

# Half-Year Report

## 2024



# Half-Year Report

2024

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# Key figures

	30.06.2024	31.12.2023	30.06.2023	Change (%)
CHF million				
<b>Business volume</b>				<b>versus 30.06.2023</b>
Gross premiums written Non-life	2,715.9	4,081.6	2,632.5	3.2
Gross premiums written Life	2,162.1	3,648.0	2,277.9	-5.1
Investment-type premiums	415.0	888.5	429.5	-3.4
<b>Total business volume</b>	<b>5,293.0</b>	<b>8,618.1</b>	<b>5,339.9</b>	<b>-0.9</b>
<b>Operating profit (loss)</b>				<b>versus 30.06.2023</b>
Consolidated profit/loss for the period before borrowing costs and taxes				
Non-life	123.2	134.0	158.2	-22.1
Life	145.5	178.5	104.3	39.5
Asset Management & Banking	41.8	82.3	43.4	-3.7
Other activities	-38.5	-50.4	-38.6	-0.3
Consolidated profit for the period	219.1	236.2	203.6	7.6
Profit (attributable to the shareholders)	219.8	239.6	205.7	6.9
<b>Balance sheet</b>				<b>versus 31.12.2023</b>
Insurance contract liabilities	49,756.3	49,819.5	49,987.8	-0.1
Contractual service margin (CSM)	5,323.9	4,864.8	5,108.1	9.4
Equity	3,521.5	3,259.3	3,280.3	8.0
<b>Ratios (per cent)</b>				
Combined ratio (non-life)	90.4	92.0	87.3	-
<b>Key figures on the Company's shares</b>				<b>versus 31.12.2023<sup>1</sup></b>
Shares issued (units)	45,800,000	45,800,000	45,800,000	0.0
Basic earnings per share <sup>2</sup> (CHF)	4.84	5.29	4.54	6.6
Diluted earnings per share <sup>2</sup> (CHF)	4.84	5.29	4.54	6.6
Comprehensive equity per share <sup>3</sup> (CHF)	169.80	156.57	160.99	8.4
Closing price (CHF)	158.20	131.80	131.40	20.0
Market capitalisation (CHF million)	7,245.6	6,036.4	6,018.1	20.0

1 Changes in earnings per share compared to 30 June 2023.

2 Calculation based on the profit for the period attributable to shareholders.

3 Calculation based on shareholders' equity (equity before non-controlling interests) and the contractual service margin (CSM) after taxes.

# Letter to shareholders

## Dear shareholders,

Baloise closed the first six months of 2024 with a profit attributable to shareholders of CHF 219.8 million, which was up on the figure for the first half of 2023 of CHF 205.7 million. The rise was primarily due to increased profit contributions from Germany and Belgium as well as to larger contributions from the life business. Our resilience and reliability benefited our customers who were hit by heavy storms and the related flooding in June. The storms primarily affected Switzerland and resulted in a high volume of claims of around CHF 80 million net. Overall, this increased the adverse impact on profit before borrowing costs and taxes by around CHF 30 million. The volume of premiums in the non-life business continued to grow, rising by a very healthy 4.6 per cent. The business volume in the life business fell by 4.8 per cent, owing to the smaller volume of premiums written in the Swiss group life business and in the Belgian life insurance business. Our semi-autonomous collective foundation Perspectiva in Switzerland maintained its strong growth trajectory of previous years and now has almost 23,000 beneficiaries. In line with the trend of recent years, the volume in the comprehensive BVG insurance contract business is falling. Business performance was encouraging in the first half of 2024, irrespective of the aforementioned storms. We demonstrated reliability to our customers and, with these results, have laid the foundations for our investors that will allow a continued good level of cash remittance and thus enable us to maintain our attractive dividend policy.

## Implementation of our refocusing strategy

Back in the autumn of last year, we put operational excellence measures in place to be able to adapt to the rapidly changing conditions. The pandemic, conflicts in Europe and the Middle East, more volatility in terms of adverse weather events, inflation (requiring adjustments to our premiums) and interest-rate movements all have an influence on our strategy. We therefore reviewed our strategic direction and halted new investment in our ecosystems during the first half of 2024. In addition, we conducted an extensive strategic analysis, adjusted our targets and took steps to boost our profitability. We are ending the current Simply Safe Season 2 strategic phase and launching our refocusing strategy with immediate effect. The focus is now on technical profitability, cost efficiency, growth in the target segments and the productivity of capital employed. We believe that Baloise has substantial potential for growth, earnings and cost savings in our existing markets.

## Strengthening of core business; new financial targets

The insurance business is rooted in the principle of risk-sharing, the strengths of which are demonstrated when individuals are at most need of protection. When storms in Switzerland caused significant loss and damage in mid-2024, we showed once again that our core business continues to be built on the confidence that we will keep the promises we have made to our customers. The refocusing of our strategy is aimed not only at maintaining our financial success but also at ensuring we remain a source of reliability and stability for our customers, employees and investors. To this end, we have set ourselves the following financial targets:

- return on equity of between 12 per cent and 15 per cent
- reliable and strong cash remittance of more than CHF 2 billion in the period 2024–2027
- higher payout rate of around 80 per cent for our shareholders in the form of dividends supplemented by share buy-back programmes.

We have successfully adapted to new conditions on many occasions during our Company's more than 160-year history. By pursuing our refocusing strategy, we will create lasting value for all stakeholders. We are also laying the foundations for further growth. Again and again, we have demonstrated that we have the capabilities needed to do this and to run our core business profitably. This can particularly be seen from the excellent profitability that our non-life portfolio has been achieving for years. We firmly believe in our refocusing strategy and in the earnings power of our business, enabling us to maintain our reliable dividend policy at an attractive level.

Confidence in our reliability and stability is just as important to our customers as it is to our investors and employees. By focusing firmly on our strengths, we are making sure that this remains the case for the long term.

Basel, September 2024



Dr Thomas von Planta  
Chairman of the Board of Directors



Michael Müller  
Group CEO

**“By pursuing our  
refocusing strategy, we  
will create lasting value  
for all stakeholders.”**



**Dr Thomas von Planta**, Chairman of the Board of Directors (left), and **Michael Müller**, Group CEO (right)

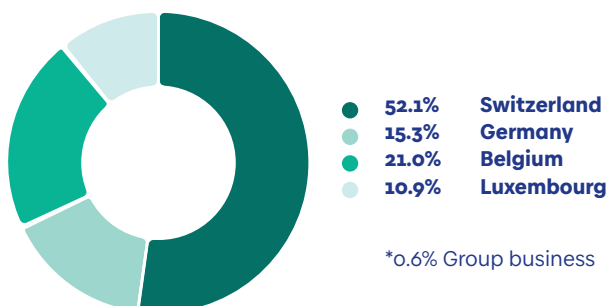
# Baloise generates growth in its attractive non-life business and reports an encouraging profit despite higher claims incurred

## Half-year financial results in brief

- **Profit attributable to shareholders** for the first half of 2024 improved by 6.9 per cent to CHF 219.8 million (H1 2023: CHF 205.7 million).
- The **volume of business** stood at CHF 5,293.0 million (H1 2023: CHF 5,339.9 million), which was down by 0.9 per cent year on year as a result of unfavourable currency effects. Adjusted for currency effects, we achieved modest growth of 0.3 per cent.

## Business volume

by strategic business unit\*  
per cent, first half of 2024



- The volume of premiums in the **non-life business** continued to grow, rising by a very healthy 4.6 per cent when adjusted for currency effects. Including currency effects, gross premiums written advanced by 3.2 per cent to CHF 2,715.9 million (H1 2023: CHF 2,632.5 million).
- Despite the high volume of claims resulting from storms in Switzerland, the Group's **combined ratio** came to 90.4 per cent, underlining the excellent underlying quality of the portfolio. The combined ratio had stood at 92.0 per cent as at the end of 2023 and at 87.3 per cent as at the end of the first half of 2023.
- **Profit before borrowing costs and taxes (EBIT)** in the non-life business decreased to CHF 123.2 million (H1 2023: CHF 158.2 million) as a result of higher claims incurred.

- The level of **gross premiums in the life business** reflected the continuing trend towards semi-autonomous occupational pension solutions. This trend saw gross premiums in the life business decline by 5.1 per cent year on year to CHF 2,162.1 million (H1 2023: CHF 2,277.9 million). The Perspectiva collective foundation registered good growth. It now has 5,100 companies signed up and almost 23,000 beneficiaries.
- **Profit before borrowing costs and taxes (EBIT) in the life business** improved by 39.5 per cent to CHF 145.5 million (H1 2023: CHF 104.3 million) mainly as a result of higher discount rates and an increase in net financial income.
- As at 30 June 2024, the total assets under management (AuM) of Baloise **Asset Management** stood at CHF 58.3 billion, a rise of 0.7 per cent compared with the end of the prior year (31 December 2023: CHF 57.9 billion). The Asset Management & Banking segment contributed EBIT of CHF 41.8 million.
- We are confirming Baloise's **capitalisation** at a consistently high level and estimate an **SST ratio** of around 210 per cent as at 30 June 2024 (1 January 2024: 207 per cent). In June 2024, Standard & Poor's confirmed its rating of A+ for the Baloise Group.
- The **equity attributable to shareholders** swelled by 8.1 per cent to CHF 3,511.9 million (31 December 2023: CHF 3,250.0 million). The **contractual service margin (CSM)** improved considerably, coming to CHF 4,265.0 million after taxes as at 30 June 2024 (31 December 2023: CHF 3,921.0 million). **Comprehensive equity** thus went up by 8.5 per cent to CHF 7,776.9 million (31 December 2023: CHF 7,170.9 million).
- We proved our ability to achieve a strong level of **cash remittance** once again in 2024 and are maintaining our attractive dividend policy. Thanks to the optimisation of a Belgian run-off life insurance portfolio in the prior year, we are expecting a one-off cash remittance of CHF 62 million in 2024. This amount, combined with cash remittance from operations, means that Baloise anticipates a high level of cash remittance of more than CHF 500 million this year.



### Solid volume of premiums on a par with the prior-year period; increase in profit attributable to shareholders

The **profit attributable to shareholders** for the first six months of 2024 was up by 6.9 per cent year on year at CHF 219.8 million (H1 2023: CHF 205.7 million). The substantial increase was mainly due to higher profit contributions from Germany and Belgium and larger contributions from the life business. At the level of **profit before borrowing costs and taxes (EBIT)**, a rise in claims incurred from large claims and natural disaster claims compared with the first half of the previous year was offset by higher earnings in the life business and an improvement in gains or losses on investments in the non-life business. The Group's EBIT thus went up by 1.8 per cent to CHF 271.9 million (H1 2023: CHF 267.2 million).

The **Group's volume of premiums** came to CHF 4,878.0 million, which was on a par with the prior-year period (H1 2023: CHF 4,910.4 million). The slight decline of 0.7 per cent was caused by the ongoing shift in occupational pensions in traditional life business towards semi-autonomous solutions. This decline was offset by healthy growth in the non-life business. Combined with the **investment-type premiums** (calculated in accordance with IFRS 9), this resulted in a **business volume** for the Group of CHF 5,293.0 million in the first half of 2024. This equated to a small decrease of 0.9 per cent compared to the prior-year period (H1 2023: CHF 5,339.9 million). Adjusted for currency effects, we achieved modest growth of 0.3 per cent.

### Early summer storms weigh on non-life business – ongoing profitable growth and a strong combined ratio

In the last few days of June, heavy storms, and the related flooding in Switzerland in particular, led to an exceptionally high level of claims. Whereas the volume of claims incurred from large claims and natural disaster claims had not been unusually elevated in the first six months of 2023, the claims incurred from the storm events in June came to around CHF 80 million (net) and depressed earnings. This increased the adverse impact from large claims and natural disaster claims on the Group's EBIT by around CHF 30 million compared with the first half of the previous year.

Nonetheless, we can present a solid set of results and encouraging growth for the first half of 2024 in this business. All our national subsidiaries achieved positive price effects. We grew our market share in both Swiss francs and local currency terms, with the German business

notably advancing by 6.1 per cent in Swiss francs and by 8.7 per cent in local currency terms to CHF 553.8 million. In absolute terms, Baloise's Switzerland business made the biggest contribution to the volume of premiums in the non-life business with very strong growth of 4.3 per cent to CHF 1,153.7 million. Luxembourg registered very good growth once again, growing by 4.8 per cent in Swiss francs and 7.3 per cent in local currency terms to CHF 95.6 million. In Belgium, we stepped up our focus on profitability in a number of sectors, especially motor vehicle insurance. Adjusted for currency effects, we generated growth of 2.6 per cent to CHF 878.6 million.

All in all, Baloise increased its **gross premiums written in the non-life business** by just over 3.2 per cent in Swiss francs and by 4.6 per cent in local currency terms to CHF 2,715.9 million (H1 2023: CHF 2,632.5 million).

Despite the high level of expenses as a result of the storms, Baloise achieved a strong **combined ratio** in line with its target range. At 90.4 per cent, the combined ratio was 3.1 percentage points above the ratio in the very good prior-year period, which had not been impacted by an exceptionally high level of claims incurred. The claims incurred ultimately led to lower **profit before borrowing costs and taxes (EBIT)** in the **non-life business** of CHF 123.2 million (H1 2023: CHF 158.2 million).

