

Swiss Re Asia Pte. Ltd.
128 Beach Road #10-01
Guoco Midtown
Singapore 189773
Phone +65 6532 2161
www.swissre.com

Public Disclosures

for Financial Year ended 31 December 2024

1. Company's profile and business activities

Swiss Re Asia Pte. Ltd. ("Company" or "SRAL") was incorporated in Switzerland on 13 September 1919 and transferred its registration to Singapore on 31 December 2017. The address of its registered office is 128 Beach Road #10-01 Guoco Midtown, Singapore 189773.

The principal activities of the Company are non-life and life reinsurance, and it is licensed by the Monetary Authority of Singapore ("MAS") as a composite reinsurer in Singapore. The Company holds branches in the Asia Pacific region i.e. Australia, Hong Kong, Japan, Korea, Malaysia, all of which are duly licensed to conduct reinsurance business in their respective jurisdictions.

Its client base consists of insurance companies. The main lines of business in relation to the type of insurance risk accepted by the Company are:

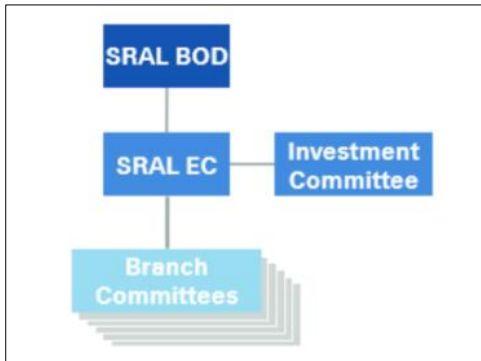
- Non-life reinsurance – (1) Property, (2) Motor, (3) Casualty and others such as Engineering, Marine, Aviation etc.
- Life reinsurance – (1) Life and (2) Accident & Health

The Company is fully owned by its parent, Swiss Re Asia Holding Pte. Ltd., a company incorporated in Singapore, which is in turn wholly owned by Swiss Reinsurance Company Ltd incorporated in Switzerland. Both entities are wholly owned subsidiaries of Swiss Re Ltd, the ultimate parent company of Swiss Re Group ("Group"), which is incorporated and publicly listed in Switzerland.

Swiss Re Group is a leading, diversified global reinsurer with offices in more than 20 countries, providing expertise and services to clients throughout the world. Please refer to the Group's [website](#) for more information of its businesses and the Group Annual Report 2024 (particularly, pages 5 to 15 and 24 to 29) ([link](#)) on the external environment in which it operates in, performance, strategies and priorities.

2. Corporate Governance Framework

The Company has established a governance structure and framework of responsibilities that complies with local corporate governance requirements and is consistent with the Group's corporate governance practices as described in the Corporate Governance Report 2024 ([link](#)). The Company's governance structure is as depicted in the diagram below.



The directors of the Company as at date of this report were:

- Deanna Ong Aun Nee (Chair)
- John Robert Dacey (resigned on 1 April 2025)
- Melissa Anne Babbage
- Paul Murray
- Torben Thomsen
- Urs Buchmann (resigned on 1 April 2025)
- Alan John Wilson
- Anders Bjorn Malmström (appointed on 1 April 2025)

The Board of Directors is the supervisory body responsible for the oversight of the business of SRAL and its branches. The Board is supported by the:-

- i. Audit Committee chaired by Melissa Anne Babbage, with Torben Thomsen and Urs Buchmann as members as at 31 December 2024. With the resignation of Urs Buchmann from the Board, Alan John Wilson has stepped in as member of the Audit Committee in place of Urs Buchmann as of 1 April 2025. The Audit Committee has oversight of the integrity of SRAL's financial statements, compliance with laws and regulations, and the independence and performance of external and internal auditors; and
- ii. Finance & Risk Committee chaired by Torben Thomsen with John Robert Dacey, Melissa Anne Babbage and Paul Murray as members as at 31 December 2024. With the resignation of John Robert Dacey, Anders Bjorn Malmström has stepped in as member of the Finance & Risk Committee in place of John Robert Dacey as of 1 April 2025. The Finance & Risk Committee has oversight of SRAL's risk tolerance, capital adequacy, investment strategy and the adequacy of the enterprise risk management framework from both local statutory and economic perspectives.

