Swiss Re – Leading Global Re/Insurer
Swiss Re equity story – risk knowledge company that invests in risk pools

A truly global reinsurer¹...

...strongly diversified²

Profitable long-term growth opportunities
- Reinsurance market growth of 4-5%³ p.a.
- No 1 reinsurer in High Growth Markets
- Life Capital open book 2015-19 GPW CAGR of 30%
- Corporate Solutions focusing on restoring profitability

Financial strength and defensive profile
- Group SST ratio of 232%⁴, well above target level of 220%
- Capital strength remains resilient to market movements
- AA- S&P credit rating, A.M. Best A+
- Strong diversification benefit
- Low investment risk⁵

Sector-leading capital management
- Net solvency capital generation of USD 1.8bn⁶
- Capital repatriation CAGR of 10% over 2012-2019
- Disciplined M&A strategy and organic deployment
- Share buybacks of USD 4.1bn executed since FY 2015

¹ 2019 net premiums earned by region, incl. fee income
² 2019 Economic Net Worth by segment, excl. Group items
³ 10-year outlook: 5% for P&C reinsurance and 4% for L&H reinsurance; source: Swiss Re Institute 2019
⁴ As of 1/2020
⁵ 92% of credit bonds are investment grade rated
⁶ Average 2015-2020

Group financial targets
over-the-cycle

- RoE ≥ risk free +700bps
- ENW⁷ per share growth +10% p.a.
Overview and Group Strategy
Swiss Re Group at a glance

Swiss Re is a leading and highly diversified global re/insurer, founded in Zurich (Switzerland) in 1863

- Swiss Re Group’s Swiss Solvency Test Ratio for 2020 is 232%\(^1\)
- Financial strength\(^2\) of the Swiss Re Group is currently rated: Standard & Poor’s: AA- (stable); Moody’s Aa3 (stable); A.M. Best: A+ (stable)
- AAA sustainability rating from MSCI (July 2019)

<table>
<thead>
<tr>
<th>Reinsurance</th>
<th>Corporate Solutions</th>
<th>Life Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offers traditional reinsurance products, insurance-based capital market instruments and risk management services globally through two segments – Property &amp; Casualty and Life &amp; Health</td>
<td>Commercial insurance arm of the Group and provides risk transfer solutions to large and mid-sized corporations around the world</td>
<td>Manages life and health insurance books, providing alternative access to the life and health risk pool, helping to generate stable returns</td>
</tr>
</tbody>
</table>

\(^1\) As of 1/2020
\(^2\) As of 4 April 2020
Based on three differentiation drivers, we have built leading insurance businesses

**Reinsurance**
Foundation of our strength with increasing earnings power

**Corporate Solutions**
Returning to profitability and focused on competitive advantages

**Life Capital**
Transitioning to a digital B2B2C player

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**Client Access**

**Risk Knowledge**

**Capital Strength**
Our client access capabilities are unique

We maintain strong direct relationships with our reinsurance clients...

...while also partnering with non-insurance players for innovative B2C insurance propositions

Swiss Re employees

Client employees

Illustrative – Global client

L&H Re >90%
P&C Re >50%
of premiums from non-intermediated business

Swiss Re units

Partner industries

Current discussions with >100 non-insurance partners

Swiss Re is a trusted partner for insurance and non-insurance companies
We operate a truly global and diversified Group

<table>
<thead>
<tr>
<th>Regions</th>
<th>Premiums per country</th>
<th>Americas</th>
<th>EMEA</th>
<th>Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>EVM¹</td>
<td>USD 22bn</td>
<td>USD 18bn</td>
<td>USD 21bn</td>
<td>USD 14bn</td>
</tr>
<tr>
<td>US GAAP²</td>
<td></td>
<td></td>
<td>USD 12bn</td>
<td>USD 8bn</td>
</tr>
</tbody>
</table>

»We make the world more resilient«

- >150 countries
- >100,000 P&C clients supported
- >175 million family members supported through L&H Re

Swiss Re’s global access to risks and diversified earnings generation is exceptional in the insurance industry

¹ EVM premiums and fees, FY 2019
² US GAAP net premiums earned (including fee income from policyholders), FY 2019
Swiss Re’s strong economic earnings track record 2015-2019

EVM profit
new business
USD 419m
avg 2015 - 2019

EVM profit
previous years’ business
USD -582m
avg 2015 - 2019

EVM profit
investments
USD 396m
avg 2015 - 2019

EVM profit
Economic value is created if total economic return generated for shareholders is above expected total return for taking risk (capital costs)
USD 232m
avg 2015 - 2019

Capital cost release, debt costs and tax
Includes base cost of capital (risk-free return and market risk premium) and frictional capital costs
USD 2,742m
avg 2015 - 2019

Total contribution to ENW
Represents total economic return generated for shareholders (economic earnings) and is the key element of gross excess capital generation
USD 2,974m
avg 2015 - 2019

Total contribution to ENW forms the basis for Swiss Re’s attractive capital management actions
Swiss Re’s total shareholder return is best tracked by ENW developments

EVM results represent the market relevant information aligned with total return to shareholders

1 Reflects share price development and dividends paid in USD; indexed at year-end 2005 and shown on a cumulative basis to 28 February 2020
2 Calculated as: (current-year closing ENW per share + current-year dividends per share) / (prior-year closing ENW per share + current-year opening balance sheet adjustments per share); shown on a cumulative basis and indexed from 31 December 2005
Swiss Re’s capital repatriation remains peer-leading

Dividends and share buyback per share (CHF, CAGR in %)

In light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched. The 0.60 CHF per share for 2020 reflects the last portion of the 2019/2020 share buyback completed in February 2020.

Swiss Re maintained its very strong capital position and is well positioned to respond to market opportunities while continuing to focus on its capital management priorities.

1 In light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched. The 0.60 CHF per share for 2020 reflects the last portion of the 2019/2020 share buyback completed in February 2020.
Value creation with increasing book value and paid dividends

Book value per share and accumulated paid dividends (CHF, CAGR in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>Book value per share</th>
<th>Accumulated paid dividends</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>87.76</td>
<td>3.00</td>
</tr>
<tr>
<td>2013</td>
<td>90.76</td>
<td>10.50</td>
</tr>
<tr>
<td>2014</td>
<td>119.62</td>
<td>18.50</td>
</tr>
<tr>
<td>2015</td>
<td>121.79</td>
<td>25.75</td>
</tr>
<tr>
<td>2016</td>
<td>137.99</td>
<td>30.35</td>
</tr>
<tr>
<td>2017</td>
<td>138.57</td>
<td>35.20</td>
</tr>
<tr>
<td>2018</td>
<td>131.92</td>
<td>40.20</td>
</tr>
<tr>
<td>2019</td>
<td>143.26</td>
<td>45.80</td>
</tr>
</tbody>
</table>

Accumulated paid dividends: +7%
We monetise our R&D capabilities, cementing Swiss Re as the leading knowledge company

### R&D value driver framework

- Business steering
- Efficiency
- Capital allocation
- Commercialisation
- Risk selection and pricing

### Strategic focus areas

- Market intelligence
- Insurance beta
- Insurance alpha
- Data, solutions, publications
- Process re-engineering

### Project examples

- Insurance markets and cycle analysis
- Macroeconomic R&D
- Advance Nat Cat risk view
- Chinese cancer research
- Nat Cat pricing tools
- Risk engineering services
- Magnum
- Life Guide
- Analytics for contract wording
- Group data integration

