

TCFD Report 2021

Climate-related disclosure

Foreword	4
TCFD Framework Assessment	5
Governance.....	6
Climate Strategy.....	9
Risk Management	14
Metrics and Targets	16
Metrics of Relevant Individual Companies	26
Independent Limited Assurance Report	27
Appendix.....	30

Foreword

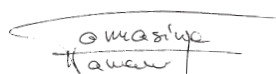
Swiss Life is committed to playing an active role in contributing to the transition to a low-carbon and climate-resilient economy in accordance with the Paris Climate Agreement. The continuous reduction of our CO₂ emissions is therefore an integral component of our sustainability strategy.

Our second TCFD Report shows how we have consistently continued integrating climate-related aspects in 2021. The sustainability strategy is an integral component of our new Group-wide programme “Swiss Life 2024”. Our focus is on those areas on which we can exert a direct influence and achieve a corresponding impact:

- In our own operations, we will reduce CO₂ emissions per full-time employee (full-time equivalent) by 35% by 2024 compared to 2019. We will also fully neutralise the measured, unavoidable CO₂ emissions arising from our own operations from 2022 onwards and thus aim to achieve net zero emissions in operational ecology.
- We are aware of our responsibility as a major real estate owner. The carbon intensity of real estate directly owned by Swiss Life is to be reduced by a further 20% by 2030 compared to 2019. This is based on a net-zero target by 2050 and thus in line with the Paris Climate Agreement.

In addition to these reduction targets, Swiss Life will continue to pursue its responsible investment approach, which already covers approximately 90% of the total assets managed by Swiss Life. This puts Swiss Life in an advantageous position. Swiss Life is also focusing on its strong risk management and aims to make use of opportunities and solutions in the area of sustainability – and thus also with regard to climate change. In addition, Swiss Life intends to continue integrating sustainability aspects into its product and service offering and to anchor them in its advisory business.

This report is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and summarises how we address climate change. This comprises two perspectives: on the one hand, dealing with physical and transition risks and opportunities arising from the transition to a low-carbon and climate-resilient economy, and on the other hand, our contribution to climate protection.



Tancredi Tommasina
Group Chief Risk Officer



Florian Zingg
Head of Group Sustainability

TCFD Framework Assessment

Swiss Life's climate-related disclosure is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the G20 Financial Stability Board. The TCFD framework encompasses four core elements and acts as a guide for companies on accounting and disclosing climate-related risks and opportunities.

The comparable transparency arising from this in the area of climate-related risks and opportunities can serve as the basis for a smooth transition to a low-carbon and climate-resilient economy.

Core elements of the TCFD recommendations



Source: TCFD 2017

For several years now, Swiss Life has been publishing a Sustainability Report within its Annual Report in accordance with international standards. In 2021, this comprehensive reporting was supplemented by the TCFD Report.

Governance

Swiss Life's governance structure

Swiss Life structures its corporate governance openly and transparently in the interests of its shareholders, policyholders and employees, taking account of leading national and international corporate governance standards.

The Board of Directors is responsible for all matters that are not reserved for the consideration of the Annual General Meeting (formally the supreme decision-making body of a public limited company) under the terms of the law (Art. 698 of the Swiss Code of Obligations CO) or by the company's Articles of Association. In line with its non-transferable duties prescribed by law, the Board of Directors is responsible, in particular, for the ultimate direction of the group, as well as the supervision of the Corporate Executive Board.

The Organisational Regulations of Swiss Life Holding provide for the comprehensive delegation of the executive management responsibilities of the company to the Group CEO and the Corporate Executive Board, with the exception of those duties reserved for other bodies in accordance with the law, the Articles of Association or the Organisational Regulations themselves.

The Group CEO directs the business operations of the Group. The Group CEO, together with the Corporate Executive Board, works out the long-term objectives and strategic orientation of the Group for submission to the Board of Directors and, based on the resolutions of the Board of Directors, ensures the goal-oriented leadership and development of the Group. The Corporate Executive Board can form committees to address specific areas and can delegate competencies to such Corporate Executive Board committees.

Further information can be found in the Annual Report at www.swisslife.com/ar2021 (section "Corporate Governance").

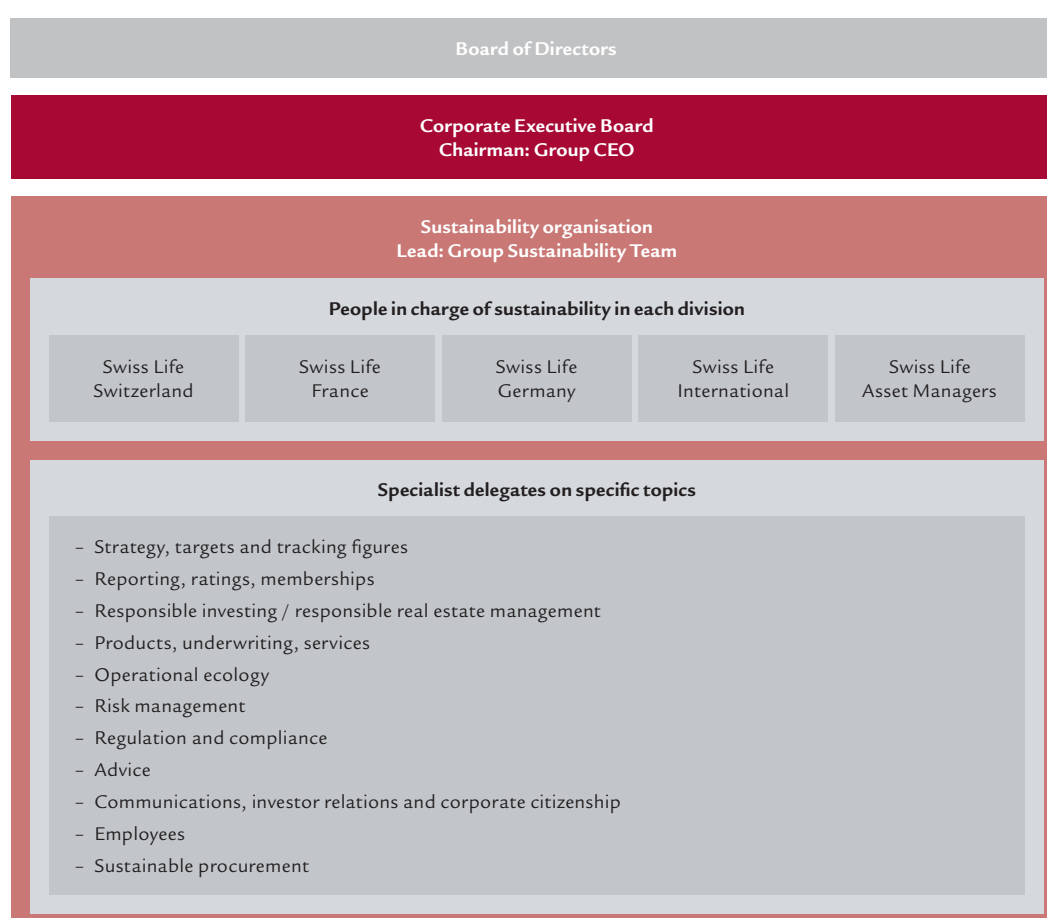
Organisational implementation of sustainability

A new directive on sustainability was elaborated in 2021 and anchored in the Group-wide directives system. The directive summarises the key sustainability principles of the Swiss Life Group and describes the roles and responsibilities within the sustainability organisation.

