

Dear Shareholders,



Patrick Frost and Rolf Dörig

2015 proved to be a very successful year for Swiss Life. We achieved, and in some cases even exceeded, all our financial targets under the Group-wide programme “Swiss Life 2015” launched in 2012. Our new business margin of 1.7% again outstripped our goal of 1.5%. We also performed well in fee and commission business. In 2010, our fee result only came to CHF 134 million, compared to CHF 342 million by the end of 2015. We have also reduced costs by over a quarter since 2008 in spite of investments and organic growth. Moreover, our return on equity in 2015 was in the higher end of our target range at 9.7% and our proposed dividend of CHF 8.50 shows we are on the right track.

Even if recent years have seen us make consistent progress – these successes were not just given to us, especially considering the low and even negative interest rate levels. Nor was it necessarily to be expected that Standard & Poor’s would improve our rating from A– to A, as they did in May last year. We also see Swiss Life’s return to the Swiss Market Index of the 20 largest Swiss companies in March as further confirmation of our progress.

Nevertheless the question remains, what can we expect over the next few years? What are the trends that will drive our daily business? We can already discern a number of developments, for example regulatory changes. We are bound to face yet more requirements and claims over the next few years. We will respond by continuing to strongly advocate a level of proportion in formulating these requirements so they don’t place the Swiss insurance centre and, more importantly still, our customers, at a disadvantage.

Low interest rates and strong market fluctuations are also a major hurdle given the long-term nature of our business, although we have demonstrated in recent years that we are equal to this particular challenge. There is also another trend which affords us an opportunity as well as posing a challenge: Demographic development. The social and economic consequences of increased life expectancy are insufficiently accounted for in almost all areas of life. The urgency of this issue is enhanced by people's fundamental need to enjoy a self-determined and dignified life. We at Swiss Life want to play our part in helping the issue of a "longer self-determined life" get the attention from society it deserves given its relevance to people. In doing so, we will focus on the economic aspects.

Dear shareholders, Swiss Life is in an excellent position to successfully negotiate these trends. After all, we are a company that will soon have proven its adaptability for 160 years. Our success stems from our proven business model. Profitability, margin management, cost efficiency and disciplined asset and liability management have been our priorities over the past few years. And this is not going to change.

Our new Group-wide programme into 2018 has four strategic priorities:

- We will increase the quality and growth of our earnings. We want to raise the fee result from CHF 400 to 450 million and defend our savings and risk result.
- We will maintain our focus on operational efficiency and save another CHF 100 million.
- We will increase our corporate room for manoeuvre to expand our capital adequacy, generate more cash for the Group and be able to pay higher dividends. To this end, we will expand our target band for payment of the dividend as a percentage of net profit by ten percentage points to between 30 and 50%.
- Finally, we will stay true to our strategic direction and consistently orient our company to the needs of its customers. That is an end in itself and talking to customers is the key to continual improvement. Customers are now better informed, they can quickly compare benefits and they demand new contact points. That is why we are investing in new digital access points; we can't afford not to. We will invest in the region of CHF 100 million in the next three years in digitalisation and in the quality of our consultancy services and organic growth.

Swiss Life is on a strong footing and our success is due to the efforts of our staff. They guarantee the quality of our company and we would like to thank them for their strong engagement. We also thank our customers and you, our shareholders. Your trust and your support give us the platform on which we can develop our leading position in the European life and pensions market.



Rolf Dörig
Chairman of the Board of Directors



Patrick Frost
CEO