

Media release

St.Gallen, 24 April 2020

Helvetia shareholders approve the proposals by the Board of Directors and agree to the creation of authorized capital

The ordinary Shareholders' Meeting of Helvetia Holding took place without the physical presence of shareholders, owing to measures to combat the spread of COVID-19. Represented by the independent proxy, the shareholders approved all proposal by the Board of Directors.

At the 24th ordinary Shareholders' Meeting, the shareholders of Helvetia Holding were only able to exercise their rights via the independent proxy, owing to the measures in place to combat the spread of COVID-19. The proxy acted in accordance with the instructions of 7,139 shareholders and thus represented 34,212,985 of the 49,725,685 votes, corresponding to 68.8% of the share capital. The shareholders approved the management report, financial statements and consolidated financial statements for 2019. It also granted discharge to the Board of Directors and Group Executive Management for their activities during the past financial year.

All members of the Board of Directors re-elected

The shareholders confirmed Doris Russi Schurter as a member and Chairwoman of the Board of Directors and elected all the other nine current members of the Board of Directors for a further term of one year. The current members Gabriela Maria Payer, Andreas von Planta and Regula Wallimann as well as a new member, Jean-René Fournier, were elected to the Nomination and Compensation Committee. "I would like to thank the shareholders for their trust. I am very sorry that it was not possible to engage in a personal exchange this year. But our health is the most important thing, and this is why I of course understand the measures taken by the Federal Council", Doris Russi Schurter explains.

Helvetia remains a reliable partner

The shareholders followed the proposal of the Board of Directors regarding appropriation of net profit and – as a result of the strong annual result in 2019 and in accordance with the long-term dividend policy – increased the dividend by CHF 0.20 to CHF 5.00. "We are aware of the difficult situation that many people are currently in. It is all the more important that Helvetia now remains a reliable partner for our shareholders", Doris Russi Schurter commented on the dividend payment. The shareholders include many pension funds and small-scale shareholders who rely on the Helvetia dividend. The basis for the dividend payment is the very solid capitalization of Helvetia. The dividend is financed entirely from business activities.

Creation of authorized capital approved

The ordinary Shareholders' Meeting also approved the creation of authorized capital amounting to a maximum of 15% of the outstanding share capital and the corresponding amendment of the Articles of Association. The shareholders have thus created the basis for the targeted financing mix for the acquisition of the Spanish insurer Caser. As announced in January, the takeover will be financed one-third with equity and two-thirds with hybrid capital. This financing mix permits efficient capital management and contributes to a balanced capital base. Helvetia's capital base remains solid even after the transaction. The SST ratio will remain within the strategic bandwidth of 180 to 240%. The purchase price for a share of just under 70% in Caser amounts to around EUR 780 million. If the capital markets render the intended financing structure difficult, Helvetia has adequate liquid funds with which to bridge periods of extreme turbulence on the market.

"Caser is a great opportunity for Helvetia to strengthen its foothold in the Spanish and European insurance market in the long term", Doris Russi Schurter says confidently. Helvetia considers this opportunity and the concomitant income prospects as intact in the long term, even in the face of the current economic challenges. Helvetia can thus continue to reinforce its European activities as a second pillar, expand the attractive non-life business and increase its sales power in Spain. Shareholders will also benefit from this strategic development in the form of higher expected dividend payments and corresponding price increases.

Remuneration approved

Furthermore, the shareholders approved the total amounts of fixed remuneration for members of the Board of Directors and the fixed and variable compensation for Group Executive Management. Finally, the Ordinary General Meeting confirmed Schmuki Bachmann, Attorneys-at-Law, St.Gallen, as the independent proxy and re-elected KPMG AG Zurich as the auditor.

This press release can also be found at www.helvetia.com/media and at www.helvetia.com/gv. At www.helvetia.com/gv you can also find the video message to the Ordinary General Meeting by the Chairwoman of the Board of Directors, Doris Russi Schurter.

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About the Helvetia Group

In over 160 years, the Helvetia Group has grown from a number of Swiss and foreign insurance companies into a successful international insurance group. Today, Helvetia has subsidiaries in its home market Switzerland as well as in the countries that make up the Europe market area:

Germany, Italy, Austria and Spain. With its Specialty Markets market area, Helvetia is also present in France and in selected regions worldwide. Some of its investment and financing activities are managed through subsidiaries and fund companies in Luxembourg. The Group is headquartered in St.Gallen, Switzerland.

Helvetia is active in the life and non-life business, and also offers customised specialty lines and reinsurance cover. Its business activities focus on retail customers as well as small and medium-sized companies and larger corporates. With some 6,800 employees, the company provides services to more than 5 million customers. With a business volume of CHF 9.45 billion, Helvetia generated an IFRS result after tax of CHF 538.1 million in financial year 2019. The registered shares of Helvetia Holding are traded on the SIX Swiss Exchange under the symbol HELN.

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