

EU Taxonomy Sustainability Report 2023

Swiss Re Europe S.A.

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Overarching information

This document covers sustainability-related information on the asset and underwriting activities of Swiss Re Europe S.A. (the “Company”)¹ in accordance with Article 8 of European Regulation (EU) 2020/852 (the “EU Taxonomy”) and accompanying delegated acts. It relates to financial information as at year-end 2023 and should be read in conjunction with the financial information as published in the Annual Accounts and Solvency and Financial Condition Report² of the Company as of 31 December 2023 as well as the non-financial information published in the Group Sustainability Report³, which also covers the 2023 financial year.

The EU Taxonomy and the Commission Delegated Regulation (EU) 2021/2178 (“Disclosure Delegated Act”)⁴ require companies to disclose how and to what extent their activities are associated with economic activities that qualify as “environmentally sustainable” under Article 3 of the EU Taxonomy.

EU Taxonomy-eligible activities relate to economic activities which substantially contribute to one or more of the EU Taxonomy’s environmental objectives for which Technical Screening Criteria (TSC) have been defined, regardless of whether or not these criteria are met.

EU Taxonomy-aligned activities are economic activities that comply with the criteria in Article 3 of the EU Taxonomy by substantially contributing to one or more of the environmental objectives set out in Article 9⁵ of the EU Taxonomy, by meeting the TSC as laid out in Commission Delegated Regulation (EU) 2021/2139 (the “Climate Delegated Act”) and Commission Delegated Regulation (EU) 2023/2486 (“Environmental Delegated Act”), do not significantly harm any of the other objectives in doing so, and comply with the Minimum Safeguard criteria laid out in Article 18 of the EU Taxonomy.

In accordance with Article 10(2) of the Disclosure Delegated Act, financial undertakings including insurance and reinsurance undertakings shall disclose on an annual basis, information which include, among others, the proportion of Taxonomy-eligible and Taxonomy-non-eligible economic activities during the transitional two-year period from 1 January 2022 until 31 December 2023. As of 1 January 2024, financial undertakings must disclose the proportion of exposures to Taxonomy-aligned economic activities, as well as other information presented in this document. For that reason, comparative information will be reported in 2025, based on the 2024 reporting year.

As a reinsurer, the Company’s efforts to adequately analyse the Taxonomy-aligned economic activities and its disclosures under the EU Taxonomy are intrinsically dependent on the data and the quality of it, which is primarily supplied by its clients and business partners.

Additionally, the Company relied on assumptions and interpretations given that the relevant regulatory environment is still evolving where not all details are specified by the regulator and standard industry practice has not emerged.

These assumptions and interpretations, including information on handling of data gaps, are described in the sections below.

The values may not add up across the report due to rounding.

¹ Operating through its head office and a number of branches in Europe located in Denmark, France, Germany, Italy, Slovakia and Spain, and the United Kingdom.

² <https://www.swissre.com/dam/jcr:ace65c88-7a0f-4193-ae78-2b2b3f0dea2a/swiss-re-europe-sfcr-2023.pdf>

³ <https://www.swissre.com/dam/jcr:52d75760-2c43-4d96-be2f-0514382ac51a/2023-sustainability-report-en.pdf>

⁴ Available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R2178>

⁵ Climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.

Assets

The key performance indicator related to investment assets for insurance and reinsurance undertakings indicates the proportion of the assets that are Taxonomy-aligned in relation to total assets covered by the EU Taxonomy KPIs ("covered assets").

The covered assets include investments in debt instruments, funds, listed and private equity, real estate and derivatives. Funds and special purpose vehicles are included on a look-through basis, subject to data availability.

As prescribed by relevant regulations, exposures to central governments, central banks and supranational issuers as well as cash and cash equivalents are excluded from the calculation of the numerator and denominator of key performance indicators.

Furthermore, derivatives and exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU were excluded from the numerator of key performance indicators of financial undertakings.

For all assets, the statutory accounting figures (ie Lux GAAP) as of 31 December 2023 are used as the basis of the calculation.