The highest management body in matters of sustainability is the Corporate Executive Board, chaired by the Group CEO. The Board of Directors – the supreme authority for strategic issues – is kept regularly informed about measures and progress in the area of sustainability and included in the decision-making process.

The variable compensation components are linked to the strategic objectives of the Group and the individual divisions, and the associated financial and HR-related targets. Qualitative goals relate in particular to project, risk management or compliance goals and to leadership, sustainability and ESG (environmental, social, corporate governance) requirements. Personal performance based on the specified quantitative and qualitative objectives is assessed annually in the employee appraisal procedure implemented throughout the Group (Group Performance System, GPS).

Organisational structure



The sustainability organisation is aligned to Swiss Life's multi-divisional organisation: it comprises sustainability delegates from various areas, including Group Finance and Risk. The sustainability delegates from the divisions ensure that the Group-wide sustainability strategy is implemented on site with corresponding measures and initiatives, taking account of local regulatory requirements. They also ensure that the management teams and divisional CEOs are involved in the decision-making process. Swiss Life has defined eleven subject areas for specialist management which are assigned to corresponding specialist delegates and in which representatives of the divisions participate. Swiss Life Group's sustainability organisation altogether comprised around 52 full-time equivalents (FTE) in 2021.

The Swiss Life Group Sustainability team is responsible for the coordination, steering and implementation of measures at Group level. This team ensures that the focus areas defined by Swiss Life's Group-wide sustainability strategy are integrated within and implemented by the divisions. The team also ensures the involvement of the Corporate Executive Board as a management body, reports on progress and engages in dialogue with key stakeholder groups at Group level. The Swiss Life Group Sustainability team reports to the Head of Group Communications and Strategic Marketing.

Within the Corporate Executive Board, the Group CIO is responsible for Swiss Life's investment strategy and responsible investment approach. Climate-related risks and opportunities are systematically taken into account in risk and investment processes.

The responsible investment governance of Swiss Life Asset Managers is based on the goal of integrating ESG into all core processes of asset management. These core processes encompass all divisions and functions. Amongst other things, the ESG Board of Swiss Life Asset Managers is responsible for streamlining the implementation of sustainability in terms of asset management in the divisions and processes. The committee decides on responsible investment policies, addresses crucial ESG matters and advises the Executive Committees of Swiss Life Asset Managers or other legally binding committees on ESG issues. The ESG Board is chaired by the Head ESG.

The ESG team of Swiss Life Asset Managers designs and coordinates the responsible investment policies and ESG investment strategies in close cooperation with the divisions and in accordance with the local requirements of the divisions. In addition, the ESG team of Swiss Life Asset Managers supports the implementation of the investment policies and strategies in existing processes. The ESG team of Swiss Life Asset Managers also plays a key role in sharing knowledge on sustainability in asset management. The ESG team reports to the Group CIO.

Further information can be found from page 14 (section "Risk Management"), in the Sustainability Report at www.swisslife.com/sustainabilityreport (section "Sustainability Strategy") and in the Responsible Investment Report at www.swisslife-am.com/rireport.

Climate Strategy

The climate strategy is part of Swiss Life's sustainability strategy and the new Group-wide programme "Swiss Life 2024". The sustainability strategy is oriented towards the following four fields of action: own business behaviour, the role as an asset owner and manager, the insurance and advisory business, and the role of employer. The first three areas are particularly relevant for Swiss Life's climate strategy. In addition, Swiss Life is involved in dedicated networks and associations. For its targets relating to climate change, Swiss Life prioritises those areas in which a direct impact can be achieved.

Swiss Life recognises that climate change, if left unmitigated, will have negative effects on society and the global economy. Swiss Life is committed to playing an active role in contributing to the transition to a low-carbon and climate-resilient economy in line with the Paris Climate Agreement. Further, Swiss Life expects increased transparency requests from stakeholders (e.g. customers, regulators, supervisory authorities, investors and employees) regarding products and services as well as an increasing demand for sustainable products. Moreover, Swiss Life's investments in securities, real estate and infrastructure might be affected by the physical impacts of climate change and the transition to a low-carbon and climate-resilient economy.

Swiss Life is therefore integrating sustainability and climate-related aspects into its existing risk management standards for the management of its business and assessing the actual and potential impacts of climate-related risks and opportunities on its business, strategy and financial planning. As climate-related risks are risk drivers on existing risk categories, Swiss Life can build on its existing comprehensive risk management standards for the identification, assessment and adequate management of climate-related risks and opportunities. Information on Swiss Life's comprehensive risk management standards is available from page 14 (section "Risk Management"). From page 16 (section "Metrics and Targets") a selection of supporting metrics can be found.

Summary of potential impact of climate-related risks on risk categories of Swiss Life

Risk categories	Transition risks ¹	Physical risks ²
Market, credit and counterparty risk (Investments)	Potentially	Potentially
Insurance risk (Underwriting)	Unlikely	Unlikely
Operational, reputational and strategic risk	Potentially	Potentially

¹ Depends on the course of the transition to a low-carbon and climate-resilient economy and the stringency of national regulatory measures. Especially for companies with a high dependence on fossil fuels or high carbon intensity.

² Depends on the impact of the measures aimed at countering climate change. Particularly at locations where extreme weather events and chronic changes caused by climate change occur more frequently and insufficient infrastructure to respond to these events is in place.

Depending on the course of the transition to a low-carbon and climate-resilient economy, the effects already arising today of climate change and the measures to mitigate climate change may change in the medium and long term.

Time horizons for climate-related risks and opportunities of Swiss Life

Short term	Medium term	Long term
Next 0–3 years	Next 3–10 years (Including up to 2030)	Next 10+ years (Including up to 2050)
For example aligned with the strategic planning horizon or the ORSA	For example aligned with Swiss Life's reduction target for the directly held PAM real estate portfolio or the current climate policy milestones	For example aligned with transaction decisions for investments with longer time horizons, such as real estate and infrastructure investments or current climate policy developments

For internal analyses of climate-related risks and opportunities, Swiss Life currently relies on a definition of the short-term time horizon that goes hand in hand with the strategic planning horizon and the Own Risk and Solvency Assessment (ORSA). The medium-term time horizon is currently aligned with the reduction target for real estate directly owned by proprietary insurance asset management (PAM) or, more generally, the current climate policy milestones. The definition of the long-term time horizon goes hand in hand with the transaction decisions for investments with longer time horizons, such as real estate and infrastructure investments, and with current climate policy developments.

Operational ecology

Swiss Life aims to continuously reduce CO₂ emissions per FTE in office buildings for its own use and all activities connected with its operations. This will primarily be achieved through a reduction in travel as well as the shift towards lower-emission mobility and the purchase of sustainably produced electricity. Swiss Life will also fully neutralise the measured, unavoidable CO₂ emissions in connection with its own operations from 2022 onwards and accordingly be net zero in operational ecology.

Further information can be found from page 16 (section “Metrics and Targets”) and in the Sustainability Report at www.swisslife.com/sustainabilityreport (section “Operational Ecology”).

