	259.2	87.2	491.3	107.1

### Development of accident figures

	<b>2016</b>	2015	2014	2013	2012
	No. of cases	No. of cases	No. of cases	No. of cases	No. of cases
<b>Occupational accident insurance</b>	178 282	180 315	182 141	183 763	185 916
Change	-2 033	-1 826	-1 622	-2 153	-2 660
<b>Non-occupational accident insurance</b>	263 987	265 209	261 360	263 021	260 985
Change	-1 222	3 849	-1 661	2 036	-817
<b>Voluntary insurance for entrepreneurs</b>	1 094	1 135	1 146	1 233	1 170
Change	-41	-11	-87	63	-32
<b>Accident insurance for the unemployed</b>	17 647	16 375	15 274	14 759	14 000
Change	1 272	1 101	515	759	-844
<b>Total</b>	<b>461 010</b>	463 034	459 921	462 776	462 071

### Development of market values of investments

	<b>2016</b>	2015	2014	2013	2012
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Liquid assets	2 328.1	1 944.1	1 711.3	2 011.7	2 155.7
Mortgages	549.4	500.0	419.6	416.8	409.7
Loans and syndicated loans	5 538.2	5 722.8	5 604.3	5 338.6	4 947.6
Bonds in CHF	8 171.3	8 477.9	7 577.3	7 235.3	7 139.8
Bonds in foreign currency	5 253.0	4 847.7	5 508.3	5 135.0	4 406.3
Indirect real estate investments	1 346.1	1 355.9	1 491.4	1 100.6	1 195.2
Investment properties (incl. investment properties under construction)	4 960.9	4 826.1	4 644.2	4 546.0	4 314.6
Shares in Switzerland	3 192.3	3 332.4	3 285.2	3 408.3	3 752.6
Shares outside Switzerland	7 680.8	6 917.0	7 273.6	6 475.9	5 722.8
Alternative investments	8 977.4	8 684.5	8 922.4	8 100.5	7 615.5
Derivatives (overlays) and opportunities	-36.1	-205.6	-151.5	236.6	233.7
<b>Total market values of investments</b>	<b>47 961.5</b>	46 402.8	46 286.1	44 005.3	41 893.6

## Figures from the insurance business

Insurance benefits	2016	2015	+/-
	CHF in m	CHF in m	in %
Occupational accident insurance	1 788	1 716	4.2
Non-occupational accident insurance	2 289	2 255	1.5
Voluntary insurance for entrepreneurs	24	24	0
Accident insurance for the unemployed	165	151	9.3
Military insurance	191	194	-1.5
<b>Total insurance benefits<sup>1)</sup></b>	<b>4 457</b>	<b>4 340</b>	<b>2.7</b>

Accidents and occupational diseases	2016	2015	+/-
	No. of cases	No. of cases	in %
Accidents reported (OAI, NOAI, VIE, AIU)	458 317	461 197	-0.6
occupational accidents reported	175 589	178 478	-1.6
non-occupational accidents reported	263 987	265 209	-0.5
accidents reported VIE <sup>2)</sup>	1 094	1 135	-3.6
accidents reported AIU <sup>3)</sup>	17 647	16 375	7.8
Occupational diseases reported	2 693	1 837	46.6
<b>Total accidents and occupational diseases reported</b>	<b>461 010</b>	<b>463 034</b>	<b>-0.4</b>

Pensions	2016	2015	+/-
	No. of cases	No. of cases	in %
Newly awarded pensions	1 925	1 883	2.2
of which disability	1 670	1 605	4.0
of which survivors'	255	278	-8.3
Newly determined permanent impairment compensation	4 190	4 013	4.4
Disability pensions paid out	71 501	72 360	-1.2
Survivors' pensions paid out	16 537	17 196	-3.8

Appeal proceedings	2016	2015	+/-
	No. of cases	No. of cases	in %
<b>Number of appeals submitted</b>	<b>3 975</b>	<b>3 664</b>	<b>8.5</b>
<b>Referral to cantonal insurance courts</b>	<b>1 004</b>	<b>890</b>	<b>12.8</b>
Judgement fully in Suva's favour	712	685	3.9
Judgement partially in Suva's favour	74	92	-19.6
Judgement against Suva	143	154	-7.1
<b>Assessed by cantonal insurance courts</b>	<b>929</b>	<b>931</b>	<b>-0.2</b>
brought by insurees	165	158	4.4
brought by Suva	18	20	-10.0
<b>Referral to Federal Supreme Court</b>	<b>183</b>	<b>178</b>	<b>2.8</b>
Judgement fully in Suva's favour	176	136	29.4
Judgement partially in Suva's favour	6	18	-66.7
Judgement against Suva	10	18	-44.4
<b>Assessed by the Federal Supreme Court</b>	<b>192</b>	<b>172</b>	<b>11.6</b>

<sup>1)</sup> 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

<sup>2)</sup> Voluntary insurance for entrepreneurs

<sup>3)</sup> Accident insurance for the unemployed



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