#### Development of combined ratio



The **net gains on investments in the non-life business** made up to some extent for the elevated level of claims incurred, coming to CHF 109.0 million in the first half of 2024 (H1 2023: CHF 62.1 million). Current income advanced by CHF 11.6 million to stand at CHF 106.9 million. The gains recognised in the income statement amounted to CHF 17.3 million, up by CHF 36.6 million on the prior-year period. An investment loss of CHF 36.3 million was recognised in other comprehensive income (OCI) as a result of the rise in interest rates in the eurozone and currency derivatives used in hedge accounting. Overall, the (non-annualised) investment performance of the non-life business stood at 0.8 per cent (H1 2023: 1.9 per cent).

## Review of operating performance

### Strong profit contribution from the life business

The **business volume in the life business** fell by 4.8 per cent to CHF 2,577.1 million (H1 2023: CHF 2,707.4 million), owing to the smaller volume of premiums written in the Swiss group life business and in the Belgian life insurance business.

As a result, **premiums in the life business** dropped by 5.1 per cent to CHF 2,162.1 million overall (H1 2023: CHF 2,277.9 million), predominantly due to business in Switzerland and Belgium. Adjusted for currency effects, the decrease was 4.5 per cent.

Business in the individual life division in Switzerland was also down, having benefited from the launch of a tranche product in the prior-year period. Overall, the Swiss life business saw a reduction of 7.8 per cent to CHF 1,588.6 million that was attributable to a reduced volume of group life business (H1 2023: CHF 1,722.9 million). The first half of 2024 was very positive for the **Perspectiva collective foundation**, by contrast, which notched up an investment performance of 5.6 per cent. The collective foundation continued on its strong growth trajectory of previous years and now has 5,100 companies signed up and almost 23,000 beneficiaries. In the first half of 2024, the foundation assets saw very encouraging growth of around CHF 200 million to stand at CHF 1.76 billion (31 December 2023: CHF 1.56 billion).

In Germany and Luxembourg, the volume of premiums (in local currency terms) climbed by 6 per cent to CHF 256.6 million (H1 2023: CHF 248.1 million) and by 26.0 per cent to CHF 100.6 million (H1 2023: CHF 81.9 million), respectively. Translated into Swiss francs, the increases were 3.4 per cent and 22.9 per cent. The volume of premiums in the Belgian life business fell by a modest 1.5 per cent to CHF 216.3 million in local currency terms.

**Investment-type premiums** calculated in accordance with **IFRS 9** amounting to CHF 415.0 million were written in the first half of 2024 (H1 2023: CHF 429.5 million). This represented a decline of 3.4 per cent in Swiss francs and 1.1 per cent in local currency terms. Our business unit in Luxembourg made the biggest contribution to investment-type premiums at CHF 381.4 million.

**EBIT in the life business** was very pleasing in the first six months of 2024. The profit contribution soared by 39.5 per cent to CHF 145.5 million (H1 2023: CHF 104.3 million) as a result of higher discount rates for measuring obligations in the life business. The increase in discount rates was attributable to updated assumptions used to calculate the yield curve. The updates led to a substantial increase in the contractual service margin (CSM). The CSM before taxes grew by 9.4 per cent to CHF 5,323.9 million. In turn, this

meant that a larger amount was released from the CSM, resulting in higher EBIT for the segment. The improvement in net financial income also played a part.

**Gains or losses on investments in the life segment** amounted to a net gain of CHF 176.8 million. Current income deteriorated slightly by CHF 22.4 million to CHF 455.2 million, owing to a smaller investment portfolio. The positive effects from currency and equity market movements were outweighed by the negative change in the fair value of bonds as a result of the rise in interest rates in the eurozone and the increased cost of currency hedging. The negative change in fair value reported in the income statement came to CHF 226.5 million. The (non-annualised) investment performance of the life business stood at 0.3 per cent in the first half of 2024 (2.7 per cent in the prior-year period).

The **new business margin** in the life business was 5.7 per cent in the first half of 2024 (H1 2023: 6.7 per cent).

The **interest rate margin** (before policyholder participation) improved slightly to a solid 141 basis points (31 December 2023: 137 basis points). This increase was the result of a slight drop in the average guarantees.

### Asset Management & Banking

Following a strong rise in the prior year, EBIT in Asset Management & Banking was slightly lower year on year at CHF 41.8 million (H1 2023: CHF 43.4 million). EBIT continued to be influenced by the increase in third-party assets in the asset management business. In Banking, by contrast, the interest rate margin normalised following a strong rise in the prior year.

As at 30 June 2024, the total assets under management (AuM) of Baloise Asset Management stood at CHF 58.3 billion, a rise of 0.7 per cent compared with the end of the prior year (31 December 2023: CHF 57.9 billion).

### Solid expansion of business with third parties

Assets under management in business with third parties increased from CHF 15.0 billion to CHF 16.2 billion, with net new assets contributing CHF 0.7 billion. Net new assets related to a number of items, including the continued growth of the asset management business of Baloise Bank Ltd and of the semi-autonomous collective foundation Perspectiva. Positive trends in private assets and real estate were also a key factor.

### Robust level of comprehensive equity, high capitalisation and confirmation of A+ rating

The equity attributable to shareholders stood at CHF 3,511.9 million as at 30 June 2024 (31 December 2023: CHF 3,250.0 million). The **contractual service margin (CSM)** after taxes came to CHF 4,265.0 million as at 30 June 2024, which was 8.8 per cent higher than at the end of 2023 (31 December 2023: CHF 3,921.0 million).

**Comprehensive equity** amounted to CHF 7,776.9 million (31 December 2023: CHF 7,170.9 million). It comprises the sum of the contractual service margin after taxes and the equity attributable to shareholders.

Our comfortable capital adequacy was once again confirmed by S&P Global Ratings in June 2024, when it reaffirmed its rating of A+ for the Baloise Group. In its credit rating report, S&P rated Baloise's capital strength as 'excellent' and underlined its very good market positions, strong technical performance and continued high level of capitalisation. The complete report is available at [www.baloise.com/ratings](http://www.baloise.com/ratings).

In the Swiss Solvency Test (SST), we expect a ratio of around 210 per cent as at 30 June 2024 (1 January 2024: 207 per cent).

## Business volume, insurance revenue, combined ratio and CSM

### Business volume

1st half 2024	Group <sup>1</sup>	Switzerland	Germany	Belgium	Luxembourg <sup>2</sup>
CHF million					
Gross premiums written Non-life	2,715.9	1,153.7	553.8	878.6	95.6
Gross premiums written Life	2,162.1	1,588.6	256.6	216.3	100.6
Investment-type premiums (IFRS 9)	415.0	14.8	-	18.8	381.4
<b>Total business volume</b>	<b>5,293.0</b>	<b>2,757.1</b>	<b>810.4</b>	<b>1,113.7</b>	<b>577.6</b>

1st half 2023	Group <sup>1</sup>	Switzerland	Germany	Belgium	Luxembourg <sup>2</sup>
CHF million					
Gross premiums written Non-life	2,632.5	1,106.6	522.1	877.4	91.2
Gross premiums written Life	2,277.9	1,722.9	248.1	225.1	81.9
Investment-type premiums (IFRS 9)	429.5	24.1	-	9.0	396.4
<b>Total business volume</b>	<b>5,339.9</b>	<b>2,853.6</b>	<b>770.2</b>	<b>1,111.5</b>	<b>569.5</b>

1 Including Group business.

2 Including Baloise Life Liechtenstein.

### Non-life insurance revenue by sector

	1st half 2024	1st half 2023	+/- %
CHF million			
Motor	630.2	615.8	2.3
General liability	190.2	186.4	2.0
Accident	218.6	229.0	-4.5
Health	91.0	89.6	1.6
Property	713.8	684.5	4.3
Marine	95.4	115.8	-17.6
Other	70.5	59.1	19.3
<b>Non-life insurance revenue by sector</b>	<b>2,009.7</b>	<b>1,980.2</b>	<b>1.5</b>

**Combined ratio**

<b>1st half 2024</b>	<b>Group</b>	<b>Switzerland</b>	<b>Germany</b>	<b>Belgium</b>	<b>Luxembourg</b>
as a percentage of the insurance revenue					
Loss ratio <sup>1</sup>	62.3	70.9	51.8	58.9	68.9
Expense ratio	28.1	21.8	36.4	29.2	32.3
<b>Combined ratio</b>	<b>90.4</b>	<b>92.7</b>	<b>88.2</b>	<b>88.1</b>	<b>101.2</b>

<b>1st half 2023</b>	<b>Group</b>	<b>Switzerland</b>	<b>Germany</b>	<b>Belgium</b>	<b>Luxembourg</b>
as a percentage of the insurance revenue					
Loss ratio <sup>1</sup>	59.2	60.6	53.4	60.6	55.4
Expense ratio	28.1	22.6	36.6	28.3	31.3
<b>Combined ratio</b>	<b>87.3</b>	<b>83.2</b>	<b>90.0</b>	<b>88.8</b>	<b>86.8</b>

1 Including net reinsurance income/expense.

**CSM development**

	<b>2024</b>	<b>2023</b>
CHF million		
<b>Balance as at 1 January</b>	<b>4,864.8</b>	<b>5,391.8</b>
Expected business contribution	50.5	56.7
New business CSM	70.7	86.8
Economic variances	531.3	-267.5
Operating variances	-47.1	-21.7
CSM release	-146.2	-138.0
<b>Balance as at 30 June</b>	<b>5,323.9</b>	<b>5,108.1</b>

# Baloise shares

## Review of the first half of 2024

The first half of 2024 was positive overall for the global equity markets. In the United States, tech shares made substantial gains that were driven by the enthusiasm surrounding artificial intelligence (AI). Improved inflation data and the economic situation allowed the central banks to adjust their interest rate cycles and, in some cases, start reducing interest rates again. The leading Swiss index, the SMI, added 7 per cent in the first six months of the year. Baloise shares\* also did well in the first half of 2024, easily outperforming the leading index with an increase of around 20 per cent compared with their price at the start of the year.

As had been the case in the 2023 trading year, the focus in the first half of 2024 was on inflation rates and the central banks' monetary policy decisions. During the first quarter, the global equity markets benefited from encouraging economic data, weakening inflation and the resulting lowering of some key interest rates. Developments in the field of AI also provided a boost.

The United States was the driving force behind global economic growth. By contrast, the European, Japanese and Chinese economies tended to lack momentum. Although inflation rates in Europe and the United States continued to move closer to the central banks' targets, the uncertain geopolitical situation took its toll on supply chains and energy prices. This may present fresh challenges going forward. Switzerland recorded an unexpectedly sharp fall in inflation, prompting the Swiss National Bank (SNB) to lower its key interest rate to 1.50 per cent (as at 1 January 2024: 1.75 per cent). It was therefore the first central bank of an industrialised country to start cutting interest rates again.

The financial markets maintained their uptrend during the second quarter, although the economic situation still varied significantly from region to region. The US economy continued to generate robust growth, whereas Europe staged an only moderate economic recovery. Inflation rates also presented a mixed picture. While inflation in Switzerland has been hovering within the SNB's target range for more than a year, inflation in the eurozone and the United States has remained much more stubborn. The US Federal Reserve (Fed) continued to hold back from reducing its key interest rate. However, the European Central Bank (ECB) cut its key interest rate by 0.25 percentage points to 4.25 per cent in June (as at 1 January

2024: 4.50 per cent). In the same month, the SNB made its second cut, taking the rate to 1.25 per cent. The global equity markets underwent a brief correction in April but then made gains again in the next two months. Interest rate reductions and the AI trend provided support for the stock markets, so investors were able to enjoy another positive quarter overall.

Significant uncertainty is expected in the second half of the year. The US election could lead to heightened volatility in the equity markets. Moreover, the fraught geopolitical situation in the Middle East could have a longer-lasting impact on supply chains and pose an inflation risk.

The European insurance sector index STOXX Europe 600 Insurance Index (SXIP) and the Swiss Exchange Supersector Insurance Index (SMINX) both went up in the first half of 2024, advancing by 8 per cent and 11 per cent, respectively. Baloise shares easily outperformed these market indices during the six-month period, rising by 20 per cent to close the first half of the year at a price of CHF 158.20.

[www.baloise.com/baloise-share](http://www.baloise.com/baloise-share)

\* Baloise shares = shares in Baloise Holding Ltd

Key figures on the Company's shares	30.06.2024	31.12.2023	30.06.2023	Change (%)
				versus 31.12.2023 <sup>1</sup>
Number of shares issued units	45,800,000	45,800,000	45,800,000	0.0
Basic earnings per share <sup>2</sup> (CHF)	4.84	5.29	4.54	6.6
Diluted earnings per share <sup>2</sup> (CHF)	4.84	5.29	4.54	6.6
Comprehensive equity per share <sup>3</sup> (CHF)	169.80	156.57	160.99	8.4
Closing price (CHF)	158.20	131.80	131.40	20.0
Market capitalisation (CHF million)	7,245.6	6,036.4	6,018.1	20.0

1 Changes in earnings per share compared to 30 June 2023.

2 Calculation based on the profit for the period attributable to shareholders.

3 Calculation based on shareholders' equity (equity before non-controlling interests) and the contractual service margin (CSM) after taxes.

