

## Swiss Life delivers strong FY 2019 results

In 2019, Swiss Life has again delivered a strong performance:

- Net profit increased by 12% to CHF 1 205 million
- Adjusted profit from operations up by 10% to CHF 1 687 million
- Premiums increased by 22% in local currency to CHF 23.0 billion
- Fee and commission income up by 16% in local currency to CHF 1 820 million
- Fee result increased by 15% to CHF 553 million
- Risk result grew by 3% to CHF 417 million
- Resilient direct investment income of CHF 4 437 million at 2.8%
- Third-party assets under managements increased by 17% to CHF 83.0 billion with net new assets of CHF 8.9 billion
- Value of new business up by 45% to CHF 561 million with new business margin of 1.9%
- Return on equity excl. unrealized gains/losses up from 9.6% to 10.8%
- SST ratio estimated to be slightly above 200% as of 01.01.2020, Solvency II ratio estimated at > 200%
- Cash to Holding up by 8% to CHF 752 million
- Proposed increase of dividend per share by CHF 3.5 to CHF 20.0
- Additional share buyback of CHF 400 million (March 2020 -May 2021)

According to the “Swiss Life 2021” Group-wide programme (financial years 2019-2021), the following targets and business progress have been communicated:

## Swiss Life 2021 programme well on track

Swiss Life 2021 financial targets	Current assessment
<b>Quality of earnings and earnings growth</b> <ul style="list-style-type: none"> <li>• <b>Fee result</b> FY 2021: CHF 600-650 m</li> <li>• <b>Risk result</b> FY 2021: CHF 400-450 m</li> <li>• Cumulative <b>value of new business</b> (2019-2021): &gt; CHF 1.2 bn</li> </ul>	On track
	On track
	Ahead
<b>Operational efficiency</b> <ul style="list-style-type: none"> <li>• <b>Life efficiency ratio</b> FY 2021: &lt; 40 bps</li> <li>• <b>Distribution</b> operating expense ratio FY 2021: &lt; 25%</li> <li>• <b>TPAM</b> cost income ratio FY 2021: ~75%</li> </ul>	On track
	On track
	On track
<b>Capital, cash and payout</b> <ul style="list-style-type: none"> <li>• <b>SST</b> ambition range (2019-2021): 140-190%</li> <li>• Cumulative <b>cash remittance</b> to Holding (2019-2021): CHF 2-2.25 bn</li> <li>• <b>Dividend</b> payout ratio: 50-60%</li> <li>• <b>Share buyback</b> Dec 18 – Dec 19: CHF 1 bn</li> <li>• <b>RoE</b><sup>1)</sup>: 8-10%</li> </ul>	Ahead
	On track
	On track
	Completed
	Ahead

1) Equity excl. unrealised gains/losses

Link to the FY 2019 investor presentation:

[https://www.swisslife.com/content/dam/com\\_rel/dokumente/fy\\_results/fy\\_2019/Investorpresentation\\_FY19.pdf](https://www.swisslife.com/content/dam/com_rel/dokumente/fy_results/fy_2019/Investorpresentation_FY19.pdf)

Based on the “Swiss Life 2021” financial targets the Board of Directors determined the specific performance targets applicable to the 2019 and 2020 equity compensation programmes pursuant to the Mid Term Planning (MTP) 2019–2021 (2019 equity compensation programme) and the MTP 2020–2022 (2020 equity compensation programme). These MTP target values cannot be disclosed for reasons of business secrecy. The respective specific target values have been set on a basis consistent with the “Swiss Life 2021” Group-wide programme, taking account of the current business development, with comparatively at least equally high requirements for target achievement.

The variable compensation for the members of the Corporate Executive Board reflects the excellent business development. The variable compensation components in the year under review amounted to around 163% of the fixed basic salary of the Group CEO and 115% of the fixed basic salaries of the other Corporate Executive Board members. The variable compensation relative to the fixed basic salary is thus well below the statutory maximum of 181%.

With regard to the overall compensation for the Group CEO, the Board of Directors has decided, as in the previous year, in favour of maintaining the fixed salary and applying a correspondingly higher weighting of the performance-related variable compensation; with regard to variable compensation, the deferred components (variable deferred compensation in cash and RSUs) were overweighted.

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