Swiss Re implements a global sustainability strategy to centrally manage its asset portfolio across different entities in various jurisdictions. The EU Taxonomy enhances transparency of companies' activities to promote steering of capital toward those with environmentally sustainable activities. Expanding data availability beyond the EU would effectively amplify the relevance and applicability of the EU Taxonomy to a global portfolio.

When assessing the EU Taxonomy eligibility of assets, information may only be used for the mandatory disclosure if it has been reported by the investees themselves. As the Company's investees are also reporting under the new additional environmental objectives for the first time as of financial year 2023, the readily and structured availability of self-reported data is significantly limited. As a result, the Taxonomy eligibility from the new environmental objectives and activities is zero.

For the purpose of calculating the indicators shown below, two different approaches were used depending on the asset type. For public assets the investee company calculates their own share of EU Taxonomy alignment and the data is collected through a data provider (ISS). The latest available data and key performance indicators (KPIs) of the financial undertakings' counterparties must be used. Consequently, no estimates or approximations were used for the mandatory reporting of the Company.

For private assets, such as real estate investments and infrastructure loans, the assessment of relevant Technical Screening Criteria, Do No Significant Harm criteria, and Minimum Safeguards procedures is done by the Company. Relevant information is collected bilaterally from the counterparty. Aligned assets, being infrastructure loans were included in the numerator of the key performance indicators up to the full value of Taxonomy-aligned economic activities that are funded by the proceeds of those loans.

In case of missing or incomplete data, the asset is deemed Taxonomy-non-aligned/non-eligible. As financial undertakings publish alignment figures for the first time in 2024, their alignment numbers are presented only to a limited extent, relative to the investments in non-financial undertakings.

In accordance to Article 10 of the Disclosure Delegated Act and amendments given in the Environmental Delegated Act, a simplified approach has been used for the reporting of the new additional environmental objectives 3 to 6 (the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems) of the Company's activities for the financial year 2023.

The table below summarises the relevant metrics to calculate the EU Taxonomy alignment. Based on the assessment of the Company's covered assets of EUR 4 104 million in 2023, 1% are deemed Taxonomy-aligned on the basis of turnover and 2% on the basis of capital expenditures (CapEx)⁶.

⁶ The turnover KPI represents the proportion of the net turnover derived from products or services that are Taxonomy-aligned. The CapEx KPI represents the proportion of the capital expenditure of an activity that is either already Taxonomy-aligned or is part of a credible plan to extend or reach EU Taxonomy alignment.

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	1%	Turnover-based: EUR millions	56
Capital expenditures-based:	2%	Capital expenditures-based: EUR millions	73
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	59%	Coverage: EUR millions	4 104

Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI:	0%	The value in monetary amounts of derivatives. EUR millions	0
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	48%	For non-financial undertakings: EUR millions	1 967
For financial undertakings:	28%	For financial undertakings: EUR millions	1 145
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	38%	For non-financial undertakings: EUR millions	1579
For financial undertakings:	23%	For financial undertakings: EUR millions	943
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	5%	For non-financial undertakings: EUR millions	196
For financial undertakings:	6%	For financial undertakings: EUR millions	253
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:	13%	Value of exposures to other counterparties and assets: EUR millions	544
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	93%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy aligned economic activities: EUR millions	3 806
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	
Turnover-based:	82%	Turnover-based: EUR millions	3 354
Capital expenditures-based:	83%	Capital expenditures-based: EUR millions	3 394
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy- eligible economic activities, but not Taxonomy- aligned:	
Turnover-based:	17%	Turnover-based: EUR millions	695
Capital expenditures-based:	16%	Capital expenditures-based: EUR millions	637

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based:	1%	Turnover-based: EUR millions	53
Capital expenditures-based:	2%	Capital expenditures-based: EUR millions	67
For financial undertakings:		For financial undertakings:	
Turnover-based:	0%	Turnover-based: EUR millions	3
Capital expenditures-based:	0%	Capital expenditures-based: EUR millions	7

