



SwissLife

# Investor Day 2021 Swiss Life 2024: Strategic actions for profitable growth

Patrick Frost, Group CEO  
Zurich, 25 November 2021

# Swiss Life 2024 strategic actions set direction for profitable growth path

## *Well positioned for future growth*

- Excellent **market positions** and **advisory networks**
- **Resilient business model** based on strong **earnings quality**
- Disciplined **local execution**

## *Key priorities of Swiss Life 2024*

- Swiss Life 2024 **strategic actions** to drive profitable growth
  - Deepen **customer relationships**
  - Strengthen **advisory power**
  - Expand **operational scalability**
  - Anchor **sustainability** in all our activities
- Ambitious **financial targets**
  - Increase **quality of earnings** and **earnings growth**
  - Higher **cash returns to shareholders**

# Financial targets from Swiss Life 2021 programme to be achieved or exceeded

## *Swiss Life 2021 financial targets*

### *Quality of earnings and earnings growth*

- **Fee result** FY 2021: CHF 600-650 m
- **Risk result** FY 2021: CHF 400-450 m
- Cumulative **value of new business** (2019-2021): > CHF 1.2 bn



### *Operational efficiency*

- **Life** efficiency ratio FY 2021: < 40 bps
- **Distribution** operating expense ratio FY 2021: < 25%
- **TPAM** cost income ratio FY 2021: ~75%



### *Capital, cash and payout*

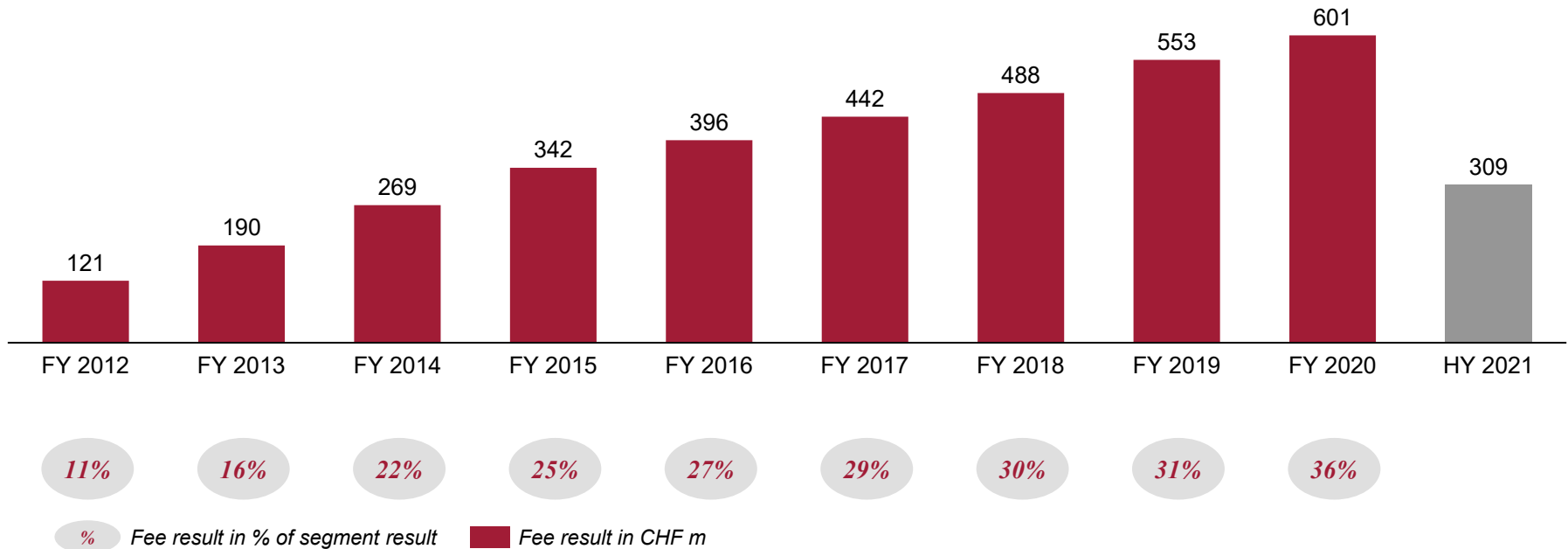
- **SST** ambition range (2019-2021): 140-190%
- Cumulative **cash remittance** to Holding (2019-2021): CHF 2-2.25 bn
- **Dividend** payout ratio: 50-60%
- **Share buyback** Dec 18 – Dec 19: CHF 1 bn
- **RoE**<sup>1)</sup>: 8-10%



