

The Rentenanstalt (1857) and life insurance — overview and summary

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On the General-Guisan-Quai, a few hundred metres from the point where the Bahnhofstrasse meets the lake, stands the head office of Swiss Life, the largest life insurer in Switzerland. The address printed on its statutory accounts for 2025 is General-Guisan-Quai 40 in Zurich.¹ The company that works from this building was founded in 1857 as the Schweizerische Rentenanstalt, the first life insurance company established under Swiss law. For almost one hundred and fifty years it carried that name, which recalls the annuities (Renten) that were meant to be its first line of business, before the group adopted the brand Swiss Life. Its history is, to a large extent, the history of Swiss life insurance itself, because the Rentenanstalt created the domestic market in a country whose citizens had until then bought life cover from French, German and British companies.

The significance of this institution for the financial centre of today lies in three places. The first is the balance sheet. Life insurers hold long-dated liabilities towards millions of policyholders and invest the corresponding assets in bonds, mortgages, real estate and equities, which makes them among the largest institutional investors in the Swiss capital market. The second is the pension system. Since the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) entered into force in 1985, the Swiss life insurers have carried a considerable part of the second pillar for small and medium-sized enterprises, and Swiss Life leads that business. The third is private wealth planning. Swiss insurance contract law gives the life insurance policy a set of legal features, above all the beneficiary clause and the protection of the claim against creditors, that make it a recognised instrument for families, entrepreneurs and their advisers. The practitioner in Zurich who structures an estate, advises a pension fund or evaluates an insurance group therefore works with rules and institutions whose roots reach back to the 1850s.

This chapter follows the Rentenanstalt from its antecedents to the figures published for the 2025 financial year. It begins with life insurance in Switzerland before 1857, the foreign companies that sold policies there and the actuarial science on which the business rested. It then describes the foundation of the Rentenanstalt by Conrad Widmer with the guarantee of the Schweizerische Kreditanstalt, its mutual structure and the principle of surplus participation. The growth of the company to 1914, its expansion into Germany, the losses of the war and the inflation years and the interwar period follow. A section on the wider Swiss market introduces the other life insurers, from La Suisse and the Basler Leben to Winterthur Leben and Vita. The occupational pension era after 1985, with its full-insurance model, the minimum distribution ratio and the recurring debates about the BVG minimum interest rate, leads to the transformation of the Rentenanstalt into a listed company in 1997, the crisis of 2002, the adoption of the Swiss Life brand, the sale of Banca del Gottardo and the acquisition of the German financial distributor AWD. A final part turns to the lawyer's perspective and examines the life insurance policy as an instrument of private wealth planning under the Insurance Contract Act (VVG), revised with effect from 1 January 2022. Supervisory law is treated in Chapter E.IV, and insurance wrappers and pension structures in Chapter E.V.

1 Notes

1. Swiss Life AG, Geschäftsbericht 2025, https://www.swisslife.com/content/dam/com_rel/dokumente/fy_results/fy_2025_publish_24_april/Swiss_Life_Full-year_results_2025_Gesch%C3%A4ftsbericht_Swiss_Life_AG_DE.pdf. The report gives the registered address of Swiss Life AG as General-Guisan-Quai 40, 8022 Zurich. ↩

2 Conclusion

The Rentenanstalt was founded in 1857 because the Swiss market for life insurance was served from abroad and because the new Zurich of Alfred Escher wanted domestic institutions for domestic savings. Conrad Widmer, a Thurgau lawyer and former prison director, carried out the project that the cantonal government had initiated, and the Kreditanstalt made it possible by guaranteeing an institution that began without capital. The company adopted the mutual form, calculated its premiums with prudence and returned its surpluses to its members. Within three decades it had outgrown the guarantee of its founding bank and registered as a cooperative under the new Code of Obligations.

The expansion to Germany from 1866 made the Rentenanstalt an international insurer and exposed it to the German inflation, which destroyed the value of thousands of mark policies. The Swiss-franc policies of the 1920s turned that catastrophe into an opportunity, and the German business continued through the National Socialist period, with the moral questions that the Bergier Commission later examined. At home, collective insurance became the company's central business, first through voluntary group contracts and after 1985 under the BVG. The full-insurance model, the minimum interest rate and the minimum distribution ratio of 2004 define the terms on which Swiss Life and its competitors carry the second pillar today.

The conversion of 1997 opened the company to the capital market and to an expansion that nearly ended in collapse in 2002. The LTS affair and the “Rentenklausur” debate damaged its reputation, and the recovery under a new management led to the Swiss Life brand, the sale of Banca del Gottardo and the acquisition of AWD. In 2025 Swiss Life reported an operating profit of 1.83 billion francs and held about two-fifths of the Swiss life insurance market. For the lawyer, the Insurance Contract Act of 1908, revised in 2022, gives the life policy the beneficiary clause, the creditor protection and the valuation rules that make it an instrument of private wealth planning.

3 In five sentences

1. The Rentenanstalt, founded in Zurich in 1857 by Conrad Widmer on the initiative of the cantonal government and with the guarantee of the Kreditanstalt, was the first Swiss life insurer and created a domestic market that foreign companies had served until then.
2. As a mutual, and from the 1880s a cooperative owned by its policyholders, it combined cautious premiums with the return of surpluses, a principle that survives in the information duties of the VVG and the ninety per cent minimum distribution ratio in the second pillar.
3. Its German business, begun in 1866, suffered heavy losses in the inflation of the early 1920s before the Swiss-franc policy made the Swiss insurers leaders in foreign-currency life insurance between the wars.
4. Collective insurance, from the Zurich schoolteachers of 1858 to the full-insurance model under the BVG of 1985, made the company the leading provider of occupational pensions for small and medium-sized enterprises, a position that Swiss Life still holds with about forty per cent of the Swiss life market.

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5. After its conversion into a listed company in 1997, the crisis of 2002 and its reinvention as Swiss Life, the company remains a pillar of Zurich's insurance cluster, while the VVG's rules on beneficiaries, creditor protection and surrender values make the Swiss life policy a recognised instrument of private wealth planning.

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