

Sustainability at Swiss Life

In the pursuit of its core business, financial provision and consulting, Swiss Life contributes directly to the sustainability of society and the economy. In addition, the company aims to act responsibly as an employer and in relation to the environment.

Swiss Life has set out its corporate sustainability principles in a Group-wide sustainability concept, which is subdivided into four areas: sustainability in daily business, as an employer, in society and with regard to the environment. The reporting in this Sustainability Report is based on this structure.

Our understanding of sustainability

 <p>In business activities</p> <ul style="list-style-type: none"> – Good governance, diligence and responsible conduct form the basis for successful business operations and for long-term and sustainable customer and business relationships. – Swiss Life takes ESG criteria into account in the investment process and is, among other things, a signatory of the Principles for Responsible Investment (PRI) and a member of the Global Real Estate Sustainability Benchmark (GRESB). 	 <p>In society</p> <ul style="list-style-type: none"> – As a pension provider, Swiss Life assumes social and economic responsibility and is in active dialogue with associations, authorities and politicians. – With its own foundations, Swiss Life supports projects and institutions in the fields of culture, science, education and the environment and research that promote self-determination and confidence.
 <p>As an employer</p> <ul style="list-style-type: none"> – Swiss Life believes in the competence and engagement of its employees and promotes flexible working models and continuous development throughout all phases of life. – Swiss Life offers its employees a collaborative working environment in which they can act with personal responsibility. Diversity, an open feedback culture, appreciation and trustworthy cooperation are key in this regard. 	 <p>In the environment</p> <ul style="list-style-type: none"> – As a property owner, Swiss Life supports to energy-saving measures, renewable energy and the sparing use of resources. – In its own operations, Swiss Life has set itself goals for the reduction of CO₂ and fossil fuels, among other things. They apply to the entire Swiss Life Group.

Organisational implementation

In the reporting period, Swiss Life continued to develop its organisational structure and governance in the area of sustainability. The extended Corporate Executive Board is the highest steering committee for sustainability. It is chaired by the Group CEO. In the period under review, a new organisational structure was developed at Group level to coordinate, manage and implement the measures. It took effect on 1 January 2020 and is led by the Group Head of Sustainability. Alongside operational implementation, the new organisation is responsible for regular interaction between all specialists, ensures controlling and reporting functions, and prepares the basis for decisions by the extended Corporate Executive Board in its role as the steering committee.

Organisational structure as at 1 January 2020



The sustainability organisation is aligned to Swiss Life's multi-divisional organisation and comprises sustainability delegates from all divisions and specialist delegates. Ten topics have been defined for specialist management.

The new organisation ensures operational implementation of the measures adopted at Group level directly in the relevant divisions and cross-divisional exchange on the defined focus topics.

Materiality Matrix

Swiss Life's materiality matrix shows which topics are relevant for Swiss Life and its stakeholders. All of the topics highlighted form the basis for annual sustainability reporting.

Swiss Life has reported on the basis of the Global Reporting Initiative's standards since 2016. In 2015 it produced the first version of its materiality matrix in a multi-step materiality process involving internal and external stakeholders. The matrix has been continuously refined since then. In 2019, Swiss Life performed an extensive re-evaluation of the material topics.

By revising its materiality matrix, Swiss Life aims to respond to the changing expectations of the various stakeholder groups, developments in its business environment and the development of the standards.

Swiss Life consulted the following internal and external stakeholder groups in this re-evaluation:

- Internal specialists from the areas of Sustainability, Asset Management, Communications, Human Resources, Investor Relations, Finance and Risk Management
- Extended Corporate Executive Board
- Representatives of the Board of Directors
- Representatives of financial institutions and rating agencies
- Representatives of sustainability organisations and a university