The composition of the Board and Board Committees are in compliance with Singapore legal and regulatory requirements on size and meeting requisite independence criteria. The Board annually assesses its independence. The skills and experience of individual Board members as seen in their individual bios ([link](#)) ensure a balanced mix of financial, management, business, corporate and leadership expertise bringing in deep insights and experience across different markets within and outside of Asia to enable the Board to fulfil its oversight responsibilities of the Company.

The Company's Constitution sets out the matters to be decided at a General Meeting and that all other powers of the Company are to be exercised by the Board of Directors, who are ultimately responsible to oversee the operations of the Company. The Company's Bylaws sets out more specifically the responsibilities of each the Board, Audit Committee and Finance & Risk Committee and procedural matters.

The Board of Directors has delegated the day-to-day management responsibilities and authorities for the Company and its branches to Management whose primary responsibility is to manage the business and operations of the Company. Management is fully accountable to the Board and its committees. Management performs its responsibilities through the SRAL Executive Committee who is responsible to report to the Board and serves as the main interface with the Board.

New Board members are onboarded with an established induction program aimed at ensuring that incoming Board members have a comprehensive overview of the Company's and the Group's organisation, business and environment. The onboarding programme is individually tailored to a new Board member's need. Educational sessions and deep dives form an integral part of the Board's agenda each year to enable the Board to keep up with new developments and advance its knowledge and understanding on new, key and/or technical topics.

The Board of Directors and its Committees annually evaluate its performance, and the self-assessment includes a review of the Board's and Committee's composition, organisation and processes, as well as its responsibilities and duties. The Board and Committees discuss the self-assessment and identify areas of focus for the year.

3. Risk Management and Internal Controls

In line with the principle of independent risk controlling adopted by the Group as described in the Group's Annual Report 2024, pages 55-56 ([link](#)), the Company organises risk controlling along three lines, with progressive levels of independence. This approach is designed to achieve a strong, coherent, and Group-wide risk culture built on the principles of ownership and accountability.

- The first line comprises the day-to-day risk control activities performed by risk takers in the business as well as in corporate functions, including proactive identification and monitoring of risks, as well as establishing and operating an effective control system.
- Independent oversight performed by the Risk Management and Compliance functions represents the second line of control.
- The third line consists of independent audits of processes and procedures carried out by Group Internal Audit or by external auditors to provide independent assurance that the controls performed by the first and second line are working effectively.

Risk Management provides independent oversight and applies an integrated approach to managing current and emerging risks. The Company's risk management framework is aligned with the Group's risk management framework, that governs risk management practices across the Group. This framework sets out how Swiss Re organises and applies its risk management practices ensuring all activities are conducted in line with the principles and limits mandated by Group Risk Policy and includes frameworks for risk management, risk control, risk appetite, limits and capitalisation which are reviewed and approved by the Board annually.

The Company's risk management activities are complemented by Group Internal Audit (as part of the third line of defence) where it performs independent, objective assessments of the adequacy and effectiveness of internal control systems. It evaluates the execution of processes within Swiss Re, including those within Risk Management.

Please refer to Group Risk Management framework as described in the Group's Financial Condition Report 2024, page 10 ([link](#)) and the Group's Annual Report 2024, pages 55 to 60 ([link](#)) where Risk Management framework and Group Internal Audit function are further described in more detail.

Enterprise Risk Management ("ERM") framework

ERM is embedded throughout the Group and the Company and is an integral part of our business model. It promotes pre-emptive thinking on risk in all areas of the business in order to reduce uncertainty and diminish volatility to the Group's and Company's results. For more information, you may refer to the latest Financial Condition Report ([link](#)) and the Group's Annual Report 2024 pages 61 to 70 ([link](#)) which details the Group's governance and risk management framework and related quantitative information.