**Baloise shares**

Securities symbol	BALN
Par value	CHF 0.10
Securities number	1.241.051
ISIN	CH0012410517
Stock exchange	SIX Swiss Exchange
Type of shares	100% registered shares

# Consolidated income statement (unaudited)

	1st half 2024	1st half 2023
CHF million		
Insurance revenue	2,737.8	2,695.3
Insurance service expenses	-2,349.2	-2,240.6
Insurance service result from reinsurance contracts	-56.2	-73.5
<b>Insurance service result</b>	<b>332.4</b>	<b>381.2</b>
Insurance finance income and expenses from insurance contracts	-556.2	-1,360.1
Insurance finance income and expenses from reinsurance contracts	6.8	11.3
<b>Insurance finance income and expenses</b>	<b>-549.3</b>	<b>-1,348.7</b>
Interest revenue calculated using the effective interest method <sup>1</sup>	156.0	138.0
Investment income <sup>1</sup>	474.3	497.8
Realised gains and losses on investments	719.8	1,281.7
Change in expected credit loss	0.5	-1.1
Result from financial contracts	-636.9	-458.7
<b>Result from investments and financial contracts</b>	<b>713.6</b>	<b>1,457.8</b>
Income from services rendered	63.6	73.4
Other operating income	87.5	55.7
Other operating expenses	-372.9	-335.1
Share of profit (loss) of associates and joint ventures	-1.6	-9.4
Profit and loss from owner-occupied properties FVPL	-1.3	-7.7
<b>Profit/loss before borrowing costs and taxes</b>	<b>271.9</b>	<b>267.2</b>
Borrowing costs	-11.7	-14.5
<b>Profit/loss before taxes</b>	<b>260.2</b>	<b>252.7</b>
Income taxes	-41.1	-49.1
<b>Profit/loss for the period</b>	<b>219.1</b>	<b>203.6</b>
Profit attributable to:		
Shareholders	219.8	205.7
Non-controlling interests	-0.7	-2.1
Earnings/loss per share:		
Basic (CHF)	4.84	4.54
Diluted (CHF)	4.84	4.54

<sup>1</sup> The improvement in the presentation of interest income resulted in a shift between "Interest revenue calculated using the effective interest method" and "Investment income". The figures for the prior-year period have been adjusted accordingly.



# Consolidated statement of comprehensive income (unaudited)

	1st half 2024	1st half 2023
CHF million		
<b>Profit/loss for the period</b>	<b>219.1</b>	<b>203.6</b>
<b>Other comprehensive income</b>		
<b>Items not to be reclassified to the income statement</b>		
Change in reserves arising from reclassification of investment property	-0.1	0.0
Change in other reserves on associates and joint ventures	-	-
Change in reserves arising from assets and liabilities of post-employment benefits (defined benefit plans)	7.3	-15.2
Change in other reserves on equity instruments at FVOCI	11.7	19.2
<b>Total items not to be reclassified to the income statement</b>	<b>18.9</b>	<b>4.0</b>
<b>Items to be reclassified to the income statement</b>		
Change in other reserves on associates and joint ventures	-4.9	-2.0
Change in hedging reserves for derivative financial instruments held as hedges of a net investment in a foreign operation	-68.9	32.0
Change in other reserves on debt investments at FVOCI	-26.2	81.2
Change in other reserves on loans at FVOCI	-5.3	4.3
Insurance finance income and expenses from insurance contracts	267.9	-32.6
Insurance finance income and expenses from reinsurance contracts	-34.4	-6.6
Exchange differences of foreign operations	232.2	-95.9
<b>Total items to be reclassified to the income statement</b>	<b>360.4</b>	<b>-19.7</b>
<b>Total other comprehensive income</b>	<b>379.4</b>	<b>-15.7</b>
<b>Comprehensive income</b>	<b>598.5</b>	<b>187.9</b>
Attributable to:		
Shareholders	598.9	190.1
Non-controlling interests	-0.4	-2.2

# Consolidated balance sheet

## (unaudited)

	30.06.2024	31.12.2023
CHF million		
<b>Assets</b>		
Property, plant and equipment	636.4	636.1
Intangible assets	213.5	214.8
Investments in associates and joint ventures	309.6	318.1
Investment property	7,749.4	8,248.6
Financial instruments with characteristics of equity	16,366.0	14,932.9
Recognised at fair value through OCI (FVOCI)	358.8	336.7
Recognised at fair value through profit or loss (FVPL)	16,007.2	14,596.2
Financial instruments with characteristics of debt	32,940.7	32,153.4
Recognised at amortised cost (AC)	153.0	125.0
Recognised at fair value through OCI (FVOCI)	5,975.8	5,654.7
Recognised at fair value through profit or loss (FVPL)	26,811.9	26,373.7
Mortgages and loans	14,705.5	15,602.3
Recognised at amortised cost (AC)	9,509.3	10,138.4
Recognised at fair value through OCI (FVOCI)	541.3	555.0
Recognised at fair value through profit or loss (FVPL)	4,654.8	4,909.0
Derivative financial instruments	940.5	1,072.6
Insurance contract assets	103.0	68.4
Reinsurance contract assets	1,334.6	450.5
Receivables from employee benefits	17.7	6.3
Financial receivables	527.4	727.2
Deferred tax assets	240.1	207.1
Current income tax assets	51.4	57.7
Other assets	189.0	100.3
Cash and cash equivalents	2,637.1	2,985.3
Non-current assets and disposal groups classified as held for sale	444.3	91.1
<b>Total assets</b>	<b>79,406.1</b>	<b>77,872.8</b>

	30.06.2024	31.12.2023
CHF million		
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	4.6	4.6
Capital reserves	401.1	378.6
Treasury shares	-59.2	-48.8
Other reserves	-1,515.5	-1,892.6
Retained earnings	4,680.9	4,808.3
<b>Equity before non-controlling interests</b>	<b>3,511.9</b>	<b>3,250.0</b>
Non-controlling interests	9.6	9.3
<b>Total equity</b>	<b>3,521.5</b>	<b>3,259.3</b>
<b>Liabilities</b>		
Insurance contract liabilities	49,756.3	49,819.5
Reinsurance contract liabilities	3.1	2.5
Liabilities arising from financial contracts	21,455.5	19,936.3
Recognised at amortised cost (AC)	8,637.0	8,123.3
Recognised at fair value through profit or loss (FVPL)	12,818.5	11,813.1
Financial liabilities	2,530.8	2,391.3
Non-technical provisions	106.3	111.9
Derivative financial instruments	78.7	83.4
Liabilities arising from employee benefits	651.8	635.5
Deferred tax liabilities	493.5	419.4
Current income tax liabilities	36.5	56.5
Other liabilities and other financial liabilities	748.5	1,002.4
Liabilities included in non-current assets and disposal groups classified as held for sale	23.6	154.7
<b>Total liabilities</b>	<b>75,884.6</b>	<b>74,613.5</b>
<b>Total equity and liabilities</b>	<b>79,406.1</b>	<b>77,872.8</b>

# Consolidated statement of changes in equity (unaudited)

2024	Share capital	Capital reserves	Treasury shares	Other reserves	Retained earnings	Equity before non-controlling interests	Non-controlling interests	Total equity
CHF million								
<b>Balance as at 1 January</b>	<b>4.6</b>	<b>378.6</b>	<b>-48.8</b>	<b>-1,892.6</b>	<b>4,808.3</b>	<b>3,250.0</b>	<b>9.3</b>	<b>3,259.3</b>
Profit/loss for the period	-	-	-	-	219.8	219.8	-0.7	219.1
Other comprehensive income	-	-	-	379.1	-	379.1	0.3	379.4
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>379.1</b>	<b>219.8</b>	<b>598.9</b>	<b>-0.4</b>	<b>598.5</b>
Other reserves transferred directly to retained earnings	-	-	-	-2.0	2.0	-	-	-
Dividend	-	-	-	-	-349.1	-349.1	-	-349.1
Capital increase/repayment	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-15.1	-	-	-15.1	-	-15.1
Sale of treasury shares	-	4.5	0.3	-	-	4.9	-	4.9
Purchase and sale of options on treasury shares	-	8.9	-	-	-	8.9	-	8.9
Share-based payments	-	13.5	-	-	-	13.5	0.7	14.1
Allocation of treasury shares as part of share-based remuneration programmes	-	-4.4	4.4	-	-	-	-	-
Cancellation of (treasury) shares	-	-	-	-	-	-	-	-
Increase/decrease in non-controlling interests due to change in the scope of consolidation	-	-	-	-	-	-	-	-
Increase/decrease in non-controlling interests due to change in the percentage of share-holding	-	-	-	-	-	-	-	-
<b>Balance as at 30 June</b>	<b>4.6</b>	<b>401.1</b>	<b>-59.2</b>	<b>-1,515.5</b>	<b>4,680.9</b>	<b>3,511.9</b>	<b>9.6</b>	<b>3,521.5</b>

2023	Share capital	Capital reserves	Treasury shares	Other reserves	Retained earnings	Equity before non-controlling interests	Non-controlling interests	Total equity
CHF million								
<b>Balance as at 1 January</b>	<b>4.6</b>	<b>377.3</b>	<b>-71.6</b>	<b>-1,828.3</b>	<b>4,923.2</b>	<b>3,405.2</b>	<b>12.2</b>	<b>3,417.4</b>
Profit/loss for the period	-	-	-	-	205.7	205.7	-2.1	203.6
Other comprehensive income	-	-	-	-15.6	-	-15.6	-0.1	-15.7
<b>Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-15.6</b>	<b>205.7</b>	<b>190.1</b>	<b>-2.2</b>	<b>187.9</b>
Other reserves transferred directly to retained earnings	-	-	-	-3.4	3.4	-	-	-
Dividend	-	-	-	-	-335.3	-335.3	-0.4	-335.7
Capital increase/repayment	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-19.4	-	-	-19.4	-	-19.4
Sale of treasury shares	-	8.0	13.0	-	-	20.9	-	20.9
Purchase and sale of options on treasury shares	-	-2.5	-	-	-	-2.5	-	-2.5
Share-based payments	-	10.4	-	-	-	10.4	0.1	10.5
Allocation of treasury shares as part of share-based remuneration programmes	-	-10.5	10.5	-	-	-	-	-
Cancellation of (treasury) shares	-	-	-	-	-	-	-	-
Increase/decrease in non-controlling interests due to change in the scope of consolidation	-	-	-	-	-	-	1.0	1.0
Increase/decrease in non-controlling interests due to change in the percentage of share-holding	-	-	-	-	-	-	-	-
<b>Balance as at 30 June</b>	<b>4.6</b>	<b>382.7</b>	<b>-67.5</b>	<b>-1,847.3</b>	<b>4,797.0</b>	<b>3,269.5</b>	<b>10.8</b>	<b>3,280.3</b>

# Consolidated cash flow statement

## (unaudited)

	1st half 2024	1st half 2023
CHF million		
<b>Cash flow from operating activities</b>		
Profit before taxes	260.2	252.7
<b>Adjustments for</b>		
Depreciation, amortisation and impairment of property, plant and equipment and of intangible assets	33.5	37.3
Realised gains and losses on property, plant and equipment and on intangible assets	-0.4	0.0
Share of profit (loss) of associates and joint ventures	1.6	9.4
Realised gains and losses on financial assets and investment property	-719.8	-1,281.7
Profit and loss from owner-occupied properties FV	1.3	7.7
Change in expected credit loss	-0.5	1.1
Share-based payments	14.1	10.5
Other non-cash income and expenses	-6.3	-9.7
<b>Change in assets and liabilities from operating activities</b>		
Insurance contract assets and liabilities	-572.5	315.3
Reinsurance contract assets and liabilities	-951.1	88.4
Liabilities arising from financial contracts	1,102.4	717.4
Financial receivables	219.0	-109.4
Change in other assets and other liabilities	-251.5	28.4
<b>Change in operating assets and liabilities</b>		
Purchase and sale of owner-occupied properties FV	-1.5	-1.7
Purchase and sale of investment property	94.8	-31.8
Purchase and sale of financial instruments with characteristics of equity	78.2	1,176.2
Purchase and sale of financial instruments with characteristics of debt	-186.4	-469.3
Addition and disposal of mortgages and loans	961.3	89.4
Addition and disposal of derivative financial instruments	-223.2	-57.6
Borrowing costs	11.7	14.5
Taxes paid	-49.5	-32.4
<b>Cash flow from operating activities</b>	<b>-184.4</b>	<b>754.6</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	-13.2	-3.9
Sale of property, plant and equipment	3.1	0.4
Purchase of intangible assets	-17.4	-17.8
Sale of intangible assets	1.3	0.1
Acquisition of companies, net of cash and cash equivalents	-	0.0
Disposal of companies, net of cash and cash equivalents	-0.2	-
Purchase of investments in associates and joint ventures	-1.4	-2.3
Sale of investments in associates and joint ventures	1.1	1.2
Dividends from associates and joint ventures	6.8	6.4
<b>Cash flow from investing activities</b>	<b>-19.9</b>	<b>-16.0</b>

	1st half 2024	1st half 2023
CHF million		
<b>Cash flow from financing activities</b>		
Additions to financial liabilities	150.0	274.9
Disposals of financial liabilities	0.0	- 525.0
Borrowing costs paid	-	- 14.8
Repayment of lease liabilities	- 6.8	- 6.6
Purchase of treasury shares	- 15.1	- 19.4
Sale of treasury shares	4.9	20.9
Purchase and sale of options on treasury shares	8.9	- 2.5
Dividends attributable to non-controlling interests	-	- 0.4
Dividends paid	- 349.1	- 335.3
<b>Cash flow from financing activities</b>	<b>- 207.3</b>	<b>- 608.1</b>
<b>Total cash flow</b>	<b>- 411.6</b>	<b>130.5</b>
<b>Cash and cash equivalents</b>		
Balance as at 1 January	2,985.3	3,370.8
Change during the financial year	- 411.6	130.5
Reclassification to non-current assets and disposal groups classified as held for sale	-	-
Effect of changes in exchange rates on cash and cash equivalents	63.4	- 9.6
<b>Balance as at 30 June</b>	<b>2,637.1</b>	<b>3,491.8</b>
<b>Breakdown of cash and cash equivalents at the balance sheet date</b>		
Cash and bank balances	1,873.7	2,448.0
Cash equivalents	0.1	0.2
Cash and cash equivalents for the account and at the risk of customers and third parties	763.3	1,043.6
<b>Balance as at 30 June</b>	<b>2,637.1</b>	<b>3,491.8</b>
of which: restricted cash and cash equivalents	141.3	53.2
<b>Supplemental disclosures on cash flow from operating activities</b>		
Interest received	350.0	371.4
Dividends received	19.4	62.1
Interest paid	- 14.1	- 5.6

# Condensed notes to the consolidated half-year financial statements (unaudited)

## Basis of preparation

These consolidated IFRS half-year financial statements have been prepared in compliance with IAS 34 (Interim Financial Reporting) of the IFRS Accounting Standards and should be read in conjunction with the 2023 annual report. The accounting principles used to prepare these consolidated IFRS half-year financial statements are the same as those applied to the annual financial statements for 2023.

