



SwissLife

Investor Day 2021 Swiss Life Germany

Jörg Arnold, CEO Germany
Zurich, 25 November 2021

Swiss Life Germany to follow successful path in advising and insuring the young generation

Unique business model and strong advisory power

- **Second-largest IFA in Germany** with very strong growth in terms of advisors, fee income and fee result
- **Insurance business** successfully promotes profitable risk and modern products through unique distribution channels
- Customer focus on **millennials** with significant untapped market potential

Key priorities of Swiss Life 2024

- **Expand advisory power and capitalise** on the rising demand for sustainable financial guidance and solutions
- Serve financial advisory brands from one scalable platform, which results in **operational leverage**
- **Build on unique strengths** in biometric insurance and **further grow** unit-linked business
- **Raise ambitions** for fee result and cash remittance to Holding
 - Increase **fee result** to EUR 115-125 m by 2024
 - Grow **cash remittance** to EUR 190-210 m (cumulative 2022-2024)

Successful track record in meeting targets, based on unique and strong positioning

Strong and unique positioning

Owned IFAs

- Second-largest and growing IFA in Germany with over 5 300 financial advisors
- Strong IFA platform with 1.5 m active customers (+25%, 2020 vs. 2017)
- Award-winning advisory process

Specialised life insurer

- Focus on risk and modern products with lower / no guarantees
- Disciplined ALM secures positive interest rate margin
- Very strong Solvency II ratio of 374%¹⁾

Growing strengths

- **IFAs:** Strong recruiting of new advisors (+31%, 2020 vs. 2017) targeting young generation customers; higher productivity due to combination of digital tools and physical (“phygital”) advice
- **Insurance:** Continued focus on biometric risk products combined with accelerated development of modern products in low interest rate environment (VNB +89%, 2020 vs. 2017)

Expect to successfully deliver on Swiss Life 2021

Swiss Life 2021 financial targets

		FY 2020	Current assessment	
• Fee result FY 2021:	EUR 70-75 m	EUR 87 m	Ahead	✓
• Risk result FY 2021:	EUR 30-35 m	EUR 28 m	On track	✓
• VNB cumulative (2019-2021):	EUR > 140 m	EUR 72 m	Ahead	✓
• Distribution expense ratio FY 2021:	22-24 %	21 %	Ahead	✓

1) Without any transitional measures

Swiss Life Germany leverages its strengths

Swiss Life 2024 divisional priorities

Grow owned IFA network

- Continue **regional** expansion in Germany
- Invest in **leadership / training** of managers and advisors
- Enhance **digitalisation** of advisory process

Further enhance customer experience

- **Digitally supported advisory process** in all steps
- Anchor **sustainability** in advisory process
- Enhance **customer portal** and **claims management**

Digitise and scale admin platform

- Introduce new digital services for **business partners**
- Modernise **back office** IT infrastructure
- Increase **efficiency**, further leveraged through growth

Innovate own insurance products

- Promote **risk** and modern products with low guarantees
- Offer **sustainable UL** solutions
- Foster **consortia** business

Supported Group strategic actions & KPIs



Fee result



Distribution expense ratio



VNB



Customer relationships
 Advisory power
 Operational scalability
 Sustainability

Direct impact
 Indirect impact
 CAGR 2020-2024



SwissLife

Business model is based on serving the attractive young generation customer segment ...

Focus on young people ...

Germany

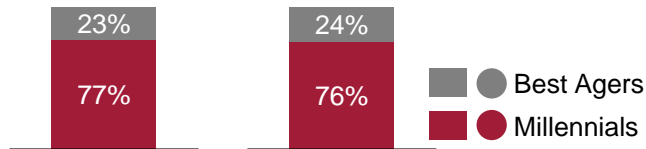
- 83 m inhabitants
- 22 m millennials



Over ¾ of new business generated with millennials already in FY 2020

Owned IFAs
Up-front commissions

Insurance
NBP



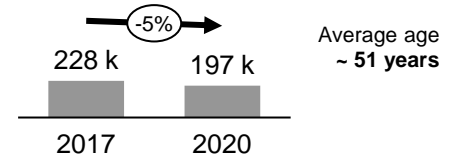
... understand customers¹⁾ ...