### Key figures

- **450** R&D FTEs
- **13** R&D teams
- **80** R&D programmes
Swiss Re’s tech strategy is embedded in our business strategy and ensures effective innovation management

**Clear and pragmatic business objectives**

1. **OUR CLIENTS**
   - Increase our clients’ competitiveness

2. **OURSELVES**
   - Apply tech to improve our own value chain

3. **OUR EXPOSURE**
   - Get closer to risk through digital platforms

4. **OUR DATA**
   - Harvest the full potential of our proprietary data

**Selected examples:**

- **iptiQ**
  - state-of-the-art digital B2B2C business; largest investment representing ~50% of total spend

- **ATLAS**
  - new general ledger allowing closing within 5 days; co-innovation project with SAP (SAP FPSL¹)

- **Automotive and mobility solutions**
  - partnerships with car manufacturers for insurance product co-development (e.g. ADAS risk score with BMW)

Our tech strategy is implemented with a combination of in-house developments and strategic partnerships

¹ FPSL = Financial Product Sub-Ledger
Swiss Re outperforms its peers with higher margins

Peer-leading margins
US GAAP net operating margins average 2012-19

- Differentiation approach has enabled Swiss Re to generate higher margins and outperform
- Swiss Re outperformed peers on average by 5%pts since 2012, mainly driven by its superior underwriting performance (risk selection, capital allocation and differentiation)

Swiss Re is leading insurance business that represents a highly rewarding opportunity for shareholders

¹ Based on weighted average of Munich Re, Hannover Re, SCOR and RGA
We are committed to our over-the-cycle Group financial targets

Group targets over-the-cycle

Group return on equity

Group ENW per share growth

1 700 bps above 10y US Govt. bonds. Management to monitor a basket of rates reflecting Swiss Re’s business mix.

2 The 10% ENW per share growth target is calculated as: (current-year closing ENW per share + current-year dividends per share) / (prior-year closing ENW per share + current-year opening balance sheet adjustments per share)
In the near term, COVID-19 losses will weigh on earnings...

### Swiss Re’s reported COVID-19 losses in H1 2020 (USD m, pre-tax)

<table>
<thead>
<tr>
<th>Category</th>
<th>IBNR</th>
<th>Paid &amp; case reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event cancellation</td>
<td>484</td>
<td>973</td>
</tr>
<tr>
<td>Business interruption</td>
<td>129</td>
<td>544</td>
</tr>
<tr>
<td>Credit &amp; surety</td>
<td></td>
<td>411</td>
</tr>
<tr>
<td>Mortality†</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other lines</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total†</td>
<td>2 541</td>
<td>72%</td>
</tr>
</tbody>
</table>

### Breakdown

<table>
<thead>
<tr>
<th>Category</th>
<th>Event cancellation</th>
<th>Business interruption</th>
<th>Credit &amp; surety</th>
<th>Mortality†</th>
<th>Other lines</th>
<th>Total†</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;C Re</td>
<td>232</td>
<td>863</td>
<td>38</td>
<td>-</td>
<td>362</td>
<td>1 495</td>
</tr>
<tr>
<td>L&amp;H Re</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>531</td>
<td>17</td>
<td>548</td>
</tr>
<tr>
<td>Corporate Solutions</td>
<td>252</td>
<td>110</td>
<td>91</td>
<td>-</td>
<td>32</td>
<td>485</td>
</tr>
</tbody>
</table>

† Includes USD 13m booked in Life Capital

Reserves built in H1 2020 are based on thorough and prudent analysis of all exposures and related uncertainties.
… but the majority of ultimate COVID-19 insurance losses are expected to have been incurred in H1 2020

- Under US GAAP, all losses that are deemed to have been incurred in H1 are recognised, irrespective of whether or not they have been reported to us by our clients
- Under SST, the loss estimate is higher as it also includes future expected losses
- For business interruption and mortality, underlying data indicates that majority of losses to have been incurred in Q2. Asia and Europe keep pandemic spread under control without further lockdowns
- Events with large number of participants are expected to be cancelled in 2020. Corporate Solutions exited event cancellation business at H1 2019; remaining exposure for 2021 is minimal
- Booked IBNRs in other lines reflect overall uncertainties in estimates on various classes of business

Reported US GAAP claims and reserves in H1 2020 are expected to cover majority of Swiss Re’s ultimate COVID-19 losses

1 Country universe includes EU, Switzerland and the UK; Source: University of Oxford, Swiss Re Institute
2 Source: Office for National Statistics, Centers for Disease Control and Prevention
3 Estimate based on information and projections available as of July 2020, which may change positively or negatively
Market impact of COVID-19 P&C loss expected to be manageable and comparable to previous large events

Largest recorded catastrophe losses for the P&C insurance industry\(^1\) (USD bn)

1 \(^{\text{Numbers in USD bn at 2020 prices}}\)

Source: Swiss Re Institute – estimate based on information and projections available as of July 2020.
Swiss Re has a long tradition in sustainability

- **1979**: First sustainability-related publication
- **2003**: 100% GHG neutral
- **2007/08**: Adoption of PRI Principles for Responsible Investment
- **2009**: Adoption of PSI Principles for Sustainable Insurance
- **2012**: Commitment to Paris2015 COP21-CMP11
- **2015**: Shift of investment portfolio to follow ESG investment benchmarks
- **2016**: Commitment to Net-zero GHG emissions in operations
- **2017**: Shift of investment portfolio to follow ESG investment benchmarks
- **2018**: Reduced providing re/insurance to thermal coal
- **2019**: Reduced providing re/insurance to thermal coal
- **2020**: Net-zero GHG emissions across entire business
- **2023**: Net-zero GHG emissions across entire business
- **2050**: Net-zero GHG emissions across entire business
- **2003**: First sustainability-related publication
- **2007/08**: Adoption of PRI Principles for Responsible Investment
- **2009**: Adoption of PSI Principles for Sustainable Insurance
- **2012**: Commitment to Paris2015 COP21-CMP11
- **2015**: Shift of investment portfolio to follow ESG investment benchmarks
- **2016**: Commitment to Net-zero GHG emissions in operations
- **2017**: Shift of investment portfolio to follow ESG investment benchmarks
- **2018**: Reduced providing re/insurance to thermal coal
- **2019**: Reduced providing re/insurance to thermal coal
- **2020**: Net-zero GHG emissions across entire business
- **2023**: Net-zero GHG emissions across entire business
- **2050**: Net-zero GHG emissions across entire business
Capital Management
Swiss Re’s capital management priorities remain unchanged

I. Ensure superior capitalisation at all times and maximise financial flexibility

II. Grow the regular dividend with long-term earnings, and at a minimum maintain it

III. Deploy capital for business growth where it meets our strategy and profitability requirements

IV. Repatriate further excess capital to shareholders

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1 Payout ratio calculated as capital repatriation over total contribution to ENW

2 In light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched
Swiss Re maintains a very strong Group capital position, with Group SST ratio above target

**SST ratio development**

USD bn, %

<table>
<thead>
<tr>
<th>Year</th>
<th>SST available capital</th>
<th>SST economic target capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>44.8</td>
<td>17.2</td>
</tr>
<tr>
<td>2017</td>
<td>46.1</td>
<td>17.6</td>
</tr>
<tr>
<td>2018</td>
<td>46.3</td>
<td>17.2</td>
</tr>
<tr>
<td>2019</td>
<td>40.6</td>
<td>16.2</td>
</tr>
<tr>
<td>1/2020</td>
<td>41.9</td>
<td>18.0</td>
</tr>
</tbody>
</table>