As an asset owner and manager

As an asset owner and manager, sustainability considerations in general and climate change considerations in particular are an integral part of Swiss Life's investment strategy, investment processes and investment product development. It is important to manage the assets entrusted to Swiss Life in a manner that takes into account physical and transition risks and seizes opportunities arising from the transition to a low-carbon and climate-resilient economy. Furthermore, Swiss Life offers its clients investment products and services based on sustainability aspects, such as energy efficiency and environmental protection, taking into account the individual needs and preferences of its clients. These investment products cover equities, bonds, real estate and infrastructure.

In the context of its PAM portfolio – securities, real estate and infrastructure – Swiss Life's ambition is to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development and thus contribute to a central goal of the Paris Climate Agreement. In terms of its weighted average carbon intensity with regard to the PAM securities portfolio, Swiss Life is already well positioned compared to the relevant benchmarks. Swiss Life aims at maintaining this position in the next strategic phase. In its direct area of influence as an asset owner and manager, Swiss Life will further reduce the carbon intensity of its directly held PAM real estate portfolio. Swiss Life is thus pursuing a path towards net zero in its directly held PAM real estate portfolio by 2050.

Furthermore, Swiss Life will continue to pursue its responsible investment approach. This covers approximately 90% of the total assets managed by Swiss Life and, among other things, follows the Principles for Responsible Investment (PRI). The remaining assets under management are investment products, such as mortgages or discretionary mandates. Due to the product structure, the responsible investment approach is not yet applicable to these assets. Swiss Life applies its responsible investment approach not only to proprietary assets but also to third-party assets.

As part of its responsible investment approach, Swiss Life implements climate-related measures, such as:

- Systematic integration of ESG topics into risk and investment management
- Regular review of climate-related issues with a potential impact on investments
- Swiss Life targets investments with an overall low carbon intensity for government and corporate bonds.
- For the directly held PAM real estate portfolio, Swiss Life is targeting a carbon intensity reduction by 2030 that is aligned with a net-zero target by 2050 and thus in line with the Paris Climate Agreement.
- Exclusion criteria are defined for the PAM portfolio, which include a threshold value for coal.
- Parts of the new investments will be actively used to promote climate-friendly technologies, projects and initiatives as part of a green investment programme.
- The infrastructure funds invest among other things in renewable energy investments.
- Third-party clients are also consulted on climate-related risks and opportunities.

Furthermore, Swiss Life considers active ownership, which comprises constructive engagement and the exercise of voting rights, as an integral part of its responsible investment approach. In this context, Swiss Life actively seeks to work with companies and relevant stakeholders to address ESG and specific climate-related challenges while safeguarding its clients' financial interests.

For the prevention of "greenwashing", Swiss Life relies on clear and transparent communication with its stakeholders to address sustainability aspects – and therefore climate-related aspects as well. In the case of products in particular, it is ensured that adequate control mechanisms exist and that definitions are based, where appropriate, on established industry standards. Additionally, Swiss Life observes, among other things, current regulatory requirements and specifications of the European Union.

Further information can be found from page 16 (section "Metrics and Targets"), in the Sustainability Report at www.swisslife.com/sustainabilityreport (section "Sustainability as an Asset Owner and Manager") and in the Responsible Investment Report at www.swisslife-am.com/rireport.

In insurance and advisory

Swiss Life offers its customers a wide range of solutions for their financial security and future provisions. Their term often extends over many years or even decades. Taking sustainability into account in product design and underwriting is therefore crucial.

As a life insurance company and based on the markets in which Swiss Life operates, the climate-related risks in underwriting are considered to be rather low. However, there are investment opportunities for Swiss Life's customer assets.

Swiss Life has products with integrated sustainability aspects in various markets. For example, Swiss Life in Switzerland now offers a digitalised pillar 3a solution based on transparent investment portfolios and geared to consistently sustainable investments. The Investo Green pension insurance, which supports environmental and social features depending on the fund selection made by the customers, can be concluded at Swiss Life Germany in the area of unit-linked life insurance. It is possible to select funds that follow a sustainable approach.

As part of its new sustainability strategy, Swiss Life has set itself the goal of meeting customer demand for sustainable solutions with its own products and solutions and expanding its product range accordingly.

Swiss Life is therefore working on further sustainable insurance, pension and financial products by way of an ongoing product development process and increasingly also opening up digital sales channels for this purpose.

In particular, Swiss Life seeks to ensure that consideration of climate-related risks and opportunities is a growing part of its business development. Swiss Life therefore develops innovative products, taking into account the individual needs and preferences of its clients.

All Group divisions have launched local products with sustainability aspects in recent years. ESG factors are thus also included in the advisory processes for these products and solutions, and Swiss Life stepped up integration of the corresponding sustainability aspects – and therefore also climate-related aspects – in the advisory process and marketing and sales documents in 2021. This way the company is also meeting growing customer expectations. Swiss Life advisors therefore have an important role to play: they support customers in realising their needs and visions of sustainability.

Swiss Life will in future integrate the poll of (potential) customers' individual sustainability preferences directly into its advisory processes and instruments in its divisions within the European Union in accordance with the regulatory requirements. In this way, the company aims to ensure that advisors carry out the appropriate suitability test to identify sustainability preferences and enable (potential) customers to make decisions which are based on a good information basis. With this aim, Swiss Life adheres to regulatory requirements of the European Union. Swiss Life is also preparing the poll of sustainability preferences and their standardised integration into the advisory processes and instruments in Switzerland. Advisors are already being made aware of the identification of corresponding customer needs and are offering sustainable solutions, provided these are already available in the desired product category.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section “Sustainability in Insurance and Advisory”).

Through engagement in networks and associations

Through its engagement in selected networks and associations, such as the Institutional Investors Group on Climate Change, PRI and Climate Action 100+, Swiss Life fosters dialogue and exchange with stakeholders and colleagues from other companies. This exchange enables Swiss Life to better understand the requirements and challenges with regard to climate-related issues, and to address developments by defining its own priorities that are in line with its competencies and areas of influence.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section “Information on Memberships and Standards”).

Risk Management

Climate-related risks pose challenges due to their specific characteristics, such as prolonged time horizons, circular references, unclear impact pathways and variables of climate policy. Financial institutions and supervisory authorities worldwide are currently working on new methodologies and approaches to integrate climate-related risks more adequately into risk processes. Swiss Life fosters dialogue with the parties involved and monitors the developments.

Swiss Life's comprehensive risk management standards

A key pillar of Swiss Life's responsible and sustainable business is its integrated, value-oriented risk management involving both quantitative and qualitative elements. The goal is to protect customers' funds and ensure the best possible investment of risk capital, while complying with regulatory requirements and taking account of the persistently challenging capital market environment.

Risk management is a key component of Swiss Life's management process. The responsible committees of the Corporate Executive Board and the Board of Directors continually monitor and manage risks, and their decisions are then incorporated into the annual planning process. On the one hand they conduct qualitative assessments of strategic risks, as well as evaluating operational risks, the internal control system (ICS) and measures aimed at continually improving information and system security. On the other hand, they also cover quantitative elements, such as risk tolerance of the Swiss Life Group, risk budgeting for the insurance units and Asset Liability Management's investment strategy.

Swiss Life uses structured processes to determine the comprehensive risk profile to deal with risks that could jeopardise strategic target achievement. Swiss Life incorporates all the information on risks and corresponding earnings opportunities in its strategic decisions as part of its strategic risk management process. An understanding of the interplay of individual risks is essential so that the factors which influence risk can already be factored in and properly addressed when strategies are being developed.