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based:	1%	Turnover-based: EUR millions	56
Capital expenditures-based:	2%	Capital expenditures-based: EUR millions	73
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based:	0%	Turnover-based: EUR millions	0
Capital expenditures-based:	0%	Capital expenditures-based: EUR millions	0

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:

(1) Climate change mitigation	Turnover:	1%	Transitional activities:	Turnover:	0%
	CapEx:	2%	Enabling activities:	CapEx:	0%
(2) Climate change adaptation	Turnover:	0%	Enabling activities:	Turnover:	0%
	CapEx:	0%	Enabling activities:	CapEx:	0%
(3) The sustainable use and protection of water and marine resources	Turnover:	n/a	Enabling activities:	Turnover:	n/a
	CapEx:	n/a	Enabling activities:	CapEx:	n/a
(4) The transition to a circular economy	Turnover:	n/a	Enabling activities:	Turnover:	n/a
	CapEx:	n/a	Enabling activities:	CapEx:	n/a
(5) Pollution prevention and control	Turnover:	n/a	Enabling activities:	Turnover:	n/a
	CapEx:	n/a	Enabling activities:	CapEx:	n/a
(6) The protection and restoration of biodiversity and ecosystems	Turnover:	n/a	Enabling activities:	Turnover:	n/a
	CapEx:	n/a	Enabling activities:	CapEx:	n/a

Nuclear and Gas key performance indicators

On 2 February 2022, the European Commission released a Complementary Delegated Act that provides TSC for the classification of nuclear and gas activities that are aligned with the EU Taxonomy Regulation. They are specified in Delegated Regulation (EU) 2022/1214 ("Complementary Climate Delegated Act"). These activities are considered as transitional sustainable activities that aim to achieve the goal of net-zero emissions. Disclosure of KPIs related to nuclear and gas activities is reported for the first time this year.

Nuclear and gas related economic activities are defined under Annexes I and II of the Climate Delegated Act (as amended by the Complementary Climate Delegated Act), and include:

- 4.26 Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle
- 4.27 Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies
- 4.28 Electricity generation from nuclear energy in existing installations
- 4.29 Electricity generation from fossil gaseous fuels
- 4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels
- 4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system

The following templates provide these KPIs for the Company, with the reference to the relevant sections as aforementioned.

Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2: Taxonomy-aligned economic activities - denominator

Row	Taxonomy-aligned economic activities - denominator	Climate Change Mitigation + Climate Change Adaptation		Climate Change Mitigation		Climate Change Adaptation	
		Amount (EUR millions)	Percentage	Amount (EUR millions)	Percentage	Amount (EUR millions)	Percentage
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	1	0	1	0	0	0
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	5	0.1	5	0.1	n/a	n/a
	b) CapEx-based	8	0.2	8	0.2	0	0
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	n/a	n/a	0	0
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI						
	a) Turnover-based	51	1.2	51	1.2	0	0
	b) CapEx-based	64	1.6	64	1.6	0	0
8.	Total applicable KPI						
	a) Turnover-based	4 104	100	4 104	100	4 104	100
	b) CapEx-based	4 104	100	4 104	100	4 104	100

Template 3: Taxonomy-aligned economic activities - numerator

Row	Taxonomy-aligned economic activities - numerator	<i>Climate Change Mitigation + Climate Change Adaptation</i>		<i>Climate Change Mitigation</i>		<i>Climate Change Adaptation</i>	
		<i>Amount (EUR millions)</i>	<i>Percentage</i>	<i>Amount (EUR millions)</i>	<i>Percentage</i>	<i>Amount (EUR millions)</i>	<i>Percentage</i>
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	1	1.5	1	1.5	0	0
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	5	9.3	5	9.3	n/a	n/a
	b) CapEx-based	8	11.5	8	11.5	0	0
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	n/a	n/a	0	0
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI						
	a) Turnover-based	51	90.7	51	90.7	0	100
	b) CapEx-based	64	87	64	87	0	100
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI						
	a) Turnover-based	56	100	56	100	0	100
	b) CapEx-based	73	100	73	100	0	100