- **2016**
  - SST available capital: USD 5.3bn
  - SST economic target capital: USD 17.2bn

- **2017**
  - SST available capital: USD 5.2bn
  - SST economic target capital: USD 17.6bn

- **2018**
  - SST available capital: USD 5.9bn
  - SST economic target capital: USD 17.2bn

- **2019**
  - SST available capital: USD 7.0bn
  - SST economic target capital: USD 16.2bn

- **1/2020**
  - SST available capital: USD 9.4bn
  - SST economic target capital: USD 18.0bn

**Illustrative**

**SST target capitalisation** (220%)

- **Group SST ratio remains very strong and above the target of 220%. The decrease reflects higher SST target capital and Market Value Margin (MVM²)**
- **Increase in SST available capital driven by strong investment contribution and higher supplementary capital, partly offset by capital distribution to shareholders**
- **Strong growth in insurance risk as well as lower interest rates increase SST economic target capital and MVM leading to the observed decrease in the ratio**
- **Increase in MVM year-on-year mainly driven by the impact of lower interest rates and business growth in Asia and the US**

**Group SST ratio calculation**

\[
\text{SST available capital} - \text{MVM} = \frac{\text{SST risk-bearing capital}}{\text{SST target capital}} - \text{MVM}
\]

1 SST 220% target capitalisation was introduced in 2017
2 MVM = Market Value Margin = Minimum cost of holding capital after the one-year SST period until the end of a potential run-off period
Swiss Re’s capital strength resilient to market moves and insurance events

### Financial market sensitivities

Resulting estimated Group SST ratio 1/2020

<table>
<thead>
<tr>
<th>Event</th>
<th>Resulting Group SST Ratio 1/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity markets (-25%)</td>
<td>229%</td>
</tr>
<tr>
<td>Equity markets (+25%)</td>
<td>235%</td>
</tr>
<tr>
<td>Interest rates (-50bps)</td>
<td>220%</td>
</tr>
<tr>
<td>Interest rates (+50bps)</td>
<td>242%</td>
</tr>
<tr>
<td>Credit spreads (-50bps)</td>
<td>224%</td>
</tr>
<tr>
<td>Credit spreads (+50bps)</td>
<td>242%</td>
</tr>
<tr>
<td>Real estate values (-25%)</td>
<td>226%</td>
</tr>
<tr>
<td>Real estate values (+25%)</td>
<td>238%</td>
</tr>
</tbody>
</table>

220% Group SST target capitalisation

232% Group SST 1/2020

### Insurance stresses

Resulting estimated Group SST ratio 1/2020

<table>
<thead>
<tr>
<th>Event</th>
<th>Resulting Group SST Ratio 1/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 in 200-year Atlantic hurricane</td>
<td>194%</td>
</tr>
<tr>
<td>(USD 6.4bn)</td>
<td></td>
</tr>
<tr>
<td>1 in 200-year Californian earthquake</td>
<td>206%</td>
</tr>
<tr>
<td>(USD 4.4bn)</td>
<td></td>
</tr>
<tr>
<td>1 in 200-year Pandemic</td>
<td>215%</td>
</tr>
<tr>
<td>(USD 3.1bn)</td>
<td></td>
</tr>
<tr>
<td>1 in 200-year European windstorm</td>
<td>218%</td>
</tr>
<tr>
<td>(USD 2.4bn)</td>
<td></td>
</tr>
<tr>
<td>1 in 200-year Japanese earthquake</td>
<td>210%</td>
</tr>
<tr>
<td>(USD 3.7bn)</td>
<td></td>
</tr>
</tbody>
</table>

1 in 200-year Atlantic hurricane
(USD 6.4bn)

1 in 200-year Californian earthquake
(USD 4.4bn)

1 in 200-year Pandemic
(USD 3.1bn)

1 in 200-year European windstorm
(USD 2.4bn)

1 in 200-year Japanese earthquake
(USD 3.7bn)

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\(^1\) Excluding the impact of earned premiums for business written and reinstatement premiums that could be triggered as a result of the event.

\(^2\) Based on 99.5% VaR annualised unexpected loss
Swiss Re maintains a leading capital position in the re/insurance sector

Comparison of Group SST / Solvency II ratio

- SST and Solvency II are both comprehensive economic and risk-based solvency regimes
- Due to important differences, Solvency II equivalent ratio is higher for the Swiss Re Group
- The Group benefits from peer-leading diversification resulting in superior capital efficiency and attractive capital management actions
- Swiss Re has strong financial flexibility and is well positioned to respond to market shocks and growth opportunities

1 Comparison was produced on a best effort basis, with Solvency II ratio estimate for Swiss Re not allowing for any long-term guarantee adjustments
2 Average of Hannover Re, Munich Re, SCOR
3 Average of Allianz, Aviva, AXA, Generali
Solid economic earnings (USD 3.0bn on average) drove Swiss Re’s strong solvency capital generation over the last five years (USD 1.8bn net solvency capital generation on average per year or CHF 5 yearly average per share).

The Group has deployed USD 7.7bn of capital over the past five years, mainly to insurance risk pools.

Swiss Re Group SST includes peer-leading capital repatriation of USD 13.6bn in total or USD 2.7bn per year.

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1. SST available capital: includes change in other EVM items (including foreign exchange impacts on ENW) and change in SST valuation differences with EVM on a best effort basis; SST economic target capital: includes foreign exchange, interest rate and other impacts on Swiss Re’s economic target capital on a best effort basis
2. Includes the sum of paid dividends (2016-2020) and executed public share buybacks (2016-2019) as well as the authorised 2020 public share buyback (a pro-rata share of the originally proposed 2020 share buyback programme of CHF 0.8bn is used; however, in light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched)
Swiss Re’s target capital structure and financial flexibility is supported by the Group’s strong funding platforms

### Group available capital

<table>
<thead>
<tr>
<th>USD bn</th>
<th>2013</th>
<th>2016</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>57.4</td>
<td>6.7</td>
<td>54.2</td>
<td>47.7</td>
</tr>
<tr>
<td>6.7</td>
<td>6.5</td>
<td>6.9</td>
<td>6.7</td>
</tr>
<tr>
<td>37.2</td>
<td>36.6</td>
<td>36.1</td>
<td>31.1</td>
</tr>
<tr>
<td>15%</td>
<td>16%</td>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>24%</td>
<td>20%</td>
<td>20%</td>
<td>16%</td>
</tr>
</tbody>
</table>

**Additional USD 2.7bn pre-funded subordinated debt available on demand**

- **LOC**
- **Senior debt**
- **Subordinated debt**
- **Core capital**
- **Subordinated leverage ratio**
- **Senior leverage ratio**

**Key Points**

- Significantly strengthened Group financial flexibility through senior debt deleveraging, issuance of contingent capital and pre-funded subordinated debt facilities (not counting as SST supplementary capital or rating agency capital until drawn).
- Financial flexibility further enhanced with Alternative Capital Partners (ACP) by attracting third-party capital into selected risk pools to enable further growth.
- Notional amount of funded subordinated debt increased in 2019 due to:
  - Issuance by SRZ of EUR 750m and USD 1bn dated subordinated debt and USD 1bn perpetual fixed spread callable notes.
  - Issuance by ReAssure of GBP 1bn subordinated debt.
  - Redemption of SRZ’s GBP 500m perpetual subordinated debt with contingent write-off.
- Notional amount of senior debt decreased due to senior debt maturities, repayment of a Life Capital senior bank loan and reduction in LOC usage.

