

# Chubb Insurance (Switzerland) Limited

Zurich

Report of the statutory auditor  
to the General Meeting

on the financial statements 2019

# Report of the statutory auditor

## to the General Meeting of Chubb Insurance (Switzerland) Limited

### Zurich

#### Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of Chubb Insurance (Switzerland) Limited, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2019.

#### Board of Directors' responsibility

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

#### Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements for the year ended 31 December 2019 comply with Swiss law and the company's articles of incorporation.

#### Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Peter Eberli  
Audit expert  
Auditor in charge



Nicolas Juillerat  
Audit expert

Zurich, 23 April 2020

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of the available earnings

Chubb Insurance (Switzerland) Limited, Zurich  
Financial Statement

Swiss Statutory  
**BALANCE SHEET**

**31.12.2019**  
**CHF millions**

**31.12.2018**  
**CHF millions**

<b>Assets</b>	<b>Notes</b>		
Investments		290.0	282.8
- Fixed maturities	1	262.8	255.1
- Other investments	2	27.2	27.7
Deposits on ceded reinsurance business		0.4	0.6
Cash and cash equivalents	3	24.0	13.8
Reinsurers' share of technical provisions		163.2	159.4
- Reinsurance recoverable on losses and loss expenses	4	147.6	142.7
- Prepaid reinsurance premiums	5	15.6	16.7
Insurance receivables		27.9	21.0
- (Re)Insurance balances receivables third party companies	6	22.0	21.0
- (Re)Insurance balances receivables group companies		5.9	0.0
Other receivables from group companies	7	6.2	26.9
Other assets	8	0.8	0.4
Prepaid expense and accrued income	9	1.9	2.9
<b>Total assets</b>		<b>514.4</b>	<b>507.8</b>
<b>Liabilities &amp; equity</b>			
Technical provisions		296.8	292.4
- Unpaid losses and loss expenses, gross	4	266.5	265.3
- Unearned premium reserves, gross	5	30.3	27.1
Interest bearing liabilities	3	0.0	15.2
Insurance payables		10.8	9.5
- (Re)Insurance payables to third party companies	10	7.6	7.4
- (Re)Insurance payables to group companies		3.2	2.1
Other payables due to group companies	7	8.1	0.6
Other liabilities	11	3.4	3.6
Deferred income and accrued income tax	12	4.3	7.4
<b>Total liabilities</b>		<b>323.4</b>	<b>328.5</b>
<b>Shareholders' equity</b>			
Share capital		100.0	100.0
Legal Reserves		51.6	51.6
- Capital contribution reserves		50.0	50.0
- General legal reserves		1.6	1.6
Free Reserves		39.4	27.6
- Retained earnings		27.6	25.3
- Net income for the period		11.8	2.4
<b>Total shareholders' equity</b>	13	<b>191.0</b>	<b>179.2</b>
<b>Total liabilities &amp; equity</b>		<b>514.4</b>	<b>507.8</b>