Template 4: Taxonomy-eligible, but not taxonomy-aligned economic activities

Row	Taxonomy-eligible, but not taxonomy-aligned economic activities	<i>Climate Change Mitigation + Climate Change Adaptation</i>					
		<i>Climate Change Mitigation</i>		<i>Climate Change Mitigation</i>		<i>Climate Change Adaptation</i>	
		<i>Amount (EUR millions)</i>	<i>Percentage</i>	<i>Amount (EUR millions)</i>	<i>Percentage</i>	<i>Amount (EUR millions)</i>	<i>Percentage</i>
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	0	0	0	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	2	0.1	2	0.1	n/a	n/a
	b) CapEx-based	1	0	1	0	0	0
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	1	0	1	0	n/a	n/a
	b) CapEx-based	1	0	1	0	0	0
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
	a) Turnover-based	1	0	1	0	n/a	n/a
	b) CapEx-based	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI						
	a) Turnover-based	691	16.8	n/a	n/a	n/a	n/a
	b) CapEx-based	635	15.5	n/a	n/a	n/a	n/a
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI						
	a) Turnover-based	695	16.9	n/a	n/a	n/a	n/a
	b) CapEx-based	637	15.5	n/a	n/a	n/a	n/a

Template 5: Taxonomy non-eligible economic activities

Row	Taxonomy non-eligible economic activities	Amount (EUR millions)	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	n/a	n/a
	b) CapEx-based	n/a	n/a
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	0	0
	b) CapEx-based	8	0.2
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	1	0
	b) CapEx-based	1	0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	n/a	n/a
	b) CapEx-based	n/a	n/a
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	n/a	n/a
	b) CapEx-based	n/a	n/a
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
	a) Turnover-based	n/a	n/a
	b) CapEx-based	n/a	n/a
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI		
	a) Turnover-based	3 352	81.7
	b) CapEx-based	3 385	82.4
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI		
	a) Turnover-based	3 354	81.7
	b) CapEx-based	3 394	82.7

Underwriting

Underwriting activities in relation to non-life insurance under the eight lines of business defined in Chapter 10.2 of Annex II of the Climate Delegated Act⁷ can generally be deemed Taxonomy-eligible under the EU Taxonomy's objective of climate change adaptation provided that the insurance relates to the coverage of the four climate-related perils⁸ defined in the Appendix A to Annex II of the Climate Delegated Act.

The Company deems the reinsurance of the same lines of business, covering the same climate-related perils as those defined for insurance, to be Taxonomy-eligible reinsurance business. Life business activities and other revenues, e.g. related to other services provided by the Company are excluded in accordance with the EU Taxonomy.

An assessment identifying insurance products that cover climate-related perils has been carried-out. To do this, the Company has:

- Assessed the share of premiums allocated to certain natural catastrophe risks (flood, convective storm, windstorm, hurricane) as available from the Company's underwriting systems.
- Used these natural catastrophe risks as a proxy for the four climate-related perils identified in the Climate Delegated Act.
- Used the expected losses of these natural catastrophe risks as a proxy to determine the share of premiums directed at climate-related perils.

For underwriting, only the second environmental objective (climate change adaptation) is applicable, as this is the only objective for which technical screening criteria have been defined for the economic activity. For this objective, i.e. climate change adaptation, the EU Taxonomy-aligned share is disclosed for the first time in relation to the financial year 2023⁹, to be reported in 2024.

Technical Screening Criteria

For the calculation of the key performance indicators reported below, the Company's underwriting activities were assessed against the five technical screening criteria (TSC) listed in Chapter 10.2 of Annex II of the Climate Delegated Act.

TSC 1: Leadership in modelling and pricing of climate risks

The first of these criteria clarifies that reinsurance activities are Taxonomy-aligned if they use "state-of-the-art modelling techniques" that a) are used to properly reflect climate change risks as well as actions taken by the policyholder of the insurer to protect the insured asset or activity, where such information is provided by the insurer to the reinsurer; b) do not only rely on historical trends; c) integrate forward-looking scenarios.

