

## Annual General Meeting 2021

### Speech by Group CEO Patrick Frost

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Dear shareholders

It is my pleasure, on behalf of the Corporate Executive Board, to comment on the 2020 financial year on the basis of some key figures.

However, before I do that I must say a few words about Covid-19: the pandemic has of course challenged Swiss Life in many ways and impacted our results. Nevertheless, I am very pleased to report that our Group employees and advisors took the opportunity to work closely with our customers despite the pandemic-induced restrictions. Thanks to the use of digital aids such as video consulting, they remained accessible to their customers. This proved invaluable at a time during which many people were looking at their financial situation. As the challenging times have shown once again, pension provision is, and will remain, particularly relevant to people and will continue to gain in importance – and we at Swiss Life can advise our customers on these important issues and thus support them in leading self-determined lives.

I am of course particularly pleased that our financial statements also reflect the relevance and significance of our business: as a result, we again increased the fee result by 11% to 601 million francs in the past financial year. We are thus already in the ambition range of 600-650 million francs for 2021. In addition to our advisory organisations in Germany, this growth is mainly attributable to the third-party asset management of Swiss Life Asset Managers. Net new assets in this TPAM business amounted to 7.5 billion francs, compared to 8.9 billion francs in 2019. We achieved strong net inflows in real values or so-called "real assets" of 5.6 billion francs, including 4.8 billion francs in real estate and 0.8 billion francs in infrastructure – both significantly above the 2019 level.

The ongoing expansion of our fee result also contributed to maintaining net profit at a high level in this challenging year. Although the total was some 150 million francs (or 13%) lower than the previous year, the decline is mainly due to two one-offs unrelated to the pandemic: 49 million francs due to a positive, tax one-off in 2019 in the context of the Swiss corporate tax reform, and resulting also from a provision for an expected agreement with the US Department of Justice (DOJ).

On the subject of this provision: Swiss Life announced in September 2017 that the company was in talks with the US Department of Justice (DOJ). This relates to the previous insurance portfolio with US clients. Discussions with the DOJ regarding an agreement are at an advanced stage. As a result, Swiss Life has taken a provision of 70 million francs for the 2020 business year to address the financial component of the expected resolution.

Coming back to our annual figures: in connection with the Covid-19 pandemic, our savings result decreased due to the high financial market volatility. However, as mentioned above, this was partially offset by the increased fee result. With net profit of 1.05 billion francs, Swiss Life is still in the upper half of the target range of 8-10% with a return on equity of 9.4%.

The risk result remained virtually stable at 407 million francs. The new business margin again improved from 1.9% to 2.6% and was thus significantly above the ambition range of 1.5%. The value of new business came to 465 million francs in 2020.

Thus, despite a challenging year, we remain on track with our Group-wide programme "Swiss Life 2021," as shown by a look at our other targets: Swiss Life estimates its SST ratio at 197% as of 1 January 2021, based on the regulatory solvency model. The solvency ratio is thus slightly above our strategic ambition range of 140 to 190%. The cash remittance to the holding company increased by 4% to CHF 784 million. And our operational efficiency key figures improved further.

Dear shareholders, as you can see, our business model remains resilient in the challenging 2020 financial year. The success of our 15 800 advisors in consistently working closely and professionally with their customers, including via digital platforms, is an extremely positive development that flourished in the pandemic. That enabled us to again increase fee income in the areas of insurance, asset management and financial consulting in this challenging environment.

Given the positive development of our business over the past year, I would like to take this opportunity to thank our employees and advisors for the extraordinary commitment they have shown in these difficult times. They support our customers daily, enabling them to lead a self-determined life. Our customers were able to rely on us at all times. We supported each other at Swiss Life in finding solutions for situations that didn't exist before. This is an extraordinary achievement which was also rewarded: our customers' trust is reflected in our strong figures. However, this trust is not something we can take for granted – our teams never lose sight of that fact, which was also evident in 2020. I am very pleased about that.

Our financial statements give us many reasons to be very confident about the future development of the Swiss Life Group as well. We are able to confirm all our financial targets for the last year of our Group-wide programme Swiss Life 2021. In November of this year we will be able to announce our goals for the new Group-wide programme after 2021. I am sure that Swiss Life will continue to play a major role in the growing market for pension provision.

Finally, I would like to thank you for the trust you have placed in us. I wish for us all that we can contribute with confidence and entrepreneurial flair to managing the consequences of the coronavirus pandemic.

I am very much looking forward to talking to you in person again once this challenging period is over. I wish you all the best, and stay healthy.