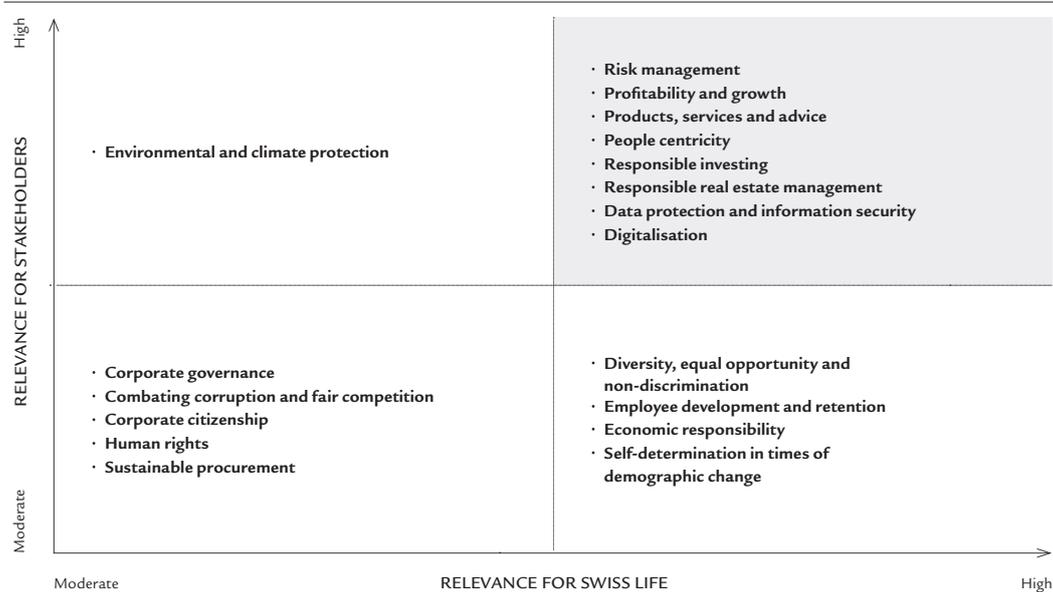
Procedure for re-evaluating the materiality matrix (GRI 102-49)

As a first step, specialists from Sustainability, Asset Management, Communications, Group Human Resources, Investor Relations and Group Finance & Risk drew up a longlist of potential topics. Over a dozen specialists from the entire Swiss Life Group were involved in this step.

Stakeholder relevance was determined using an online survey and a workshop with internal specialists from Sustainability, Communications, Group Human Resources, Investor Relations, Asset Management and Group Finance & Risk. Involving various specialist disciplines and representatives of the entire Group ensured that the survey covered the broadest possible spectrum of stakeholder groups.

Relevance for Swiss Life was determined by conducting interviews with the entire extended Corporate Executive Board and two members of the Board of Directors.

Materiality matrix of the Swiss Life Group



(GRI 102-47)

To enhance readability, the dimension "Impact on sustainable development" is not directly integrated into the materiality matrix.

Survey of external sustainability experts

The dimension "Impact on sustainable development" was taken into account through structured interviews with five external sustainability experts and analysts. They included representatives of financial institutions, rating agencies, sustainability organisations and a Swiss university.

To enhance readability, the dimension "Impact on sustainable development" has not been integrated into the existing materiality matrix. The four topics that external stakeholders indicate as having the greatest impact on sustainable development are:

- Responsible investing
- Responsible real estate management
- Risk management
- Data protection and information security

Evaluation method and results

Everyone included in the survey rated and prioritised the relevance or impact of potentially significant issues using a four-point scale. This distinguished between “high relevance”, “significant relevance”, “moderate relevance”, and “low relevance”.

The materiality analysis showed that the topics “innovation” and “health, safety and well-being in the workplace”, which were included in the questionnaire, were considered by the majority of those surveyed, whether internal or external, to be less relevant. Consequently, they are not included in the new materiality matrix.

Further, compared with the previous matrix, some topics have been renamed and some new topics included:

Changes to the topics compared with the previous matrix

Unchanged	New designation	New topic
Economic responsibility	Risk management (formerly: Risk management and compliance)	Responsible real estate management
Environmental and climate protection	Profitability and growth (formerly: Sustainable profitability)	Data protection and information security
Human rights	Products, services and advice (formerly: Products and services)	Digitalisation
Sustainable procurement	People centricity (formerly: Customer centricity)	Corporate governance
	Responsible investing (formerly: Investment strategy)	Combating corruption and fair competition
	Diversity, equal opportunities and non-discrimination (formerly: Equal treatment and non-discrimination and Diversity and equal opportunities)	Corporate citizenship
	Employee development and retention (formerly: Employee commitment and development)	
	Self-determined living in times of demographic change (formerly: Demographic change)	

The Corporate Executive Board validated and adopted the revised materiality matrix in November 2019 (GRI 102-46).