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2. Senior debt excluding non-recourse positions.
3. Funded subordinated debt and contingent capital instruments (2016 also shows undrawn pre-funded facilities).
4. Core capital of Swiss Re Group is defined as economic net worth (ENW) as of year-end 2019.
5. Funded subordinated debt divided by sum of funded subordinated debt and ENW (2016 also shows undrawn pre-funded facilities) (target: less than 20%).
6. Senior debt plus LOCs divided by total capital (target: less than 25%).
In light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched.

1 Ind. the sum of paid dividends (2016-2020) and executed public share buybacks (2016-2019) as well as the authorised 2020 public share buyback (a pro-rata share of the 2020 share buyback programme of CHF 0.8bn is used)

2 In light of the current volatility in the financial markets and global economic situation precipitated by the COVID-19 pandemic, at its post-AGM meeting the Board of Directors concluded that the proposed share buyback programme for 2020 will not be launched.
Increased Nat Cat risk exposure supported by more active use of hedging tools

- Alternative Capital Partners (ACP) allows Swiss Re to recapture Nat Cat market share and to proactively manage risk exposure per peril.
- The business we write offers attractive returns on capital for both ACP investors and Swiss Re shareholders.
- Through risk sharing, Swiss Re earns a commission towards covering our operating expenses.
- Hedging of TC North Atlantic enables the business to grow in other perils and therefore improve diversification of risk retained on our balance sheet.
- Sidecar platform contributes the majority of the capital relief.

Breakdown of capital relief from various hedging tools

- 99% shortfall net of retro
- Capital relief as a % of shortfall gross of retro
- 99% shortfall relief

USD bn

<table>
<thead>
<tr>
<th>Year</th>
<th>99% shortfall net of retro</th>
<th>Capital relief as a % of shortfall gross of retro</th>
<th>99% shortfall relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2014</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2015</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2016</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
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<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2018</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>2019</td>
<td>5</td>
<td>13%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Sidecar platform contributes the majority of the capital relief.

Note: 1 As of July in each respective year.
P&C and L&H Reinsurance
Differentiation is at the heart of Swiss Re’s Reinsurance franchise

Our client relationships have been built over time, with strong C-suite access

We dedicate resources to generating actionable insights which we use and share with clients

Capacity is important to our clients and helps us gain access to exclusive deals

We leverage our key assets

- Client Access
- Risk Knowledge
- Capital Strength
Our financial performance reflects our market-leading capabilities

Reinsurance delivers a market-leading\(^1\) combination of shareholder returns and capital repatriation

Avg. ROE, 2015-2019

In recent years, both Reinsurance segments have performed in line with their ROE targets

- **P&C Re**’s average performance remains strong despite significant recent Nat Cat activity
- **L&H Re** delivers peer-leading ROEs underpinned by underwriting rather than investment returns

---

\(^1\) Peer group includes Alleghany, Everest Re, Hannover Re, Munich Re Reinsurance, Partner Re, Renaissance Re, RGA, SCOR

\(^2\) Dividend flow for Swiss Re Reinsurance reflects dividends paid by the Reinsurance Business Unit to Swiss Re Group

\(^3\) Dividend flows include ordinary dividends paid to shareholders as well as special dividends and share buybacks
However, the market is changing and we are taking action

Reinsurance industry development\(^1\) and interest rate evolution

Historical outperformance was driven by
- Active cycle management and capital deployment

Industry change due to
- Low interest rates and increased capital
- Growing protection gap
- More cost-conscious buyers
- Technology advancement and digitisation

Future outperformance requires
- Increasing scale and efficiency
- Leveraging technology
- Pushing the edge with innovation

We seek to grow and maintain our market-leading position in the face of evolving industry conditions

---

\(^1\) Source: Swiss Re Institute
\(^2\) Swiss Re pricing index; indicative for 2019
We have developed a clear strategy to succeed in this environment

**Core**
Traditional reinsurance offerings

**Transactions**
Tailored and structured reinsurance

**Solutions**
Additional value-adding services

**Competitive dynamics**
- Crowded and increasingly commoditised
- Specialised with a few sophisticated competitors
- Selected major competitors and non-traditional players

**How we win**
- Brand & Reputation
- Scale & Presence
- Ability to Execute
- Balance Sheet Strength
- Joint Risk Sharing
- Tech, innovation and R&D

We have developed a clear strategy to succeed in this environment.
We aim to grow and balance our portfolios on multiple dimensions.

Breakdown by Core, Transactions and Solutions is based on EVM profit – new business.
Breakdown by Region and Line of Business is based on EVM Capital – new business.
Reinsurance has significantly grown and diversified its portfolio, building on core strengths

Portfolio developments 2010-19

- Scale of the business
- Strong client access
- Diversification between P&C Re and L&H Re
- Risk knowledge
P&C Re reports solid H1 20 underlying results and strong business growth

Net premiums earned

USD 9.6bn
in H1 2020

USD 8.7bn
in H1 2019

• Strong increase in net premiums earned of 10% driven by large transactions and growth in nat cat business reflecting successful renewals
• Underwriting margin affected by COVID-19 losses of USD 1.5bn, primarily related to business interruption and event cancellation
• Improved expense margin due to higher revenues while maintaining expenses flat

Combined ratio (%)

- H1 2020 large nat cat events 0.6%pts above expectations. Unfavourable prior-year development impacted the combined ratio by 3.3%pts. COVID-19 impact of 15.3%pts
- H1 2020 normalised3 combined ratio of 96.6%

Net operating margin1 (%)  

Underwriting Investment Operating expenses

86.1
88.3
97.2
97.4
92.9
100.5
115.8  
H1 2014 H1 2015 H1 2016 H1 2017 H1 2018 H1 2019 H1 2020 (excl COVID-19)

Net income (USD m, LHS), Return on equity (%, RHS)

-1.28
15.9
-6.19
14.5
771
5.46
870
1279
1543
20.2
25.3
13.7
9.1
752
646
0
1000
2000
"H1 2014 H1 2015 H1 2016 H1 2017 H1 2018 H1 2019 H1 2020  
Net income Return on equity Net income excl. COVID-19 impact  
21.5
-1000
-500
0
500
1000
1500
2000
3000

1 Net operating margin = EBIT / total revenues
2 Excludes USD 21m of COVID-19 losses related to deposit accounted business
3 Assumes an average large nat cat loss burden and excludes prior-year reserve development as well as the COVID-19 impact
P&C Re is on track to achieve 97% combined ratio estimate with price hardening in many segments gaining momentum

- Volume up 6% YTD – of which 4% driven by large transactions
- Growth mainly from short tail lines (in particular nat cat), with selective pruning in casualty
- 6% nominal price increases YTD, excluding more conservative expected claims assumptions and impact of lower interest rates
- In July renewals, volume was up 6% with significant rate hardening in nat cat
- Further price improvements expected in 2021

P&C Re is on track to achieve 97% combined ratio estimate with price hardening in many segments gaining momentum

1 Price change defined as change in discounted premiums net of commissions / discounted expected claims; price change is adjusted for portfolio mix effects
2 Treaty business only; excludes Deposit Accounted Business
3 Assumes an average large nat cat loss burden and excludes prior-year reserve development as well as the COVID-19 impact
P&C Reinsurance strategy in action