Further, the Company prepares its Own Risk and Solvency Assessment (ORSA) report which is compiled annually to summarise the ORSA of the Company. ORSA forms part of the ERM framework and comprises all processes and procedures that are used to identify, evaluate, monitor and control risks, calculate capital adequacy and liquidity throughout the planning period. The annual OSRA report is reviewed and approved by the Company's Board of Directors.

4. Material Insurance Risk Exposures

The Company seeks to minimise and manage its insurance risks through its underwriting strategy, adequate retrocession arrangements and proactive claims handling. The Company's underwriting policy supports the seeking of risks with adequate pricing that is commensurate with the risk profiles and claims experience. This is in line with the Group-wide insurance risk management where it takes through its underwriting activities, including related risks such as lapse, inflation, or uncertainty in pricing and reserving. More details on Group's insurance risk management can be found in the Group's Annual Report 2024, pages 64-65 ([link](#)).

Please refer to the latest available Company's Annual Report ([link](#)), under "18.1 Insurance risk" section which provides qualitative information on the Company's underwriting strategy, retrocession arrangements on managing insurance risk exposures as well as concentration of insurance risk (by main line of business) and sensitivity analysis of the value of insurance liabilities in respect to the risks exposed.

Further, the table below considers the sensitivity of change in Projected ultimate loss ratio on the Company's total financial resources and capital adequacy ratio with all other variables held constant:

Financial Year	Change in assumption	#Impact on net outstanding claims reserve USD'000	#Impact on Equity (Financial Resources) USD'000	Impact on Capital Adequacy Ratio (in percentage point)
Non-Life Insurance Contracts				
2024	+5% Projected ultimate loss ratio	+181,812	-150,904	-26%pt
	-5% Projected ultimate loss ratio	-181,812	+150,904	+26%pt
2023	+5% Projected ultimate loss ratio	+192,340	-159,642	-26%pt
	-5% Projected ultimate loss ratio	-192,340	+159,642	+26%pt
Life Insurance Contracts				
2024	+5% Projected ultimate loss ratio	+403,733	-335,098	-58%pt
	-5% Projected ultimate loss ratio	-356,751	+296,103	+52%pt
2023	+5% Projected ultimate loss ratio	+424,548	-352,376	-57%pt
	-5% Projected ultimate loss ratio	-352,039	+292,192	+47%pt

Impact based on MAS reporting basis.

5. Other material risk exposures

The Company is exposed to financial risks through its financial assets, financial liabilities, reinsurance assets and policyholder liabilities. In particular, key financial risk is when proceeds from financial assets are not sufficient to fund the obligations arising from claims as they fall due. The most important components of this financial risk are market risk (including currency risk and interest rate risks), credit risks and liquidity risks.

- **Currency risk:** The Company's business is exposed to foreign exchange risk which is managed by monitoring the foreign currency balances and exchange rate movements closely. Foreign exchange forward and swap contracts are used to reduce exposure to fluctuations in foreign exchange rates by the Company.
- **Interest rate risk:** The Company's interest rate risk mainly arises from interest bearing securities. It is managed by maintaining securities with varying interest rates and maturities as well as financial derivatives.
- **Credit risk:** It is the risk of incurring a financial loss due to diminished creditworthiness or default of the Company's counterparties or of third parties. The Company has established credit policies that govern credit approval, review and monitoring processes and impairment assessment processes to manage credit risk. Further, counterparties of investments including cash deposits placed with financial institutions, have appropriate credit rating by Standard and Poor's (S&P) rating or equivalent when not available from S&P.
- **Liquidity risk:** It is the risk that the Company will not be able to meet both expected and unexpected future cash flow and collateral needs without affecting either its daily operations or its financial condition. The Company's policy is to maintain adequate liquidity and contingent liquidity to meet its liquidity needs under both normal and stressed conditions. The Company uses its and Group-wide liquidity management policy and specific guidelines on how to plan, manage and report liquidity (described in the section Liquidity Management, page 54 of the Group's Annual Report 2024 [\(link\)](#)).