Further information can be found in the Annual Report at www.swisslife.com/ar2021 (section "Risk Management").

Identification, assessment and management of sustainability aspects

As part of its Group-wide sustainability strategy, Swiss Life is also integrating sustainability and climate-related aspects into its existing risk management standards for the management of the business. The identification, assessment and adequate management of climate-related risks are embedded in both the qualitative and quantitative elements of Swiss Life's risk management.

On the qualitative side, the identification of climate-related risks is included in the emerging risk process. In addition, the structured processes for determining the comprehensive risk profile include climate-related aspects. Swiss Life assesses physical and transition risks as strategic risks for the business model. Consequently, relevant climate-related aspects are taken into account in business management. In addition, as part of the ORSA, Swiss Life examines scenarios related to climate change, both at Group level and at the level of various divisions.

On the quantitative side, for the identification, assessment and adequate management of climate-related risks and other sustainability aspects of investments, Swiss Life systematically integrates sustainability metrics, such as greenhouse gas emissions and ESG ratings from external data providers. An expansion of the quantitative risk management standards for the systematic identification, assessment and adequate management of climate-related risks on both the asset and liability sides of Swiss Life's balance sheet is currently in development.

Metrics and Targets

Swiss Life works with metrics to assess climate-related risks and opportunities as well as progress towards corresponding targets in order to ensure the future resilience of its business model.

Climate-related metrics and underlying methodologies belong to a relatively young and correspondingly evolving field of research, are often complex and have limited comparability. Moreover, climate-related metrics are based on assumptions and have a correspondingly inherent model risk. In addition, there is currently no broad consensus on the methodology of climate-related metrics which poses another challenge. The quality and availability of the underlying data is limited, which ultimately limits the meaningfulness of the climate-related metrics.

In order to incorporate different perspectives on climate-related matters and gain experience with the metrics and measurement methods, Swiss Life has decided to track a selection of different metrics internally. All relevant areas of the company can thus develop their knowledge around climate-related metrics and measurement methods. In its external reporting, Swiss Life is currently focusing on a subset of internally used climate-related metrics with sufficiently reliable data.

Operational ecology

In 2018, Swiss Life set itself specific quantitative targets in operational ecology for the reduction of CO₂ emissions by the end of 2021. These included:

- An increase in the share of electricity from renewable energy sources at company buildings to 100%
- The continuous reduction of fossil fuels at business premises within its investment cycles
- The reduction of greenhouse gas emissions per FTE by 10% compared to 2016

Swiss Life achieved or exceeded these targets at the end of 2021. All company buildings are supplied with electricity from renewable energy sources and fossil fuels are being used less and less. In addition, Swiss Life has reduced its greenhouse gas emissions per FTE by about 55% from 3311 kg to 1476 kg by the end of 2021 compared to 2016, thereby significantly exceeding its target.

In its Group-wide programme “Swiss Life 2024”, Swiss Life has set itself new goals for operational ecology in the sustainability strategy:

Climate-related targets within the operational ecology of the Swiss Life Group

CO₂ emissions

Swiss Life aims to reduce CO₂ emissions per FTE by a further 35% by the end of 2024 compared to 2019, primarily by reducing business travel as well as making more use of lower emission mobility and procuring electricity from sustainable production. As part of its investment cycles, it also intends to further reduce fossil fuels for the heating of company buildings.

The measured, unavoidable CO₂ emissions from operational ecology for the 2021 reporting year will be fully neutralised in 2022 by certified projects in the core European markets. As a result, Swiss Life’s operational activities will be net-zero from 2022.

In 2021, Swiss Life further standardised its recording of environmental indicators. It re-evaluated the data collection process and summarised it in a Group-wide company manual. In addition, data collection software was introduced to automate the consolidation and extrapolation of data and the calculation of emissions. This has significantly improved the quality and accuracy of data collection and emission calculation. CO₂ emissions are in accordance with the internationally recognised standards of the Greenhouse Gas Protocol Corporate Standard (GHG Protocol Corporate Standard). The CO₂ emissions of all Swiss Life business locations are calculated using emission factors from the Ecoinvent and Ademe scientific databases. The science-based CO₂ equivalents used for the determination include all relevant greenhouse gases:

- Scope 1 emissions comprise fuel consumption for heating buildings and for the company’s own fleet of vehicles.
- Scope 2 emissions comprise consumption of purchased electricity and district heating at the business locations.
- Swiss Life currently records four Scope 3 emissions categories:
 - Category 1 “Goods and services purchased” comprises paper consumption and water procurement at the operating sites. Other purchased services, such as server capacities, which are also relevant for Swiss Life, are not yet included in this category.
 - Category 3 “Energy activities” comprises the upstream processes for the production of the purchased building energy that are not included in Scopes 1 and 2.
 - Category 5 “Waste” comprises emissions resulting from the disposal of waste at the business locations.
 - Category 6 “Business travel” comprises the kilometres employees travel for business by train, car or plane.

The other categories are either not relevant for Swiss Life or the data is not yet available in a satisfactory quality. Category 7 “Employee Commuting” is among the Scope 3 emissions relevant to Swiss Life but not recorded. The categories 13 “Downstream leased assets” and 15 “Investments” are covered from page 21. For these two categories, the weighted average carbon intensity values are reported.

The environmental indicators for 2021 were audited by an independent auditor for the first time.

Due to the comprehensive adjustment of the process for the collection and calculation of environmental data, the historical comparative data for 2019 and 2020 have also changed and therefore been recalculated accordingly. This allowed the data to be adapted retrospectively to current standards and made comparable. It is not possible to compare the adjusted values with the values from previous years’ reports.

The main changes are:

- The CO₂ balance is now calculated in accordance with the standards of the GHG Protocol Corporate Standard – previously the standard of the Association for Environmental Management and Sustainability at Financial Institutions (VfU)
- The emission factors were updated to contemporary values as per the scientific databases Ecoinvent and Ademe
- The structure of the metrics has been further standardised
- The extrapolations have been improved and their share reduced further.

Absolute environmental indicators

Indicator	Unit	2021	2020 ¹	2019 ¹
TOTAL BUILDING ENERGY	kWh	36 127 586	35 045 099	46 836 684
Electricity consumption in buildings	kWh	18 429 450	19 372 119	24 956 283
Proportion of renewable electricity	%	100	89	71
Fuel consumption in buildings	kWh	13 463 628	11 506 046	10 714 614
Fossil fuel consumption	kWh	12 715 301	10 825 272	10 463 726
Renewable energy consumption	kWh	748 327	680 774	250 888
Proportion of renewable fuels	%	6	6	2
Consumption of district heating in buildings	kWh	2 535 065	2 234 785	1 712 738
Extrapolation of entire building energy Group	kWh	1 699 443	1 932 149	9 453 049
TOTAL BUSINESS TRAVEL	km	35 486 181	30 412 731	55 026 785
Rail journeys	km	6 800 421	4 217 275	13 743 024
Car trips own fleet and leased vehicles	km	14 692 678	18 384 380	14 573 114
Car trips in third-party vehicles – rental cars, travel expenses and taxis	km	10 841 792	3 884 740	11 357 627
Air transport	km	2 677 749	2 984 351	10 167 538
Extrapolation of all business travel Group	km	473 540	941 984	5 185 482
TOTAL PAPER CONSUMPTION	kg	664 263	621 906	1 062 370
Proportion of recycled paper	%	19	10	11
Extrapolation of total paper consumption Group	kg	34 242	39 752	194 131
TOTAL WATER CONSUMPTION	m ³	59 655	63 217	99 873
Extrapolation of total water consumption Group	m ³	3 494	3 855	20 676
TOTAL WASTE	kg	585 826	564 268	988 074
Extrapolation of total waste Group	kg	34 493	33 352	193 367
TOTAL LOSS OF COOLANTS AND REFRIGERANTS	kg	25	-	-
TOTAL EMISSIONS	t CO ₂ e	15 080	13 865	22 740
Scope 1 emissions	t CO ₂ e	8 585	9 313	9 844
Scope 2 emissions	t CO ₂ e	516	782	3 492
Scope 3 emissions	t CO ₂ e	5 979	3 770	9 405
Scope 3 emissions Cat. 1 „Purchased goods & services (paper, water)“	t CO ₂ e	592	586	957
Scope 3 emissions Cat. 3 „Energy activities“	t CO ₂ e	1 045	932	1 421
Scope 3 emissions Cat. 5 „Waste“	t CO ₂ e	170	196	343
Scope 3 emissions Cat. 6 „Business travel“	t CO ₂ e	4 172	2 057	6 683