1) Shareholders' equity excl. unrealised gains/losses

# Since 2012, we have substantially improved the earnings quality by growing the fee result, ...

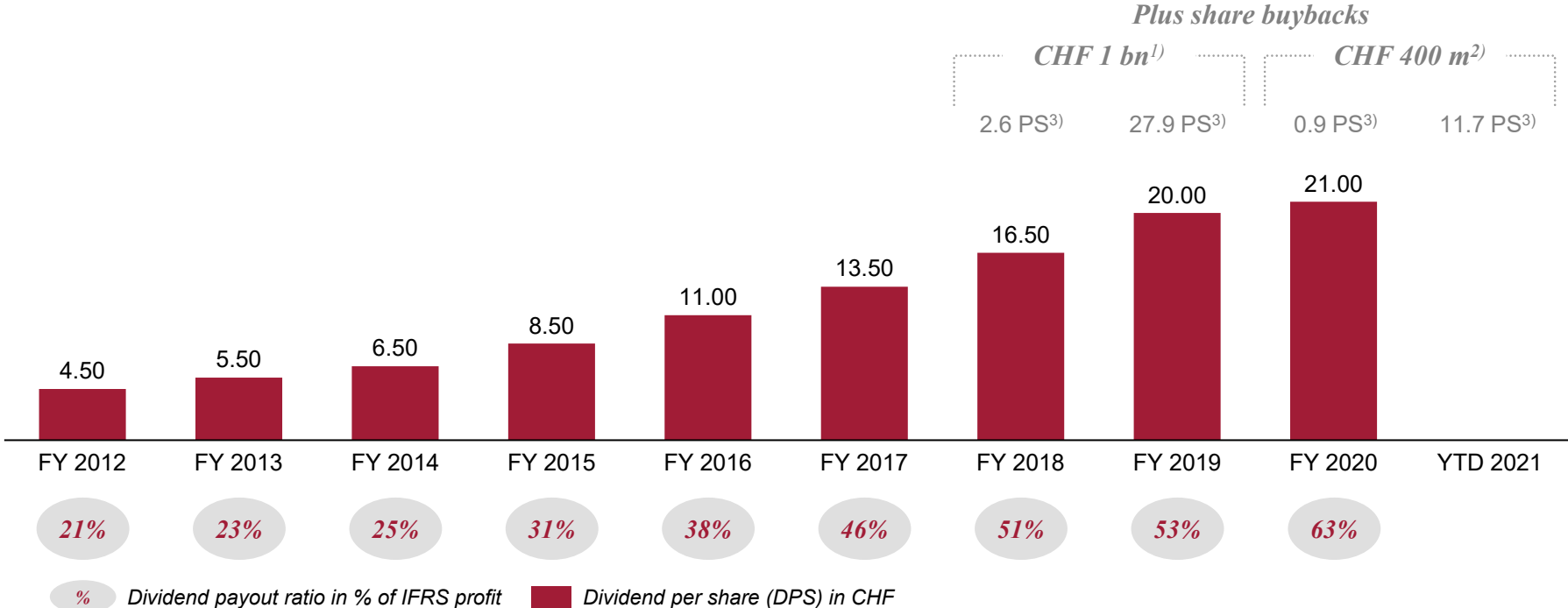
## *Fee result<sup>1)</sup>*



1) As reported in respective FY and HY

# ... more than quadrupled the dividend per share and implemented two share buybacks

## Dividend and share buybacks



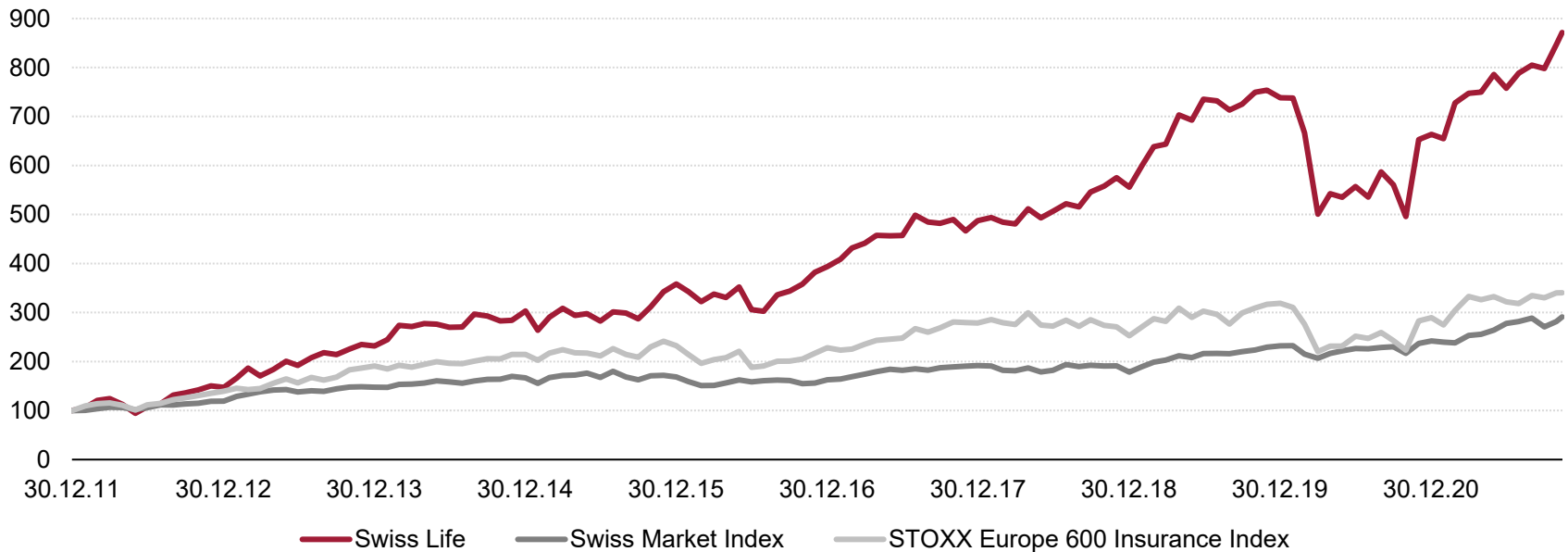
1) From December 2018 to December 2019    2) From March 2020 to May 2021    3) PS = Per share (share buyback per shares outstanding in CHF)



# We have created significant value for shareholders

## Total shareholder return<sup>1)</sup>

CHF, indexed, %



1) Total returns in CHF for Swiss Life share, SMIC and SXIGR; Source: Bloomberg as of 12 November 2021

# Swiss Life has a unique and strong position ...

## *Swiss Life business model*



*Savings result*

*Risk result*

*Cost result*

*Fee result*

*Strong quality of earnings*

# ... to be on top of long-term trends and to seize opportunities

## *Long-term trends*

## *Swiss Life's position*

*Increasing pension and protection gaps*

- **Swiss Life** provides **life, pensions and financial solutions** for the long run to address growing pension and protection gaps

*Customer need for financial advice*

- **Swiss Life's** more than **17 000 advisors** offer high-quality “phygital” advice based on state-of-the-art tools and services

*Low interest rate environment*

- **Swiss Life Asset Managers** achieve resilient yields and growing results based on optimised portfolio including **real assets**

*Sustainable value creation*

- **Sustainability** is an integral part of our business and at the heart of what we do

*Our purpose*

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



# Swiss Life 2024 strategic actions contribute to future financial results

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

## ***Strategic actions***



*Deepen customer relationships*



*Strengthen advisory power*



*Expand operational scalability*



*Anchor sustainability in our business*

## ***Financial ambitions***

*Quality of earnings and earnings growth*

*Capital, cash and payout*

# Deepening customer relationships and strengthening advisory power to support further business growth

## *Strategic actions*



*Deepen customer relationships*

## *Objectives / initiatives*

- **Complement our product and service offering** for new and existing private, corporate and institutional customers with savings, retirement, risk and investment solutions



*Strengthen advisory power*

- Further **grow our advisor base** and advisory network to reach and support more customers
- Invest in our **advisory platforms** to foster advisor experience and productivity, leading to high-quality **“phygital” advice**