All amounts shown in these consolidated IFRS half-year financial statements are stated in millions of Swiss francs (CHF million) and have been rounded to one decimal place. Consequently, the total of amounts that have been rounded may in isolated cases differ from the rounded total shown in this report.

## Application of new financial reporting standards

### Newly applied IFRS Accounting Standards and interpretations

The following amendments to the financial reporting standards must be applied from 1 January 2024 although they have no impact on the Baloise Group's consolidated financial statements as at 30 June 2024:

- IAS 1 "Classification of Liabilities as Current or Non-current"
- IAS 1 "Non-current Liabilities with Covenants"
- IFRS 16 "Lease Liability in a Sale and Leaseback"
- IAS 7 and IFRS 7 "Supplier Finance Arrangements"

### IFRS Accounting Standards and interpretations not yet applied

#### IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 Presentation and Disclosure in Financial Statements was published by the IASB on 9 April 2024 and is required to be applied to annual periods beginning on or after 1 January 2027. IFRS 18 replaces IAS 1 Presentation of Financial Statements. In particular, the standard introduces three specific categories for the structure of the income statement (operating, investing and financing) plus defined subtotals. IFRS 18 also sets out principles for aggregation and disaggregation in the annual financial statements. The impact of IFRS 18 on Baloise is currently being analysed. Based on an initial assessment, adjustments to the presentation of the consolidated income statement and cash flow statement are expected, along with adjustments to individual disclosures in the notes to the consolidated financial statements.

## Changes in shareholdings and acquisitions and disposals of companies

During the first half of 2024, the fully consolidated company Devis.ch was merged into Houzy, a long-term equity investment recognised as an associate. This had no material impact on earnings. The investment in Houzy continues to be recognised as a joint venture.



## Non-current assets and disposal groups classified as held for sale

	30.06.2024			31.12.2023		
	Disposal groups	Non-current assets	Total	Disposal groups	Non-current assets	Total
CHF million						
Property, plant and equipment	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Investment property	-	444.3	444.3	-	-	-
Financial instruments with characteristics of equity and debt	-	-	-	-	-	-
Mortgages and loans	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Insurance and reinsurance contract assets	-	-	-	10.3	-	10.3
Financial receivables	-	-	-	80.8	-	80.8
Other assets	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-
<b>Total assets</b>	-	<b>444.3</b>	<b>444.3</b>	<b>91.1</b>	-	<b>91.1</b>
Insurance and reinsurance contract liabilities	-	-	-	154.7	-	154.7
Liabilities arising from financial contracts	-	-	-	-	-	-
Other liabilities	-	23.6	23.6	-0.2	0.2	-
<b>Total liabilities</b>	-	<b>23.6</b>	<b>23.6</b>	<b>154.5</b>	<b>0.2</b>	<b>154.7</b>
<b>Unrealised losses directly associated with non-current assets and disposal groups classified as held for sale</b>	-	-	-	<b>0.8</b>	-	<b>0.8</b>

The Baloise Group intends to dispose of 33 Baloise Insurance Ltd and Baloise Life Ltd properties within the next twelve months, which is why these properties have been reclassified as non-current assets and disposal groups classified as held for sale. The fair value of the reclassified properties totals CHF 444.3 million.

Furthermore, the German run-off portfolio for hospital liability insurance no longer met the criteria for classification as held for sale as at 30 June 2024 because a regulatory approval required to complete the sale was not granted. The assets and liabilities were therefore reclassified back to the Group business segment.

## Exchange rates

	Balance sheet		Income statement	
	30.06.2024	31.12.2023	Ø 2024	Ø 2023
CHF				
1 EUR (euro)	0.96	0.93	0.96	0.99
1 USD (US dollar)	0.90	0.84	0.89	0.91

## Information on operating segments (segment reporting)

The Baloise Group organises its operating activities into strategic business units, which are generally combined under a single management team for each region. The financial and management information needed for all relevant executive decisions is held by these strategic business units. This is also the organisational level at which the chief operating decision-makers are situated. Regardless of where they are headquartered, all Baloise Group entities are therefore assigned to one of the reportable segments

- Switzerland
- Germany
- Belgium
- Luxembourg

The “Luxembourg” segment also includes the Baloise Life Liechtenstein unit.

The “Group business” segment comprises the units engaged in intercompany reinsurance and financing, Group IT, the holding companies, the German hospital liability business, which was transferred to the Group’s run-off portfolio in 2018, and a portfolio of variable annuities products.

The revenue generated by the Baloise Group is broken down into the “Non-Life”, “Life”, “Asset Management & Banking” and “Other Activities” operating segments.

The Non-Life operating segment offers accident and health insurance as well as products relating to liability, motor, property and marine insurance. These products are tailored to the specific needs of our customers – primarily retail clients – and the core competences of the relevant companies in the Baloise Group.

The Life operating segment provides individuals and companies with a wide range of endowment policies, term insurance, investment-linked products and private placement life insurance.

The “Asset Management & Banking” operating segment encompasses banking-related areas of asset management as well as the actual banking area.

The “Other Activities” operating segment includes equity investment companies, real estate firms and financing companies.

The accounting policies applied to the presentation of the segment reporting are those used throughout the half-year financial report. No intersegment relationships recognised either on the balance sheet or in the income statement – with the exception of income from long-term equity investments – are offset against each other.

Segment reporting by strategic business unit (first half-year)

	Switzerland		Germany		Belgium		Luxembourg	
	1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023
CHF million								
Insurance revenue	1,260.1	1,226.7	540.1	542.0	824.8	816.6	92.3	87.4
Insurance service expenses	-1,075.6	-975.6	-438.5	-456.8	-725.0	-700.4	-89.0	-79.0
Insurance service result from reinsurance contracts	-31.3	-33.0	-20.9	-34.6	-0.8	-37.6	5.9	3.8
<b>Insurance service result</b>	<b>153.3</b>	<b>218.0</b>	<b>80.8</b>	<b>50.6</b>	<b>99.0</b>	<b>78.6</b>	<b>9.3</b>	<b>12.2</b>
Insurance finance income and expenses from insurance contracts	-349.5	-817.1	-195.3	-283.8	14.9	-214.3	-24.0	-47.6
Insurance finance income and expenses from reinsurance contracts	-0.3	0.7	2.6	2.1	12.9	11.2	-4.4	1.6
<b>Insurance finance income and expenses</b>	<b>-349.8</b>	<b>-816.5</b>	<b>-192.7</b>	<b>-281.8</b>	<b>27.8</b>	<b>-203.1</b>	<b>-28.3</b>	<b>-46.0</b>
Interest revenue calculated using the effective interest method	118.6	106.3	12.4	10.8	29.8	23.4	3.5	2.5
Investment income	323.3	329.3	66.6	76.5	76.0	84.0	8.3	8.1
Realised gains and losses on investments	41.5	509.6	109.8	205.1	-66.9	127.1	581.4	438.0
Change in expected credit loss	0.0	-1.3	0.0	0.0	0.2	0.0	0.2	0.1
Result from financial contracts	-54.8	-49.0	-0.8	-8.5	-11.8	-7.7	-553.1	-395.9
<b>Result from investments and financial contracts</b>	<b>428.6</b>	<b>894.9</b>	<b>188.0</b>	<b>284.0</b>	<b>27.2</b>	<b>226.9</b>	<b>40.4</b>	<b>52.8</b>
Income from services rendered	52.8	59.5	15.9	15.6	6.1	5.9	0.8	0.9
Other operating income	49.7	42.0	13.6	8.9	12.4	4.3	10.9	8.2
Other operating expenses	-167.8	-155.2	-62.8	-58.6	-87.8	-95.0	-16.6	-13.1
Share of profit (loss) of associates and joint ventures	-6.3	-7.5	5.2	4.0	0.0	-0.1	-	-
Profit and loss from owner-occupied properties FVPL	0.2	-6.0	-1.5	-1.7	-	-	-	-
<b>Profit/loss before borrowing costs and taxes</b>	<b>160.7</b>	<b>229.3</b>	<b>46.4</b>	<b>21.1</b>	<b>84.8</b>	<b>17.6</b>	<b>16.5</b>	<b>15.0</b>
Income between segments	-23.4	-18.9	-11.9	-7.9	-7.8	-5.4	-1.5	-1.5
Borrowing costs	-2.4	-5.1	0.0	0.0	0.0	0.0	-0.2	-0.2
<b>Profit/loss before taxes</b>	<b>158.4</b>	<b>224.2</b>	<b>46.4</b>	<b>21.1</b>	<b>84.8</b>	<b>17.6</b>	<b>16.3</b>	<b>14.9</b>
Income taxes	-28.3	-36.0	-15.2	-8.4	-22.2	-0.5	0.0	-3.5
<b>Profit/loss for the period (segment result)</b>	<b>130.1</b>	<b>188.2</b>	<b>31.3</b>	<b>12.6</b>	<b>62.6</b>	<b>17.0</b>	<b>16.3</b>	<b>11.3</b>
Segment assets as at 30 June	43,018.8	43,212.9	10,485.1	10,360.7	11,522.9	11,750.3	13,698.9	12,790.8
Segment assets as at 31 December	-	43,508.0	-	9,978.5	-	11,358.6	-	12,675.4

## IFRS half-year financial statements

	Sub-total		Group business		Eliminated		Total		
	1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023	
									CHF million
	2,717.4	2,672.7	82.3	105.8	-62.0	-83.2	2,737.8	2,695.3	Insurance revenue
	-2,328.0	-2,211.8	-89.2	-88.9	68.0	60.1	-2,349.2	-2,240.6	Insurance service expenses
	-47.0	-101.4	-3.1	3.6	-6.1	24.2	-56.2	-73.5	Insurance service result from reinsurance contracts
	<b>342.4</b>	<b>359.6</b>	<b>-9.9</b>	<b>20.5</b>	<b>0.0</b>	<b>1.2</b>	<b>332.4</b>	<b>381.2</b>	<b>Insurance service result</b>
	-553.9	-1,362.8	-6.4	-1.2	4.1	3.9	-556.2	-1,360.1	Insurance finance income and expenses from insurance contracts
	10.9	15.5	-0.3	-0.2	-3.8	-4.0	6.8	11.3	Insurance finance income and expenses from reinsurance contracts
	<b>-543.0</b>	<b>-1,347.3</b>	<b>-6.6</b>	<b>-1.4</b>	<b>0.3</b>	<b>-0.1</b>	<b>-549.3</b>	<b>-1,348.7</b>	<b>Insurance finance income and expenses</b>
	164.3	143.1	12.3	11.7	-20.6	-16.7	156.0	138.0	Interest revenue calculated using the effective interest method
	474.2	497.9	0.1	-0.1	-	-	474.3	497.8	Investment income
	665.8	1,279.9	54.0	1.9	-	-	719.8	1,281.7	Realised gains and losses on investments
	0.5	-1.2	0.0	0.0	-	-	0.5	-1.1	Change in expected credit loss
	-620.5	-461.1	-37.0	-14.4	20.6	16.8	-636.9	-458.7	Result from financial contracts
	<b>684.2</b>	<b>1,458.6</b>	<b>29.5</b>	<b>-0.9</b>	<b>0.0</b>	<b>0.0</b>	<b>713.6</b>	<b>1,457.8</b>	<b>Result from investments and financial contracts</b>
	75.6	81.9	81.6	79.0	-93.6	-87.6	63.6	73.4	Income from services rendered
	86.6	63.3	20.3	8.9	-19.3	-16.5	87.5	55.7	Other operating income
	-334.9	-321.9	-150.7	-116.1	112.7	103.0	-372.9	-335.1	Other operating expenses
	-1.1	-3.6	-0.5	-5.8	-	-	-1.6	-9.4	Share of profit (loss) of associates and joint ventures
	-1.3	-7.7	-	-	-	-	-1.3	-7.7	Profit and loss from owner-occupied properties FVPL
	<b>308.4</b>	<b>282.9</b>	<b>-36.5</b>	<b>-15.7</b>	<b>-</b>	<b>-</b>	<b>271.9</b>	<b>267.2</b>	<b>Profit/loss before borrowing costs and taxes</b>
	-44.6	-33.7	-78.8	-107.0	123.4	140.7	-	-	Income between segments
	-2.6	-5.2	-9.1	-9.3	-	-	-11.7	-14.5	Borrowing costs
	<b>305.9</b>	<b>277.7</b>	<b>-45.7</b>	<b>-25.0</b>	<b>-</b>	<b>-</b>	<b>260.2</b>	<b>252.7</b>	<b>Profit/loss before taxes</b>
	-65.7	-48.5	24.6	-0.6	-	-	-41.1	-49.1	Income taxes
	<b>240.2</b>	<b>229.2</b>	<b>-21.0</b>	<b>-25.6</b>	<b>-</b>	<b>-</b>	<b>219.1</b>	<b>203.6</b>	<b>Profit/loss for the period (segment result)</b>
	78,725.7	78,114.7	2,922.6	2,558.8	-2,242.2	-2,311.6	79,406.1	78,361.9	Segment assets as at 30 June
	-	77,520.6	-	2,419.5	-	-2,067.3	-	77,872.8	Segment assets as at 31 December

