

Our Bold Journey of Growth

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Swiss Equities Conference – Bad Ragaz, 16 January 2020



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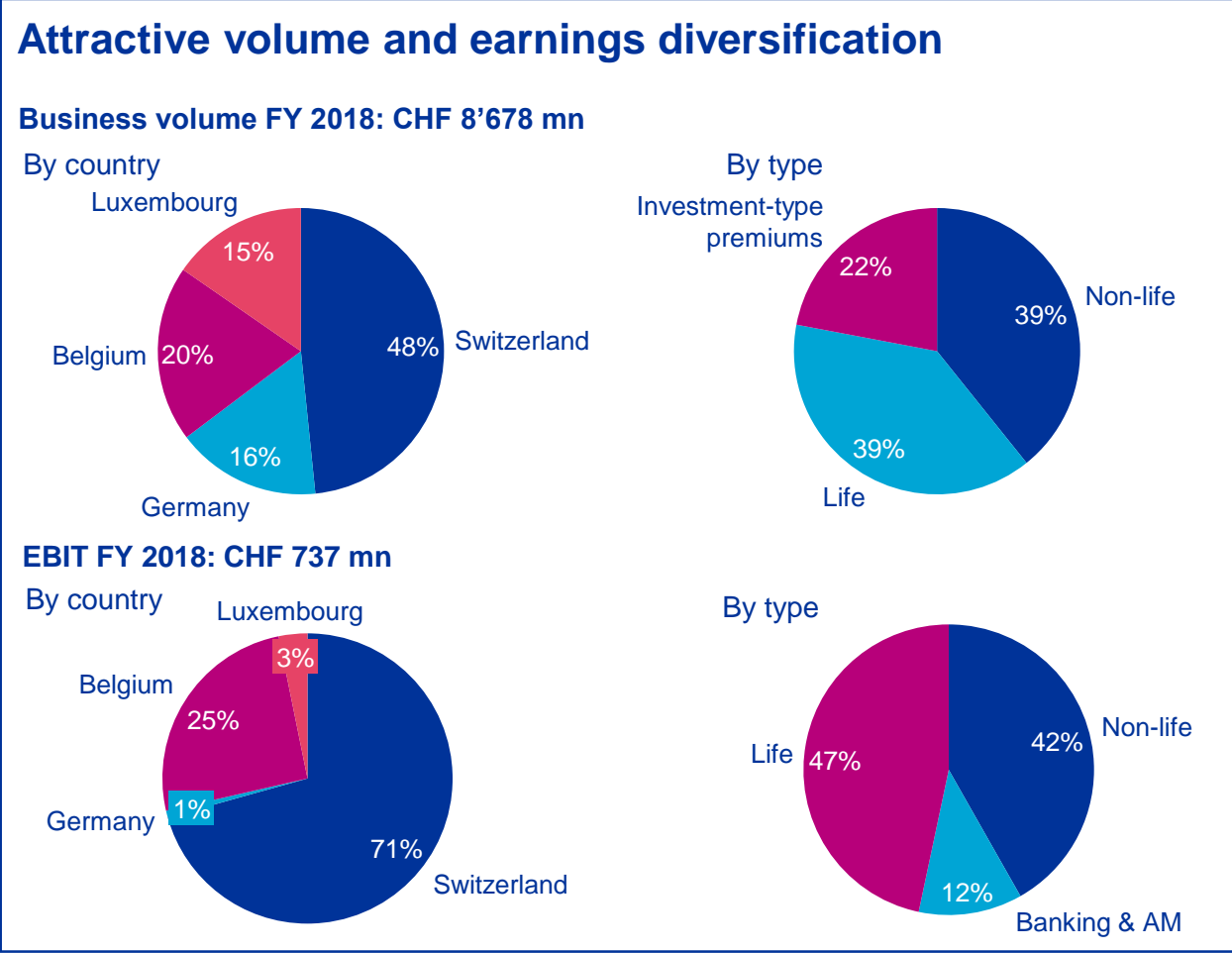
Agenda

1. Baloise in a Nutshell
2. Earnings, Cash, Capital and Optionality
3. Sustainability
4. Outlook FY 2019 and Key Investment Highlights

1. Baloise in a Nutshell

Baloise Group: Well-Diversified Multiline Insurer

Strong Focus on Our Core Markets



SIMPLY SAFE

Our Bold Journey of Growth

1863 - 2015

2016

2021

Growing Competition

New and Changing Customer Needs

3. Our 5-year ambition: become THE trusted choice for people who want to feel 'simply safe'.

The Trusted Choice for Our Customers

A Reliable and Attractive Investment

A Leading Employer in the Sector

Increasing Regulation

Unprecedented Low Interest Rate Environment

Growing Competition

2. But we risk everything if we only rely on what has worked well in the past.

★ Capital Management – Safe and Sound

★ Dividend – Attractive and Reliable

★ Operations – Strong Market Positions

★ Non-life – Highly Profitable

★ Digitalisation – State-of-the-Art Systems

1. A bright future needs a solid past.



Baloise
since 1863



SIMPLY SAFE

Our Bold Journey of Growth

1863 - 2015

Growing Competition

★ Capital Management – Safe and Sound

Our 5-year ambitions:

- **Employees:** a leading employer in the sector
- **Customers:** an additional 1m customers
- **Shareholders:** cash upstream of CHF 2bn