Portfolio split by region and line of business (% of net premiums earned)

<table>
<thead>
<tr>
<th>Region/Line of Business</th>
<th>Americas</th>
<th>EMEA</th>
<th>Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>32%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>48%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>2%</td>
<td>22%</td>
<td>37%</td>
</tr>
<tr>
<td>Liability</td>
<td>4%</td>
<td>3%</td>
<td>19%</td>
</tr>
<tr>
<td>Motor</td>
<td>3%</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Accident &amp; health</td>
<td>5%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Marine</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Engineering</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Credit &amp; surety</td>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other specialty</td>
<td>2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CORE

US GAAP operating expense ratio (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Expense Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>6.9%</td>
</tr>
<tr>
<td>2019</td>
<td>6.2% (6.9% - 0.7%pts)</td>
</tr>
</tbody>
</table>

- Operating leverage supported by 20% growth in earned premiums
- Efficiency gains across the value chain allow to invest in the future

SOLUTIONS

Economic profit (USD m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Economic Profit (USD m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>124</td>
</tr>
<tr>
<td>2019</td>
<td>184</td>
</tr>
</tbody>
</table>

- Innovative data analytics capability developed to model supply chain risk
- Launch of innovative telematics solution with Pioneer
- Solutions contributed ~7% to economic profit in 2019

TRANSACTIONS

Economic profit (USD m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Economic Profit (USD m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>421</td>
</tr>
<tr>
<td>2019</td>
<td>524</td>
</tr>
</tbody>
</table>

- >170 transactions closed in 2019
- Transactions contributed ~20% to economic profit in 2019

\[ EVM \text{ FY 2019 results to be published on 19 March 2020 } \]
L&H Re maintains strong underlying performance in H1 2020

Net premiums earned

USD 6.6bn in H1 2020
USD 6.2bn in H1 2019

Net operating margin\(^1\) (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net premiums</td>
<td>10.8</td>
<td>12.3</td>
</tr>
<tr>
<td>Operating</td>
<td>-5.2</td>
<td>-4.6</td>
</tr>
<tr>
<td>Investment</td>
<td>5.3</td>
<td>3.9</td>
</tr>
<tr>
<td>Underwriting</td>
<td>10.9</td>
<td>-6.9pts</td>
</tr>
</tbody>
</table>

Running yield and ROI (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>H1 2015</th>
<th>H1 2016</th>
<th>H1 2017</th>
<th>H1 2018</th>
<th>H1 2019</th>
<th>H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Running yield</td>
<td>3.2</td>
<td>3.6</td>
<td>3.5</td>
<td>3.4</td>
<td>3.3</td>
<td>3.4</td>
<td>3.1</td>
</tr>
<tr>
<td>ROI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- ROI supported by realised gains, partly offset by mark-to-market losses. Running yield reflects low interest rate environment
- Strong underlying ROE of 12.4% excluding impact of COVID-19

Net income (USD m, LHS), Return on equity (%), RHS

- Higher net premiums earned supported by individual large transactions, mainly longevity deals
- Underwriting margin reflects impact of COVID-19 related claims and reserves of USD 548m, primarily driven by the reported and estimated higher mortality claims in the US and the UK versus expected levels in prior years
- Investment margin supported by gains on sales of fixed income securities

\(^1\) Net operating margin = EBIT / (total revenues – net investment result unit linked & with profit)
L&H Reinsurance strategy in action

**Portfolio split by region and line of business** (% of net premiums earned)

- Americas: 30%
- EMEA: 43%
- Asia: 27%
- Mortality: 7%
- Disability: 12%
- Critical illness: 11%
- Medical: 9%
- Other: 61%

**CORE**

**US GAAP operating expense ratio (%)**

- 2018: 6.0%
- 2019: 5.8%

- Modest absolute reduction in expense base combined with slightly higher top line

**Economic profit (USD m)**

- 2018: 309
- 2019: 344

**SOLUTIONS**

- Economic profit

- 2018: 309
- 2019: 344

- 11% increase

- Magnum Go bringing the benefits of automation and instant underwriting decisions to more clients
- In-force customer experience improving customer retention and consumer health through analytics and behavioural actions
- Solutions contributed ~20% to economic profit in 2019

**TRANSACTIONS**

**Economic profit (USD m)**

- 2018: 593
- 2019: 495

- 17% decrease

- >30 transactions closed in 2019
- Transactions contributed ~30% to economic profit in 2019
- Higher result in 2018 driven by large deals in Asia

---

1 EVM FY 2019 results to be published on 19 March 2020
Corporate Solutions
Corporate Solutions remains key to Swiss Re’s differentiation strategy

- Implement management actions
- De-commoditise our core business
- Grow with differentiating assets
- Expand through tech-driven solutions

Client Access  Risk Knowledge  Capital Strength
Focused value proposition in a large pool of commercial insurance risks

**Commercial insurance market**

- Excess Layers: 30%
- International Programmes: 14%
- Primary Lead: 7%
- SMEs: 35%

**Corporate Solutions’ addressable market**

- Excess Layers: 7%
- International Programmes: 40%
- Primary Lead: 20%
- SMEs: 40%

**Our market presence**

- **Excess Layers:** Top 5 – 10
- **International Programmes:** Entering now

**Our proposition**

- Bringing international programme capabilities where few others excel
- Tackling complex risks with bespoke solutions
- Providing innovative, efficient products which reduce costs for clients who do not want to pay for complexity

**Segmentation**

- **Large Corporates** (turnover > USD 500m)
- **Mid Corporates** (turnover > USD 25m)
- **SMEs** (turnover < USD 25m)

**Workers’ Comp and Commercial Auto:** None

**SMEs:**

- Only through JV e.g. Bradesco

**Workers’ Comp and Commercial Auto:**

- Not targeted

---

1. Source: Swiss Re Institute

2010-19 commercial insurance market premiums CAGR, despite market softening
Decisive actions announced in H1 2019 to reinforce balance sheet

<table>
<thead>
<tr>
<th>Targeted portfolios (premiums)</th>
<th>Pruning</th>
<th>Actions taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Risks</td>
<td>&gt;95%</td>
<td>Significantly reduce Special Risks exposure</td>
</tr>
<tr>
<td>Agriculture</td>
<td>~75%</td>
<td>Significantly reduce exposure, excl. Brazil JV and Mexico</td>
</tr>
<tr>
<td>Marine</td>
<td>&gt;50%</td>
<td>To be continued with new digital proposition</td>
</tr>
<tr>
<td>Aerospace</td>
<td>~50%</td>
<td>Significantly reduce General Aviation &amp; Space exposure</td>
</tr>
<tr>
<td>US General Liability</td>
<td>~45%</td>
<td>Exit US E&amp;S Casualty &amp; reduce majority of Lead Umbrella</td>
</tr>
<tr>
<td>Selected FinPro lines</td>
<td>~30%</td>
<td>Reduce Financial Professional Healthcare exposure</td>
</tr>
</tbody>
</table>

Corporate Solutions portfolio (USD 4.7bn GPW in 2018)

2018 reported CR: 137%

Reducing large limits & capacity deployed in targeted portfolios representing GPW of **USD ~900m (~20% of premiums)**
Path to Corporate Solutions 2021 combined ratio of 98%

Underwriting profitability is improving...

