

2024 Annual General Meeting

Speech by Group CEO Patrick Frost

(Check against delivery)

Ladies and gentlemen

Valued shareholders

I am very pleased to be able to give you an overview of our annual result.

I'm sure you can imagine that accustomed as I am to making this speech, today's is rather special: after around ten years, this is the last time I will stand before you as Group CEO. It is a special moment that I was really looking forward to – but I must admit that it is tinged with sadness.

The Annual General Meeting has always been a special time for me. My colleagues on the Corporate Executive Board and I are in regular contact with investors and analysts over the course of the year. But being accountable to over a thousand shareholders at an Annual General Meeting and then engaging directly with one or two people afterwards is quite a different matter.

I have many good memories of our past Annual General Meetings – and I am sure I will look back fondly on today as well. I've always felt very comfortable here, even if it is by nature a more formal event. I am most grateful to you for that.

Today, I can look back on 18 years of the Swiss Life Corporate Executive Board. That makes me proud and I am thankful for it. I could single out many specific moments and events to illustrate this, but I would like to limit myself to three points:

Firstly, solidarity. Over the years, we have achieved considerable success together, which is very pleasing. But it was when things didn't quite go according to plan – and there were such moments – that I discovered how we as a team were able to overcome the challenges together and for the benefit of the company. Committing to something together, completing tasks and achieving success motivates us and brings us together. I am confident that our open and appreciative cooperation is a great strength.

Secondly, reliability. It has always been important to me that Swiss Life is a reliable partner. We have been committed to serving the needs of our customers for decades. We must keep our promises to them. To me it was equally important that we as a company should pursue ambitious goals and plans – and consistently fulfil them. This reliability and stability is, in my view, a cornerstone of our success.

And thirdly, trust. I am very aware that being able to spend so much time in a management position within the same company is a privilege that I do not take for granted. I would like to take this opportunity to thank the Board of Directors, my colleagues on the Corporate Executive Board, our employees and you, our shareholders, for the confidence you have placed in me. This trust has always been a great source of motivation for me and enables us as a company to develop a culture that strongly supports our competitiveness on the market.

That brings me back to the business and the 2023 financial year.

Ladies and gentlemen

As Rolf Dörig has already mentioned, in 2023, we produced the financial statements according to the new accounting standards IFRS 17 and 9 for the first time. This transition required tremendous effort from the finance teams in our organisation and we can be very satisfied with the result. We had to deal with new key figures and concepts for presenting our business results to the outside world. To best convey Swiss Life's actual performance in the 2023 financial year and make it comparable, we therefore reported certain values from the previous year on a like-for-like basis.

Which brings me to the figures: in 2023, Swiss Life increased its net profit by 8% and the return on equity to 13.7%. I am very proud of the employees across the Swiss Life Group, because we achieved this growth despite a lower fee result, which was down by 13% to 664 million. This decline is due to

subdued real estate markets, chiefly in Germany and France, which resulted in lower revenues from project developments and real estate transactions.

Even though in 2023 the fee result declined for the first time in a very long time, the expansion of our fee business over recent years is a success. The shift to more fee business has increased the resilience of our business model and supported the cash remittance to the holding company.

This cash remittance increased by 14% to well over one billion francs and is also the main driver for dividends. As you have already heard, we are proposing a dividend increase of 10% to 33 francs per share. This will mean a payout ratio of 86%.

Over the past ten years, we have continuously increased the dividend and paid out almost 9 billion francs to our shareholders. Of this, around 6 billion was in the form of dividends and just under 3 billion through the implementation of four share buyback programmes.

During my time as CEO, the cash remittance to the holding company and the cash distribution to shareholders were always important to me. Two aspects in particular were key: first, venture capitalists should participate in business success. Second, the dividends paid out form the basis for new investments: a well-functioning and well-managed financial economy is central to our national economy, our society and our prosperity. Investment and venture capital drive innovation and progress and must be financed.

With our real estate investments, we play another important role in society. Real estate is a key asset class for Swiss Life. The share of real estate in our investment portfolio was 28% at the end of 2023. This means that of the almost 150 billion francs that we manage in the insurance business, real estate is the second most important asset class after bonds.

The rise in interest rates has led to greater public focus on real estate investments – and therefore on the question of earnings sustainability. I would like to emphasise that we hold real estate because of the regular rental income it yields and not because of capital appreciation. That's why I am convinced that real estate is and will remain an attractive asset class. Although interest rates on government bonds have risen, these are nominal returns. The simultaneous rise in inflation reduces their real returns. On the other hand, real returns can be protected with real investments, which include real estate. Real estate investments will continue to generate additional returns, at least as long as the economic fundamentals in Switzerland remain correct, as they continue to do.

We are very demanding when it comes to the location and quality of our properties. Following the pandemic, there has been repeated speculation as to whether many office spaces would become obsolete in view of the working from home boom. However, we still see high demand: while hybrid working is changing the way companies use their offices, overall demand for attractive, centrally located office space remains high.

The need for housing is just as great. As an owner and investor, we want and are able to make a significant contribution to a sustainable, diversified and high-quality housing supply for the general population. In recent years, Swiss Life has built significantly more new apartments than would correspond to our market share.

I am confident that if we want to, we can solve the housing shortage problem – and Swiss Life is happy to help find solutions and build living space.

Ladies and gentlemen

In the 2023 financial year, we faced greater challenges than in previous years. So it's all the more pleasing to see that we are still well on track to achieve or exceed all the Group financial targets of our "Swiss Life 2024" Group-wide programme. We are confident that we will exceed these targets for return on equity, cash remittance and dividend payout ratio. What's more, we have already exceeded our share buy-back target.

Achieving the fee result target will be more challenging: we expect to reach the lower end of our ambitious target range of 850–900 million francs. However, this depends on the expected normalisation of the real estate markets in Germany and France.

After many years of low and negative interest rates, interest rates have risen. This is economically advantageous for our customers – and also for us at Swiss Life. We enjoy a strong position as a provider of life and pensions and financial solutions in attractive European markets. And our distribution network of around 17 000 advisors ensures that we are very close to our customers. I am confident that we at Swiss Life are extremely well positioned to achieve future success in the areas of advisory services, insurance and asset management.

The professional management team also gives me reason to be optimistic about the future. Matthias Aellig, a highly valued colleague on the Corporate Executive Board, will take over at the helm of our company tomorrow. I have had the privilege of working closely with Matthias in recent years and I hold him in high regard both as an expert on our business and as a person. I am sure that, together with his management team and all the employees, he will be able to continue the Swiss Life success story. Matthias, I wish you all the best – and, most of all, that this wonderful task will bring you plenty of enjoyment.

Valued shareholders

This brings me to the conclusion of my speech. I would like to thank you for your attention and for your trust and support during my years as CEO of Swiss Life.

I wish you all the best – take care!