In order to ensure that the Company's modelling techniques fulfil these criteria, an assessment was performed to ensure that the models properly reflect climate change risks based on the nature, complexity and materiality of these risks. In addition, the scope of the assessment covered the check that the models are not based solely on historical trends, and that they use forward-looking scenario.

Where information is provided by the primary insurer about the modelling techniques adopted to reflect the actions taken by the policyholder of the insurer to protect the insured asset or activity against those risks, this is reflected in the Company's risk assessment. The Company reflects climate-related risks and preventive actions in the pricing of insurance contracts and the respective models and is therefore compliant with the first technical screening criteria for reinsurance activities.

Lastly, the first technical screening criteria requires that the reinsurer discloses publicly how the risks stemming from climate-related perils are considered in the reinsurance activity. This information is included within the Company's Solvency and Financial Condition Report¹⁰ and the climate-related financial disclosures chapter of the 2023 Group Sustainability Report, which is based upon the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)¹¹.

⁷ Medical expense, income protection, workers' compensation, motor vehicle liability, other motor, marine, aviation and transport, fire and other damage to property and assistance

⁸ Temperature-related, wind-related, water-related and solid mass-related

⁹ As specified in Article 10 of the Disclosure Delegated Act

¹⁰ <https://swiss-re-europe-sfcr-2023.pdf> (swissre.com)

¹¹ https://reports.swissre.com/media/xu5om2hl/sure_sustainability_report_2023.pdf

TSC 2: Supporting development and supply of enabling non-life reinsurance products

For reinsurance activities, TSC 2 emphasises the role played by reinsurers within the overall insurance market. Reinsurers must be responsive with regard to the exposure, hazards and vulnerability of the underlying insurance products to climate-related perils. Through this, it is expected that the primary insurer is incentivised to encourage preventive behaviour by their policyholder.

To support this, the Taxonomy Regulation requires that the calculation of reinsurance premiums related to coverage of risks from climate-related perils be risk-based. As described above, the Company does this within the pricing process of the products.

TSC 2 additionally requires that the Company engages with the primary insurer during the development of the underlying product. Where this is explicitly desired by the primary insurer, the Company engages during the development of the underlying products related to the Taxonomy-aligned insurance activities.

TSC 3: Innovative reinsurance coverage solutions

The key performance indicators (KPIs) disclosed below are based on insurance activities that offer coverage for climate-related perils that meet the demands and needs of policyholders. The Company provides cover for a broad range of natural hazards such as windstorm, hail, wildfire and flood, where protection needs exist and are demanded by policyholders.

For new or changing natural hazards that are not covered yet or not adequately covered in existing insurance products, the Company continuously assesses whether new policyholder demands or needs exist.

TSC 4: Data sharing

As defined by the EU Taxonomy Regulation, insurers and reinsurers need to share a significant share of loss data with public authorities for the purpose of analytical research. To the extent required, the Company shares such data with their local supervisory authorities and thus considers this requirement to be met.

TSC 5: High level of service in post-disaster situation

TSC 5 requires that claims under reinsurance activity, both ongoing and those from large-scale loss events resulting from risks stemming from climate-related perils, are processed fairly with respect to the customers, in accordance with high handling standards, and in timely fashion in line with applicable law. This is ensured through global Claims Handling Policies that are implemented throughout the Group, including at the Company level.

Additionally, TSC 5 requires that information relating to procedures on additional measures by the reinsurer in case of large-scale loss events is made publicly available.

A claim is considered as a large-scale loss event if it fulfills predefined criteria and thresholds according to Group-level internal policies and procedures. These criteria and thresholds differ depending on the entities and may vary according to the regional standards in place, which are informed by applicable laws and regulations and adopted by local entities. In case the criteria and thresholds are fulfilled, the losses are referred to a dedicated Committee. The Committee is responsible for providing advice and for aligning positions and strategies for the key cases. All decisions taken must follow the regular claims handling process and are to be made in line with the Claims Authority Limits Guideline that sets the employees ability to authorise financial transactions according to a given claim incurred. The Committee reviews on a regular basis, at least quarterly, all claims with a movement in total incurred greater than the predefined criteria and thresholds. Reserves for the monitored losses are established based on this quarterly review process.

