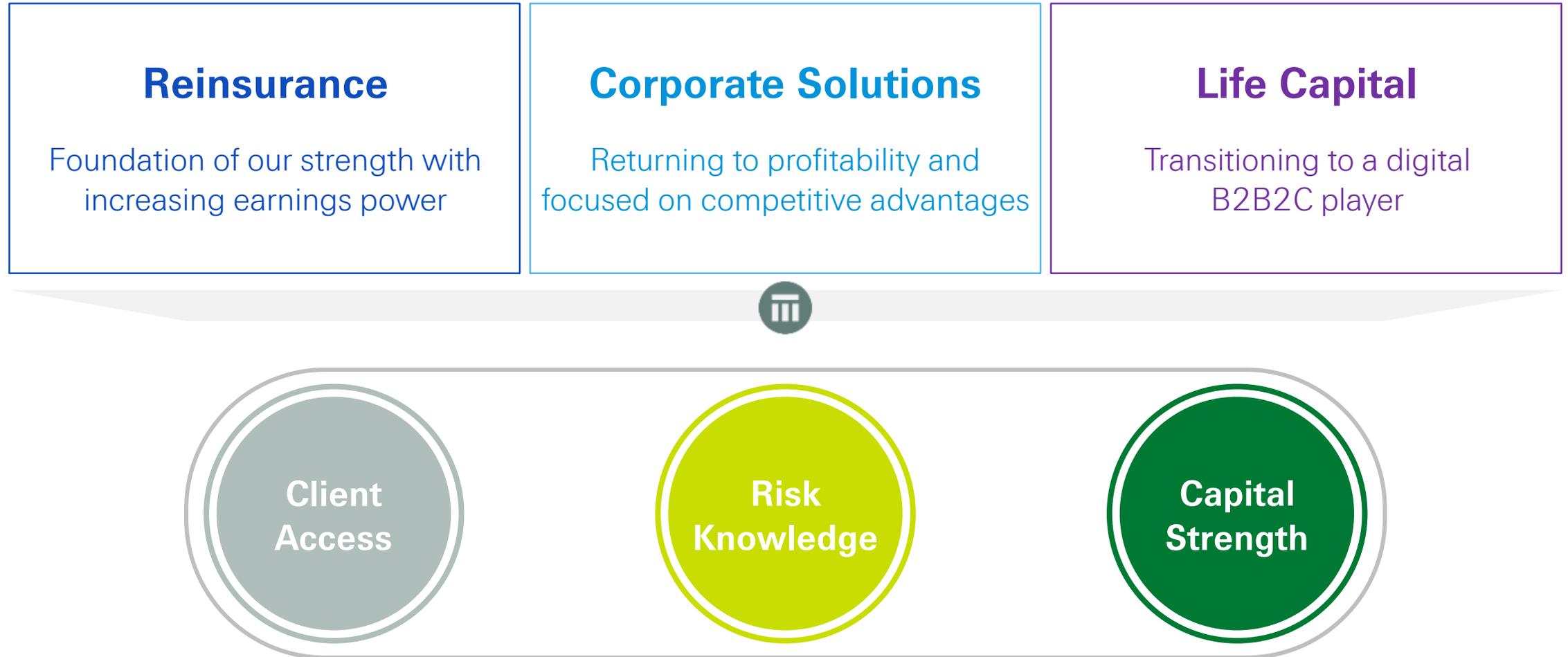


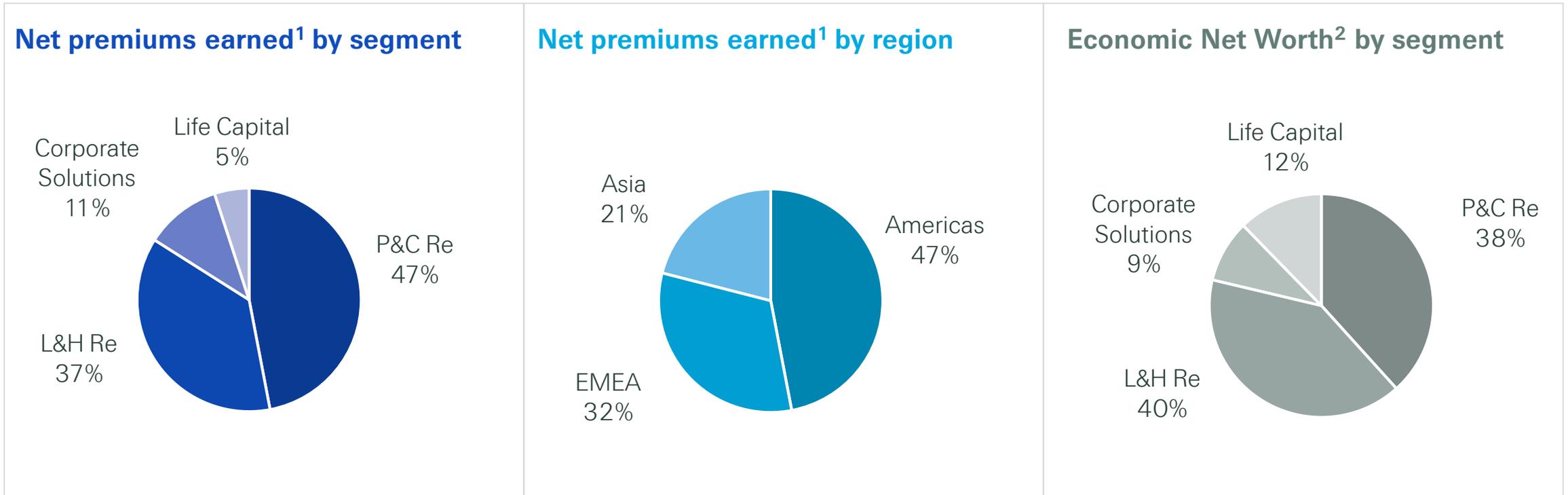
# Swiss Re – Leading Global Re/Insurer

Societe Generale Premium Review, Paris, 4 December 2019

# Swiss Re's success is built on three key differentiation drivers



# Swiss Re is well diversified across geographic regions and business segments



Swiss Re benefits from geographic as well as business mix diversification and has the ability to reallocate capital to achieve profitable growth