1. A bright future needs a solid past.

★ Non-life – Highly Profitable

Growing Competition

2. But we risk everything if we only rely on what has worked well in the past.

2016

New and Changing Customer Needs

3. Our 5-year ambition: become THE trusted choice for people who want to feel 'simply safe'.

The Trusted Choice for Our Customers

A Reliable and Attractive Investment

A Leading Employer in the Sector

Increasing Regulation

Unprecedented Low Interest Rate Environment

2021

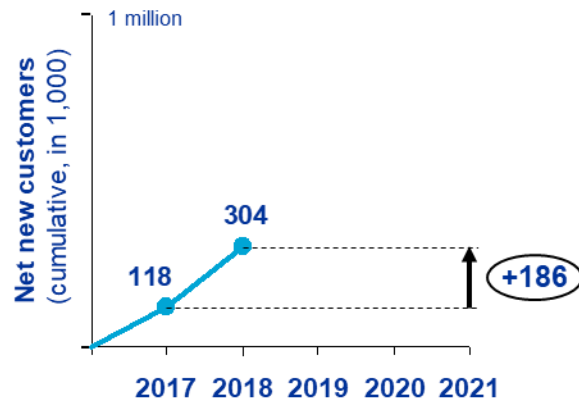
Baloise

'Simply Safe' Strategy: Ambitions 2017 – 2021

Well on Track to Achieve Our Strategic Targets

Customers

Ambition: 1 mn additional customers

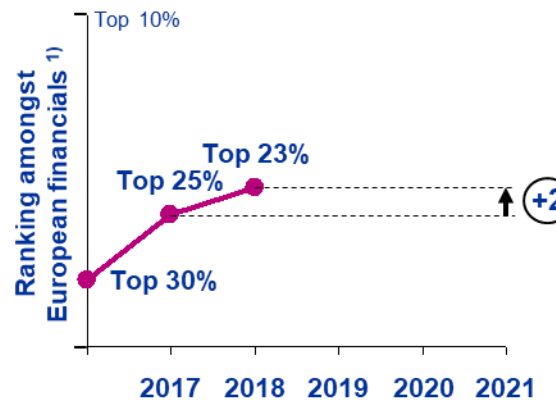


Growth is accelerating with 186k net new customers in 2018 (+58% compared to previous year)

Positive contributions from all business units, from core business as well as from new initiatives and products (e.g. Friday, KASKO, YoungGo)

Employees

Ambition: a top 10% employer



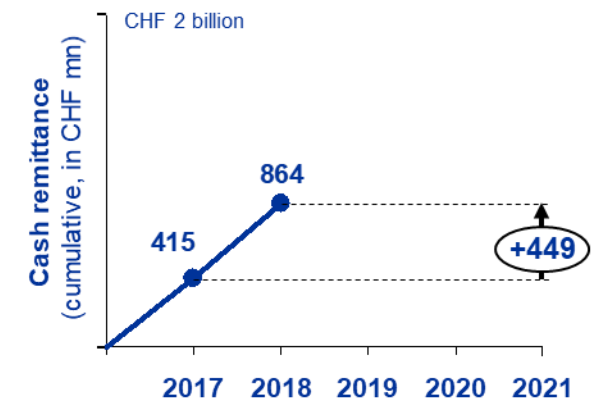
Higher engagement values across all business units resulted in a further improvement to the top 23rd percentile

Higher employee engagement driven by many initiatives including increasing empowerment, revising performance management, encouraging internal mobility and more flexible working models

¹⁾ based on Korn Ferry Hay database

Shareholders

Ambition: CHF 2 bn to the Holding



Strong and well diversified cash generation in Non-Life, Life and Asset Management & Banking

With cumulative cash remittance of CHF 864 mn in the last two years well on track to achieve the CHF 2 bn target

#ourfuture

Customer Focus | Collaboration | Learning Organization | Simplicity | Leadership

CUSTOMER FOCUS...



LEARNING ORGANIZATION...



LEADERSHIP...



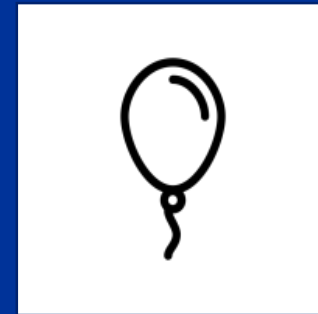
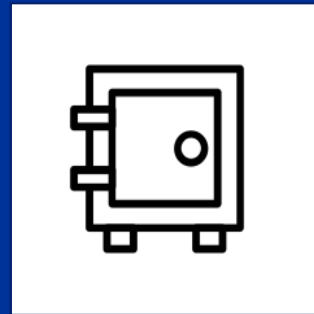
COLLABORATION...



SIMPLICITY...