During the course of 2023 there has been no failure to provide a high level of service in the context of recent large-scale loss events.

Reinsurance undertakings must fulfil the additional requirement of supporting the insurer or the reinsurance intermediary in assessing the claims from the underlying product, where appropriate. The Company supports the cedant or reinsurance intermediary in assessing the claims from the underlying product if such help is specifically requested and based on this specific request.

Do No Significant Harm Criteria

In ensuring that an economic activity contributes to one of the six environmental objectives listed in the EU Taxonomy Regulation, it must also ensure that no significant harm is done towards another objective. This is ensured through the specification of Do No Significant Harm (DNSH) criteria in the regulation.

For insurance activities, Chapters 10.1 and 10.2 of Annex II of the Climate Delegated Act state that the activity is in line with the DNSH criteria if it “does not include insurance of the extraction, storage, transport or manufacture of fossil fuels or insurance of vehicles, property or other assets dedicated to such purposes”.

The assessment of DNSH criteria is based on the information made available to the Company from its clients. Where the client input was not available, the Company used internal underwriting data, such as sector classification or property occupancy data. The Company has established an indicative internal assessment of sectors and property occupancy data into a) “Harmful” where the business activity does significant harm as defined by the EU Taxonomy; b) “Not harmful” where insured activities do no significant harm, as they are expected not to cover extraction, storage, transport or manufacturing of fossil fuels or vehicles, property and other assets dedicated to such purposes; c) “Maybe harmful” where it is possible that business activities under this code cover the extraction, storage, transport or manufacturing of fossil fuels or vehicles, property and other assets dedicated to such purposes.

Insured activities and assets that are classified as “harmful” as described above are considered as not aligned with the DNSH criteria. Insured activities and assets that are classified as “maybe harmful” are considered harmful unless other information is available.

If the meeting of DNSH criteria could not be sufficiently supported by either obtaining information directly from clients or by internal assessment based on already captured underwriting data, the underwriting activity was not considered to be Taxonomy-aligned.

Minimum Safeguards

In addition to the technical screening criteria and the DNSH criteria, the Company must ensure compliance with the Minimum Safeguards criteria laid out in Article 18 of the EU Taxonomy Regulation. To fulfil this criteria, Article 18 states that undertakings must “ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights”.

Compliance with the Minimum Safeguards criteria is ensured through the Group’s ESG Risk Framework, which is also applicable at the Company level.

The ESG Risk Framework includes human rights guidelines which seek to align with the expectations set forth in the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, which are based on the International Bill of Human Rights and the Core Conventions of the International Labour Organization.

The Company has performed additional screening of selected reinsurance treaty clients, in order to ensure compliance with the Minimum Safeguards criteria. The Company conducted a screening of the counterparties, i.e. primary insurance cedants with identified Taxonomy-eligible underwriting activities that pass the TSCs and DNSH criteria. This risk-based due diligence screening was based on incidents from external databases, regulatory regime and review of the Due diligence policy of the cedant as appropriate. It was informed by the Guidance of the Platform on Sustainable Finance.

Calculation of key performance indicators

The calculation of the KPIs disclosed below is based on statutory accounting figures (ie Lux GAAP). It is important to note that this includes not only premiums for contracts that were signed in the reporting year, but also premiums resulting from contracts that were signed in earlier year(s).

In the numerator of the KPI, the Taxonomy-aligned activities are to be included. These are Taxonomy-eligible premiums that fulfil the Technical Screening Criteria, the Do No Significant Harm criteria and the Minimum Safeguard criteria.

As clarified in the EU Commission's FAQ published in December 2023¹², the Company calculates the KPIs disclosed below using partial premiums. This means that only the share of the premium that is directed at climate-related perils is considered to be Taxonomy-eligible and, if it is compliant with the TSCs, DNSH and Minimum Safeguards criteria, classified as Taxonomy-aligned. This represents a change in the calculation approach of Taxonomy-eligible premiums compared to the previous reporting period where a full premium approach was applied (resulting in an increase of the Taxonomy-non-eligible portion of premiums from 51% in financial year 2022 to 90% in 2023).