Notes form an integral part of these financial statements

Chubb Insurance (Switzerland) Limited, Zurich  
Financial Statement

Swiss Statutory <b>INCOME STATEMENT</b>	<u>01.01.2019</u> <u>- 31.12.2019</u> <u>CHF millions</u>	<u>01.01.2018</u> <u>- 31.12.2018</u> <u>CHF millions</u>
<b>Notes</b>		
Gross written premiums	134.0	125.1
Premium ceded to reinsurers	-56.2	-59.9
<b>Net written premiums</b>	<b>77.8</b>	<b>65.2</b>
Change in unearned premium reserves, gross	-3.3	-0.2
Change in unearned premium reserves, ceded	-1.1	1.2
Change in unearned premium reserves, net	-4.4	1.0
<b>Net earned premiums</b>	<b>73.4</b>	<b>66.2</b>
<b>Total technical income</b>	<b>73.4</b>	<b>66.2</b>
Paid claims and claims expenses, gross	53.7	39.7
Paid claims and claims expenses, ceded	-23.3	-16.0
<b>Paid claims and claims expenses, net</b>	<b>30.4</b>	<b>23.7</b>
Change in loss reserve, gross	2.6	2.1
Change in loss reserve, ceded	-6.1	6.5
<b>Change in loss reserve, net</b>	<b>-3.5</b>	<b>8.6</b>
<b>Net claims and claim expenses incurred</b>	<b>26.9</b>	<b>32.3</b>
Acquisition costs, gross	29.6	26.5
Administrative expenses, gross	14      13.7	10.4
<b>Total acquisition cost and administrative expenses, gross</b>	<b>43.3</b>	<b>37.0</b>
Reinsurers' share of acquisition cost and administrative expenses	-8.4	-7.5
<b>Total acquisition cost and administrative expenses, net</b>	<b>34.9</b>	<b>29.4</b>
<b>Total technical expenses</b>	<b>61.9</b>	<b>61.8</b>
<b>Underwriting result</b>	<b>15      11.6</b>	<b>4.4</b>
Investment income	16      5.4	5.0
Investment related expenses	17      -2.4	-4.6
<b>Net investment income</b>	<b>3.0</b>	<b>0.4</b>
Other financial income	0.4	0.2
Other financial expenses	-0.1	-0.1
<b>Operating result</b>	<b>14.9</b>	<b>4.9</b>
Other income	18      0.7	0.1
Other expenses	19      -0.6	-1.8
<b>Income before tax</b>	<b>15.0</b>	<b>3.2</b>
Income tax (expense)	-3.2	-0.8
<b>Net income</b>	<b>11.8</b>	<b>2.4</b>

Notes form an integral part of these financial statements

## Notes to the Financial Statement

### Basis of Presentation

The financial statements are presented in million Swiss francs, with the consequence that the rounded amounts may not add up to the rounded total in all cases.

The financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since January 1, 2013) and the provisions of the Swiss Ordinance on the Supervision of Private Insurance Companies (Art. 5-6a AVO-FINMA, status as of 15 December 2015).

### Significant accounting policies

#### Foreign Currency Translation

The annual financial statements are prepared in Swiss francs. Expenses and income in foreign currency are translated at the prevailing rate of the transactions. Balance sheet items denominated in foreign currency are translated at the prevailing rate as of the balance sheet date for which the main exchange rates used are presented below:

	2019	2018
EUR	1.09442	1.12408
USD	0.98332	0.99329

#### Valuation principles

Valuation principles are applied consistently. Assets and liabilities, with the exception of fixed maturities, are valued on an individual basis. Fixed maturities are grouped and valued in accordance with their economic purpose. Accounting policies for assets and liabilities are disclosed below.

##### a) Cash and cash equivalents / bank overdrafts

Cash and cash equivalents include cash on hand and deposits with an original maturity of three months or less at time of purchase.

Chubb Insurance (Switzerland) Limited, Zurich (CISL) participates in the multi-currency notional cash pooling program, implemented by Chubb Limited with a third party bank provider. In this program, participating Chubb subsidiaries (such as CISL) establish deposit accounts in different currencies with the bank provider and each day the credit or debit balances in every account are notionally translated into a single currency (U.S. dollars) and then notionally pooled. The bank extends overdraft credit to any participating Chubb subsidiary (such as CISL) as needed, provided that the overall notionally-pooled balance of all accounts in each pool at the end of each day is at least zero. Actual cash balances are not physically converted and are not commingled between legal entities. Any overdraft balances incurred under this program by a Chubb subsidiary would be guaranteed by Chubb Limited up to \$300 million (CHF 297.9 million) in the aggregate. The revolving credit facility allows for same day drawings to fund a net pool overdraft should participating Chubb subsidiaries (such as CISL) withdraw contributed funds from the pool.

##### b) Insurance and reinsurance receivables

Insurance and reinsurance receivables are recognised at cost. Any impairment of a receivable will be recognised if there is evidence that the company will not be able to collect the amounts receivable according to the original terms of the receivable.