Segment reporting by operating segment (first half-year)

	Non-Life		Life		Asset Management & Banking	
	1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023
CHF million						
Insurance revenue	2,012.9	1,984.0	728.0	715.1	-	-
Insurance service expenses	-1,750.8	-1,658.6	-600.8	-587.1	-	-
Insurance service result from reinsurance contracts	-69.5	-73.4	12.6	1.2	-	-
<b>Insurance service result</b>	<b>192.6</b>	<b>252.0</b>	<b>139.8</b>	<b>129.3</b>	<b>-</b>	<b>-</b>
Insurance finance income and expenses from insurance contracts	-63.6	-59.1	-492.6	-1,300.8	-	-
Insurance finance income and expenses from reinsurance contracts	5.0	11.3	2.0	-0.2	-	-
<b>Insurance finance income and expenses</b>	<b>-58.7</b>	<b>-47.7</b>	<b>-490.7</b>	<b>-1,301.0</b>	<b>-</b>	<b>-</b>
Interest revenue calculated using the effective interest method	74.5	61.6	18.1	17.9	75.2	65.3
Investment income	32.5	33.8	440.8	463.3	0.6	0.5
Realised gains and losses on investments	14.3	-18.6	658.8	1,289.5	5.5	5.7
Change in expected credit loss	3.0	-0.6	-2.2	-1.0	-0.3	0.4
Result from financial contracts	-7.2	-7.2	-575.4	-427.6	-38.7	-26.6
<b>Result from investments and financial contracts</b>	<b>117.1</b>	<b>69.0</b>	<b>540.1</b>	<b>1,342.0</b>	<b>42.3</b>	<b>45.3</b>
Income from services rendered	41.5	43.4	7.3	7.3	79.4	78.7
Other operating income	28.2	27.8	50.1	35.6	16.8	5.9
Other operating expenses	-195.3	-186.5	-101.0	-97.5	-96.7	-86.5
Share of profit (loss) of associates and joint ventures	-2.2	0.3	1.1	-3.8	0.1	-0.1
Profit and loss from owner-occupied properties FVPL	-	-	-1.3	-7.7	-	-
<b>Profit/loss before borrowing costs and taxes</b>	<b>123.2</b>	<b>158.2</b>	<b>145.5</b>	<b>104.3</b>	<b>41.8</b>	<b>43.4</b>
Borrowing costs	-0.2	-0.2	-2.3	-5.0	0.0	0.0
<b>Profit/loss before taxes</b>	<b>122.9</b>	<b>158.0</b>	<b>143.1</b>	<b>99.3</b>	<b>41.8</b>	<b>43.4</b>
Income taxes	-26.8	-32.5	-27.9	-8.0	-6.0	-6.9
<b>Profit/loss for the period (segment result)</b>	<b>96.1</b>	<b>125.5</b>	<b>115.2</b>	<b>91.3</b>	<b>35.8</b>	<b>36.5</b>

Other activities		Eliminated		Total		
1st half 2024	1st half 2023	1st half 2024	1st half 2023	1st half 2024	1st half 2023	
						CHF million
-	-	-3.2	-3.8	2,737.8	2,695.3	Insurance revenue
-	-	2.4	5.2	-2,349.2	-2,240.6	Insurance service expenses
-	-	0.8	-1.3	-56.2	-73.5	Insurance service result from reinsurance contracts
-	-	<b>0.0</b>	<b>0.0</b>	<b>332.4</b>	<b>381.2</b>	<b>Insurance service result</b>
-	-	0.1	-0.2	-556.2	-1,360.1	Insurance finance income and expenses from insurance contracts
-	-	-0.1	0.2	6.8	11.3	Insurance finance income and expenses from reinsurance contracts
-	-	<b>0.0</b>	<b>0.0</b>	<b>-549.3</b>	<b>-1,348.7</b>	<b>Insurance finance income and expenses</b>
9.6	10.5	-21.4	-17.2	156.0	138.0	Interest revenue calculated using the effective interest method
0.4	0.2	-	-	474.3	497.8	Investment income
41.2	5.1	-	-	719.8	1,281.7	Realised gains and losses on investments
0.0	0.0	-	-	0.5	-1.1	Change in expected credit loss
-37.0	-14.5	21.4	17.2	-636.9	-458.7	Result from financial contracts
<b>14.1</b>	<b>1.4</b>	<b>0.0</b>	<b>0.0</b>	<b>713.6</b>	<b>1,457.8</b>	<b>Result from investments and financial contracts</b>
75.6	74.9	-140.3	-130.9	63.6	73.4	Income from services rendered
15.9	6.6	-23.4	-20.2	87.5	55.7	Other operating income
-143.6	-115.7	163.7	151.1	-372.9	-335.1	Other operating expenses
-0.5	-5.8	-	-	-1.6	-9.4	Share of profit (loss) of associates and joint ventures
-	-	-	-	-1.3	-7.7	Profit and loss from owner-occupied properties FVPL
<b>-38.5</b>	<b>-38.6</b>	<b>-</b>	<b>-</b>	<b>271.9</b>	<b>267.2</b>	<b>Profit / loss before borrowing costs and taxes</b>
-9.1	-9.3	-	-	-11.7	-14.5	Borrowing costs
<b>-47.6</b>	<b>-47.9</b>	<b>-</b>	<b>-</b>	<b>260.2</b>	<b>252.7</b>	<b>Profit / loss before taxes</b>
19.6	-1.7	-	-	-41.1	-49.1	Income taxes
<b>-28.0</b>	<b>-49.6</b>	<b>-</b>	<b>-</b>	<b>219.1</b>	<b>203.6</b>	<b>Profit / loss for the period (segment result)</b>

Investments and financial liabilities

Return from investments for own account and at own risk

1st half 2024	Interest revenue calculated using the effective interest method	Investment income	Realised gains and losses	Change in impairment losses for credit risk	Investment return
CHF million					
<b>Investment return</b>					
Investment property	-	142.1	-0.8	-	<b>141.3</b>
Financial instruments with characteristics of equity	-	50.9	58.0	-	<b>108.9</b>
Recognised at fair value through OCI (FVOCI)	-	6.5	-	-	<b>6.5</b>
Recognised at fair value through profit or loss (FVPL) <sup>1</sup>	-	44.4	58.0	-	<b>102.4</b>
Financial instruments with characteristics of debt	55.4	232.3	35.7	0.6	<b>324.0</b>
Recognised at amortised cost (AC)	1.1	-	-	0.0	<b>1.1</b>
Recognised at fair value through OCI (FVOCI)	54.4	-	41.3	0.6	<b>96.3</b>
Recognised at fair value through profit or loss (FVPL)	-	232.3	-5.6	-	<b>226.7</b>
- of which: mandatorily FVPL	-	1.7	1.2	-	<b>3.0</b>
- of which: designated as FVPL	-	230.5	-6.8	-	<b>223.7</b>
Mortgages and loans	83.2	45.2	-1.9	-0.2	<b>126.3</b>
Recognised at amortised cost (AC)	80.9	-	34.4	-0.2	<b>115.1</b>
Recognised at fair value through OCI (FVOCI)	2.3	-	-	0.0	<b>2.3</b>
Recognised at fair value through profit or loss (FVPL)	-	45.2	-36.3	-	<b>8.9</b>
- of which: mandatorily FVPL	-	0.1	-0.1	-	<b>0.0</b>
- of which: designated as FVPL	-	45.2	-36.3	-	<b>8.9</b>
Derivative financial instruments <sup>2</sup>	-	-	-278.6	-	<b>-278.6</b>
Financial receivables	9.6	-	-	0.2	<b>9.8</b>
Cash and cash equivalents	7.7	-	-0.3	-	<b>7.5</b>
<b>Total investment return for own account and at own risk</b>	<b>156.0</b>	<b>470.5</b>	<b>-187.8</b>	<b>0.5</b>	<b>439.2</b>

1 The position "Financial instruments with characteristics of equity - recognised at fair value through profit or loss (FVPL)" comprises gains and losses from hedging operations.

2 The position "Derivative financial instruments" comprises gains and losses on derivative financial assets and derivative financial liabilities.



1st half 2023	Interest revenue calculated using the effective interest method	Investment income	Realised gains and losses	Change in impairment losses for credit risk	Investment return
CHF million					
<b>Investment return</b>					
Investment property	-	146.0	12.8	-	<b>158.9</b>
Financial instruments with characteristics of equity	-	58.2	107.2	-	<b>165.4</b>
Recognised at fair value through OCI (FVOCI)	-	8.5	-	-	<b>8.5</b>
Recognised at fair value through profit or loss (FVPL) <sup>1</sup>	-	49.6	107.2	-	<b>156.9</b>
Financial instruments with characteristics of debt	52.2	244.0	583.4	-1.9	<b>877.7</b>
Recognised at amortised cost (AC)	0.6	-	-	-	<b>0.6</b>
Recognised at fair value through OCI (FVOCI)	51.6	-	-17.0	-1.9	<b>32.7</b>
Recognised at fair value through profit or loss (FVPL)	-	244.0	600.4	-	<b>844.4</b>
- of which: mandatorily FVPL	-	1.3	2.0	-	<b>3.3</b>
- of which: designated as FVPL	-	242.8	598.4	-	<b>841.2</b>
Mortgages and loans	74.0	46.0	-4.3	0.6	<b>116.3</b>
Recognised at amortised cost (AC)	71.4	-	5.5	0.6	<b>77.4</b>
Recognised at fair value through OCI (FVOCI)	2.7	-	-	0.0	<b>2.7</b>
Recognised at fair value through profit or loss (FVPL)	-	46.0	-9.8	-	<b>36.2</b>
- of which: mandatorily FVPL	-	-0.1	-0.1	-	<b>-0.2</b>
- of which: designated as FVPL	-	46.1	-9.7	-	<b>36.4</b>
Derivative financial instruments <sup>2</sup>	-	-	-40.5	-	<b>-40.5</b>
Financial receivables	7.4	-	-	0.1	<b>7.5</b>
Cash and cash equivalents	4.5	-	-0.2	-	<b>4.3</b>
<b>Total investment return for own account and at own risk</b>	<b>138.0</b>	<b>494.2</b>	<b>658.5</b>	<b>-1.1</b>	<b>1,289.6</b>

1 The position "Financial instruments with characteristics of equity - recognised at fair value through profit or loss (FVPL)" comprises gains and losses from hedging operations.

2 The position "Derivative financial instruments" comprises gains and losses on derivative financial assets and derivative financial liabilities.

## Result from financial contracts

	1st half 2024	1st half 2023
CHF million		
<b>Result from financial contracts for own account and at own risk</b>		
Interest expenses	- 27.7	- 27.3
Realised gains and losses	- 6.3	- 7.8
Other result from financial contracts	- 5.5	-
<b>Result from financial contracts for own account and at own risk</b>	<b>- 39.5</b>	<b>- 35.2</b>
Gains and losses on financial contracts for the account and at the risk of policyholders and third parties	- 597.4	- 423.6
<b>Result from financial contracts</b>	<b>- 636.9</b>	<b>- 458.7</b>

## Fair value measurement

### Hierarchy levels

Where available, quoted market prices are used to determine the fair value of assets and liabilities. They are defined as available if quoted prices can be obtained easily and frequently on an exchange, from a dealer, broker, trade association, pricing service or regulatory authority, provided these prices are current, in sufficient volume and represent regularly occurring arm's-length transactions in the market.

If no quoted market prices are available (e.g. because a market is inactive), the fair value is determined using a market-based measurement process. Market-based means that the measurement method is based on a significant quantity of observable market data (as available).

Fair value measurement is divided into the following three hierarchy levels:

- Fair value determined by publicly quoted prices (level 1): Fair value is based on prices in active markets on the balance sheet date and it is not adjusted or compiled in any other way.
- Fair value determined by using observable market data (level 2): Fair value is estimated using generally recognised methods (discounted cash flow, etc.). In this case, measurement incorporates a significant quantity of observable market data (interest rates, index performance, etc.).
- Fair value determined without the use of observable market data (level 3): Fair value is estimated using generally recognised methods (discounted cash flow, etc.), although it is measured without reference to any observable market data (or only to a very minor degree), either because this data is not available or because it does not permit any reliable conclusions to be drawn with regard to fair value.

### Details of the methods used to measure level 2 and 3 assets and liabilities

The table below gives an overview of the measurement methods that the Baloise Group uses to determine the fair value of balance sheet line items classified as level 2 or level 3. The table shows the individual measurement methods, the key input factors used for measurement purposes and – where practicable – the range within which these input factors vary.