*Expand operational scalability*

- **Make use of technology** to increase process automation and operational efficiency

*Profitable business growth*

*Operational leverage*

# Sustainability is anchored in our business and at the heart of what we do

*Sustainability is an integral part of our business and at the heart of what we do*

### ***Our actions***

- in business behaviour 
- as an asset owner & manager 
- in insurance & advisory 
- as an employer 



### ***Our contribution***

-  to society
-  to people's lives
-  to the environment

# Sustainability actions and targets will support further stakeholder value creation

## *Our sustainability targets*

### *Business behaviour*

Reduce CO<sub>2</sub> emissions per FTE by 35% by 2024<sup>1)</sup> and compensate emissions to reach net-zero operations

- Reduction of **business travel**
- Further improvement of **energy efficiency**
- Reach **net-zero operations** by 2022 through compensation of all unavoidable CO<sub>2</sub> emissions in own business behaviour

### *Asset owner & manager*

Reduce CO<sub>2</sub> emission intensity for directly owned real estate by 20% by 2030<sup>1)</sup>

- Strong **ESG integration**: Responsible investment strategy covers **90% of AuM**
- Maintain strong **ESG risk management** while seizing opportunities and solutions
- **Securities portfolio**: Maintain lower carbon intensity than relevant benchmarks

### *Insurance products*

Expand offering with sustainability solutions

- Respond to increasing market demand and **expand value-creating offering** with sustainable solutions
- Continue to integrate sustainability criteria in the **underwriting** process

























### *Advice*







Integrate sustainability in the advisory process

- Adapt **advisory processes** and tools to meet growing customer sustainability expectations
- Systematically **enhance competencies** and integrate new own and 3rd-party sustainability offerings

1) Compared to 2019

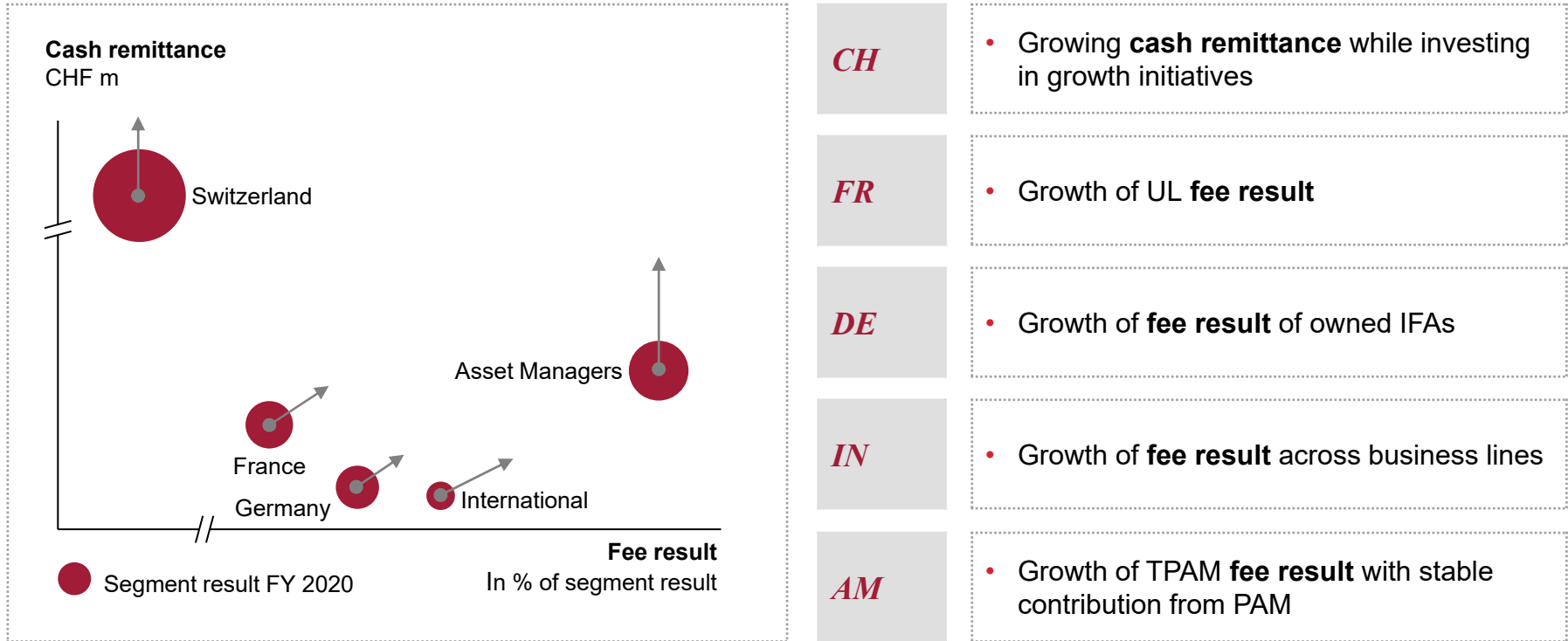
# Main focus of each business division to Swiss Life 2024 strategic actions

