

Products and Innovations

Our environment is constantly evolving. New technologies and changing lifestyles are transforming people's needs for insurance. We want to meet these needs. After all, innovation and targeted investment ensure our competitiveness, both now and in the future. That is why Swiss Life is continually working on its product strategy and employing innovative solutions to meet the needs of its customers.

PRODUCT STRATEGY – Swiss Life's product strategy combines customer value and profitability. Regulators' specifications, regarding solvency for example, and external factors, such as the economic environment and interest rates also need to be taken into consideration. Our efforts are geared towards the optimisation and further development of the existing offering within the customer, investor and regulator triangle, whereby our starting point and first priority is always the customer's best interests. We also factor in economic realities to ensure security for our customers and investors. This leaves our customers secure in the knowledge that we will always be able to keep our promise "The future starts here."

Swiss Life uses its product strategy to further its goal of profitable growth and improvement in the new business margin.

PRODUCT MIX AND PRODUCT DEVELOPMENT – Through the MILESTONE programme Swiss Life aims to generate a 70% share of new business through modern and risk products. This goal is also supported by Group-wide product management. This product management has a coordinating and strategic function, leaving the initiation and implementation of product development up to the market units. This ensures that Swiss Life's products and services match the needs of the local market and its customers as closely as possible.

NEW PRODUCTS – Swiss Life is always working on new products for changing customer needs. In 2011, for example, Swiss Life in France launched "e-reputation" insurance: the first comprehensive and professional cover for

online reputation. AWD launched its "Sorglos-Paket" ("No worries package") in Switzerland: this is a comprehensive insurance package bringing all the personal insurance types of cover under one roof. It allows the customer to simply refer any household, motor vehicle or personal liability claims to his or her advisor.

In Switzerland, the Swiss Life Investment Foundation successfully completed the biggest new launch of a real estate investment group with a volume of CHF 500 million in November 2011. In 2011, Swiss Life in Germany launched an immediate annuity product "Sofortrente Aktiv", which also offers young people the opportunity to invest a single premium with maximum flexibility. Swiss Life's "Sofortrente Aktiv" thus caters for all the different stages of life – from student to retiree.

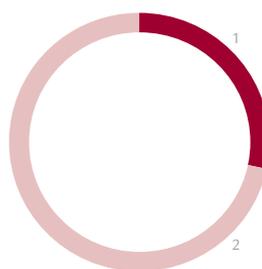
COOPERATION – In order to provide customers with as comprehensive a range of products and services as possible, Swiss Life is involved in certain cooperative ventures with various partners in a range of markets. For example, Swiss Life initiated cooperation with the online bank Swissquote in the year under review. This cooperation, which focuses on the management of savings and investment products in the Swiss market, aims to substantially increase reinvestment over the next three years and develop innovative products and online services for customers seeking investment and pension products in the "digital native" age.

PROMOTING INNOVATIVENESS – Innovation and progress is a priority at Swiss Life. We want to identify opportunities and trends early so we can consistently offer our customers an optimal service. To achieve this goal, Swiss Life promotes an open and innovation-friendly corporate culture across the Group. Employees are motivated to come up with and present their own ideas.

Since 2011, Swiss Life employees in Switzerland have been able to present, discuss, assess and develop their ideas, and their colleagues' ideas, on a central platform – the “Ideenbooster” (idea booster). The proposals – a broad range of product innovations and process improvements – are analysed and assessed by experts and an “idea committee”. Since the launch of the idea booster in the summer of 2011, over 200 ideas have been submitted, 28 of which won awards from the idea committee. One idea was already tested in the year under review and is set to be implemented in the first quarter of 2012.

DIGITAL FUTURE – In the year under review Swiss Life strengthened its presence within digital media channels. There is now an extensive range of online channels and platforms throughout the entire Swiss Life Group, as well as a presence on social media sites, such as Facebook and YouTube. Furthermore, the national companies have developed a range of applications for smartphones. In France, Swiss Life provides a pollen forecast for hay fever sufferers; in Switzerland you can calculate your premiums and tax savings using the calculator on your smartphone. In Germany, Swiss Life has its own platform to provide information for policyholders, which can also be used, for example, by brokers. Through its Group-wide digital strategy, launched in 2011, Swiss Life aims to intensify its activities in new media and provide more products and services online in future.

Innovations in the product range during 2011



In 2011 Swiss Life launched 50 new products or products with increased customer value out of a total of 124 products in the market.

	New	Total
Swiss Life in Switzerland	15	43
Swiss Life in France	21	31
Swiss Life in Germany	10	30
Swiss Life International	4	20

- 1 40% new products or products with increased customer value.
2 Other products in the market.