<sup>1</sup> USD 34.5bn as at 31 December 2018; includes fee income from policyholders; does not reflect the exposure to HGMs through Principal Investments (PI)

<sup>2</sup> Share of Swiss Re Group's Economic Net Worth deployed across Business Units (excl. Group Items), 31 December 2018

# Our client access capabilities are unique

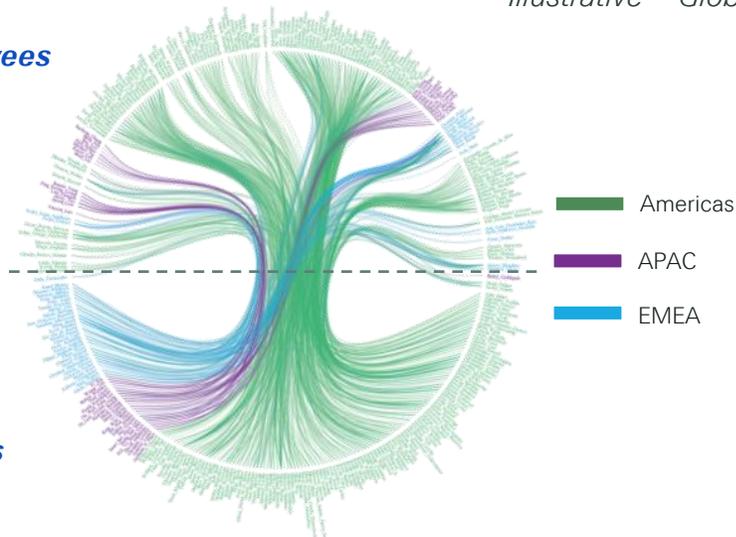
**We maintain strong direct relationships with our reinsurance clients...**

