Ladies and gentlemen

Performance over the last financial year is a source of great pride to us – in many respects.

Our recipe for success: higher premium income, higher margins and a higher profit accompanied by lower costs. In specific figures this means: The Swiss Life Group increased adjusted profit from operations in 2013 by 13 per cent compared to last year to over 1.1 billion Swiss francs. Net profit amounted to 784 million francs; up from 99 million francs in the previous year, which was impacted by one-offs. We generated a return on equity of 10% in 2013, up 1.4 percentage points on 2012.

All business units contributed to this positive development. Just as encouraging is the fact that we grew in strategically important business areas. We are also well on course with our Group-wide programme "Swiss Life 2015", which we launched last year.

These results clearly demonstrate that we have continued to enhance our efficiency and competitiveness as a Group. This is also confirmed by the capital market. The positive performance of our share price is also an expression of growing confidence in our company.

Of course this is all primarily thanks to the efforts and hard work of our employees. Their above-average engagement and expertise remain the key to Swiss Life's success. On behalf of the Board of Directors, I would like to take this opportunity to thank the Corporate Executive Board and the over 11,000 employees within the Swiss Life Group most sincerely for all their hard work and dedication.

Due to this good result, the Board of Directors is proposing an increase in the dividend as a distribution from the capital contribution reserves from CHF 4.50 to CHF 5.50 per share.

To implement the so-called "Minder Initiative" within the meaning of the Federal Ordinance which came into force on 1 January 2014 "against excessive compensation in listed stock companies", the Board of Directors is proposing an amendment to the Articles of Association under agenda item 4.
The members of the Board of Directors are to be elected for a one-year term, which is something we already introduced for the new elections last year. The General Meeting of Shareholders will also elect the Chairman of the Board of Directors, as well as the members of the Compensation Committee and the independent voting representative. The management representative who exclusively supported the proposals of the Board of Directors, and the representative of deposited shares are no longer permitted.

Separately under agenda item 4.2, the Board of Directors is also proposing a revision to the Articles of Association, as required by the Federal Ordinance, to include explicit provisions relating to the Swiss Life compensation system. This means that the Articles will incorporate key features of the current compensation policy within the Swiss Life Group.

The members of the Board of Directors are granted exclusively fixed compensation, payable 70% in cash and 30% in blocked shares; the allocated shares are subject to a three-year blocking period.

Compensation for the Board of Directors consists of a fixed basic salary and, if applicable, a short-term variable compensation component as a bonus, and a long-term variable compensation component in the form of an equity compensation plan. Total variable compensation for the Corporate Executive Board is limited to a maximum of 181% of the fixed basic salary.

Swiss Life has had a modern compensation policy for many years now. It underpins the corporate strategy and, as an integral part of HR policy, it aims to retain well-qualified employees and gain new, highly skilled staff. The overall compensation takes into account employees’ professional skills, responsibility and personal performance. The basic salary is determined according to the employee’s function and skill set. The variable compensation components are linked to the strategic objectives of the Group and the individual divisions, and are dependent on the degree of target achievement.

The principles and elements of the compensation policy and the compensation paid to members of the Board of Directors and the Corporate Executive Board in 2013 are detailed in the compensation report for 2013, which forms part of the annual report. As in recent years, the Board of Directors is submitting the compensation report to you for your approval in a consultative vote.
From the 2015 General Meeting, the revised Articles of Association provide for shareholders to vote in advance on the exclusively fixed compensation to be paid to the Board of Directors. The vote will be in advance for the next period of office, that is on a prospective basis valid for the period until the next general meeting. Voting on the fixed basic salary and the long-term variable compensation for the Corporate Executive Board will also be prospective for the following financial year.

On the other hand, the short-term variable compensation component for the Corporate Executive Board, namely the annual bonus, will be submitted to the General Meeting for retrospective approval for the previous financial year.

We are confident that this procedure and the other amendments to the Articles represent a practical way forward for Swiss Life.

Ladies and gentlemen,

The successes of the 2013 financial year fill me with optimism for the current financial year. Our attention will of course continue to be focused mainly on the implementation of our Group-wide programme "Swiss Life 2015". We will persist with our measures aimed at improving the resilience of our business model. This will ensure we are ideally equipped to keep our company on course for success in the years beyond 2015 as well.

Our goals remain challenging. Operating conditions in particular will demand a great deal from us in the coming five to ten years. Regulatory, demographic and socio-political changes will continue to strongly influence our activities. In addition, further advances in information technology will challenge our innovative spirit. And let’s not forget: With the "Pensions 2020" reform we are facing one of the biggest and most important sociopolitical debates in our country. Of course Swiss Life will also play a role in this debate. We will contribute our expertise and experience to this reform process, since we want to help ensure the three-pillar system remains stable for the benefit of future generations.

We can all be proud of our pension system in Switzerland. Launched as the AHV after the Second World War, it has been expanded considerably over the past few decades. Today we have a complex and extremely comprehensive pension system. The steady rise in life expectancy will require pensions to be paid out for a longer period. But the ratio of contribution payers to pensioners is steadily declining.
This has been recognised by the Federal Council and in November 2013 it presented its draft "Pensions 2020 Reform". This document proposes a holistic view of the 1st and 2nd pillars. Each individual pillar must be financially stabilised to ensure the proven and stable three-pillar system is preserved for future generations. The Federal Council proposes leaving the level of retirement pensions unchanged, but putting the pension system on a healthy financial footing. In other words we face proposed reforms which will cost a great deal of money. We need to be realistic about this.

In principle the life insurance industry stands behind the Federal Council's reform proposal. As private insurers we make a vital contribution to the stability of the pension system, by giving comprehensive guarantees to Swiss SMEs with full insurance BVG solutions. In order to maintain these guarantees in the future, we need appropriate framework conditions. These include a minimum distribution ratio of 90 per cent and the possibility that our obligations to insured persons will still be fully covered by the overall result of the savings, risk and cost processes.

It is important for our customers to retain the option of choosing between various pension models in the future. Recent years have shown that many companies, particularly small- and medium-sized companies, rely on the guarantees offered by life insurers. These companies want absolute security for their employees’ pension assets. As life insurers, we guarantee insured persons secure pensions on a lifelong basis and thereby contribute to the stability of the Swiss pension system.

Ladies and gentlemen,

I would now like to hand over to Bruno Pfister who will go through the results of the past year.

Bruno, please take the floor.