... and thereby outgrow the market

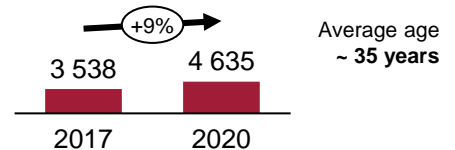
Financial advisors in Germany

#, CAGR



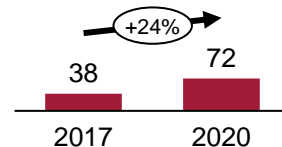
Financial advisors at Swiss Life

#, CAGR



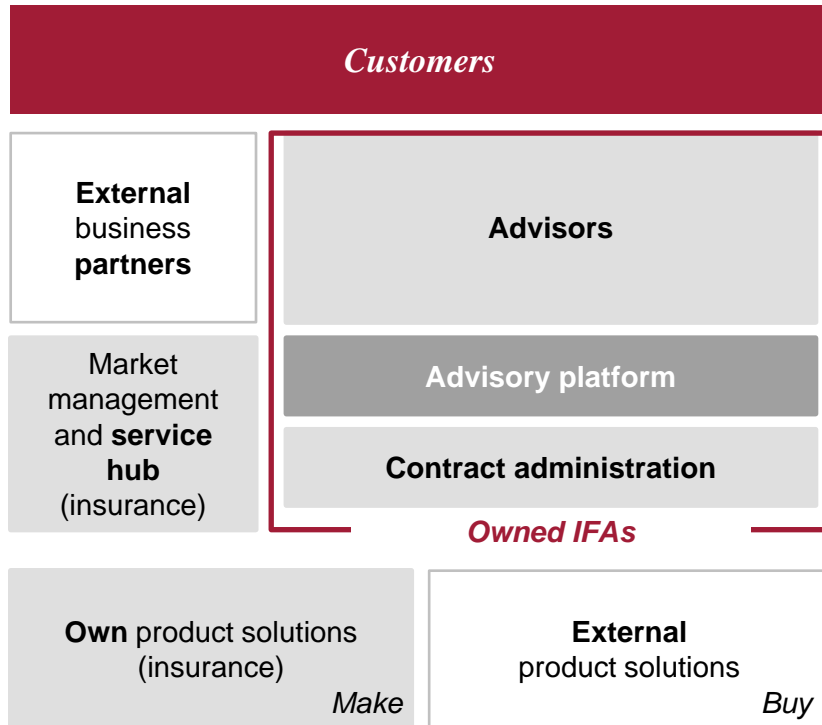
Value of new business at Swiss Life

EUR m, CAGR



1) Representative study, Nov. 2020, 5 069 participants aged ≥18

... by combining a fast-growing, hybrid IFA advisory platform with a focused product factory



Our purpose: We enable people to lead a self-determined life

- **Young and growing advisory organisation**
- **Entrepreneurial culture** an important differentiating feature
- Driver for further increase in **fee income** and **cash remittance**

- **Hybrid customer experience** meets increasing demand for personal advice and access to convenient digital interfaces
- **Access to open product world** differentiates from competitors
- **Mastering high complexity** acts as an entry barrier

- Focus on **profitable own products** with proven expertise
- Add **attractive external products**

Swiss Life 2024 to further strengthen owned IFA business

Our positioning

Grow owned IFA network

- **Young and self-determined advisors**
- Access to **community** within target group

Digitise and scale admin platform

- **Growth** and economies of scale
- **Digitalisation** of advisory software

Further develop customer experience

- Focus on **millennials**
- **Best select** approach
- **Hybrid advisory** approach

Swiss Life 2024 initiatives include

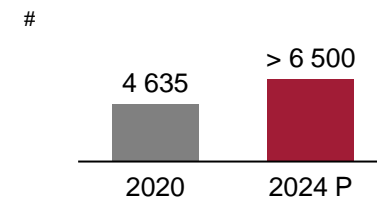
- Invest in **leadership skills** of managers
- Continue **regional expansion**
- Further develop **career system** and hybrid training offers (new Career Campus in Hanover)

- New digital services for **business partners**
- Modernise and further digitise **back office**
- Continue with efficiency gains realised through **operational scalability** and growth

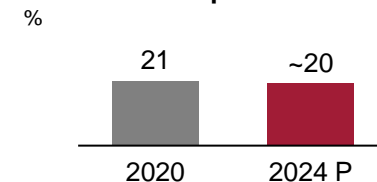
- Create a fully **digital advisory track**
- Anchor **sustainability criteria** in the advisory process and enlarge sustainable product range
- Further develop **customer portal** with digital **claims management** and impulse management