Corporate Solutions combined ratio (%)

- Turnaround actions fully on track with ~60% of planned portfolio pruning already executed
- Two thirds of planned operating expense savings realised as of half-year 2020

... supported by continued strong rate momentum

Corporate Solutions compound price quality increase (%)

- 15% price increases achieved in half-year 2020 following 12% in full year 2019, reinforced by pruning actions and portfolio structure
- Broad-based rate hardening across most lines, particularly in property

Underlying profitability ahead of 105% combined ratio estimate\(^1\), supported by rate increases and portfolio pruning actions

\(^1\) Assumes an average large nat cat loss burden and excludes prior-year reserve development as well as the COVID-19 impact
\(^2\) Adjusted for impact of ADC premium and restructuring costs
Corporate Solutions turnaround well on track as of H1 2020

Net premiums earned

USD 2.0 bn
in H1 2020

USD 2.1 bn
in H1 2019

Net operating margin¹ (%)

-21.2
8.6
-12.3
-17.5
-17.6
3.6
-5.2
-16.3

H1 2019
H1 2020

Combined ratio (%)

94.2
91.7
101.6
104.5
101.7
132.8
122.6

excl. COVID-19

Net income (USD m, LHS), Return on equity (%, RHS)

10.7
21.6
4.8
3.6
5.0
-301
81

H1 2014
H1 2015
H1 2016
H1 2017
H1 2018
H1 2019
H1 2020

Net premiums earned decreased by 3%, reflecting active pruning of selected portfolios, partially offset by rate hardening

Underwriting
Investment
Operating expenses

- Net operating margin impacted by the underwriting loss and unfavourable performance from insurance in derivative form, partially offset by income from investment activities
- H1 2020 normalised² combined ratio of 101.3%

¹ Net operating margin = EBIT / total revenues
² Assumes an average large nat cat loss burden and excludes prior-year reserve development as well as the COVID-19 impact

Swiss Re Group | Company presentation | September 2020
Life Capital
Strategic milestone achieved with agreement to sell ReAssure, improving the Group’s return on capital profile

Successful completion of ReAssure sale

<table>
<thead>
<tr>
<th>GBP 3.25bn transaction valuation</th>
<th>GBP 1.2bn cash proceeds to Swiss Re</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.3% stake in Phoenix</td>
<td>+19% benefit to Group SST ratio</td>
</tr>
</tbody>
</table>

Future disbandment of Life Capital

- will move to Corporate Solutions
- will become a standalone division
- Phoenix shares to be reported in Principal Investments portfolio in Group items

ReAssure deconsolidation will significantly improve Swiss Re’s Group return on capital profile
iptiQ is our state-of-the-art digital white labelling B2B2C insurance platform

28 partners
- Insurers
- Insurance intermediaries
- Banks
- Ecosystems

Key capabilities
- 60-day partner onboarding
- Multi-channel
- End-to-end platform
- Data-driven customer insights

Geographic reach

Current footprint
Expansion opportunity

Products

L&H
- Term & Whole Life
- Accident
- Critical Illness
- Health Add-Ons

P&C
- Travel
- Cyber
- Mobility
- Home

Leveraging Swiss Re’s differentiation drivers
iptiQ businesses are growing dynamically, with significant expansion opportunities

### Gross premiums written (GPW)\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>USD m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>61</td>
</tr>
<tr>
<td>2018</td>
<td>89</td>
</tr>
<tr>
<td>2019(^2)</td>
<td>225</td>
</tr>
</tbody>
</table>

\(\text{CAGR } +92\%\)

### Annualised new business premium (APN)\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>USD m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>25</td>
</tr>
<tr>
<td>2018</td>
<td>71</td>
</tr>
<tr>
<td>2019(^2)</td>
<td>~155</td>
</tr>
</tbody>
</table>

\(\text{CAGR } +149\%\)

---

~USD 155m APN in biometric L&H risks vs. USD 200-300m for UK’s largest provider of L&H protection products

...leads to

~USD 1.0bn GPW in 10 years, at current sales levels

\(^1\) Core business only

\(^2\) 2019 projected
We incubate and operate dynamically growing start-up businesses...

Financial returns profile

US GAAP and EVM returns profile – experience-based / illustrative

- High upfront investments in build and growth
- Businesses need scale to achieve profitability
- Economic profit break-even is achieved more quickly than US GAAP
- Significant Economic Net Worth of ~USD 600m for iptiQ projected for year-end 2019
- Experience from incubating start-up business with accelerated time to launch down to 10 months with mature platform and resources
...which increase Swiss Re’s economic value

Estimating the current value of iptiQ, as applied to...

I

...high growth insurance companies
based on equity and value of new business\(^1\)

- \(~\$600m\) 2019\(^2\) ENW
- \(~1.0x\) ENW multiplier

- \(~\$50m\) Normalised 2019\(^1\) EVM
  - new business profit
- \(~10-15x\) VNB multiplier\(^3\)

\(~\$1-1.5\) bn
Total value

II

...InsurTech start-ups
based on gross premiums written

- \(~\$225m\) 2019\(^2\) GPW
- \(~5-7x\) P/GPW multiple\(^3\)

1 Normalised EVM figures and multiples reflect impact of USD 100m p.a. costs invested to build the platform and sub-scale overrun costs above modelled expenses
2 2019 projected
3 Multiples used are based on peer comparison and observable metrics for similar high growth companies
Asset Management
Asset Management is a key contributor to the Group’s value proposition

**Attractive returns**

- Long-term, sustainable returns
  
  Average yearly pre-tax contribution of
  
  **USD 4.3bn**
  
  to Swiss Re Group’s US GAAP results from 2015-2019

**Flexible investment platform**

- Leverage tech and advanced analytics
  
  Target Liability Portfolio
  
  Strategic Asset Allocation
  
  Risk analytics
  
  Big data
  
  Scenario modelling

**Industry-leading ESG approach**

- Systematic integration of ESG considerations
  
  ~100% assets considering ESG criteria

**Financial markets expertise**

- Centre of excellence for the Group
  
  Managing market risk... ...to support our business
Overall investment portfolio

<table>
<thead>
<tr>
<th>USD bn</th>
<th>End H1 2020</th>
<th>End FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet values</td>
<td>114.8</td>
<td></td>
</tr>
<tr>
<td>Unit-linked investments</td>
<td>-0.4</td>
<td></td>
</tr>
<tr>
<td>With-profit business</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Assets for own account (on balance sheet only)</strong></td>
<td><strong>114.4</strong></td>
<td><strong>134.5</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>USD bn</th>
<th>P&amp;C Re</th>
<th>L&amp;H Re</th>
<th>Corporate Solutions</th>
<th>Life Capital</th>
<th>Group items</th>
<th>Consolidation</th>
<th>End H1 2020</th>
<th>End FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>6.3</td>
<td>2.8</td>
<td>1.2</td>
<td>0.4</td>
<td>0.1</td>
<td>-</td>
<td>10.8</td>
<td>8.6</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>4.7</td>
<td>2.8</td>
<td>1.0</td>
<td>0.5</td>
<td>-</td>
<td>-</td>
<td>9.0</td>
<td>5.9</td>
</tr>
<tr>
<td>Government bonds</td>
<td>27.1</td>
<td>14.1</td>
<td>5.0</td>
<td>1.3</td>
<td>-</td>
<td>-</td>
<td>47.5</td>
<td>56.4</td>
</tr>
<tr>
<td>Credit bonds</td>
<td>10.2</td>
<td>17.3</td>
<td>1.9</td>
<td>2.1</td>
<td>0.1</td>
<td>-</td>
<td>31.6</td>
<td>45.6</td>
</tr>
<tr>
<td>Equities¹</td>
<td>2.8</td>
<td>0.5</td>
<td>0.2</td>
<td>0.1</td>
<td>2.2</td>
<td>-10.4</td>
<td>5.8</td>
<td>6.3</td>
</tr>
<tr>
<td>Mortgages and other loans</td>
<td>6.8</td>
<td>3.2</td>
<td>-</td>
<td>0.7</td>
<td>2.6</td>
<td>-11.8</td>
<td>2.9</td>
<td>4.4</td>
</tr>
<tr>
<td>Other investments (incl. policy loans)</td>
<td>6.4</td>
<td>1.2</td>
<td>0.2</td>
<td>-</td>
<td>0.4</td>
<td>-1.4</td>
<td>6.8</td>
<td>7.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64.3</strong></td>
<td><strong>41.9</strong></td>
<td><strong>9.5</strong></td>
<td><strong>5.1</strong></td>
<td><strong>5.4</strong></td>
<td><strong>11.8</strong></td>
<td><strong>114.4</strong></td>
<td><strong>134.5</strong></td>
</tr>
</tbody>
</table>