Please refer to the latest available Company's Annual Report [\(link\)](#), under "18.2 Financial risk management" section for the Company's quantitative information for the respective financial risks.

6. Determination of Technical Provisions

Technical provisions comprise of premium liabilities and claims liabilities (outstanding claims and benefit reserves) and deferred acquisition costs. These liabilities are valued in accordance with the Insurance Act 1966 and the risk-based capital framework issued by MAS.

Qualitative information about determination of technical provisions, including methodology, assumptions, and discounting:

- Premium liabilities

Non-life premium liabilities are calculated in accordance with the risk-based capital framework at the line of business level as an amount not less than the aggregate of unearned premium reserves ("UPR") or unexpired risk reserves ("URR"), whichever is higher.

- The aggregate of unearned premium reserves ("UPR")
UPR represent the portion of the premium income of insurance policies written that relate to the unexpired periods of the policies at the end of the financial year. UPR are generally calculated using the written and earning patterns based on the gross premiums written during the financial period less return premiums and reinsurance premiums.
- The unexpired risk reserves ("URR")
URR is the sum of the value of the expected future payments arising from future events insured under policies in force as at the valuation date, including relevant claims, any expenses expected to be incurred in administering the policies and settling relevant claims, and provision for any adverse deviation from the expected experience.

- Outstanding claims and benefit reserves

- Outstanding claims and benefit
 - Liabilities for unpaid claims and claims adjustment expenses are accrued when insured events occur and are based on the estimated ultimate cost of settling the claims, using reports and individual case estimates received from ceding companies. A provision is also included for claims incurred but not reported, which is developed on the basis of past experience adjusted for current trends and other factors that modify past experience. The estimates are regularly reviewed and adjustments for differences between estimates and actual payments for claims and for changes in estimates are reflected in the fund profit and loss account.
 - Additionally, for life insurance contracts, liabilities for policy benefits are determined on the basis of present values of the expected future outgoes arising from the policy, which includes any costs that the insurer expects to incur in policy administration and claims handling, less expected future incomes generated by the policy. Any resultant negative reserve will be zeroized. Discount rates, mortality and morbidity assumptions are the key assumptions used in determining the policy benefit and other reserves.

- Provisions for adverse deviation ("PAD") have been added to the best estimate of liabilities.

- Discounting
 - Discounting of liabilities is carried out for both the non-life and life insurance contracts. The discount rate adopted is the gross redemption yield or as prescribed by the Monetary Authority of Singapore as at the valuation date of a portfolio of government bonds (where available and applicable) with its currency and expected payment profile (or duration) similar to the insurance liabilities being valued.

- Deferred acquisition costs (“DAC”)
 - Commissions and other acquisition costs that vary with and are directly related to securing new contracts and renewing existing contracts are deferred over the period in which the related premiums are earned. All other costs are recognised as expenses when incurred.
 - For the L&H portfolio, DAC is only held for large in-force transactions where the Company pays a large upfront financing cost. The initial recognition applies a haircut to the lower of the negative reserve, upfront financing costs and recapture value which is amortised over a term that is less than the underlying policy term. DAC recoverability is assessed at least once a year and any unrecoverable amounts are immediately written off as an expense in the technical income statement.