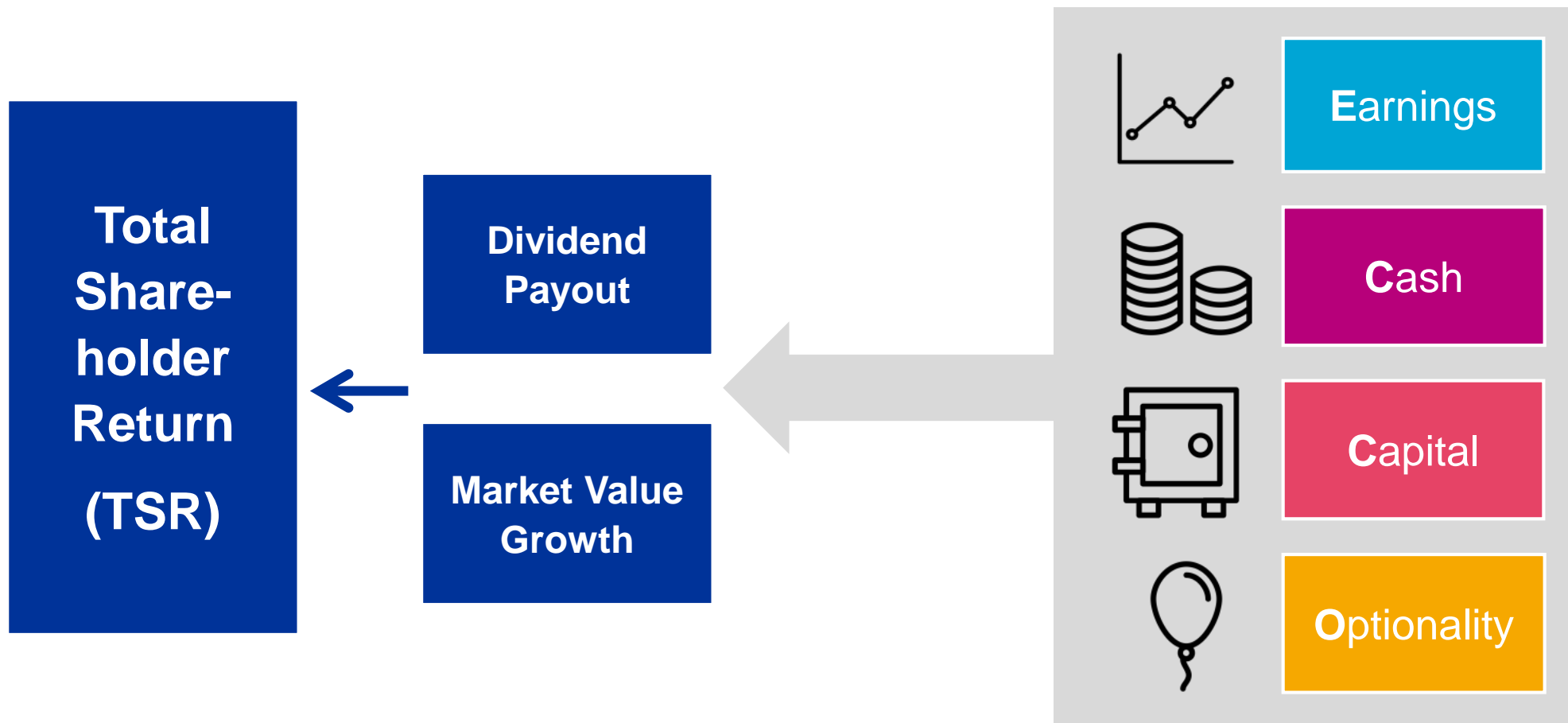
2. Earnings, Cash, Capital and Optionality



Total Shareholder Return and Value Drivers

Baloise Value Management

Our Value Drivers: ECCO



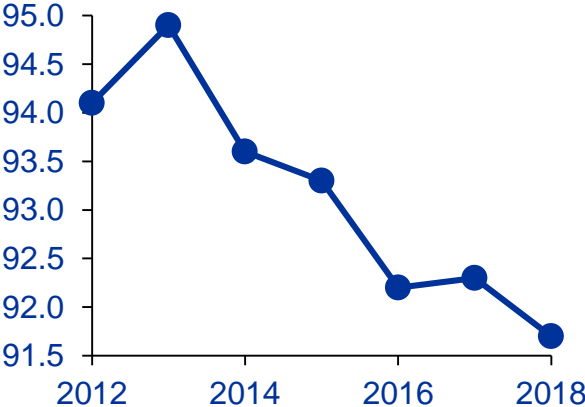


Earnings: Attractive and Well-Diversified

Well Balanced Mix from Non-Life, Life and Banking & Asset Management

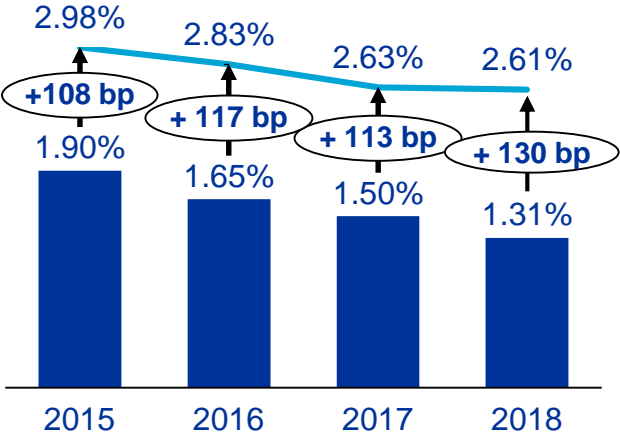
1 Our **non-life** portfolio is widely recognized as one of the most profitable in Europe...

Net combined ratio (in %)



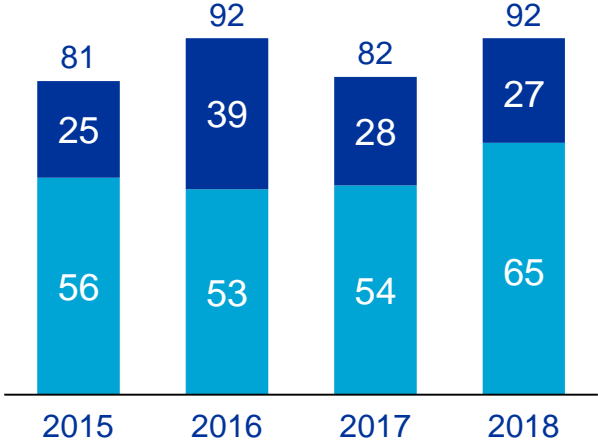
2 ...our **life** business is best positioned to navigate the current interest rate environment...