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

*Illustrative – Global client*

*Swiss Re employees*

*Client employees*



L&H Re  
**>90%**

P&C Re  
**>50%**

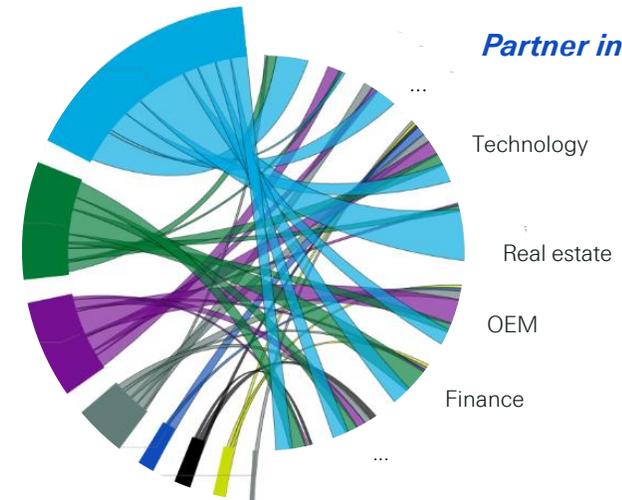
of premiums from non-intermediated business

*Illustrative – Partnership portfolio*

*Swiss Re units*

*Partner industries*

- Life Capital
- Reinsurance
- Corporate Solutions
- Others



Current discussions with  
**>100**  
non-insurance partners

Swiss Re is a trusted partner for insurance and non-insurance companies



# We monetise our R&D capabilities, cementing Swiss Re as the leading knowledge company

## R&D value driver framework



## 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

# 450

R&D FTEs

# 13

R&D teams

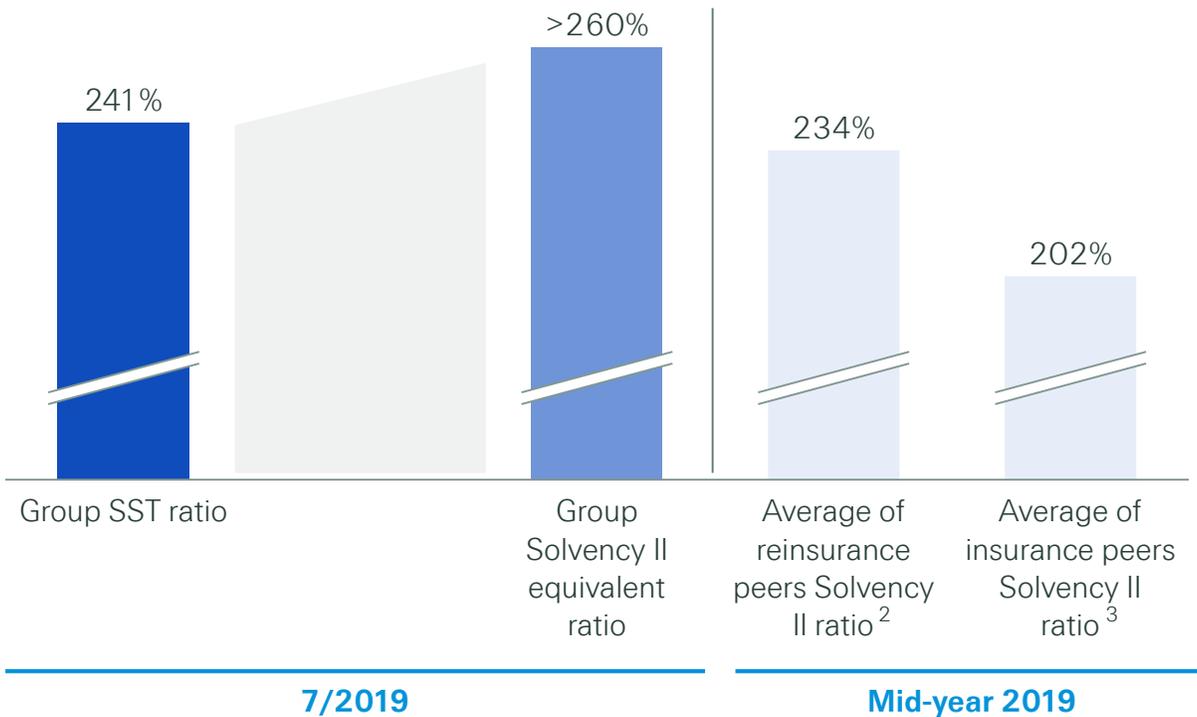
# 80

R&D programmes



# Our capital strength remains industry-leading

## Comparison of Group SST / Solvency II ratio<sup>1</sup>



- As a major risk absorber, Swiss Re’s first capital management priority is to ensure superior capitalisation at all times
- 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

