

## **AGM 2019/ SPEECH ROLF DÖRIG**

(Check against delivery)

Dear shareholders

In view of the challenging operating environment, our renewed pleasure as we report on the year past is no small matter. Swiss Life is in very good shape. For years now we have been able to make progress in those areas targeted by our objectives. And we have done so again these past three years with our Swiss Life 2018 Group-wide program, where we reached all of our goals, indeed, exceeded most of them.

Following my introductory remarks, Patrick Frost will take you through our results in greater detail. First off a few figures, emblematic of our success in 2018: profit from operations increased to more than CHF 1.5 billion and net profit rose by 7% to over a billion. Fee income rose by 6% in local currency to CHF 1.6 billion. The fee result of CHF 488 million was 8% above the previous year. Despite continuing low interest rates we were able to use long-term investments in particular to generate returns for our customers comparable to any benchmark.

Our growth in third-party asset management also testifies to our strong performance, as we increased assets in this business area in 2018 by 16% to CHF 71 billion.

Our success allows us to offer you a 22% increase in your dividend, from CHF 13.50 to CHF 16.50 per share, with CHF 2.50 in the form of a withholding tax-free distribution from the capital contribution reserve.

We have also initiated a share buyback program of CHF 1 billion, which will reduce the number of outstanding shares and thus increase earnings per share. The program has been in effect since December 2018 and is on course. Under item 8 today you will vote on a reduction in share capital in the amount of the shares repurchased up to 8 March 2019.

The share buyback program will be pursued accordingly.

The reduction in share capital in the amount of the shares repurchased since March 2019 will then be presented for approval at the next General Meeting, in 2020.

As you are aware, Swiss Life has given you the opportunity since 2009 to vote separately on the compensation report. This is an advisory vote. Nonetheless, the outcome is important for the Board of Directors in assessing and forming future remuneration. You can find the full compensation report on pages 53 to 69 of the Annual Report. Moreover, the General

Meeting must approve compensation for the Board of Directors and the Corporate Executive Board pursuant to the articles of association.

We address the corresponding proposals under agenda item 4.

Ladies and gentlemen

Pensions are a growth market everywhere in the world. There are two reasons for this: first, we are all living longer, and second, pension systems in many countries are making it more and more difficult for their citizens to be guaranteed a secure retirement. That increases individual responsibility, and in turn people's needs for long-term pension solutions for themselves and their families – and for companies and their employees.

At Swiss Life, we face a variety of challenges in the pensions market, where persistently low interest rates, regulatory changes and the pace of technological evolution make it a challenge to provide the products and services that ensure the security required by companies and private customers, while remaining financially attractive.

Our customers are always at the center of our activities. Our mission is unique. What other industry can commit to delivering a service to clients over periods of 30, 50, even 100 years, standing at their side throughout their entire lives? Very few sectors can make that claim. And not only is it a most exciting and responsible task, I see it as something much more: a privilege.

Our ability as Swiss Life to create such impressive added value for our customers and shareholders in the wake of the financial crisis of 2008 is no mean feat.

Insurance companies create certainty, even in uncertain times. We enable companies and families to take risks without having to jeopardize their entire professional or private existence. Our services and products thus encourage innovation and investment. They help to accumulate capital and to finance corporate ventures and real estate. And, last but not least, they provide financial security for people in retirement, especially at an advanced age. Insurance companies try to make the incalculable calculable. They use statistical means to turn danger and uncertainty into risks that can be assessed and managed. Over the last few centuries the insurance sector has fundamentally changed the way we as a society look at risk:

A risk used to be the danger of a loss. Today, thanks to insurance companies, we are able to see risk-taking mainly as an opportunity.

In view of this, it gives one pause to consider that one of our major Swiss competitors decided last year to abandon full insurance, which I see as a wake-up call for national politics

and working Switzerland. Swiss Life understands only too well that the operating conditions for the full insurance solution are exceptionally challenging. For one thing the conversion rates are high, they don't reflect current reality, which disadvantages the younger generations. But there are also the disproportionately high capital requirements in Switzerland, which hamper local companies in competition with their European counterparts. Nevertheless, we are committed to offering our customers full insurance and maintaining its economic viability. After all, full insurance continues to meet a great customer need, as proven by the strong demand for it, unchanged for years now, and the fact that the departure of our competitor means that our share of the market has grown significantly. Many corporate clients are looking for full insurance. Last year, for instance, we made three times more offers for full insurance solutions than in the previous year. We took over some 1500 full insurance corporate clients from AXA alone.

This brought us additional vested pension capital of around CHF 3 billion and additional annual premiums of some CHF 300 million.

At present, around 120 000 SMEs with over 1 million insured persons are enjoying our comprehensive guarantees.

Full insurance is the only option that guarantees no additional payment obligations for both employer and employees, whether through additional employer contributions or additional salary deductions for employees.

Companies need not accumulate any reserves for the “pension fund” business risk. This enables them to concentrate on their core business, and take on entrepreneurial risks.

Full insurance therefore ultimately has central economic significance. It is a mainstay of the Swiss social security system. That is what we continue to stand for.

A strong insurance sector is good news for a country – for the following reasons:

The first is that in Switzerland it shows the national economy is vital and self-confident, capable on its own of adapting to altered conditions and seizing opportunities.

Insurance companies, as investors, taxpayers, employers and liquidity providers, among other things, lend the national economy greater resilience for the future.

Insurance companies take on long-term obligations, with stabilizing effects for the entire financial system. The insurance sector, for example, was one of the main reasons the Swiss financial center withstood the financial crisis well by international comparison.

Dear shareholders

At Swiss Life, we are an important part of the Swiss economy. We are very optimistic about continuing our growth path in the coming years. With our new Group-wide program, Swiss

Life 2021, we have set ourselves ambitious goals. At the same time future success will still depend on hard work. We expect interest rates to remain low in the years to come.

Technological developments will also keep Swiss Life on its toes.

People, machines and algorithms combine to drive the future world of work, to encourage and demand new knowledge and new skills. Taking part in this process is an opportunity for the life insurance industry, and also an obligation – especially as new generations will soon be among our clients and employees, as well as our investors, throwing new expectations and new aspirations into the mix.

One thing, however, seems to me to be irrefutable: we seek guidance and values all the more at times of political, social, and economic uncertainty. Trust remains the currency of all success, political and commercial alike. The business world, along with all of us at Swiss Life, is charged with strengthening trust in its commitment to the welfare of our society. At Swiss Life, we will do everything in our power to continue earning the trust of our customers and our employees – as well as your trust, our shareholders.

And with that I leave the floor to Patrick Frost.

Thank you for your attention.