Interest rate margin



3 ...and our **banking & asset management** continues to deliver reliable contributions:

IFRS EBIT, in CHF mn



— Current yield ■ Average guarantee ■ Banking ■ Asset Mgmt

Our focus is on increasing the cash quality of IFRS earnings!



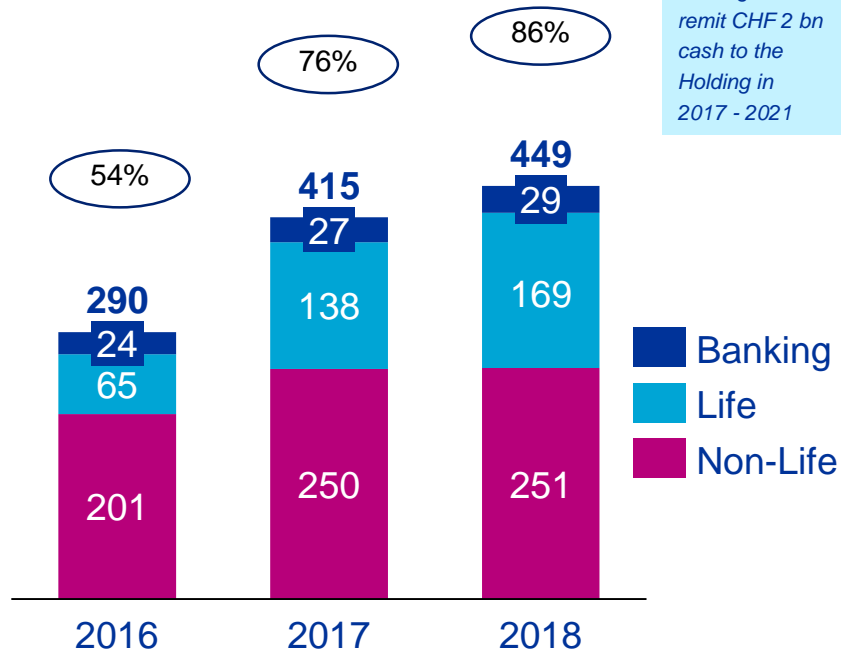
Cash: Strong Operating Cash Generation

Well on Track to Achieve the CHF 2 Billion Target

Cash remittance to Holding¹⁾

In CHF mn, cash remittance in % of net profit

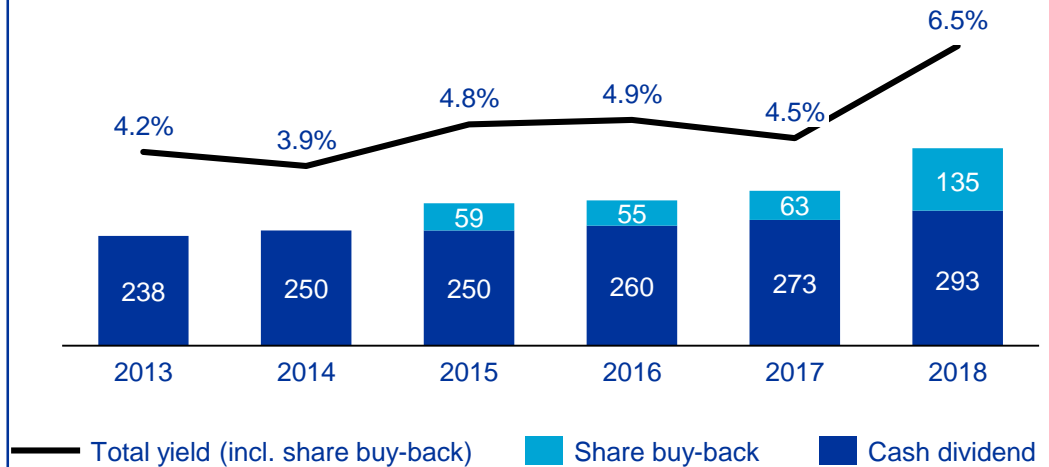
Ambition to improve cash quality of IFRS earnings and to remit CHF 2 bn cash to the Holding in 2017 - 2021



¹⁾ dividends, internal debt payments and capital releases

Payout to shareholders

In CHF mn

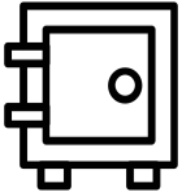


Share buy-back

Shares to be repurchased	up to 3 mn
Latest termination date	April 2020
Completion rate (31.12.2019)	81%

Capital: Strong Capitalisation and High Financial Flexibility

Well Positioned for Future Growth and Adverse Market Movements



Swiss Solvency Test

Per 1.1.2019

242%

- › SST ratio above 140% even in economic stress events such as if interest rates would drop by 100 bps and equity markets would simultaneously crash by 50%
- › Very high quality of capital, with hybrid representing less than 5% of the risk bearing capital

Standard & Poor's

S&P Global Ratings

A+

- › In June 2018, S&P raised Baloise's credit rating to 'A+' with a stable outlook, hence becoming one of the few mid-cap insurers in Europe with such a strong rating
- › In particular, S&P acknowledged Baloise very strong 'AAA' capitalization