					<i>Main strategic focus and examples by business division</i>
<b>CH</b>					<ul style="list-style-type: none"> <li>• Attract customers in new segments, such as affluent customers</li> <li>• Ensure scalability and productivity of advisors and their growth</li> </ul>
<b>FR</b>					<ul style="list-style-type: none"> <li>• Expand advisory power to grow preferred customer segments</li> <li>• Improve scalability and efficiency through further digitalisation</li> </ul>
<b>DE</b>					<ul style="list-style-type: none"> <li>• Grow owned IFA network and enhance customer experience</li> <li>• Digitise and scale administration platform</li> </ul>
<b>IN</b>					<ul style="list-style-type: none"> <li>• Innovative HNWI insurance solutions for business partners</li> <li>• Systematic expansion of owned IFA advisory power</li> </ul>
<b>AM</b>					<ul style="list-style-type: none"> <li>• Leverage strong positions in real assets and securities</li> <li>• Anchor sustainability (ESG) in products, services, processes</li> </ul>

 Customer relationships 
  Advisory power 
  Operational scalability 
  Sustainability 
  Main strategic focus by business division 
  Other divisional contributions

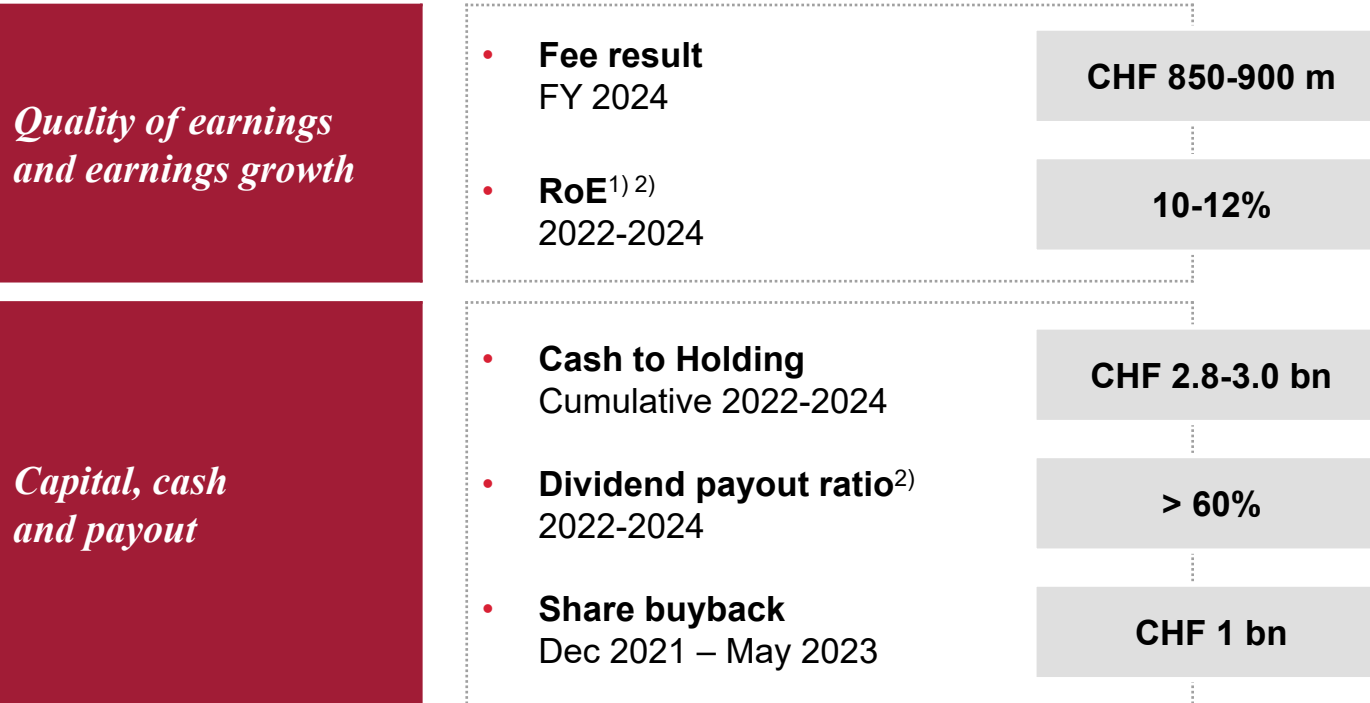
# Specific divisional financial contributions ...