Relative environmental indicators per FTE

Indicator	Unit	2021	2020 ¹	2019 ¹
Number of full-time employees	FTE	10 219	9 824	9 330
Building energy	kWh/FTE	3 535	3 567	5 020
Business travel	km/FTE	3 473	3 096	5 898
Paper consumption	kg/FTE	65	63	114
Water consumption	m ³ /FTE	6	6	11
Waste	kg/FTE	57	57	106
TOTAL EMISSIONS	kg CO ₂ e/FTE	1 476	1 411	2 437
Scope 1 emissions	kg CO ₂ e/FTE	840	948	1 055
Scope 2 emissions	kg CO ₂ e/FTE	51	80	374
Scope 3 emissions	kg CO ₂ e/FTE	585	384	1 008

¹ All values for 2020 and 2019 have been recalculated to enable comparison with 2021.

Swiss Life has achieved its goal of obtaining 100% electricity from renewable energy sources by the end of 2021. By the end of 2024, Swiss Life wants to reduce total emissions per FTE by 35% compared to 2019. At the end of 2021, total emissions per FTE were 39% lower than in 2019, partly due to effects resulting from restrictions during the pandemic.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section “Operational Ecology”).

As an asset owner and manager

Swiss Life is an asset manager for its proprietary insurance companies and for third-party clients such as pension funds, other insurance companies and private investors. The long-term protection of customer funds and the optimal allocation of risk capital are the main objectives. Invested assets must be secure, profitable and liquid in their entirety.

Due to the long-term nature of its insurance liabilities, Swiss Life invests predominantly in fixed-income securities such as government and corporate bonds as well as real estate, equities and infrastructure. Swiss Life systematically integrates ESG aspects into the investment process and risk management for all asset classes. This results in a broader information base and more balanced risk cover.

Swiss Life’s responsible investment approach encompasses all three dimensions of the ESG spectrum. In the context of Swiss Life’s climate-related disclosure, a special focus is placed on climate and therefore environmental considerations. Analysing and understanding climate-related metrics are considered essential for Swiss Life to assess and adequately manage climate-related risks and opportunities within the investment portfolio.

Swiss Life regularly sources climate-related metrics from the independent providers MSCI ESG Research LLC, Germanwatch and the Energy and Climate Intelligence Unit (ECIU), comprising of both backward- and forward-looking metrics based on scenario analysis. In order to more easily assess its understanding of climate-related risks, Swiss Life has been participating in the Paris Agreement Capital Transition Assessment (PACTA) since 2017. This has been organised by the Swiss Federal Office for the Environment (FOEN) and the 2° Investing Initiative. Swiss Life is gradually continuing the integration of the climate scenario metrics and the further application of various transition scenarios. The disclosed figures on greenhouse gas emissions correspond to the internationally recognised standards of the GHG Protocol Corporate Standard.

Carbon intensity

Climate-related portfolio ambitions of the Swiss Life Group

Paris Climate Agreement

In the context of its PAM portfolio – securities, real estate and infrastructure – Swiss Life’s ambition is to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development and thus contribute to a central goal of the Paris Climate Agreement.

In addition to other metrics in the context of the PAM securities and real estate portfolios, Swiss Life works with the carbon intensity. The carbon intensity is an indicator of greenhouse gas efficiency. For government bonds, the metric reflects greenhouse gas emissions in relation to nominal gross domestic product (GDP) and for corporate bonds and equities, the metric reflects greenhouse gas emissions in relation to sales. For real estate, the metric reflects greenhouse gas emissions in relation to floor area.

In the context of greenhouse gas accounting following the GHG Protocol Corporate Standard, the carbon footprint of Swiss Life’s PAM securities and real estate portfolios corresponds to a subset of Swiss Life’s Scope 3 emissions: It correspond to categories 13 “Downstream leased assets” and 15 “Investments”.

Weighted average carbon intensity of the Swiss Life Group’s PAM securities portfolio¹ as at 31 December 2021

Asset class	Unit	2021 ²
Government bonds	t CO ₂ e/USD million GDP nominal	188
Corporate bonds	t CO ₂ e/USD million sales	148
Equities	t CO ₂ e/USD million sales	142

¹ In the context of the TCFD Report, government bonds only comprise bonds issued by nation states. Corporate bonds also include covered bonds as well as bonds issued by state-affiliated companies and supranationals. This deviation from other financial publications is due to the calculation logic underlying the carbon intensity. The slightly refined methodology does not lead to significant changes in the weighted average carbon intensity values.

² The weighted average carbon intensity values correspond to more than 90% of the amortised costs of the analysed PAM government bond portfolio, more than 90% of the amortised costs of the analysed PAM corporate bond portfolio and more than 90% of the market value of the analysed PAM equity portfolio of the Swiss Life Group. © 2022 MSCI ESG Research LLC. Reproduced by permission. Data from MSCI ESG Research LLC is as at 31 December 2021.

The weighted average carbon intensity values of both Swiss Life’s PAM government bond portfolio and Swiss Life’s PAM corporate bond portfolio have remained at their prior-year level. The weighted average carbon intensity of Swiss Life’s PAM government bond portfolio reflects the strong presence of domestic markets.³ In addition, 100% of Swiss Life’s PAM government bond portfolio is invested in countries which have ratified the Paris Climate Agreement. The weighted average carbon intensity of Swiss Life’s PAM corporate bond portfolio reflects the strong presence of service-related industry sectors.⁴ Since partially replicating equity index strategies are pursued for the PAM equity portfolio, the weighted average carbon intensity of the PAM equity portfolio is not affected by targeted over- and underweighting based on selected characteristics. Swiss Life’s PAM securities portfolio currently has a lower overall weighted average carbon intensity than relevant benchmarks.

³ As an example, Switzerland has a lower carbon intensity than many other countries.

⁴ On average, service-related industry sectors have a lower carbon intensity than other industry sectors.