Capital Management

Senior M&A financing of Fidea N.V. at extremely attractive conditions

-32 bp

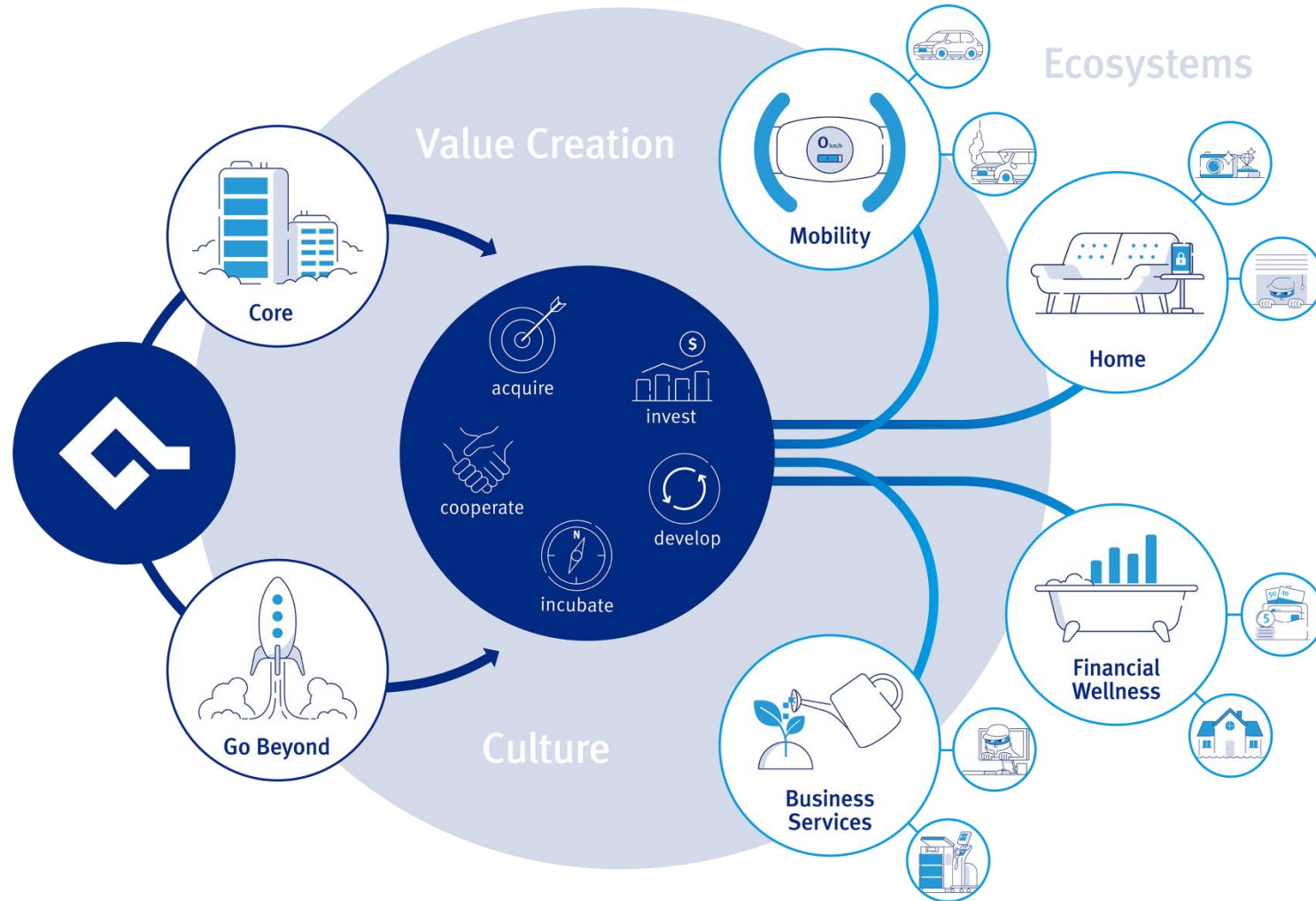
Investor yield

- › Again proven strong access to CHF debt markets: Senior bonds emission of CHF 550 mn with 0% coupon and negative investor yield in Sept. 2019
- › Very high financial flexibility due to conservative balance sheet structure with hybrid share clearly under market average



'Simply Safe' Strategy: Going Beyond Traditional Insurance

Development of Ecosystems with Particular Focus on 'Mobility' and 'Home'



On track with our 'Simply Safe' strategy to leverage our strong core business and to further diversify by going beyond traditional insurance