¹ Includes equity securities, private equity and Principal Investments
² ReAssure investment portfolio included for end FY 2019; excluded from Group investment portfolio in 2020
### Fixed income securities

<table>
<thead>
<tr>
<th></th>
<th>Government bonds</th>
<th>Credit bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>End FY 2019 (ReAssure included)</strong></td>
<td>56 399</td>
<td>45 624</td>
</tr>
<tr>
<td><strong>End FY 2019 (ReAssure excluded)</strong></td>
<td>50 995</td>
<td>30 578</td>
</tr>
<tr>
<td><strong>End H1 2020</strong></td>
<td>47 498</td>
<td>31 563</td>
</tr>
</tbody>
</table>

#### Fixed income securities drivers

- **Decrease in government bonds (ReAssure excluded)** driven by net sales and negative fx impact, partially offset by market value gains stemming from declining interest rates
- **Credit bonds** include corporate bonds (USD 28.1bn) as well as securitised products and catastrophe bonds (USD 3.5bn)
- **Increase in credit bonds (ReAssure excluded)** driven by net purchases and market value gains, partially offset by unfavourable fx impacts

---

1. ReAssure investment portfolio included throughout 2019, while excluded from Group investment portfolio in 2020
Equities and alternative investments

<table>
<thead>
<tr>
<th>USD m</th>
<th>End FY 2019</th>
<th>End H1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity securities</td>
<td>2 599</td>
<td>1 969</td>
</tr>
<tr>
<td>Private equity</td>
<td>1 626</td>
<td>1 598</td>
</tr>
<tr>
<td>Hedge funds</td>
<td>352</td>
<td>355</td>
</tr>
<tr>
<td>Real estate</td>
<td>4 802</td>
<td>4 788</td>
</tr>
<tr>
<td>Principal Investments</td>
<td>2 068</td>
<td>2 222</td>
</tr>
<tr>
<td>Equity securities</td>
<td>394</td>
<td>778</td>
</tr>
<tr>
<td>Private equity</td>
<td>1 674</td>
<td>1 444</td>
</tr>
<tr>
<td><strong>Total market value</strong></td>
<td><strong>11 447</strong></td>
<td><strong>10 932</strong></td>
</tr>
</tbody>
</table>

- Decrease in equity securities mainly due to net sales and to a lesser extent market value losses
- Increase in equity securities within Principal Investments driven by the investment in China Pacific Insurance Company
- Decrease in private equity in Principal Investments driven by losses on equity-accounted investments
Strong investment result in H1 20 despite unprecedented market volatility

### Return on investments (ROI)

- **4.7%**
  - in 2019
- **2.8%**
  - in 2018

- ROI driven by net investment income (3.0%) and net realised gains (1.7%)
- Net realised gains of USD 2.0bn due to fixed income sales and equity market performance
- Very low impairments of USD 5m

### Investment portfolio positioning (USD bn)

#### End FY 2018
- Cash and short-term investments: 70
- Government bonds: 11.5
- Credit investments: 51.1
- Equities and alternatives (incl. Principal Investments): 122.6

#### End FY 2019
- Cash and short-term investments: 9.8
- Government bonds: 13.5
- Credit investments: 54.4
- Equities and alternatives (incl. Principal Investments): 133.4

### Net investment income (USD m, LHS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Running yield</th>
<th>Other NII (incl. expenses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>577</td>
<td>0</td>
</tr>
<tr>
<td>2014</td>
<td>698</td>
<td>0.5</td>
</tr>
<tr>
<td>2015</td>
<td>913</td>
<td>1.0</td>
</tr>
<tr>
<td>2016</td>
<td>301</td>
<td>1.5</td>
</tr>
<tr>
<td>2017</td>
<td>367</td>
<td>2.0</td>
</tr>
<tr>
<td>2018</td>
<td>604</td>
<td>2.5</td>
</tr>
<tr>
<td>2019</td>
<td>682</td>
<td>3.0</td>
</tr>
</tbody>
</table>

### Running yield (%)

- Stable running yield, moderately impacted by the low interest rate environment
- Net investment income above prior year, mainly due to the sale of SulAmérica
- Industry-leading ESG approach with ~100% of invested assets following ESG benchmarks

Strong investment result in H1 20 despite unprecedented market volatility
High quality portfolio maintained due to timely review and targeted exposure reduction

Diversified credit portfolio
End H1 2020: USD 31.6bn (ReAssure excluded)

- Rigorous review of portfolio undertaken to mitigate negative long-term COVID-19 recession consequences
- Significant reductions implemented in a number of sectors, including energy, transportation and cyclicals. Reinvestments made in more resilient sectors and ratings

Stable credit rating mix maintained throughout crisis
End H1 2020: USD 31.6bn (ReAssure excluded)

- Broadly unchanged mix of credit ratings, excluding ReAssure, since FY 2019
- Downgrades were partially avoided through USD 1bn of portfolio pruning; 7 out of 25 issuers sold were subsequently downgraded to high yield
- Net of credit overlays, portfolio is defensively positioned with currently zero net exposure to highly vulnerable sectors such as airlines and leisure

1 Other includes basic industries (4%), general industrials (4%), cyclical consumer goods (3%) and catastrophe bonds (2%)
Swiss Re’s industry-leading approach to responsible investing

**Enhancement**
- ESG benchmarks and criteria

**Inclusion**
- Thematic investments

**Exclusion**
- Sustainability risk assessments

**ESG makes economic sense: better risk-adjusted return**

Information ratio (risk-adjusted return) from end May 2014 to end December 2019

<table>
<thead>
<tr>
<th>US Corp Int. (Traditional)</th>
<th>Sustainability US Corp Int. (ESG BB+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.81</td>
<td>0.88</td>
</tr>
</tbody>
</table>

**Key 2019 highlights**

- ~100% of assets considering ESG criteria
- Swiss Re selected to the 2019 PRI Leaders’ Group
- 2019 green, social and sustainability bonds of USD 1.9bn
- New 2024 target of USD 4bn
- New absolute threshold for mining companies and power utility generators