Supported KPIs

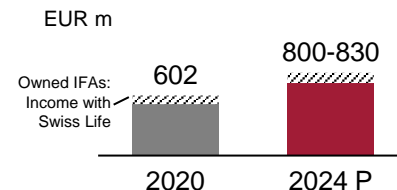
Certified financial advisors



Distribution expense ratio %



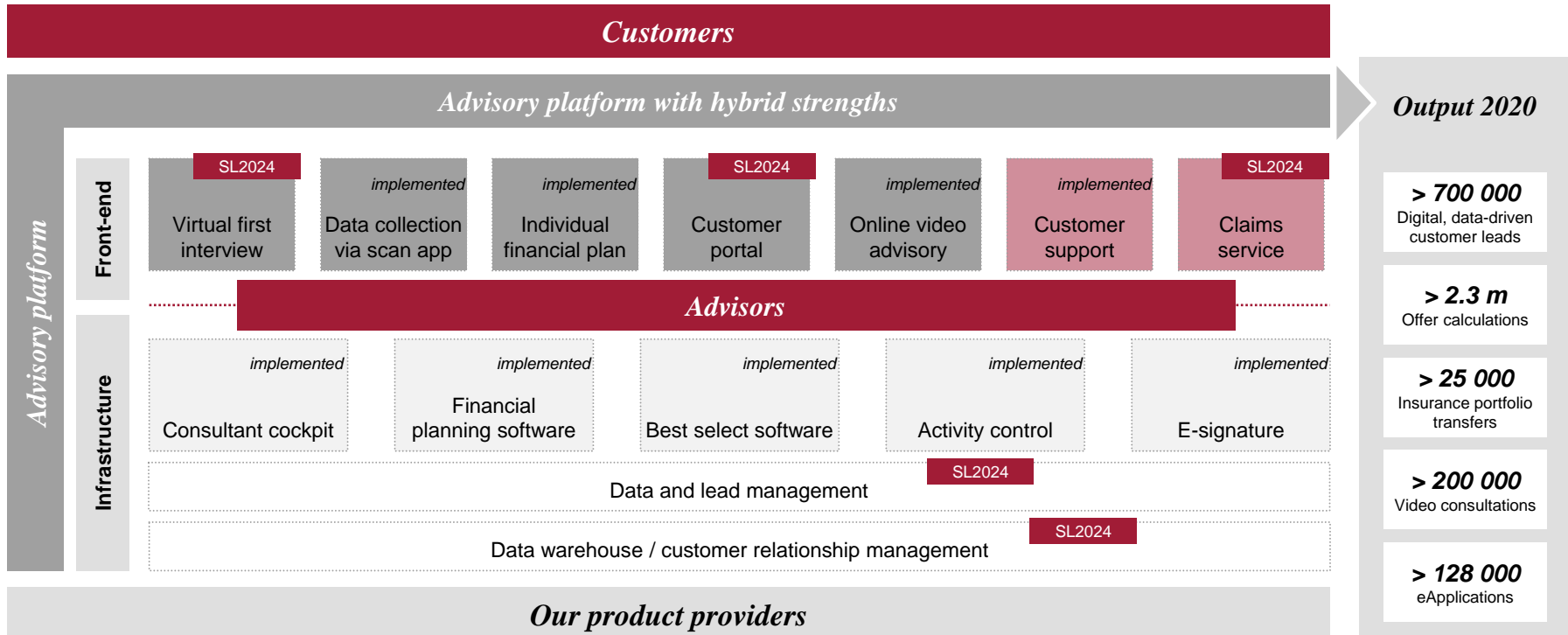
Total fee income EUR m



Value creation through unique combination of physical advice, powerful tools, digital interfaces

Owned IFAs

Owned IFAs: Selected tools and services of the advisory platform (simplified)



Tools supporting the **advisor** at the customer interface
 Service hub enabled services
 Tools enabling advice
 Enablement layer

Insurance grows on a solid back-book with a focused, profitable product portfolio

Back-book: Stability safeguarded

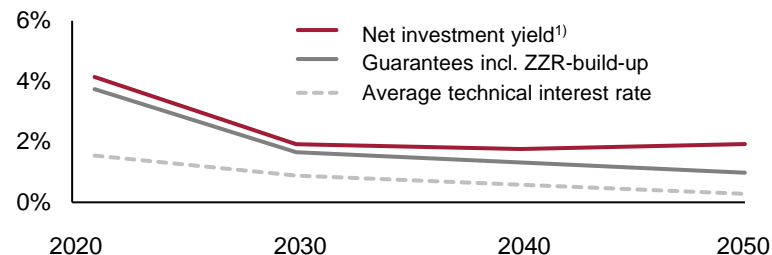
- **Stable** insurance back-book
- **Disciplined ALM** secures positive interest rate margin for more than three decades
- Successfully **improved business mix** through development of capital-efficient products
- **Solidity** as Swiss-based life insurer is paying off in Solvency II environment