##### c) Fixed maturities

Fixed maturities mainly held for tied asset purposes and free assets are separately valued at lower of amortised cost or fair value. Amortised cost is based on the scientific amortisation method.

Investment income and investment related expense comprise all income and expense on fixed maturities and related other investments, i.e. interest, realised gains, realised losses as well as amortisation expense and related asset management cost.

Realised gains and losses on investments are calculated as the difference between the net sale proceeds and the amortised cost. Movements in unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date and the amortised cost.

## Notes to the Financial Statement

### d) Provision for claims outstanding and related reinsurance recoveries

The provision for claims outstanding is assessed on an individual case basis and is based on the estimated ultimate cost of all claims notified but not settled by the balance sheet date, together with the provision for related claims handling costs.

The provision also includes the estimated cost of claims incurred but not reported ("IBNR") at the balance sheet date based on statistical methods. These methods generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. For the most recent years, where a high degree of volatility arises from projections, estimates may be based part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The amount of salvage and subrogation is separately identified and, where material, reported as an asset.

The reinsurer's share of the provision for claims outstanding is based on the amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved. A number of statistical methods are used to assist in making these estimates.

The two most critical assumptions as regards the provisions for claims outstanding are that the past is a reasonable predictor of the likely level of claims development, and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

Management and the Board of Directors together with the Appointed Actuary consider that the provision for gross claims outstanding and related reinsurance recoveries is fairly stated on the basis of the information currently available. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made. The methods used, and estimates made, are reviewed regularly.

This includes equalisation provisions, where required by FINMA and in line with the business plan.

## Disclosures, breakdowns and explanations on balance sheet items

	<u>31.12.2019</u> <u>CHF millions</u>	<u>31.12.2018</u> <u>CHF millions</u>
<b>Note 1 - Fixed maturities</b>		
Fixed maturities (tied assets), at fair value	265.7	254.5
Value adjustment	-4.9	0.7
Fixed maturities (tied assets), at amortised cost	260.8	255.2
Fixed maturities (free assets), at fair value	0.2	0.2
Value adjustment	0.0	0.0
Fixed maturities (free assets), at amortised cost	0.2	0.2
Short term bonds (tied assets), at amortised cost	1.8	0.4
<b>Total Fixed maturities - lower of amortised cost or fair value*</b>	<b>262.8</b>	<b>255.1</b>
* Fixed maturities (tied assets) are carried at amortised cost (2018: fair value), Fixed maturities (free assets) at amortised cost (no change to 2018) and short term bonds (tied assets) at amortised value (2018: fair value)		
<b>Note 2 - Other investments</b>		
Pledged assets, at fair value	27.3	27.7
Value adjustment to amortised cost	-0.1	0.3
Total Other investments at amortised cost	27.2	28.0
<b>Total Other investments - lower of amortised cost or fair value*</b>	<b>27.2</b>	<b>27.7</b>
* Other investments are carried at amortised cost (2018: fair value)		
<b>Note 3 - Cash and cash equivalents / interest bearing liabilities</b>		
Operating Cash	13.1	13.8
Notional Pool	10.9	0.0
<b>Total cash and cash equivalents</b>	<b>24.0</b>	<b>13.8</b>
Notional Pool	0.0	15.2
<b>Total interest bearing liabilities</b>	<b>0.0</b>	<b>15.2</b>
<b>Note 4 - Net unpaid losses and loss expenses</b>		
Unpaid losses to third party companies, gross	228.7	230.3
Unpaid losses to group companies, gross	16.2	14.0
Other technical provisions	21.6	21.1
<b>Total unpaid losses and loss expenses, gross</b>	<b>266.5</b>	<b>265.3</b>
Reinsurance recoverable from third party companies	9.0	4.8
Reinsurance recoverable from group companies	138.6	137.9
<b>Total Reinsurance recoverables on losses and loss expenses</b>	<b>147.6</b>	<b>142.7</b>
<b>Total net unpaid losses and loss expenses</b>	<b>118.9</b>	<b>122.6</b>