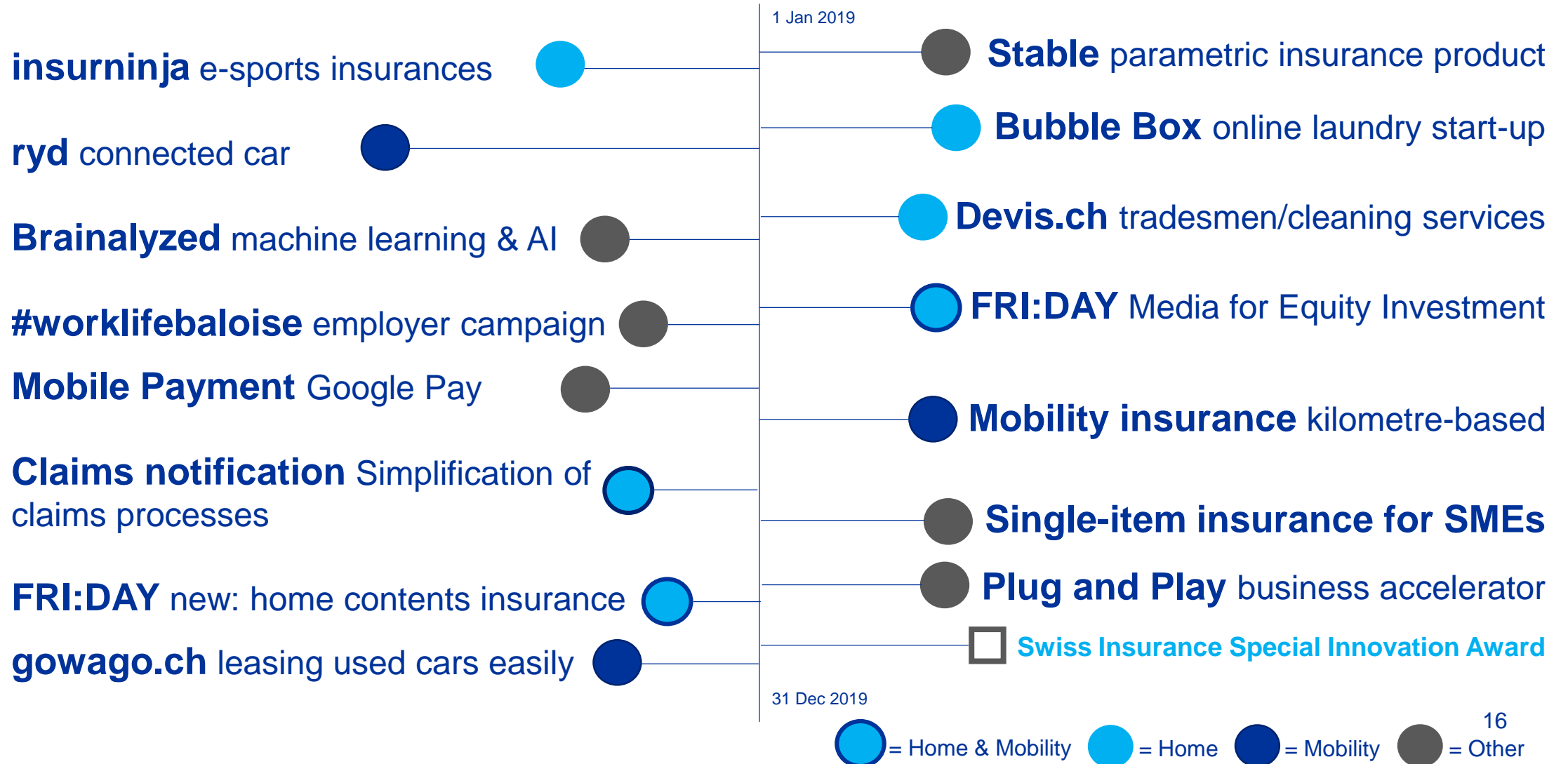
We will evolve from a traditional claims handler, life insurer and pension provider to an easy-to-work-with customer-focused provider of assistance, care and prevention solutions

Our approach is steered towards value creation and based on our unique corporate culture



Optionality: Digitalisation & Going Beyond Traditional Insurance

Innovation-Timeline 2019



Optionality: Digitalisation & Going Beyond Traditional Insurance

Big Data and Artificial Intelligence



Brainalyzed machine learning & AI

- Baloise Asset Management invests in the start-up Brainalyzed which is specialised in **swarm-based artificial intelligence**
- Artificial Intelligence will have a significant impact on the value chain of asset management
- Our strategic partnership with Brainalyzed is a first step to integrate 'AI' into our investment operations, thereby empowering our investment teams to cover a broader investment universe and improve investment decisions



Optionality: Digitalisation & Going Beyond Traditional Insurance

Successful Further Development of FRI:DAY in 2019

FRI:DAY launch of digital motor insurance



- In February 2017, Baloise has launched the insurance start-up 'Friday', which offers a completely digital motor vehicle insurance on the German market
 - Signing up within 90 seconds
 - Cancelling is possible from month to month
 - 'pay only if you drive' policy
 - 15.000 new customers within the first and 30.000 within the second year

FRI:DAY new home contents insurance



- In July 2019, 'Friday' is now also offering home contents insurance to continue on the growth path towards establishing itself as Germany's most popular digital insurer



FRI:DAY Media for Equity investment

- In April 2019, 'Friday' has received a Media for Equity investment in an amount of CHF 43 million



Optionality: Digitalisation & Going Beyond Traditional Insurance

Ecosystem 'Home' Further Expanded in 2019

MOVU digital relocation platform

- In 2017, Baloise acquired **MOVU**, Switzerland's biggest digital platform for home-moving services
- MOVU's business model is centered around the arrangement of convenient and reliable home moves for the consumer market
- This philosophy fits in perfectly with Baloise's aspiration to add value for its customers by offering services that make their life easier and by being more than a traditional insurance company

Bubble Box online laundry start-up

- In 2019, Baloise has expanded its 'Home' ecosystem by acquiring a stake in **Bubble Box**, an online laundry and dry cleaning start-up based in Zurich

Devis.ch tradesmen/cleaning services

- Also in 2019, Baloise invested in **Devis.ch**, a market place for indoor and outdoor tradesmen and cleaning services
- The digital market place, which was already successful in French-speaking Switzerland, expands its business to German-speaking Switzerland and is implementing this plan together with MOVU