Balance sheet line item	Measurement method	Key input factors used for measurement purposes
<b>Level 2</b>		
Financial instruments with characteristics of equity		
Recognised at fair value through OCI (FVOCI)	Internal measurement methods	Price of underlying instrument, liquidity discount, balance sheet and income statement figures
	Net asset value	n.a.
Recognised at fair value through profit or loss (FVPL)	Net asset value	n.a.
Financial instruments with characteristics of debt		
Recognised at fair value through OCI (FVOCI)	Present-value model	Yield curve, swap rates, default risk
Recognised at fair value through profit or loss (FVPL)	Present-value model Net asset value	Interest rate, credit spread, market price n.a.
Mortgages and loans		
Recognised at amortised cost (AC)	Present-value model	Interest rate, credit spread
Recognised at fair value through profit or loss (FVPL)	Present-value model	SARON, swap rates
Derivative financial instruments	Black-Scholes option pricing model Black-76	Money market interest rate, volatility, price of underlying instrument, exchange rates Volatility, forward interest rate
Liabilities arising from financial contracts		
Recognised at fair value through profit or loss (FVPL)	Stochastic present-value model Present-value model	Investment fund prices, interest rates, cancellation rate SARON, swap rates
<b>Level 3</b>		
Financial instruments with characteristics of equity	Net asset value	n.a.
Financial instruments with characteristics of debt	Present-value model	Interest rate, credit spread
Mortgages and loans		
Recognised at amortised cost (AC)	Present-value model	Swap curve, individual spread

### Determining the fair value of assets and liabilities classified as level 3

The Baloise Group organises its operating activities into strategic business units, which are generally combined under a single management team for each region. The financial and management information needed for all relevant executive decisions is held by these strategic business units. This organisational structure is also used to delegate authority and responsibility for proper implementation of, and compliance with, financial reporting standards within the Baloise Group to the individual strategic business units.

The organisation of these individual units varies in terms of how they determine the fair value of financial instruments classified as level 3. This process essentially involves the regular discussion of measurement methods, measurement inconsistencies and classification issues by formal or informal committees at each reporting date. Appropriate adjustments are made where necessary.

Financial instruments with characteristics of equity classed as FVOCI or FVPL and classified as level 3 are primarily private-equity investments and alternative investments held by Baloise as well as non-controlling interests in real estate companies. The fair value of such investments is usually determined by fund managers (external providers) based on net asset value (NAV). These external providers generally use non-public information to calculate the individual investments' NAV.

Financial instruments with characteristics of debt that are assigned to level 3 are predominantly corporate bonds originating from private placements and for which third-party prices are not available. A present-value model is used to measure their fair value.

## Financial instruments measured at fair value

30.06.2024	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
CHF million					
<b>Assets measured on a recurring basis for own account and at own risk</b>					
Financial instruments with characteristics of equity	<b>3,239.4</b>	<b>3,239.4</b>	870.8	282.1	2,086.5
Recognised at fair value through OCI (FVOCI)	<b>358.8</b>	<b>358.8</b>	193.9	22.9	142.0
Recognised at fair value through profit or loss (FVPL)	<b>2,880.7</b>	<b>2,880.7</b>	676.9	259.2	1,944.6
Financial instruments with characteristics of debt	<b>29,790.8</b>	<b>29,792.1</b>	26,991.3	2,800.8	-
Recognised at amortised cost (AC)	<b>153.0</b>	<b>154.3</b>	144.2	10.1	-
Recognised at fair value through OCI (FVOCI)	<b>5,975.8</b>	<b>5,975.8</b>	5,709.8	266.0	-
Recognised at fair value through profit or loss (FVPL)	<b>23,662.0</b>	<b>23,662.0</b>	21,137.3	2,524.7	-
Mortgages and loans	<b>14,705.5</b>	<b>14,860.5</b>	2.1	11,621.6	3,236.9
Recognised at amortised cost (AC)	<b>9,509.3</b>	<b>9,664.4</b>	2.1	8,549.4	1,113.0
Recognised at fair value through OCI (FVOCI)	<b>541.3</b>	<b>541.3</b>	-	-	541.3
Recognised at fair value through profit or loss (FVPL)	<b>4,654.8</b>	<b>4,654.8</b>	-	3,072.2	1,582.6
Derivative financial instruments	<b>334.2</b>	<b>334.2</b>	-	334.2	-
Financial receivables	<b>527.4</b>	<b>526.0</b>	128.4	8.3	389.3
<b>Liabilities measured on a recurring basis for own account and at own risk</b>					
Liabilities arising from financial contracts	<b>8,695.8</b>	<b>8,642.8</b>	53.8	8,566.9	22.1
Recognised at amortised cost (AC)	<b>8,637.0</b>	<b>8,584.0</b>	0.2	8,566.9	16.9
Recognised at fair value through profit or loss (FVPL)	<b>58.8</b>	<b>58.8</b>	53.6	-	5.2
Derivative financial instruments	<b>78.7</b>	<b>78.7</b>	0.5	78.3	0.0
Outstanding bonds	<b>2,484.0</b>	<b>2,451.9</b>	2,451.9	-	-
<b>Assets measured on a recurring basis for the account and at the risk of policyholders and third parties</b>	<b>16,882.7</b>	<b>16,882.7</b>	<b>14,778.2</b>	<b>1,475.7</b>	<b>628.9</b>
<b>Liabilities measured on a recurring basis for the account and at the risk of policyholders and third parties</b>	<b>12,759.7</b>	<b>12,759.7</b>	<b>11,437.4</b>	<b>723.7</b>	<b>598.6</b>

<b>31.12.2023</b>	<b>Total carrying amount</b>	<b>Total fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
CHF million					
<b>Assets measured on a recurring basis for own account and at own risk</b>					
Financial instruments with characteristics of equity <sup>1</sup>	<b>3,105.6</b>	<b>3,105.6</b>	831.5	317.4	1,956.8
Recognised at fair value through OCI (FVOCI)	<b>336.7</b>	<b>336.7</b>	180.9	22.9	133.0
Recognised at fair value through profit or loss (FVPL)	<b>2,768.9</b>	<b>2,768.9</b>	650.6	294.5	1,823.8
Financial instruments with characteristics of debt	<b>29,267.0</b>	<b>29,267.5</b>	26,848.7	2,418.8	-
Recognised at amortised cost (AC)	<b>125.0</b>	<b>125.5</b>	123.6	2.0	-
Recognised at fair value through OCI (FVOCI)	<b>5,654.7</b>	<b>5,654.7</b>	5,427.0	227.7	-
Recognised at fair value through profit or loss (FVPL)	<b>23,487.3</b>	<b>23,487.3</b>	21,298.2	2,189.1	-
Mortgages and loans <sup>1</sup>	<b>15,602.3</b>	<b>15,672.9</b>	-	12,208.9	3,464.0
Recognised at amortised cost (AC)	<b>10,138.4</b>	<b>10,208.9</b>	-	9,104.6	1,104.4
Recognised at fair value through OCI (FVOCI)	<b>555.0</b>	<b>555.0</b>	-	-	555.0
Recognised at fair value through profit or loss (FVPL)	<b>4,909.0</b>	<b>4,909.0</b>	-	3,104.3	1,804.7
Derivative financial instruments	<b>449.8</b>	<b>449.8</b>	0.2	449.6	-
Financial receivables	<b>727.2</b>	<b>725.9</b>	323.8	6.7	395.4
<b>Liabilities measured on a recurring basis for own account and at own risk</b>					
Liabilities arising from financial contracts	<b>8,170.4</b>	<b>8,049.8</b>	42.7	7,981.0	26.1
Recognised at amortised cost (AC)	<b>8,123.3</b>	<b>8,002.8</b>	0.7	7,981.0	21.0
Recognised at fair value through profit or loss (FVPL)	<b>47.1</b>	<b>47.1</b>	42.0	-	5.1
Derivative financial instruments	<b>83.4</b>	<b>83.4</b>	-	83.4	0.0
Outstanding bonds	<b>2,334.0</b>	<b>2,270.8</b>	2,270.8	-	-
<b>Assets measured on a recurring basis for the account and at the risk of policyholders and third parties</b>					
	<b>15,336.5</b>	<b>15,336.5</b>	<b>13,324.0</b>	<b>1,433.8</b>	<b>578.7</b>
<b>Liabilities measured on a recurring basis for the account and at the risk of policyholders and third parties</b>					
	<b>11,766.0</b>	<b>11,766.0</b>	<b>10,532.5</b>	<b>687.3</b>	<b>546.2</b>

1 The differentiation between levels was adjusted slightly in 2023 as a result of more detailed base data.

## IFRS half-year financial statements

### Financial instruments measured at fair value on a recurring basis for own account and at own risk and classified as level 3

	Financial instruments with characteristics of equity		Mortgages and loans		Total financial instruments measured at fair value	Liabilities arising from financial contracts	Total financial liabilities measured at fair value
	FVOCI	FVPL	FVOCI	FVPL		FVPL	
2024							
CHF million							
<b>Balance as at 1 January</b>	<b>132.9</b>	<b>1,823.8</b>	<b>555.0</b>	<b>1,804.7</b>	<b>4,316.4</b>	<b>5.1</b>	<b>5.1</b>
Additions	5.7	62.7	-	8.5	77.0	-0.1	-0.1
Additions arising from change in the scope of consolidation	-	-	-	-	-	-	-
Disposals	-0.2	-57.7	-26.0	-234.1	-317.9	-	-
Disposals arising from change in the scope of consolidation	-	-	-	-	-	-	-
Reclassified to level 3	-	-	-	-	-	-	-
Reclassified from level 3	-	-	-	-	-	-	-
Changes in fair value recognised in profit or loss	-	26.7	-2.7	-50.5	-26.5	-	-
Changes in fair value not recognised in profit or loss	-0.9	-	-5.4	-	-6.3	-	-
Exchange differences	4.4	89.0	20.5	54.0	167.9	0.2	0.2
<b>Balance as at 30 June</b>	<b>142.0</b>	<b>1,944.6</b>	<b>541.3</b>	<b>1,582.6</b>	<b>4,210.5</b>	<b>5.2</b>	<b>5.2</b>
<b>Changes in fair value of financial instruments held at the balance sheet date and recognised in profit or loss</b>	<b>-</b>	<b>-0.8</b>	<b>-</b>	<b>-42.7</b>	<b>-43.5</b>	<b>-</b>	<b>-</b>

	Financial instruments with characteristics of equity <sup>1</sup>		Mortgages and loans		Total financial instruments measured at fair value	Liabilities arising from financial contracts	Total financial liabilities measured at fair value
	FVOCI	FVPL	FVOCI	FVPL		FVPL	
2023							
CHF million							
<b>Balance as at 1 January</b>	<b>155.3</b>	<b>1,873.1</b>	<b>583.4</b>	<b>1,928.8</b>	<b>4,540.6</b>	<b>-</b>	<b>-</b>
Additions	11.1	192.7	13.6	64.7	282.0	5.1	5.1
Additions arising from change in the scope of consolidation	-	-	-	-	-	-	-
Disposals	-1.5	-122.9	-29.2	-179.8	-333.3	-	-
Disposals arising from change in the scope of consolidation	-	-	-	-	-	-	-
Reclassified to level 3	-	16.8	-	-	16.8	-	-
Reclassified from level 3	-	-	-	-	-	-	-
Changes in fair value recognised in profit or loss	-	-1.5	-6.0	84.6	77.0	-	-
Changes in fair value not recognised in profit or loss	-24.1	-	28.3	-	4.2	-	-
Exchange differences	-7.8	-134.3	-35.1	-93.6	-270.8	-	-
<b>Balance as at 31 December</b>	<b>132.9</b>	<b>1,823.8</b>	<b>555.0</b>	<b>1,804.7</b>	<b>4,316.4</b>	<b>5.1</b>	<b>5.1</b>
<b>Changes in fair value of financial instruments held at the balance sheet date and recognised in profit or loss</b>	<b>-</b>	<b>-30.2</b>	<b>-</b>	<b>82.9</b>	<b>52.7</b>	<b>-</b>	<b>-</b>

1 The differentiation between levels was adjusted slightly in 2023 as a result of more detailed base data.

**Reclassification of assets and liabilities between level 1 and level 2**

Assets and liabilities measured at fair value are generally reclassified from level 1 to level 2 if there is no longer deemed to be an active market for these instruments owing to their low daily trading volumes or lack of liquidity or if the instruments concerned have been de-listed. Financial instruments are reclassified from level 2 to level 1 for the exact opposite reasons.

No significant amounts of assets or liabilities measured at fair value were reclassified from level 1 to level 2 or vice versa during the reporting period.

**Reclassification of assets and liabilities to and from level 3**

No financial instruments were reclassified either to or from level 3 during the reporting period.

Reclassification carried out in prior periods was due to changes in market activity and to new insights regarding the composition of investments.