**Disclosures, breakdowns and explanations on balance sheet items**

	<b>31.12.2019</b> <b>CHF millions</b>	<b>31.12.2018</b> <b>CHF millions</b>
<b>Note 5 - Net unearned premiums</b>		
Unearned premiums, gross, third party	26.6	24.7
Unearned premiums, gross, group companies	3.7	2.4
<b>Total unearned premiums, gross</b>	<b>30.3</b>	<b>27.1</b>
Prepaid reinsurance premiums, third party	0.8	1.3
Prepaid reins. premiums, group companies	14.8	15.4
<b>Total prepaid reinsurance premiums</b>	<b>15.6</b>	<b>16.7</b>
<b>Total net unearned premiums</b>	<b>14.6</b>	<b>10.3</b>

**Note 6 - (Re)Insurance balances receivables from third party companies**

Premium receivables from policyholders	9.0	7.8
Premium receivables from broker	5.7	5.8
Premium receivables from insurance companies	1.7	2.5
Accrued Premium	3.6	3.0
Earned But Not Reported Premium (EBNR)	2.0	1.9
<b>Total (Re)Insurance balances receivables from third party companies</b>	<b>22.0</b>	<b>21.0</b>

**Note 7 - Other group companies receivables / payables**

Chubb Reinsurance (Switzerland) Limited	5.5	13.7
Chubb Limited (parent / shareholder)	0.7	13.3
<b>Other receivables from group companies</b>	<b>6.2</b>	<b>26.9</b>
Chubb European Group SE, Courbevoie	8.1	0.5
Other Chubb Group companies	0.0	0.1
<b>Other payables to group companies</b>	<b>8.1</b>	<b>0.6</b>

**Note 8 - Other assets**

Withholding tax	0.3	0.3
Other assets	0.5	0.1
<b>Total other assets</b>	<b>0.8</b>	<b>0.4</b>

**Note 9 - Prepaid expense and accrued income**

Accrued interest on investments	1.9	2.0
Other prepaid expenses	0.0	0.9
<b>Total prepaid expense and accrued income</b>	<b>1.9</b>	<b>2.9</b>

## Disclosures, breakdowns and explanations on balance sheet items

	<u>31.12.2019</u> <u>CHF millions</u>	<u>31.12.2018</u> <u>CHF millions</u>
<b>Note 10 - (Re)Insurance payables to third party companies</b>		
(Re)Insurance payables to insured	0.0	0.3
(Re)Insurance payables to broker	5.9	5.1
(Re)Insurance payables to insurance companies	1.7	1.9
<b>Total (Re)Insurance payables to third party companies</b>	<b>7.6</b>	<b>7.3</b>

### Note 11 - Other liabilities and accrued expenses

Payables insurance premium tax	0.8	0.7
Accruals administration expenses	1.6	1.2
Accruals personnel costs	0.9	1.6
Accruals for pension fund	0.1	0.0
<b>Total other liabilities and accrued expenses</b>	<b>3.4</b>	<b>3.6</b>

### Note 12 - Deferred income and accruals for income tax

Deferred income and unrealised value fluctuation	2.4	3.8
Advance Premium Remittance	1.3	3.6
Accruals for income tax	0.6	0.0
<b>Total deferred income and accruals for income tax</b>	<b>4.3</b>	<b>7.4</b>

### Note 13 - Reconciliation of Shareholders' Equity

CHFm	Legal Reserves				Total Shareholders' Equity
	Share Capital	Capital contribution reserves	General legal reserves	Free Reserves	
<b>Balance as at 31.12.2017</b>	<b>100.0</b>	<b>50.0</b>	<b>1.6</b>	<b>25.3</b>	<b>176.7</b>
Net income 2018				2.4	2.4
<b>Balance as at 31.12.2018</b>	<b>100.0</b>	<b>50.0</b>	<b>1.6</b>	<b>27.6</b>	<b>179.2</b>
Net income 2019				11.8	11.8
<b>Balance as at 31.12.2019</b>	<b>100.0</b>	<b>50.0</b>	<b>1.6</b>	<b>39.4</b>	<b>191.0</b>