Overview of the material sustainability topics¹

Risk management²

Business conduct in compliance with the law is a given for Swiss Life. Swiss Life accompanies its customers over many years. Responsible risk management is thus indispensable.

Profitability and growth

Swiss Life's business model is aligned to long-term, profitable growth within the framework of the corporate strategy, focusing on profit growth and quality, efficiency, and financial strength.

Products, services and advice

Swiss Life has over 160 years of experience in developing products and services, in consulting and in the life insurance, investment and pensions business. It aims to create optimal customer value and profitability for the company. Its offering is subject to continuous review and refinement.

People centricity

Swiss Life puts people first and advocates encounters on an equal footing – whether in customer advising, processes, products and services, dealing with employees, using technology or in our role in society as a whole.

Responsible investing

Swiss Life's investment strategy has a long-term and sustainable focus. The company's investment policy is oriented towards long-term and stable returns. In addition to its legal obligations, Swiss Life observes ethical principles and environmental, social and governance (ESG) topics.

Responsible real estate management

Swiss Life is one of Europe's leading real estate investors and has the biggest private real estate portfolio in Switzerland. It systematically integrates sustainability criteria into the entire value-creation process in real estate investments.

Data protection and information security

There are Group-wide data protection and information security standards. Information security at Swiss Life is closely related to locally applicable data protection provisions, such as the Swiss Federal Act on Data Protection and the European Union's General Data Protection Regulation (GDPR).

Digitalisation

Swiss Life is pursuing digitalisation along the entire value chain, using it to create relevant and sustainable added value for customers and employees.

¹ The subject parameters and the impact of Swiss Life on the material topics are set out in the relevant sections.

² This topic is discussed in the Annual Report in the section "Risk Management" from page 76.

Diversity, equality of opportunity and non-discrimination

Diversity, equality of opportunity and non-discrimination are part of Swiss Life's corporate values. Accordingly, potential, abilities and skills are promoted equally among all employees of all ages.

Employee development and retention

The Swiss Life corporate culture is based on mutual respect and trustworthy cooperation. Regular feedback and professional development interviews and the recognition and appreciation of performance are important prerequisites for corporate success.

Economic responsibility

As a corporation, Swiss Life takes social and economic responsibility by enabling its customers to lead a self-determined life. As a long-term investor, Swiss Life contributes to the stability of the financial centre. Swiss Life also meets its social and economic responsibility in its role as an employer and taxpayer.

Self-determined living in times of demographic change¹

Helping people live a self-determined life is Swiss Life's purpose. That includes its contribution to the public debate on demographic change and people's growing responsibility for managing their own future provisions.

Environmental and climate protection

Swiss Life places a high value on operational ecology and climate protection. As a real estate owner and in its business operations, Swiss Life places importance on efficient use of resources, renewable energy and measures to reduce CO₂ emissions.

Corporate governance²

Responsible and sustainable corporate governance is of central importance for Swiss Life. It structures its corporate governance openly and transparently in compliance with the acknowledged national and international standards.

¹ This topic is discussed in the Annual Report in the section "Strategy & Brand" from page 8.

² This topic is discussed in the Annual Report in the section "Corporate Governance" from page 26.

Combating corruption and fair competition

Swiss Life does everything in its power to avoid infringing any legal and/or regulatory requirements, and to prevent all forms of corruption and bribery. Therefore, Compliance monitors and assesses the legal and regulatory environment and focuses on training and raising employee awareness.

Corporate citizenship

Swiss Life fosters contacts with representatives of its political and business world and liaises with trade and umbrella associations. In addition, Swiss Life is committed to projects and institutions in the areas of culture, science, education, the environment and research.

Human rights

Swiss Life prioritises high social standards in its own operations and expects similar standards from its business partners and suppliers. As a co-signatory of the “UN Global Compact” Swiss Life pledges, notably, to respect human rights.

Sustainable procurement

Swiss Life requires its procurement to comply fully with the law. When selecting suppliers and partners, Swiss Life bases its decisions on ethical, social and ecological principles and works with local suppliers whenever possible.