3. Sustainability

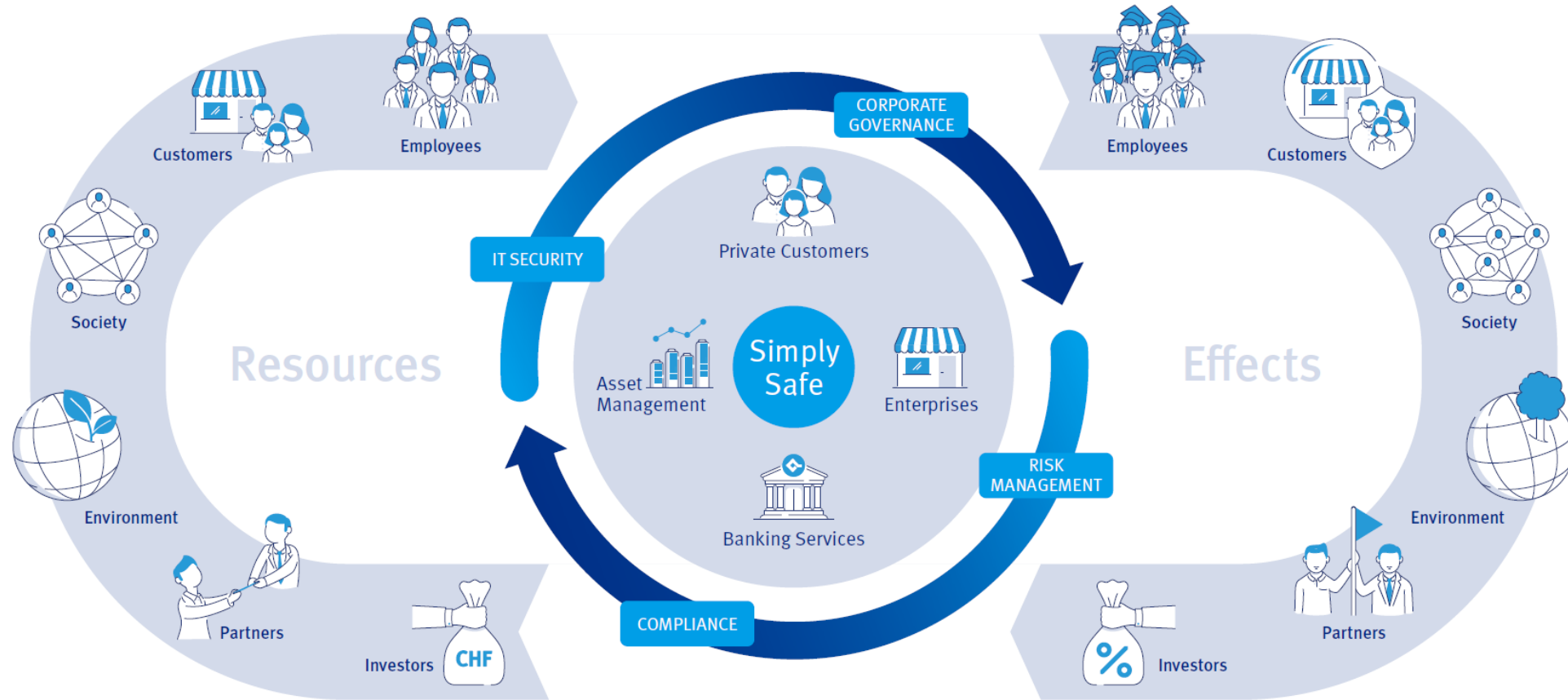
Sustainability and Strategic Relevance

Increased Focus and Rating Improvement

- › As an insurance company, Baloise is sustainable at its core by providing safety and enabling our customers to take risks in order to further develop their private and professional lives. Sustainability hence plays an essential role in our value management and strategy
- › In 2019, we strengthened our departments Public Affairs & Sustainability and Asset Management with sustainability experts, we built up an Baloise internal Sustainability Network and established a new Sustainability Governance
- › We developed the **Baloise Value Creation Model**. It provides structure and focus for all our sustainability activities in order to achieve the greatest impact
- › In 2019, Baloise increased its **MSCI-ESG rating from BB to BBB** through incorporate responsible investment within Baloise Asset Management

«Baloise's Value Creation Model»

Strong Focus on Value Creation



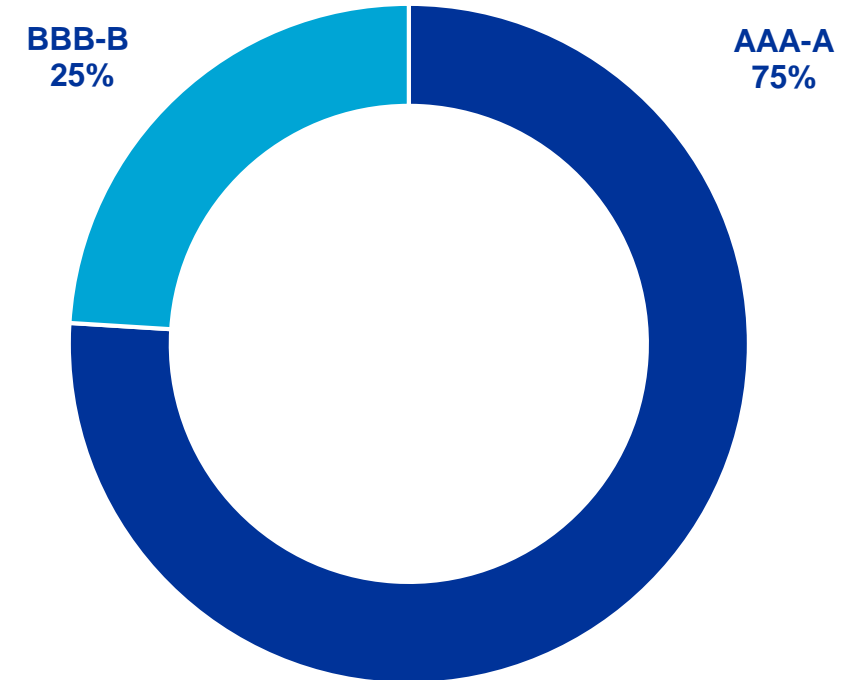
<p>1 NO POVERTY</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>10 REDUCED INEQUALITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>13 CLIMATE ACTION</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>
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Most relevant SDGs for Baloise Group