**Disclosures, breakdowns and explanations on income statement items**

Note 14 - Administrative expenses	<u>01.01.2019</u> <u>- 31.12.2019</u> <u>CHF millions</u>	<u>01.01.2018</u> <u>- 31.12.2018</u> <u>CHF millions</u>
	Salaries	7.5
Other personnel costs	2.0	1.5
<b>Total personnel costs *</b>	<b>9.5</b>	<b>8.0</b>
Other	4.2	2.4
<b>Total Administrative Expenses</b>	<b>13.7</b>	<b>10.5</b>

\* The annual average number of full-time equivalents for the reporting year was above 50, previous year it was below.

**Note 15 - Underwriting result**  
(in CHF millions)

		<u>01.01.2019 - 31.12.2019</u>			<u>01.01.2018 - 31.12.2018 *</u>		
		<u>P&amp;C and A&amp;H</u>	<u>Tempest Re</u>	<u>Total</u>	<u>P&amp;C and A&amp;H</u>	<u>Tempest Re</u>	<u>Total</u>
Gross written premiums	Direct	107.8	0.0	107.8	99.2	0.0	99.2
	Assumed	25.1	1.1	26.2	23.9	1.9	25.9
Premium ceded to reinsurers	Ceded	-53.1	0.0	-53.1	-54.0	0.0	-54.0
	Retroceded	-2.8	-0.3	-3.1	-5.6	-0.3	-5.9
<b>Net written premiums</b>		<b>77.0</b>	<b>0.8</b>	<b>77.8</b>	<b>63.6</b>	<b>1.6</b>	<b>65.2</b>
Change in unearned premium reserves	Direct	-2.1	0.0	-2.1	0.2	0.0	0.2
	Assumed	-1.7	0.5	-1.2	-1.1	0.7	-0.4
	Ceded	-0.3	0.0	-0.3	1.1	0.0	1.1
	Retroceded	-0.3	-0.5	-0.7	0.1	0.0	0.1
<b>Change in unearned premium reserves</b>		<b>-4.4</b>	<b>0.0</b>	<b>-4.4</b>	<b>0.3</b>	<b>0.7</b>	<b>1.0</b>
<b>Net earned premiums</b>		<b>72.6</b>	<b>0.8</b>	<b>73.4</b>	<b>63.8</b>	<b>2.3</b>	<b>66.2</b>
<b>Total technical income</b>		<b>72.6</b>	<b>0.8</b>	<b>73.4</b>	<b>63.8</b>	<b>2.3</b>	<b>66.2</b>
Claims and claim expenses incurred	Direct	38.7	0.0	38.7	34.5	0.0	34.5
	Assumed	22.6	-5.0	17.6	9.4	-2.1	7.3
	Ceded	-25.7	0.0	-25.7	-3.3	0.0	-3.3
	Retroceded	-7.9	4.2	-3.7	-8.3	2.2	-6.1
<b>Total Claims Incurred, net</b>		<b>27.7</b>	<b>-0.7</b>	<b>26.9</b>	<b>32.3</b>	<b>0.0</b>	<b>32.3</b>
Acquisition costs	Gross	28.9	0.7	29.6	26.0	0.6	26.5
	Ceded	-7.8	-0.6	-8.4	-7.3	-0.2	-7.5
<b>Total Acquisition costs, net</b>		<b>21.1</b>	<b>0.1</b>	<b>21.2</b>	<b>18.7</b>	<b>0.3</b>	<b>19.0</b>
Administrative expenses		13.1	0.6	13.7	10.0	0.4	10.4
<b>Total acquisition- and administrative expenses, net</b>		<b>34.2</b>	<b>0.7</b>	<b>34.9</b>	<b>28.7</b>	<b>0.7</b>	<b>29.4</b>
<b>Total technical expenses</b>		<b>61.9</b>	<b>0.1</b>	<b>61.9</b>	<b>61.0</b>	<b>0.8</b>	<b>61.8</b>
<b>Underwriting result</b>		<b>10.7</b>	<b>0.8</b>	<b>11.6</b>	<b>2.9</b>	<b>1.5</b>	<b>4.4</b>