**Share capital**

	Number of treasury shares	Number of shares in circulation	Number of shares issued	Share capital (CHF million)
<b>2024</b>				
<b>Balance as at 1 January</b>	<b>386,340</b>	<b>45,413,660</b>	<b>45,800,000</b>	<b>4.6</b>
Purchase/sale of treasury shares	73,188	-73,188	-	-
Capital increases	-	-	-	-
Share buy-back and cancellation	-	-	-	-
<b>Balance as at 30 June</b>	<b>459,528</b>	<b>45,340,472</b>	<b>45,800,000</b>	<b>4.6</b>
	Number of treasury shares	Number of shares in circulation	Number of shares issued	Share capital (CHF million)
<b>2023</b>				
<b>Balance as at 1 January</b>	<b>545,636</b>	<b>45,254,364</b>	<b>45,800,000</b>	<b>4.6</b>
Purchase/sale of treasury shares	- 159,296	159,296	-	-
Capital increases	-	-	-	-
Share buy-back and cancellation	-	-	-	-
<b>Balance as at 31 December</b>	<b>386,340</b>	<b>45,413,660</b>	<b>45,800,000</b>	<b>4.6</b>

As at 30 June 2024, the share capital of Baloise Holding Ltd totals CHF 4.6 million and is divided into 45,800,000 registered, fully paid-up registered shares with a par value of CHF 0.10 each. The Baloise Group buys and sells its own shares for employee share ownership programmes.

The Annual General Meeting held on 26 April 2024 voted in favour of a total dividend distribution of CHF 352.7 million for the 2023 financial year. This amounts to a gross dividend of CHF 7.70 per share. Excluding the treasury shares held by Baloise Holding Ltd at the time that the dividend was paid, the total distribution effectively amounted to CHF 349.1 million.

## Earnings per share

	1st half 2024	1st half 2023
Profit for the period attributable to shareholders (CHF million)	219.8	205.7
Average number of shares outstanding	45,373,504	45,269,884
<b>Basic earnings per share (CHF)</b>	<b>4.84</b>	<b>4.54</b>

	1st half 2024	1st half 2023
<b>Profit for the period attributable to shareholders (CHF million)</b>	<b>219.8</b>	<b>205.7</b>
Average number of shares outstanding	45,373,504	45,269,884
Adjustment due to theoretical exercise of share-based payment plans	42,807	20,426
<b>Adjusted average number of shares outstanding</b>	<b>45,416,311</b>	<b>45,290,310</b>
<b>Diluted earnings per share (CHF)</b>	<b>4.84</b>	<b>4.54</b>

Earnings per share was not affected by any dilutive effects either during the reporting period or during the comparative period.



## Insurance contract liabilities

The insurance contract assets and liabilities consist of the following:

	Insurance contract assets		Insurance contract liabilities	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
CHF million				
<b>Non-life contracts excluding DAC</b>				
Liability for remaining coverage (LRC)	49.3	-2.4	1,257.1	1,020.1
Liability for remaining coverage excluding loss component	49.3	-2.4	1,229.3	960.5
Loss component (LC)	-	-	27.8	59.6
Liability for incurred claims	51.7	70.8	5,294.2	5,179.3
Present value of future cash flows (PVFCF)	51.1	70.1	5,103.5	5,009.0
Risk adjustment (RA)	0.6	0.7	190.6	170.3
<b>Total non-life excluding DAC</b>	<b>101.0</b>	<b>68.4</b>	<b>6,551.3</b>	<b>6,199.4</b>
<b>Life contracts excluding DAC</b>	<b>2.0</b>	<b>-</b>		
Present value of future cash flows (PVFCF)	2.0	-	37,694.2	38,585.4
Risk adjustment (RA)	-	-	204.3	202.3
Contractual service margin (CSM)	-	-	5,323.9	4,864.8
<b>Total life excluding DAC</b>	<b>2.0</b>	<b>-</b>	<b>43,222.4</b>	<b>43,652.4</b>
Deferred acquisition costs (DAC)	-	-	-17.4	-32.3
<b>Total insurance contract assets and liabilities</b>	<b>103.0</b>	<b>68.4</b>	<b>49,756.3</b>	<b>49,819.5</b>

## Insurance revenue

	1st half 2024	1st half 2023
CHF million		
<b>Insurance revenue from life insurance contracts</b>		
Expected incurred claims and other expected insurance service expenses	596.1	627.8
Release risk adjustment for non-financial risk	0.6	5.4
Release CSM	146.2	138.0
Other	-95.0	-133.3
<b>Change in liabilities for remaining coverage</b>	<b>647.9</b>	<b>637.8</b>
Recovery of insurance acquisition cash flows	80.1	77.3
<b>Insurance revenue from life insurance contracts</b>	<b>728.0</b>	<b>715.1</b>
Insurance revenue from non-life insurance contracts	2,009.7	1,980.2
<b>Total insurance revenue</b>	<b>2,737.8</b>	<b>2,695.3</b>

## IFRS half-year financial statements

### Discounting

All future cash flows generally have to be discounted at current discount rates. This ensures that the time value of money and – where relevant – financial risks that affect the amount and timing of cash flows are taken into account in the measurement.

The Baloise Group discounts the cash flows from insurance contracts using discount rates that match the nominal currency and maturity of the cash flows and take account of the liquidity of the obligations. The calculation of the liquidity premium was adjusted during the reporting period. This resulted in an increase in the liquidity premium as at 30 June 2024. Compared with 31 December 2023, the weighted average of the liquidity premium rose by 53 bps for Swiss francs, by 70 bps for euros and by 50 bps for US dollars. The change in the liquidity premium accounted for the bulk of the economic variances (CHF 531.3 million) in the CSM in the first half of 2024.

Where possible, the Baloise Group draws on discounting assumptions observable in liquid markets. If cash flows are expected at times for which no such discount rates are observable, the Baloise Group interpolates or extrapolates the observable discount rates using the Smith-Wilson method.

Financial risks predominantly affect cash flows in life insurance, in particular where benefits paid to the beneficiaries are directly or indirectly derived from the value or performance of financial assets. The Baloise Group takes account of these risks in discounting by taking a consistent, risk-neutral approach when selecting the expected returns that affect the cash flows and when selecting the discount rates for the discounting of these cash flows.

All of the aforementioned discounting principles apply both to insurance contracts issued by the Baloise Group and to reinsurance contracts held.

Cash flows without financial risks are generally discounted without taking account of credit risk, as measurement of the insurance contracts is based on the assumption that all obligations are fulfilled. The Baloise Group therefore uses the following discount rates:

	<b>CHF</b>			
	<b>30.06.2024</b>	<b>31.12.2023</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
weighted average in %				
1 year	1.82	1.67	2.15	1.97
5 years	1.68	1.34	2.02	2.31
10 years	1.79	1.45	1.97	2.54
15 years	1.95	1.62	2.02	2.63
20 years	2.12	1.78	2.10	2.69

	<b>EUR</b>			
	<b>30.06.2024</b>	<b>31.12.2023</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
weighted average in %				
1 year	4.24	3.42	3.98	3.36
5 years	3.60	2.39	3.16	3.20
10 years	3.60	2.50	2.95	3.18
15 years	3.67	2.62	2.95	3.18
20 years	3.63	2.63	2.86	3.04

	<b>USD</b>			
	<b>30.06.2024</b>	<b>31.12.2023</b>	<b>30.06.2023</b>	<b>31.12.2022</b>
weighted average in %				
1 year	5.72	4.94	5.54	5.09
5 years	4.77	3.70	4.11	3.93
10 years	4.65	3.65	3.75	3.74
15 years	4.65	3.68	3.68	3.72
20 years	4.62	3.66	3.61	3.65

## Financial liabilities

On 7 June 2024, Baloise Holding Ltd placed a senior bond on behalf of the Baloise Group with a volume of CHF 150 million and a coupon of 1.75 per cent (maturity period: 2024–2034, ISIN CH1348614145) for general company purposes.

In 2023, the Baloise Group issued two bonds as part of its funding activities: the senior green bond issued through Baloise Holding Ltd on 30 January 2023 with a volume of CHF 175 million and a coupon of 2.20 per cent (maturity period: 2023–2032, ISIN CH1232107180) and the senior bond issued on 2 May 2023 with a volume of CHF 100 million and a coupon of 2.35 per cent (maturity period 2023–2033, ISIN CH1256367199).

Furthermore, a senior bond with a volume of CHF 225 million and a coupon of 1.75 per cent issued by Baloise Holding Ltd was repaid on 26 April 2023. On 19 June 2023, Baloise Life Ltd repaid a further, open-ended subordinated bond with a volume of CHF 300 million and a coupon of 1.75 per cent on the earliest possible call date.

## Income taxes

	1st half 2024	1st half 2023
CHF million		
Current income taxes	-36.1	-42.0
Deferred taxes	-5.0	-7.1
<b>Total income taxes</b>	<b>-41.1</b>	<b>-49.1</b>

Baloise falls within the scope of the OECD rules on global minimum tax. In those countries which Baloise identifies as strategic business units (Switzerland, Germany, Belgium and Luxembourg), and which are covered by the OECD rules on global minimum tax, the legislative position is that national top-up taxes apply with effect from 1 January 2024. Rules for international top-up taxes (Income Inclusion Rule from 1 January 2024 and Undertaxed Profits Rule from 1 January 2025) have also been signed off in all of these countries except Switzerland, where a decision will be made at a later date.

Under the global minimum tax rules, Baloise would be required to pay top-up tax in the event that, according to the OECD pillar two rules, the effective tax rate in a jurisdiction was below 15 per cent. The OECD has defined 15 per cent as the minimum tax rate. Baloise has set up a Group-wide project in which it is analysing the detailed requirements regarding global minimum tax so that it can calculate the tax rates in accordance with the OECD pillar two rules and identify whether it will need to pay top-up tax and, if so, how much. Detailed analyses are continuing to be performed in scope of the project work during 2024. A final determination of the quantitative impacts of OECD pillar two rules on Baloise is still outstanding. Based on currently enacted national tax rates and analyses performed so far, potential top-up taxes could arise in Switzerland and Liechtenstein. However, based on a preliminary assessment under consideration of current assumptions, Baloise does not expect material amounts of top-up taxes to arise and therefore has not set up a provision for top-up taxes under OECD rules as of June 30, 2024.

Baloise is applying the temporary exception granted by IAS 12 that exempts it from recognising and disclosing deferred tax assets and liabilities in connection with the pillar two international tax reform (global minimum tax).

## **IFRS half-year financial statements**

### **Related party transactions**

Compared with the detailed information on related party transactions published in the 2023 annual report, there are no events of relevance to the reporting period.

There were no other material changes in either nature or scope during the reporting period.

### **Contingent and future liabilities**

The first half of 2024 did not reveal any facts that would require material amendments to be made to the pertinent disclosures contained in the annual report for the year ended 31 December 2023.

### **Events after the balance sheet date**

By the time that these consolidated half-year financial statements had been completed on 9 September 2024, we had not become aware of events that would have a material impact on the consolidated annual financial statements as a whole.

# Alternative performance measures

In its financial publications, Baloise uses not only the figures produced in accordance with International Financial Reporting Standards (IFRS) but also alternative performance measures (APMs). They are designed to aid understanding of our results. Moreover, APMs help to measure performance, growth, profitability and capital efficiency.

However, they should be viewed as supplementary information and not as a substitute for the figures calculated in accordance with IFRS.

Baloise uses the following APMs:

- Business volume
- Return on equity (RoE)
- Comprehensive equity
- Combined ratio (CR)
- Present value of new business premium (PVNBP)
- Value of new business (VNB)
- New business margin (NBM)
- Cash remittance
- Total assets under management (AuM)

It should be noted that similarly named APMs published by other companies may be calculated in a different way. The comparability of APMs between companies may therefore be limited. Baloise-specific definitions and information about the use and limitations of the aforementioned alternative performance measures can be found below.

## Definitions, usage and limitations

### Business volume

#### Definition and use

The business volume is a measure of the amount of business generated in the reporting period. It comprises the gross premium income from non-life and life insurance recognised during the reporting period and the payments from policyholders in business involving financial contracts and investment-linked life insurance policies.

#### Limitations

The business volume does not give any indication of the profitability of business. Comparability with other companies is also limited because they use different definitions.

The business volume represents supplementary information that complements the disclosure of insurance revenue pursuant to IFRS 17. Unlike insurance revenue, it includes savings premium components and thus is generally higher for life insurance.

### Return on equity (RoE)

#### Definition and use

Baloise defines return on equity as the profit for the reporting period divided by average equity adjusted for the dividend payment (the average of equity at the start of the reporting period [less the dividend paid] and at the end of the reporting period).

One of the reasons why the Baloise Group uses RoE as a performance measure is that it looks at both the Company's profitability and its capital efficiency.

## General information

### Limitations

This performance measure's usefulness is limited because it is a relative measure and thus does not provide information about the absolute level of profit for the period or the absolute level of equity. RoE does not contain any contributions from the contractual service margin (CSM), which is relevant to the life insurance business, nor any contributions from other comprehensive income (OCI). These items are also relevant to the analysis of comprehensive income.

RoE is not available at division or product level.

### Comprehensive equity

#### Definition and use

Baloise defines comprehensive equity as the sum of shareholders' equity (equity before non-controlling interests) and the contractual service margin (CSM) after taxes. One of the reasons why the Baloise Group uses comprehensive equity as a performance measure is that, unlike group equity, it includes expected future profits from the life insurance business and thus provides a more complete picture of the carrying amount of an insurance company.

#### Limitations

The usefulness of this performance measure is limited because, for example, the contractual service margin (CSM) is calculated on the basis of assumptions. The calculation rules for the CSM depend on the measurement approach (VFA or GMM) used for the underlying business. There is no CSM for the premium allocation approach (PAA).

Comprehensive equity is not available at division or product level.

### Combined ratio (CR)

#### Definition and use

The Baloise Group uses the combined ratio to gauge the profitability of underwriting in the non-life insurance business. The combined ratio is the sum of insurance service expenses and net reinsurance income/expense divided by insurance revenue.