Responsible Investment Policy and ESG-Rating Distribution

Integration of Environmental, Social and Governance Factors

- › As a long term investor we integrate **ESG (Environmental, Social and Governance)** factors
- › Our **Responsible Investment Policy** consists of 3 strategic pillars:
 - 1. ESG-Integration:** We invest only in securities with an ESG-rating of at least B (according to MSCI data)
 - 2. Exclusion:** We do not invest in producers of controversial weapons according to e.g. the SVVK-ASIR exclusion list and companies generating more than 30% of their revenues through thermal coal
 - 3. Proxy Voting:** We fulfil our responsibility as shareholders and exercise our voting rights on Swiss shares
- › As a member of the PRI and the SSF, we take our responsibility seriously and actively participate in the further development of the market



Based on available ESG ratings (MSCI), June 2019

4. Outlook FY 2019 and Key Investment Highlights

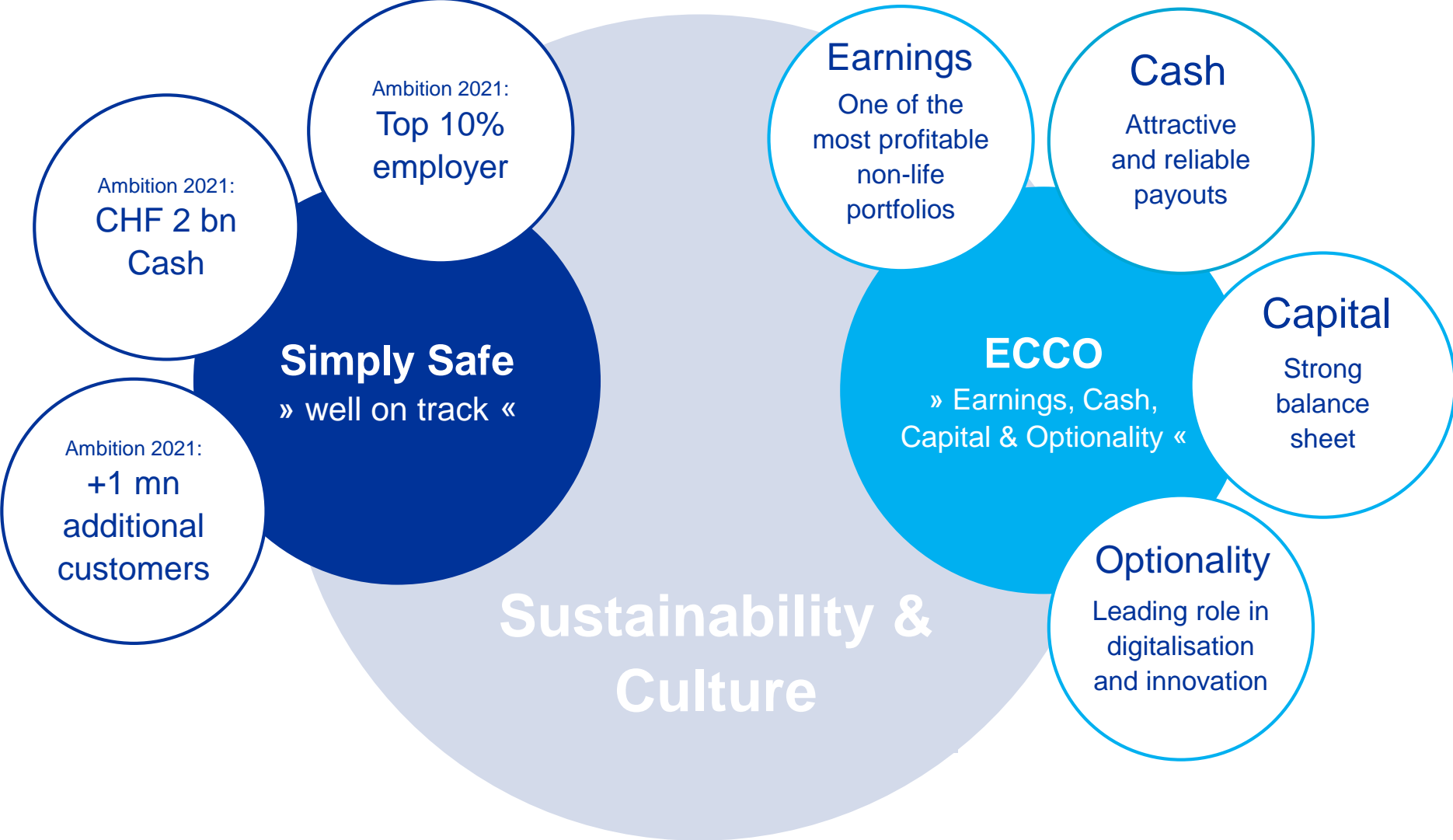
Outlook on our FY 2019 Results

Well on Track to Achieve our Targets

- › Confident that we will again generate > **CHF 400 mn cash** in 2019 to maintain our attractive dividend policy
- › Based on an average level of claims in the fourth quarter of 2019, we expect the combined ratio of our **non-life business** to be at the lower end of our target range of 90-95%
- › Further reserve strengthening is expected because of the low interest rates. Therefore, the profit contribution before taxes (EBIT) from the **life business** will be at least CHF 200 mn in 2019

Key Investment Highlights and What Sets Us Apart...

Sustainability & Culture as Foundation to Achieve Our Strategic Goals and Create Value



Reporting Agenda and Contact Information

Reporting Agenda

- › **Annual financial results 2019:**
12 March 2020
- › **Publication of the Annual Report 2019:**
26 March 2020
- › **Annual General Meeting:**
24 April 2020

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