\* The split "P&C and A&H" (CHF 4.4m) and "Tempest Re" (CHF 1.5m) for 2018 was not disclosed correctly in the financial statements of 2018 and therefore was corrected.

## Disclosures, breakdowns and explanations on income statement items

Note 16 - Investment income	01.01.2019 - 31.12.2019			01.01.2018 - 31.12.2018		
	Income	Realised Gains	Total	Income	Realised Gains	Total
Fixed maturities	5.0	0.0	5.0	4.9	0.0	4.9
Other investments	0.0	0.4	0.4	0.0	0.0	0.0
<b>Total investment income</b>	<b>5.0</b>	<b>0.4</b>	<b>5.4</b>	<b>4.9</b>	<b>0.1</b>	<b>5.0</b>

Note 17 - Investment related expenses	01.01.2019 - 31.12.2019			01.01.2018 - 31.12.2018		
	Amortisation and Write-Downs	Realised Losses	Total	Amortisation and Write-Downs	Realised Losses	Total
Fixed maturities	-1.6	-0.2	-1.8	-3.0	-0.8	-3.8
Other investments	0.0	-0.1	-0.1	0.0	-0.3	-0.3
Asset Management Cost			-0.5			-0.5
<b>Total Investment related expenses</b>	<b>-1.6</b>	<b>-0.3</b>	<b>-2.4</b>	<b>-3.0</b>	<b>-1.1</b>	<b>-4.6</b>

Note 18 - Other income	01.01.2019	01.01.2018
	- 31.12.2019	- 31.12.2018
Foreign exchange differences	0.7	0.0
Other income	0.0	0.1
<b>Total other income</b>	<b>0.7</b>	<b>0.1</b>

Note 19 - Other expenses	01.01.2019	01.01.2018
	- 31.12.2019	- 31.12.2018
Foreign exchange differences	0.0	-1.0
Capital tax	-0.3	-0.3
Other expenses	-0.2	-0.5
<b>Total other expenses</b>	<b>-0.6</b>	<b>-1.8</b>

## Other notes to the financial statements

### Note 20 - Contingent liabilities

Value-added tax group

Chubb Insurance (Switzerland) Limited is part of the Chubb Limited Swiss VAT group. Consequently, it is jointly and severally liable to the Federal Tax Administration in Berne for VAT liabilities of this VAT group.

### Note 21 - Residual Amount of lease obligations

The maturity profile of lease obligations that do not expire or cannot be cancelled within 12 months is presented below:

1 to 5 years	0.3	0.2
<b>Total</b>	<b>0.3</b>	<b>0.2</b>

### Note 22 - Subsequent Events

The outbreak of the COVID – 19 crisis has led to significant volatility in the financial markets and will most likely adversely impact the global and local economies. The Company's Board of Directors and Executive Management Committee are reviewing the development and the potential impact of this crisis on assets, liabilities and operations on a regular basis.

**Proposed appropriation of available earnings  
as at 31 December 2019**

	<u>31.12.2019</u> <u>CHF millions</u>	<u>31.12.2018</u> <u>CHF millions</u>
The Annual General Meeting has at its disposal the following available earnings:		
Balance brought forward from previous year	27.6	25.3
Net income for the current year	11.8	2.4
<b>Available earnings</b>	<b>39.4</b>	<b>27.6</b>

The Board of Directors proposes to allocate the available earnings as follows:

Balance to carry / brought forward	39.4	27.6
<b>Available earnings</b>	<b>39.4</b>	<b>27.6</b>