Systematic integration of ESG criteria into investment process and portfolio

Sources: Barclays, Swiss Re
Global Re/Insurance & Protection Gap
Global cat losses totaled USD 146 billion in 2019, and 59% was uninsured

Source: Swiss Re Institute
Disaster losses still mostly uninsured

Source: Swiss Re Institute
Insured losses in 2019: USD 60 billion

Insured losses, 1970-2019 (USD bn at 2019 prices)

- Source: Swiss Re Institute
Economic growth and wealth are the most important drivers for insurance market growth

Direct premiums as a % of GDP, 2018

- Swiss Re’s developed insurance “S-Curve” illustrates the various stages of insurance penetration
- Insurance penetration rises most sharply in middle-income countries
- With our focus on High Growth Markets, Swiss Re is well positioned to benefit from this trend

Source: Swiss Re Institute, S-Curve in non-life insurance 2018
## New record high protection gaps

<table>
<thead>
<tr>
<th></th>
<th>Need (N)</th>
<th>Available (A)</th>
<th>Protection Gap (N - A)</th>
<th>Insurance Resilience Index (A ÷ N)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nat Cat</strong></td>
<td>Expected annual loss from storms, earthquakes and floods</td>
<td>Estimated insurance coverage for primary nat cat perils</td>
<td>USD 222bn</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Mortality</strong></td>
<td>Income needed to maintain survivors’ living standards</td>
<td>Life insurance, financial assets, social security</td>
<td>USD 386bn</td>
<td>45%</td>
</tr>
<tr>
<td><strong>Health</strong></td>
<td>Total healthcare expenditure <em>(funded)</em></td>
<td>Total healthcare expenditures minus households’ stressful out-of-pocket expenses</td>
<td>USD 616bn</td>
<td>93%</td>
</tr>
<tr>
<td><strong>Composite</strong></td>
<td>--</td>
<td>--</td>
<td>USD 1.2trn</td>
<td>54%</td>
</tr>
</tbody>
</table>

*Note: All figures for 2018 and global; Protection gap is in premium equivalent terms*

*Source: Swiss Re Institute*
The protection gap has more than doubled over the past two decades.

- **Untapped resilience opportunity = New risk pools**
  - $>1 \text{ trn}$ additional claim payments
  - $60-80 \text{ bn}$ profit potential

**Protection gap in advanced and emerging economies**

<table>
<thead>
<tr>
<th>Region</th>
<th>Advanced markets</th>
<th>Emerging markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>US &amp; Canada</td>
<td>175 USD bn</td>
<td>456 USD bn</td>
</tr>
<tr>
<td>EMEA advanced</td>
<td>91 USD bn</td>
<td>103 USD bn</td>
</tr>
<tr>
<td>Asia-Pacific advanced</td>
<td>91 USD bn</td>
<td>45 USD bn</td>
</tr>
<tr>
<td>Latin America and Caribbean</td>
<td>116 USD bn</td>
<td>68 USD bn</td>
</tr>
<tr>
<td>Middle East and Africa</td>
<td>73 USD bn</td>
<td>68 USD bn</td>
</tr>
<tr>
<td>Emerging Europe and Central Asia</td>
<td>45 USD bn</td>
<td>98 USD bn</td>
</tr>
<tr>
<td>Asia-Pacific emerging</td>
<td>115 USD bn</td>
<td>91 USD bn</td>
</tr>
</tbody>
</table>

Source: Swiss Re Institute
Swiss Re Public Sector Solutions enables the Group to broaden our client base and address the protection gap

1st team in the reinsurance industry to be fully dedicated to the public sector

+570 bound transactions since 2011 demonstrate the need for the covers we offer

Global footprint providing tailored support to the specific needs of our public sector clients

Always at the forefront, we are a pioneer in emerging and industrialized markets

- Mesoamerican Coral Reef
  Protection of reef damage following a storm

- Mexico
  Earthquake/hurricane and livestock risk

- Guatemala
  Nat cat business interruption risk

- Pacific Alliance (CHL, COL, MEX, PER)
  Earthquake risk

- Uruguay
  Energy production shortfalls due to drought

- United States
  Flood risk

- Caribbean
  Hurricane, earthquake and excess rainfall risk

- Louisiana
  Hurricane risk

- California/Utah
  Earthquake risk

- Thailand
  Crop insurance

- Kenya
  Livestock insurance

- India
  Weather insurance for farmers

- Bangladesh
  Flood insurance

- Heilongjiang
  Multiperil disaster risk

- Beijing
  Agricultural risk

- Vietnam
  Agriculture yield cover

- Guangdong
  Typhoon/rainfall

- Philippines
  Earthquake and tropical cyclone risk

- Pacific Islands
  Earthquake and tropical cyclone risk

- Africa
  Livestock risk

- Africa
  Agriculture yield cover

- Africa
  Multiperil disaster risk
Swiss Re maintains sustainability leadership with continued efforts

**What lies ahead:**

**Sustainability in underwriting**
Further integrate sustainability into business propositions

**Sustainability Risks**
Revise Sustainability Business Risk Framework
Develop carbon steering mechanisms

**Responsible Investing**
Further quantify, manage and reduce investment exposure to climate risk

**Targets and metrics**
Progress on net-zero CO₂ ambitions (operations by 2030, Asset and Liability side by 2050)
Increasingly measure and quantify sustainability performance

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**Find out more:**

- **Swiss Re’s 2019 Sustainability Report**
- **TCFD** disclosures in Swiss Re’s Annual Report

1 Task Force for Climate-related Financial Disclosures
Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements typically are identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase", "may fluctuate" and similar expressions, or by future or conditional verbs such as "will", "should", "would" and "could". These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Group’s actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism or acts of war;
- mortality, morbidity and longevity experience;
- the cyclicality of the reinsurance sector;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- increased volatility of, and/or disruption in, global capital and credit markets;
- the Group’s ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapitalization of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group’s financial strength or otherwise;
- the Group’s inability to realize amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- the Group’s inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation, or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions;
- policy renewal and lapse rates;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes and certain large man-made losses, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;

- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability;
- the outcome of tax audits, the ability to realize tax loss carryforwards and the ability to realize deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group’s business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities;
- changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities;
- changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group’s hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group’s clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group’s subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management and other internal procedures in anticipating and managing the foregoing risks.

These factors are not exhaustive. Swiss Re operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# Corporate calendar & contacts

## Corporate calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 October 2020</td>
<td>9M 2020 Key Financial Data</td>
<td>Conference call</td>
</tr>
<tr>
<td>20 November 2020</td>
<td>Investors’ Day</td>
<td>Live webcast</td>
</tr>
</tbody>
</table>

## Investor Relations contacts

<table>
<thead>
<tr>
<th>Hotline</th>
<th>E-mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>+41 43 285 4444</td>
<td><a href="mailto:Investor_Relations@swissre.com">Investor_Relations@swissre.com</a></td>
</tr>
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<td>Daniel Bischof</td>
</tr>
<tr>
<td>+41 43 285 81 18</td>
<td>+41 43 285 46 35</td>
</tr>
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<td>Olivia Brindle</td>
<td>Deborah Gillott</td>
</tr>
<tr>
<td>+41 43 285 64 37</td>
<td>+41 43 285 25 15</td>
</tr>
<tr>
<td></td>
<td>Marcel Fuchs</td>
</tr>
<tr>
<td></td>
<td>+41 43 285 36 11</td>
</tr>
</tbody>
</table>