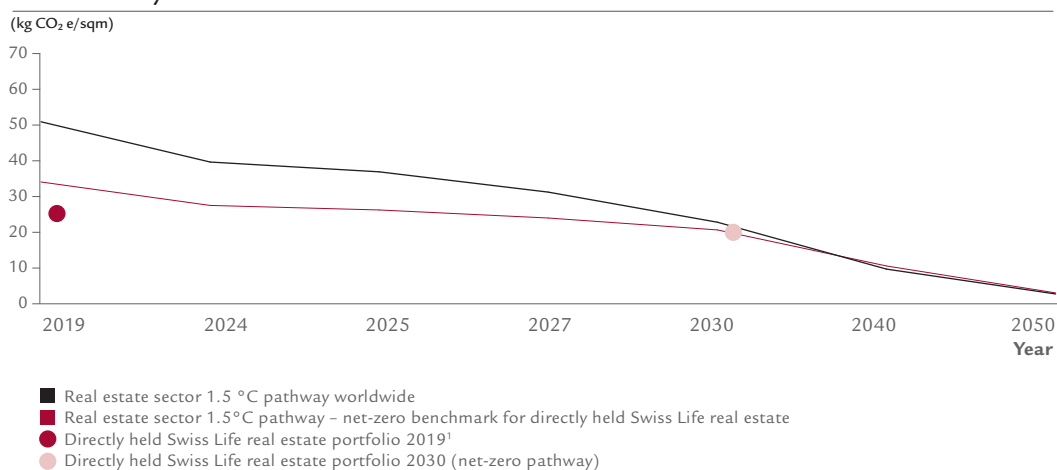
Among other criteria, Swiss Life aims at bond investments in countries and companies with a low overall carbon intensity. However, as an investor, Swiss Life cannot directly control the carbon intensity of the issuers.

Swiss Life can directly influence the carbon intensity of the directly held PAM real estate portfolio. Real estate is a major contributor to global CO₂ emissions and at the same time exposed to climate-related risks. As one of Europe's leading real estate investors and owner of Switzerland's largest private real estate portfolio, Swiss Life is aware of its responsibility concerning the transition to a low-carbon economy.

In 2021, Swiss Life elaborated a reduction target for the carbon intensity of its directly held PAM real estate portfolio. The reduction target is based on current best practices and is in line with the goals of the Paris Climate Agreement.

Swiss Life has set itself the target of reducing the carbon intensity of its directly held PAM real estate portfolio by 20% by 2030 compared to 2019. A total of around CHF 2 billion will be invested over this period in order to achieve this goal. The measures include, among other things, the implementation of energy efficiency and CO₂ efficiency measures and the switch from fossil to non-fossil energy sources. To monitor the achievement of these objectives, Swiss Life also introduced a specially developed cockpit which it integrated into its existing IT systems.

Carbon intensity



¹The carbon intensity corresponds to 63% of the floor area of the PAM real estate portfolio directly owned by Swiss Life. The greenhouse gas emissions of office buildings used by the company are included in operational ecology and are excluded from the calculation of the starting point.

With a carbon intensity of 26 kg CO₂ equivalents per square metre floor area, the starting point for 2019 is already well below the global net-zero target of the real estate sector. This starting point is also below the net-zero scenario benchmark of Swiss Life, which reflects the specific composition of the directly held PAM real estate portfolio of Swiss Life in terms of geography and investment type. With the further reduction by 2030, Swiss Life is aiming for a carbon intensity of 20 kg per square metre floor area.

Coal-related topics

Climate-related portfolio ambitions of the Swiss Life Group

Thresholds for coal

Swiss Life has adopted a thermal coal phase-out strategy for its PAM corporate bond portfolio by refraining from new investments in companies that derive more than 10% of revenues from mining, extracting and selling thermal coal to external parties.

Swiss Life has set a coal threshold for infrastructure equity investments within the Global Infrastructure Opportunities III (GIO III) fund: Swiss Life refrains from investing in companies or projects with a coal valuation contribution exceeding 10%, meaning the present value of cash flows generated from extracting, selling and trading coal or generating electricity and heat from coal must be below 10% of the company's or project's valuation.

The thresholds for coal comprise the areas in which Swiss Life can make corresponding investments.

A thermal coal phase-out strategy for Swiss Life's PAM corporate bond portfolio has been formalised in order to contribute to the transition towards a more sustainable and low-carbon economy and avoid the risk of stranded assets. In the course of 2020, Swiss Life's exposure to companies that derive 10% or more of their revenues from mining, extracting or selling thermal coal to external parties was reduced to 0%. As at the end of 2021, this position remains unchanged at 0%. Swiss Life also does not hold any items in its PAM equity portfolio that exceed this threshold. As Swiss Life pursues a partially passive investment strategy for equities, some exemptions may be necessary in future.

For the infrastructure equity investments within the GIO III fund, Swiss Life has set a coal threshold covering both thermal and coking coal. As at the end of 2021, the exposure of infrastructure equity investments within the scope of Swiss Life's infrastructure funds¹ to companies or projects with a valuation contribution of 10% or more from extracting, selling and trading coal or generating electricity and heat from coal was 0%. The exposure at the end of 2021 with respect to the same threshold was also 0% for investments within Swiss Life's PAM infrastructure equity portfolio.

¹ These comprise the GIO Growth, GIO I, GIO II, GIO III and GIO III Co-Invest funds.

Green bonds

Climate-related portfolio ambitions of the Swiss Life Group

Green investment programme

Swiss Life aims to ensure that parts of its new investments within its PAM portfolio are actively used to promote climate-friendly technologies, projects and initiatives and has launched a green investment programme with the aim of increasing investments in green bonds to CHF 2 billion by the end of 2023.

Green bond programme

Metric	2021	2020	2019
Participation in green bonds (in CHF million)	1 216	541	150

For securities, Swiss Life has launched a programme for green investments in line with the “Green Bond Principles” of the International Capital Market Association (ICMA). Green bonds aim to address sustainability matters such as renewable energy, the prevention and reduction of the environmental impact as well as circular economy. From the start of the green investment programme until the end of 2021, Swiss Life has invested CHF 1.2 billion within the scope of the PAM portfolio. Within its PAM portfolio, Swiss Life more than tripled investments in green bonds in 2020, further doubling them in 2021.

In addition to its green investment programme, which comprises investments in green bonds, Swiss Life has also been issuing green bonds since 2019. The green bonds issued by Swiss Life are used to finance assets and investments that meet selected criteria. These criteria are set out in Swiss Life’s “Green Bond Framework”, which is in line with both the ICMA’s “Green Bond Principles” and Swiss Life’s responsible investment approach. As at the end of 2021, Swiss Life had CHF 400 million and EUR 600 million outstanding in green bonds.

Renewable energy

Climate-related portfolio ambitions of the Swiss Life Group

Renewable energy as an opportunity

Swiss Life wishes to seize the opportunities arising from the transition to a low-carbon and climate-resilient economy. It is therefore ensuring that its infrastructure funds include investments in renewable energy.

The infrastructure funds managed by Swiss Life Asset Managers hold several renewable energy infrastructure real assets as direct investments. At the end of the year under review, 18% of the infrastructure portfolio of Swiss Life Asset Managers was invested in renewable energy facilities. In total, these facilities produce renewable energy for the equivalent of approximately 500 000 households. Swiss Life's infrastructure investments thus contribute to achieving the goals of the Paris Climate Agreement.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section "Sustainability as an Asset Owner and Manager") and in the Responsible Investment Report at www.swisslife-am.com/rireport.