New business: Innovate own insurance products

- Focus on **profitable new business** in preferred customer segments
- Further reduce **guarantee levels**
- Create innovative offers in the area of **employee benefits** insurance
- Offer **sustainable UL** solutions
- Expand customer access via **consortia** solutions
- Develop **self-service tools for customers**

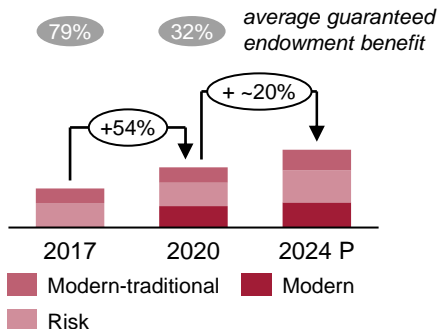
Resilient interest rate margin

In % of statutory technical reserves



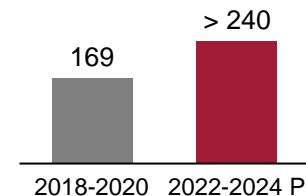
New business production

EUR m



Value of new business

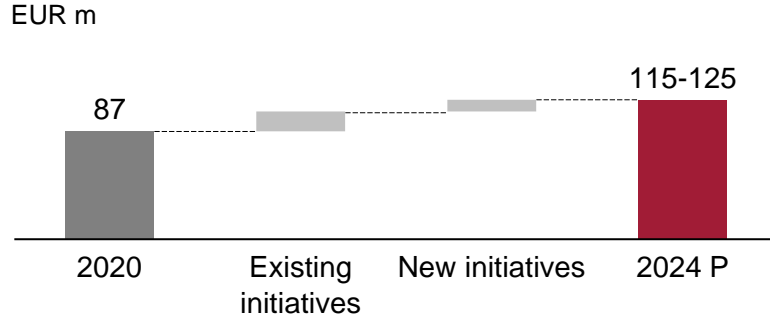
EUR m



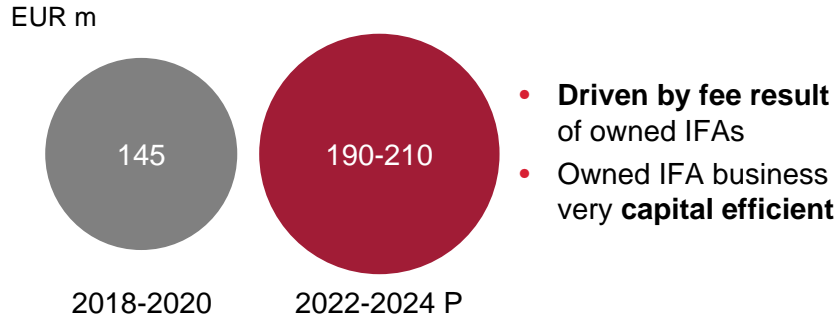
1) Net investment yield incl. realisations on fixed income investments for ZZR build-up

Strategic initiatives lead to significant growth of key financials by 2024

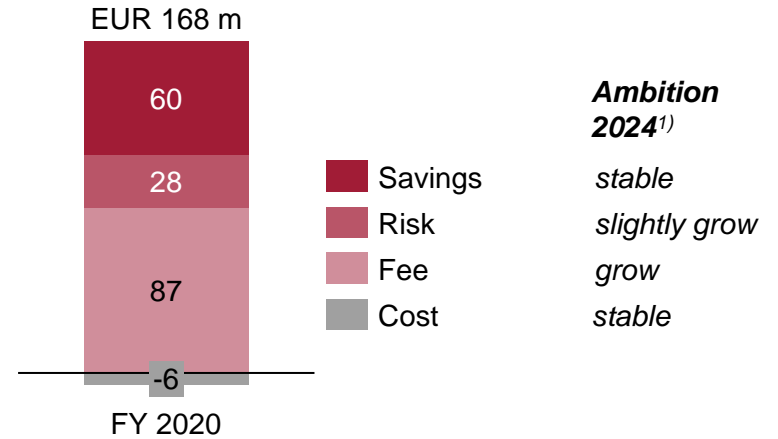
Strong growth of fee result



Cash remittance to rise significantly



Profit by source driven by fee and risk results



- **Fee result growing substantially** based on higher number of advisors
- **Risk result** supported by growing new business
- **Savings result** remains stable profit contributor

1) PbS guidance based on IFRS 4 / IAS 39 accounting standard

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Contact details and financial calendar

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Financial calendar

Full-year results 2021	01 March 2022
Annual General Meeting 2022	22 April 2022
Interim statement Q1 2022	11 May 2022
Half-year results 2022	17 August 2022

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*We enable people to lead
a self-determined life.*