## Expected development of cash remittance and fee result by business division until 2024



# ... result in ambitious 2024 financial targets for Swiss Life Group

## *Swiss Life 2024 financial ambitions and targets*

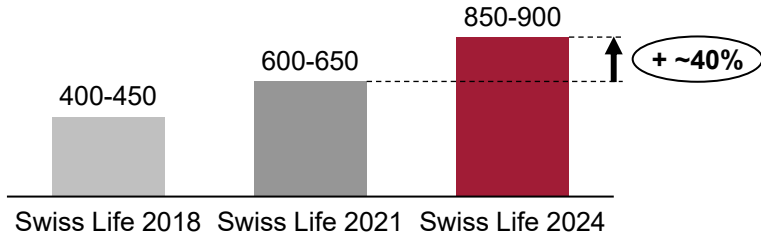


1) Shareholders' equity excl. unrealised gains/losses 2) Targets based on IFRS 4 / IAS 39 accounting standard

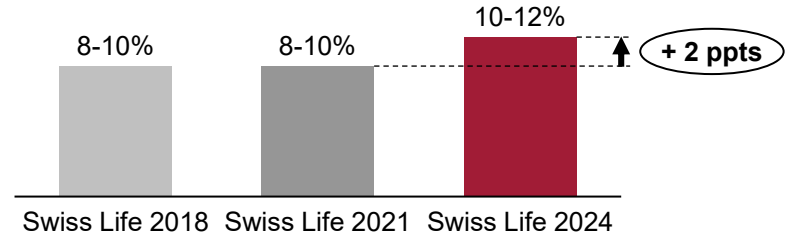
# With Swiss Life 2024, we again raise our ambitions

## Fee result

CHF m

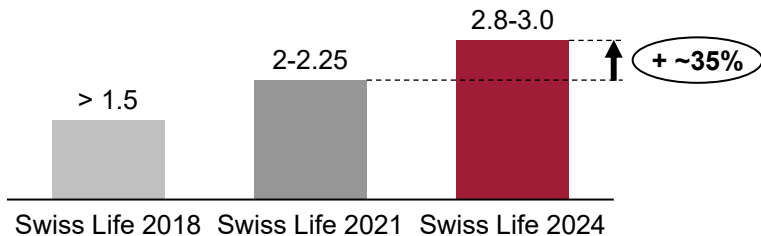


## RoE<sup>1) 2)</sup>

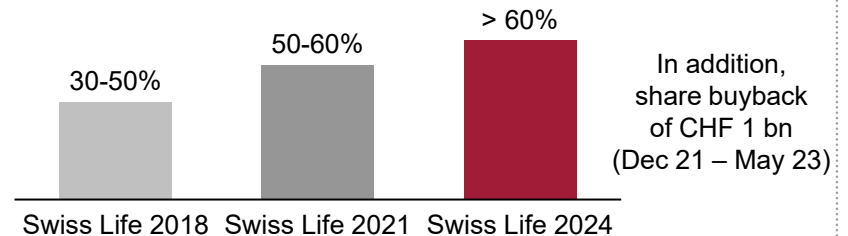


## Cash remittance

CHF bn, three years cumulative



## Dividend payout ratio<sup>2)</sup>



1) Shareholders' equity excl. unrealised gains/losses 2) Targets 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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