In insurance and advisory

Swiss Life aims to integrate climate-related aspects – in addition to other aspects – into its insurance business. Swiss Life's products are strongly linked to the underlying investments and capital flows. Therefore, the analysis of climate-related risks and opportunities concerning corresponding investments provides valuable insights.

Swiss Life's insurance business focuses on life insurance. Therefore in general, Swiss Life faces less exposure to climate-related risks in underwriting than reinsurance companies or property and casualty insurance companies.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section "Sustainability in Insurance and Advisory").

Through our engagement in networks and associations

Through its engagement in selected networks and associations, Swiss Life fosters dialogue and exchange with stakeholders and colleagues from other companies. This interaction may include discussions about climate-related metrics and targets.

Further information can be found in the Sustainability Report at www.swisslife.com/sustainabilityreport (section "Information on Memberships and Standards").

Metrics of Relevant Individual Companies

Information on climate-related financial risks for Swiss Life Ltd

Swiss Life Ltd comprises the insurance business in Switzerland and the branch office in Germany.

The governance, strategy and targets of Swiss Life Ltd with regard to climate change correspond to those at Group level. The risk management of Swiss Life Ltd corresponds to the risk management at Group level, also with regard to climate-related risks. As Swiss Life Ltd forms the core component of the Swiss Life Group, the risk profile of Swiss Life Ltd largely corresponds to the risk profile at Group level.

The quantitative information on climate-related financial risks with regard to the PAM securities portfolio of Swiss Life Ltd differs only marginally from the information at Group level. Please refer to explanations at Group level from page 16 (section “Metrics and Targets”) for background information.

Weighted average carbon intensity of the Swiss Life Ltd’s PAM securities portfolio¹ as at 31 December 2021

Asset class	Unit	2021 ²
Government bonds	t CO ₂ e/USD million GDP nominal	181
Corporate bonds	t CO ₂ e/USD million sales	150
Equities	t CO ₂ e/USD million sales	142

¹ In the context of the TCFD Report, government bonds only comprise bonds issued by nation states. Corporate bonds also include covered bonds as well as bonds issued by state-affiliated companies and supranationals. This deviation from other financial publications is due to the calculation logic underlying the carbon intensity.

² The weighted average carbon intensity values correspond to more than 90% of the amortised costs of the analysed PAM government bond portfolio, more than 90% of the amortised costs of the analysed PAM corporate bond portfolio and more than 90% of the market value of the analysed PAM equity portfolio of Swiss Life Ltd. © 2022 MSCI ESG Research LLC. Reproduced by permission. Data from MSCI ESG Research LLC is as at 31 December 2021.

Swiss Life Ltd contributes to the reduction target for the carbon intensity of the directly held PAM real estate portfolio of the Swiss Life Group. The starting point for Swiss Life Ltd in 2019 was 25 kg CO₂ equivalents per square metre floor area.³ For information concerning the resources, measures and cockpit for monitoring target achievement, please refer to explanations at Group level from page 16 (section “Metrics and Targets”).

³ Swiss Life Ltd’s starting point corresponds to 62% of the floor area of the PAM real estate portfolio directly owned by Swiss Life Ltd. The greenhouse gas emissions of office buildings used by the company are included in operational ecology and are excluded from the calculation of the starting point.

Independent Limited Assurance Report

Independent Limited Assurance Report

on Selected Indicators in the TCFD Report 2021 to the Management of Swiss Life Holding AG

Zurich

We have been engaged by Management to perform assurance procedures to provide limited assurance on Selected Indicators in the TCFD Report 2021 of Swiss Life Holding AG and its consolidated subsidiaries ('Swiss Life') for the year ended 31 December 2021.

Scope and subject matter

The following indicators in the TCFD Report 2021 were subject to our engagement ('Selected Indicators'):

- The environmental indicators for the year 2021 in the table on page 19 in the chapter Metrics and Targets.
- The weighted average carbon intensity of the PAM securities portfolio on page 21 in the chapter Metrics and Targets as well as on page 26 in the chapter Metrics of Relevant Individual Companies.
- The Carbon intensity 2019 of the directly held real estate portfolio on pages 22 and 23 in the chapter Metrics and Targets as well as on page 26 in the chapter Metrics of Relevant Individual Companies.

We do not comment on, nor conclude on, any comparative prior year figures or any prospective information.

Criteria

The Selected Indicators in the TCFD Report 2021 were prepared by the Management of Swiss Life based on the following Criteria:

- The environmental indicators are based on the GHG-Protocol Corporate Standard and its specific application as described on pages 17 and 18 in the chapter Metrics and Targets of the TCFD Report 2021.
- The weighted average carbon intensity of the PAM securities portfolio according to the Glossary in the Appendix of the TCFD Report 2021.
- The Carbon intensity 2019 of the directly held real estate portfolio according to the Glossary in the Appendix of the TCFD Report 2021.

Inherent limitations

The accuracy and completeness of the Selected Indicators in the TCFD Report 2021 are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data and non-exhaustive related definitions. Our assurance report should therefore be read in connection with the Criteria. Further, the greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Management's responsibility

The Management of Swiss Life Holding AG is responsible for the Criteria and its selection as well as for the preparation and presentation of the Selected Indicators in the TCFD Report 2021 in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of such internal control as determined necessary to enable the preparation of the Selected Indicators in the TCFD Report 2021 that are free from material misstatement, whether due to fraud or error as well as adequate record keeping and overall responsibility for the TCFD Report 2021.

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, CH-8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, Telefax: +41 58 792 44 10, www.pwc.ch

PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

Independence and quality control

We are independent of Swiss Life in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform an assurance engagement and to express a limited assurance conclusion on the Selected Indicators in the TCFD Report 2021. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information", and with ISAE 3410, "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Selected Indicators in the TCFD Report 2021 were prepared, in all material aspects, in accordance with the Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Summary of the work performed

Our limited assurance procedures included, but were not limited to the following work:

- Inquiries of the relevant stakeholders for the Selected Indicators in the TCFD Report 2021
- Inspection of relevant documents
- Sample based testing of underlying data
- Reconciliation of data sources with financial reporting data and other underlying records
- Reperformance of relevant calculations
- Analytical procedures

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Conclusion

Based on the procedures we performed, and evidence obtained, nothing has come to our attention that causes us to believe that the Selected Indicators in the TCFD Report 2021 of Swiss Life are not prepared, in all material respects, in accordance with the Criteria.

Restriction of use and purpose of the report

This report is prepared for, and only for, the Management of Swiss Life Holding AG, and solely for the purpose of reporting to them on Selected indicators in the TCFD Report 2021 and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.



We permit the distribution of our report, in full only, together with TCFD Report 2021 to enable the Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the Selected Indicators in the TCFD Report 2021 of Swiss Life without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of Swiss Life Holding AG for our work or this report.

PricewaterhouseCoopers AG

Peter Eberli

Carlos Arias

Zurich, 14 March 2022

The maintenance and integrity of Swiss Life's website is the responsibility of the Management; the work carried out by us does not involve consideration of the maintenance and integrity of Swiss Life's website, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Indicators in the TCFD Report 2021 or the Criteria since they were initially presented on Swiss Life's website.



Appendix

Glossary

Greenhouse gas emissions

The GHG Protocol Corporate Standard divides a company's greenhouse gas emissions into three "scopes". Scope 1 emissions are direct emissions from own or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including upstream and downstream emissions.