This means that costs not directly attributable to the insurance contracts are not included in the combined ratio. The combined ratio thus expresses the purely operational profitability of the non-life insurance business.

The combined ratio is typically expressed as a percentage. A ratio of less than 100 per cent means that the business is profitable from an underwriting perspective, while a ratio of more than 100 per cent indicates an underwriting loss. The combined ratio can be broken down into the loss ratio and the expense ratio.

The loss ratio represents claims and insurance benefits (net, i.e. including net reinsurance income/expense) divided by insurance revenue. It therefore expresses the percentage of insurance revenue that is used for the settlement of claims.

The expense ratio represents the insurance acquisition cash flows and administrative expenses included in insurance service expenses relative to insurance revenue. It thus expresses the proportion of insurance revenue that is needed to cover the insurance service expenses for the acquisition of new and renewal business and to cover the administrative expenses.

#### Limitations

The combined ratio is used to measure underwriting profitability, but does not indicate profitability in terms of investment performance or non-operating performance. Even if the combined ratio is above 100 per cent, the non-life segment may have still generated a profit overall because it achieved a gain on investments or a non-operating contribution to profit.

The usefulness of the combined ratio is limited because it is a ratio and therefore does not provide any information about the absolute level of the underwriting profit. In addition, comparability with other companies is limited, because they use different definitions.

**Present value of new business premiums (PVNBP)****Definition and use**

The present value of new business premiums is a performance measure used in the life segment that shows the present value of all premium payments expected to be received from new business over the likely term of the contracts. Baloise calculates the PVNBP from the sum of the present values of future premiums in the reporting period from new business involving IFRS 17 contracts, from new follow-on contracts in the Swiss group life business and from new financial contracts business. Discounting is based on the IFRS 17 discount rates (risk-free discount rates including an adjustment for illiquidity).

**Limitations**

There are further restrictions resulting from the assumptions (e.g. lapse rates, biometric assumptions) that are necessary for the projection of future premium payments. In addition, comparability with other companies is limited, partly because they define new business differently.

**Value of new business (VNB)****Definition and use**

The value of new business is a performance measure used in the life segment and indicates the increase in value generated by underwriting new business in the current period. It is derived from IFRS-based performance measures and is calculated from the contractual service margin (CSM) for new business. This figure is adjusted for any loss component and the value of IFRS 9 new business. It is thus a measure of expected future profit from new business. The calculation involves forecasting lapses, mortality, disability and expenses up to the end date of insurance contracts, using the latest capital market data and best estimates.

**Limitations**

Future profits are estimates based on assumptions and may therefore differ from the profits actually generated in the future. They are calculated using IFRS 17 discount rates (risk-free discount rates including an adjustment for illiquidity) that are based on the latest market data. The actual future interest rates and market data may differ. There may also be variation in, for example, the assumptions about customers' future behaviour. Moreover, the long forecast period may result in uncertainties as future changes to regulatory requirements or in the market environment, for example, may not have been factored into the forecast. Comparability with other companies is limited because they use different definitions and assumptions.

**New business margin (NBM)****Definition and use**

The new business margin is used to measure the profitability of new business in the life segment. It is the value of new business (VNB) in the reporting period divided by the present value of new business premiums (PVNBP).

**Limitations**

As the new business margin is calculated from the value of new business and the present value of new business premiums, its usefulness is subject to the same limitations as those measures.

**Cash remittance****Definition and use**

Cash remittance is a performance measure for cash generation. It includes all dividends paid by subsidiaries to the holding company, including contributions from interest payments on loans. Cash remittance is the main basis for the income that is used for dividends paid by Baloise Holding. The dividend payments are recognised and disclosed in the financial statements prepared in accordance with local accounting standards.

## General information

### Limitations

Cash remittance may be higher or lower than the IFRS profit for the period reported by an entity. The composition and definition of cash remittance may vary from company to company. Further differences may arise in the comparison due to the timing of the recognition of cash remittance.

### Total assets under management (AuM)

#### Definition and use

The assets under management are all assets or security portfolios measured at fair value, in respect of which Baloise Asset Management makes investment decisions or bears responsibility for portfolio management. They are managed on behalf of third parties and on behalf of the Baloise Group. As a rule, the level of AuM is reflected in the level of fee income, making it an important measure of the performance of the Baloise's asset management activities over time and in comparison with other companies.

Changes in assets under management are essentially driven by net new assets, market factors, exchange-rate effects, and the effects of consolidation and deconsolidation.

Net new assets equates to the sum of assets of new customers and additional contributions from existing customers, less withdrawals from customer accounts, closures of such accounts and distributions to investors in the reporting period.

#### Limitations

The level of assets under management is subject to volatility resulting from movements in the capital markets. For example, assets under management may continue to increase when interest rates fall, even if the figure for net new assets is negative. This limits the usefulness of this performance measure.



# Glossary

**Actuarial reserves**

Actuarial reserves are the reserves set aside to cover current life insurance policies.

**Annual premium equivalent (APE)**

The annual premium equivalent (APE) is the insurance industry standard for measuring the volume of new life insurance business. It is calculated as the sum of the annual premiums earned from new business plus 10 per cent of the single premiums received during the reporting period.

**Baloise**

“Baloise” stands for “the Baloise Group”, and “Baloise Holding” means “Baloise Holding Ltd”. Baloise shares are the shares of Baloise Holding Ltd.

**Broker**

Insurance brokers are independent intermediaries. These are firms or individuals who are not restricted to any particular insurance companies when selling insurance products. They are paid commission for the insurance policies that they sell.

**Business volume**

The total volume of business comprises the premium income earned from non-life and life insurance and from investment-linked life insurance policies during the reporting period.

**Claims incurred**

Claims incurred comprise the amounts paid out for claims during the financial year, the reserves set aside to cover unsettled claims, the reversal of reserves for claims that no longer have to be settled or do not have to be paid in full, the costs incurred by the processing of claims, and changes in related reserves.

**Claims ratio**

The ratio of net claims incurred to insurance revenue, expressed as a percentage.

**Claims reserve**

A reserve for claims that have not been settled by the end of the year.

**Combined ratio**

A non-life insurance ratio that is defined as net claims incurred (loss ratio) and costs (expense ratio) expressed as a percentage of insurance revenue. This ratio is used to gauge the profitability of non-life insurance business.

**Contractual service margin (CSM)**

Represents the unearned profit of a group of insurance contracts that an entity will recognise as it provides insurance contract services in the future.

**Deferred taxes**

Probable future tax expenses and tax benefits arising from temporary differences between the carrying amounts of assets and liabilities recognised in the consolidated financial statements and the corresponding amounts reported for tax purposes. The pertinent calculations are based on country-specific tax rates.

**Expected credit loss (ECL)**

The credit losses expected according to the principles of IFRS 9 for financial instruments measured at amortised cost (AC) or at fair value through other comprehensive income (FVOCI).

**Expense ratio**

A ratio of the costs of non-life insurance business to insurance revenue, expressed as a percentage.

## General information

### Fixed-income securities

Securities (primarily bonds) that yield a fixed rate of interest throughout their term to maturity.

### Gross

The gross figures shown on the balance sheet or income statement in an insurance company's annual report are stated before deduction of reinsurance.

### Group life business

Insurance policies taken out by companies or their employee benefit units for the occupational pension plans of their entire workforce.

### Impairment

An asset write-down that is recognised in profit or loss. An impairment test is carried out to ascertain whether an asset's carrying amount is higher than its recoverable amount. If this is the case, the asset is written down to its recoverable amount and a corresponding impairment loss is recognised in the income statement.

### Insurance benefit

The benefits provided by the insurer in connection with the occurrence of an insured event.

### Insurance revenue

Amount that reflects the consideration to which an insurance company expects to be entitled in exchange for the provision of services under insurance contracts.

### International Financial Reporting Standards

Since 2000 the Baloise Group has been preparing its consolidated financial statements in compliance with International Financial Reporting Standards (IFRS), which were previously called International Accounting Standards (IAS).

### Investments

Investments comprise investment property, equities and alternative financial assets (financial instruments with characteristics of equity), fixed-income securities (financial instruments with characteristics of debt), mortgage assets, policy loans and other loans, derivative financial instruments, and cash and cash equivalents.

### Investment-linked life insurance

Life insurance policies under which policyholders invest their savings for their own account and at their own risk.

### Legal quota

A legally or contractually binding percentage requiring life insurance companies to pass on a certain share of their profits to their policyholders.

### Minimum interest rate

The minimum guaranteed interest rate paid to savers under occupational pension plans.

### Net

The net figures shown on the balance sheet or income statement in an insurance company's annual report are stated after deduction of reinsurance.

### New business margin

The value of new business divided by the volume of new business.

### Operating segments

Similar or related business activities are grouped together in operating segments. The Baloise Group's operating segments are Non-Life, Life, Asset Management & Banking, and Other Activities. The Other Activities operating segment includes equity investment companies, real estate firms and financing companies.

### Performance of investments

Performance in this context is defined as the rates of return that Baloise generates from its investments. It constitutes the gains, losses, income and expenses recognised in the income statement plus changes in unrealised gains and losses as a percentage of the average portfolio of investments held.

### Periodic premium

Periodically recurring premium income (see definition of "premium").

### Policyholder's dividend

An annual, non-guaranteed benefit paid to life insurance policyholders if the revenue generated by their policies is higher and/or the risks and costs associated with their policies are lower than the assumptions on which the calculation of their premiums was based.

### Premium

The amount paid by the policyholder to cover the cost of insurance.

### Profit after taxes

Profit after taxes is the consolidated net result of all income and expenses, minus all borrowing costs as well as current income taxes and deferred taxes. Profit after taxes includes the share of profit attributable to non-controlling interests. The profit attributable to shareholders is the profit after taxes excluding the share of profit attributable to non-controlling interests.

### Reinsurance

If an insurance company itself does not wish to bear the full risk arising from an insurance policy or an entire portfolio of policies, it passes on part of the risk to a reinsurance company or another direct insurer. However, the primary insurer still has to indemnify the policyholder for the full risk in all cases.

### Reserves

A measurement of future insurance benefit obligations arising from known and unknown claims that are reported as liabilities on the balance sheet.

### Return on equity (RoE)

A calculation of the percentage return earned on a company's equity capital during the reporting period; it represents the profit generated in a given reporting period divided by the company's average equity during that period.

### Run-off business

An insurance policy portfolio that has ceased to accept new policies and whose existing policies are gradually expiring.

### Segment

Financial reporting in the Baloise Group is carried out in accordance with International Financial Reporting Standards (IFRSs), which require similar transactions and business activities to be grouped and presented together. These aggregated operating activities are presented in "segments", broken down by geographic region and business line.

### Share buy-back programme

Procedure approved by the Board of Directors under which Baloise can repurchase its own outstanding shares. Companies in Switzerland open a separate trading line in order to carry out such buy-backs.

## General information

### Shares issued

The total number of shares that a company has issued; multiplying the total number of shares in issue by their face value gives the company's nominal share capital.

### Single premium

Single premiums are used to finance life insurance policies at their inception in the form of a one-off payment. They are mainly used to fund wealth-building life insurance policies, with the prime focus on investment returns and safety.

### Swiss Leader Index

The Swiss Leader Index (SLI) comprises the 30 largest and most liquid equities on the Swiss stock market.

### Solvency

Minimum capital requirements that the regulatory authorities impose on insurance companies in order to cover their business risks (investments and claims). These requirements are usually specified at a national level and may vary from country to country.

### Technical reserve

Insurers disclose on their balance sheets the value of the benefits that they expect to have to provide in future under their existing insurance contracts. This value is calculated from a current perspective in accordance with generally accepted principles.

### Technical result

Baloise calculates its technical result by netting all income and expenses arising from its insurance business. Its technical result does not include income and expenses unrelated to its insurance business or the net gains or losses on its investments.

### Unearned premium reserves

Deferred income arising from premiums that have already been paid for periods after the balance sheet date.

### Unrealised gains and losses (recognised directly in equity)

Unrealised gains and losses are increases or decreases in value that are not recognised in profit or loss and arise from the measurement of assets. They are recognised directly in equity after deduction of deferred taxes.

### Value of new business

The value added by new business transacted during the reporting period.



# Financial calendar and contacts

**20 November 2024**  
Q3 interim statement

**25 March 2025**  
**Full-year results**  
Publication of the 2024 annual report  
Media conference and conference call for analysts

**25 April 2025**  
**Annual General Meeting**  
Baloise Holding Ltd

[www.baloise.com/calendar](http://www.baloise.com/calendar)

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and media reports. This list is not considered exhaustive. Baloise accepts no obligation to update or revise forward-looking statements in order to take into consideration new information, future events, etc. Past performance is not indicative of future results.

## Availability and ordering

The 2024 half-year report will be available from 12 September 2024 on the internet at [www.baloise.com/half-year-report](http://www.baloise.com/half-year-report)

Corporate publications can be ordered either on the internet at [www.baloise.com/order](http://www.baloise.com/order) or by post from the Baloise Group, Corporate Communications, Aeschengraben 21, 4002 Basel, Switzerland.

## Information for shareholders and financial analysts

Detailed information and data on Baloise shares, the IR agenda, the latest presentations and how to contact the Investor Relations team can be found on the internet at [www.baloise.com/investors](http://www.baloise.com/investors)

This information is available in German and English.

## Information for members of the media

You will find the latest media releases, presentations, reports, images and podcasts of various Baloise events as well as media contact details at [www.baloise.com/media](http://www.baloise.com/media)

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