Technical Provisions by segment (insurance fund accounts maintained in accordance with the Singapore Insurance Act) are as follows:

<i>Amounts in SGD'000</i>	Life SIF	Life OIF	General SIF	General OIF	Life Branches	General Branches	Total
2024							
Net Premium							
Liabilities	-	-823,935	22,825	694,616	-	646,439	539,946
Net Claims							
Liabilities	105,333	1,094,415	132,442	2,845,413	1,510,645	1,982,682	7,670,931
Total	105,333	270,480	155,267	3,540,029	1,510,645	2,629,122	8,210,877

<i>Amounts in SGD'000</i>	Life SIF	Life OIF	General SIF	General OIF	Life Branches	General Branches	Total
2023							
Net Premium							
Liabilities	-	-1,021,181	26,453	1,022,142	-	646,885	674,299
Net Claims							
Liabilities	212,284	1,007,517	195,993	2,942,965	1,416,398	1,935,056	7,710,213
Total	212,284	-13,664	222,446	3,965,107	1,416,398	2,581,940	8,384,512

SIF: Singapore Insurance Fund, OIF: Offshore Insurance Fund

7. Capital Management

The Company has a Capitalisation Guideline that details application of capital-related principles that sets out the approach for setting the Target Capital of the Company and how it will be managed. The guideline is consistent with applicable Group policies and guidelines and in accordance with local regulations. The Company is required to satisfy the Fund Solvency and Capital Adequacy Requirements prescribed under the Singapore Insurance Act 1966. The Company monitors its capital level on a regular basis to ensure such requirements are met. The fund solvency and capital adequacy requirements are filed with MAS on a quarterly and annual basis.

Please refer to the latest available Company's Annual Report ([link](#)), under "Financial risk management" section on the Company's policy on managing capital risk. Further, information on the fund solvency and capital adequacy ratio of the Company is available on MAS website [[SWISS RE ASIA PTE. LTD. \(mas.gov.sg\)](#)].

8. Investment Strategy

Investment objectives of the Company are as disclosed within the latest available Company's Annual Report ([link](#)) under Note 18.2 wherein its investment strategy has been developed with the following objectives:

1. Preserve capital in reasonably liquid investments to pay claims
2. To maximise returns to the Company's income needs.

The investments are managed in accordance with the Company's Investment Guidelines and Strategic Asset Allocation which is reviewed and approved annually by the Board.

Values, assumptions, and methods used are disclosed in the latest available Company's Annual Report ([link](#)) under "Financial investments" section and "Financial risk management - Fair value measurements" section that discloses the valuation techniques of the investments.

Further sensitivity analysis to market variables is disclosed in the latest available Company's Annual Report under "Financial risk management Market risk" section.

The investment objectives are in line with how the Group drives sustainable performance through a disciplined, long-term oriented investment approach that is within an integrated Asset-Liability Management framework. Liability based benchmarks are used to determine the investment returns required to fund underwriting activities and to attribute the remaining investment returns to investment decisions. The benchmarks cover financial market risk embedded in insurance liabilities and are based on best-estimate liability and risk adjustment cashflows. The Asset-Liability Management framework is applicable to the entire Swiss Re Group (more details can be found in the Group website ([link](#)), including the Company.

9. **Financial Performance**

Information on financial performance of the Company is available in the latest available Company's Annual Report ([link](#)), Segmented level financial performance (prepared in accordance with the provisions of the Insurance Act (Cap. 142) ("the Act") is available on MAS website [[SWISS RE ASIA PTE. LTD. \(mas.gov.sg\)](#)]

- For earning analysis: Refer to Statement of comprehensive income of the Company's Annual Report.
- For claims statistics: Refer to the Company's Annual Report "Insurance and Reinsurance Contract – Loss development tables for Non-Life insurance contracts"
- For returns on investment assets and components: Refer to the latest available Company's Annual Report section for "Investment Result".

Disclaimer: This document contains certain information about Swiss Re Asia Pte. Ltd. (Company)'s business activities, risks, governance and controls, performance and financial position. It is not to be relied upon as complete information pertaining to the Company nor as advice to any persons on potential investments or otherwise. The information contained herein are provided for the financial year ended 31 December 2024 and as at 31 December 2024. The Company does not accept any responsibility for its accuracy or comprehensiveness or its updating. All liability for the accuracy and completeness of the information or for any damage or loss resulting from its use is expressly excluded.