UW table

Economic Activities (1)	Substantial Contribution to Climate Change			Climate change mitigation (5)	DNSH (Do No Significant Harm)			Biodiversity and ecosystems (9)	Minimum safeguards (10)
	Absolute premiums, 2023 (2)	Proportion of premiums, 2023 (3)	Proportion of premiums, 2022 (4)		Water and marine resources (6)	Circular economy (7)	Pollution (8)		
	EUR millions	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	370	7	n/a	Y	Y	Y	Y	Y	Y
A.1.1 Of which reinsured	254	5	n/a	Y	Y	Y	Y	Y	Y
A.1.2 Of which stemming from reinsurance activity	370	7	n/a	Y	Y	Y	Y	Y	Y
A.1.2.1 Of which reinsured (retrocession)	254	5	n/a	Y	Y	Y	Y	Y	Y
A.2 Non-life insurance and reinsurance underwriting Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	183	3	n/a						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	5 032	90	51						
Total (A.1 + A.2 + B)	5 585	100	n/a						

¹² https://ec.europa.eu/finance/docs/law/231221-draft-commission-notice-eu-taxonomy-reporting-financials_en.pdf

Outlook

The Company acts in line with the Swiss Re Group's vision "to make the world more resilient". To that extent, the Company embeds sustainability in its business activities, considering sustainability in underwriting, investment and operations, based on strategies and frameworks that are defined at the level of the Group as outlined in the Group Sustainability Report. However, due to the constraints of the current disclosure, especially with regard to different interpretations of the methodology in the market on how to derive Taxonomy-eligible and Taxonomy-aligned activities, the Company does not currently include the EU Taxonomy in business strategy and product design considerations.

Cautionary note on forward-looking statements

In line with the Swiss Re Group, certain statements and illustrations, where applicable, 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”, “target”, “aim”, “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 Swiss Re’s (the “Group”) 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:

- macro-economic events or developments including inflation rates, increased volatility of, and/or disruption in, global capital, credit, foreign exchange and other markets and their impact on the respective prices, interest and exchange rates and other benchmarks of such markets;
- elevated geopolitical risks or tensions which may consist of conflicts arising in and between, or otherwise impacting, countries that are operationally and/or financially material to the Group or significant elections that may result in domestic and/or regional political tensions as well as contributing to or causing macro-economic events or developments as described above;
- the frequency, severity and development of, and losses associated with, insured claim events, particularly natural catastrophes, human-made disasters, pandemics, social inflation litigation, acts of terrorism or acts of war, including the ongoing war in Ukraine as well as conflicts in the Middle East, and any associated governmental and other measures such as sanctions, expropriations and seizures of assets as well as the economic consequences of the foregoing;
- the Group’s adherence to standards related to environmental, social and governance (“ESG”), sustainability and corporate social responsibility (“CSR”) matters and ability to fully achieve goals, targets, ambitions or stakeholder expectations related to such matters;
- the Group’s ability to achieve its strategic objectives;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability, the intensity and frequency of which may also increase as a result of social inflation;
- 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;
- mortality, morbidity and longevity experience;
- the cyclical nature of the reinsurance sector;
- the Group’s ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture 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 realise 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;
- matters negatively affecting the reputation of the Group, its board of directors or its management;
- the lowering, loss or giving up 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, including in Life & Health and in Property & Casualty Reinsurance due to higher costs caused by pandemic-related or inflation and supply chain issues;
- changes in our policy renewal and lapse rates and their impact on the Group’s business;
- the outcome of tax audits, the ability to realise tax loss carry forwards and the ability to realise 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 as well as changes in accounting standards, practices or policies, including the Group's decision to transition from US GAAP to IFRS beginning 1 January 2024;
- 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 in the markets and geographies in which the Group competes;
- 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 or the transition to IFRS as well as other internal procedures in anticipating and managing the foregoing risks

These factors are not exhaustive. The Group operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. The Group 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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