In addition, the GHG Protocol Corporate Standard specifies the greenhouse gases to be taken into account. These include the gases regulated in the Kyoto Protocol.

Further information can be found at www.ghgprotocol.org/corporate-standard.

Carbon intensity

In order to compare greenhouse gas emissions among issuers and real estate, differences between issuers and real estate assets have to be taken into account, i.e. greenhouse gas emissions have to be normalised. For countries, companies and real estate, one approach is to consider greenhouse gas emissions in relation to a country's nominal GDP, a company's sales and a real estate asset's floor area, respectively. The resulting metric is called carbon intensity.

MSCI ESG Research LLC defines the carbon intensity for countries regarding production-based greenhouse gas emissions as follows. These include greenhouse gases as defined by the GHG Protocol Corporate Standard.

$$\text{Carbon intensity government} = \frac{\text{Greenhouse gas emissions [t CO}_2\text{e]}}{\text{Nominal GDP [USD million]}}$$

MSCI ESG Research LLC defines the carbon intensity for companies regarding Scope 1 and 2 emissions as follows. These include greenhouse gases as defined by the GHG Protocol Corporate Standard.

$$\text{Carbon intensity corporate} = \frac{\text{Greenhouse gas emissions [t CO}_2\text{e]}}{\text{Sales [USD million]}}$$

The definition of the carbon intensity for real estate applied by Swiss Life comprises greenhouse gas emissions resulting from the energy consumption to operate the real estate assets. In principle, greenhouse gas emissions are based on consumption data and emission factors that correspond with the methodological principles of the GHG Protocol Corporate Standard.

Fluctuations in consumption data can arise based on real estate characteristics, for example due to temporary vacancies (e.g. renovations or conversions). The manual entry of consumption data for real estate in Switzerland results in a time lag. In order to take due account of these interrelated factors, Swiss Life considers consumption data for real estate in Switzerland for the past three years and calculates the annual average values on that basis. For the remaining directly owned PAM real estate portfolio, consumption data is read via automatic metering systems, so that calculation of an average value is dispensed with or the real estate assets are excluded from the analysis.

There is no or only incomplete data (excluding tenant electricity) for some real estate assets. These assets are excluded from the calculation. As a result, the real estate in Germany, for example, is not included. In addition, Swiss Life estimates the greenhouse gas emissions resulting from tenant electricity for a large proportion of its real estate assets. Swiss Life in Switzerland bases its assessment on estimates provided by the Swiss Society of Engineers and Architects (SIA). For the remaining directly owned PAM real estate portfolio, tenant electricity data is available or the real estate assets are excluded from the analysis.

Swiss Life aligns the normalisation of the greenhouse gas emissions (calculation of carbon intensity) of real estate with the scenario assumptions of the Carbon Risk Real Estate Monitor (CRREM) tool and uses the floor area for this purpose.

$$\text{Carbon intensity real estate} = \frac{\text{Greenhouse gas emissions [kg CO}_2\text{e]}}{\text{Floor area [m}^2\text{]}}$$

Weighted average carbon intensity

In order to aggregate the carbon intensity of issuers and real estate at portfolio level, Swiss Life works with the weighted average carbon intensity. The weights w_i correspond to the portfolio weights based on amortised costs for government and corporate bonds, the portfolio weights based on market values for equities and the portfolio weights based on floor areas for real estate.

$$\text{Weighted average carbon intensity} = \sum_i w_i \cdot (\text{carbon intensity})_i$$

Scenario assumptions

Swiss Life's reduction target for the carbon intensity of its directly held PAM real estate portfolio is based on current best practices and is in line with the goals of the Paris Climate Agreement. Based on the target of the "Net Zero Emissions by 2050" (NZE) scenario of the International Energy Agency, it builds on the CRREM tool, which is based on the "1.5°C Friends of the Earth" (1.5FotE) scenario.

Further information can be found at www.crrem.eu.

List of abbreviations

CIO	Chief Investment Officer
CO	Code of Obligations
CO ₂ e	Carbon dioxide equivalent
CRREM	Carbon Risk Real Estate Monitor
ECIU	Energy and Climate Intelligence Unit
ESG	Environment, Social, Corporate Governance
FOEN	Swiss Federal Office for the Environment
FTE	Full-time equivalent
GDP	Gross domestic product
GHG Protocol	Greenhouse Gas Protocol
GIO	Global Infrastructure Opportunities
GPS	Group Performance System
ICMA	International Capital Market Association
ICS	Internal control system
NZE	Net Zero Emissions by 2050
ORSA	Own Risk and Solvency Assessment
PACTA	Paris Agreement Capital Transition Assessment
PAM	Proprietary Insurance Asset Management
SIA	Swiss Society of Engineers and Architects
VfU	Association for Environmental Management and Sustainability at Financial Institutions
1.5FotE	1.5 degrees Celsius Friends of the Earth

Miscellaneous

Although Swiss Life Holding Ltd's information providers, including MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information ("Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein and they expressly disclaim all explicit or implicit warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for internal purposes, may not be reproduced or disseminated in any form and may not be used as a basis for or component of any financial instruments, products or indices. Furthermore, none of the Information may be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall be liable for any errors or omissions in connection with the data contained herein or for any direct, indirect, special, punitive, consequential or other damages (including lost profits), even if notified of the possibility of such damages.

Contacts

Swiss Life
 General-Guisan-Quai 40
 P.O. Box 2831
 CH-8022 Zurich
 Tel. +41 43 284 33 11
 www.swisslife.com

Investor Relations
 Tel. +41 43 284 52 76
 investor.relations@swisslife.ch

Shareholder Services
 Tel. +41 43 284 61 10
 shareholder.services@swisslife.ch

Media Relations
 Tel. +41 43 284 77 77
 media.relations@swisslife.ch

TCFD Report 2021

Swiss Life's TCFD Report is published in German and English and contains information on climate-related aspects in corporate governance, climate strategy, risk management as well as metrics and targets.

The German text is binding in all respects.

The TCFD Report can be found online at: www.swisslife.com/tcfid-report

Publishing details

Publisher — Swiss Life Holding Ltd, Zurich

Editorial responsibility — Swiss Life, Group Risk and Group Sustainability, Zurich

Production — Management Digital Data AG, Lenzburg

© Swiss Life Holding Ltd, 2022

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document may contain projections or other forward-looking statements related to Swiss Life that are subject to known and unknown risks, uncertainties and other important factors. The reader should be aware that these statements are only projections which could differ materially from the actual results, financial situation, development, performance or expectations and that therefore no undue reliance should be placed on such forward-looking statements. Neither Swiss Life nor any of its directors, officers, employees or advisors, nor any other person connected or otherwise associated with Swiss Life, makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this document. Neither Swiss Life nor any of its directors, officers, employees or advisors, nor any other person connected or otherwise associated with Swiss Life, shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this document. All forward-looking statements are based on the data available to Swiss Life at the time the present document was compiled. Unless otherwise required by applicable law, Swiss Life assumes no responsibility to publicly update or alter its forward-looking statements or to adapt them, whether as a result of new information, future events or developments or any other reason.

There may be minor discrepancies in total figures and percentages in this report due to rounding effects.



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

*Swiss Life
General-Guisan-Quai 40
P.O. Box 2831
CH-8022 Zurich*

*Tel. +41 43 284 33 11
www.swisslife.com*