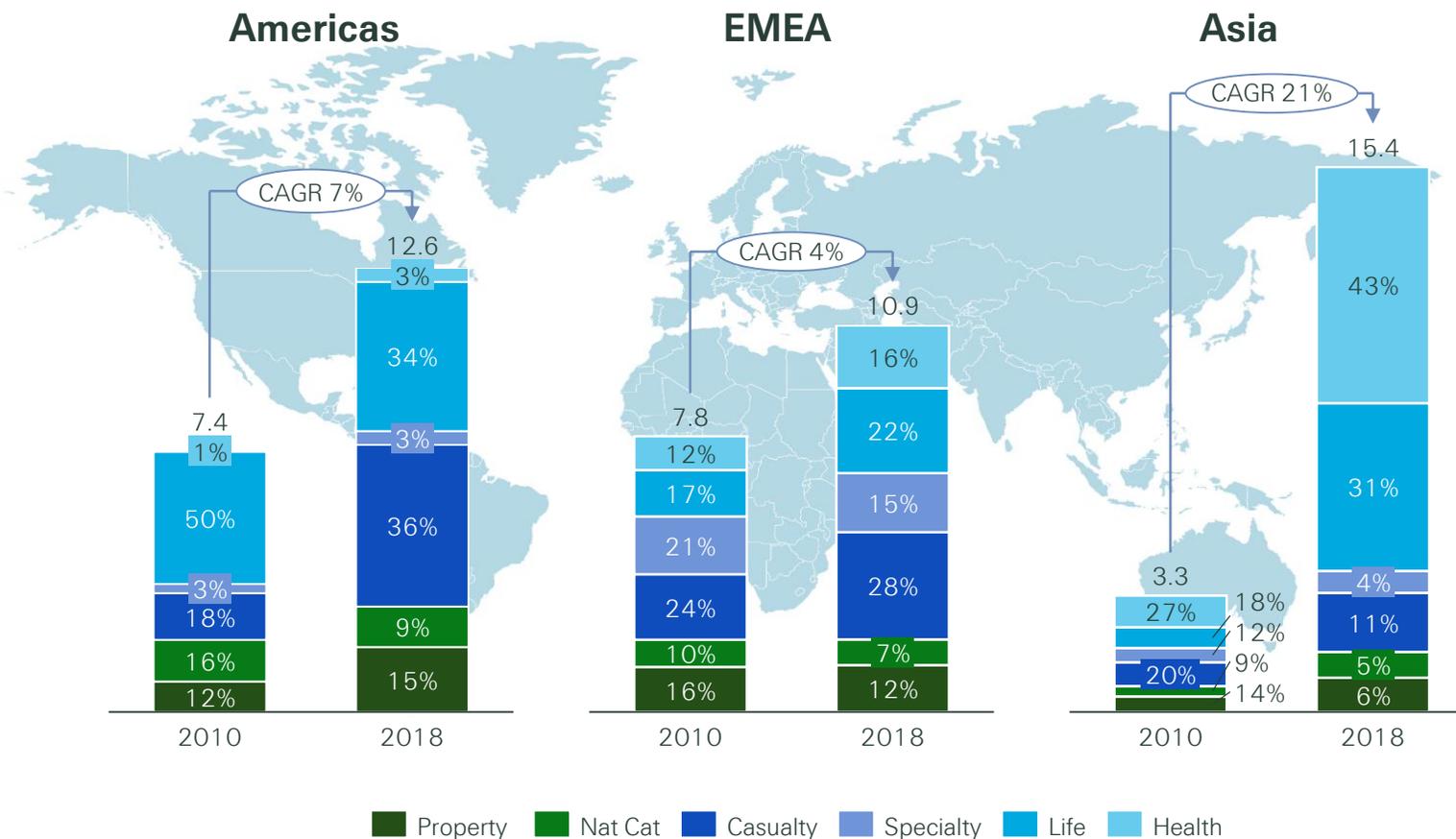
Swiss Re’s superior capital strength allows us to capture profitable growth opportunities and deliver attractive capital distribution to shareholders

<sup>1</sup> Comparison was produced on a best effort basis  
<sup>2</sup> Average of Hannover Re, Munich Re, SCOR  
<sup>3</sup> Average of Allianz, Aviva, AXA, Generali

# Reinsurance has significantly grown and diversified its portfolio, building on core strengths

## Portfolio developments 2010-18

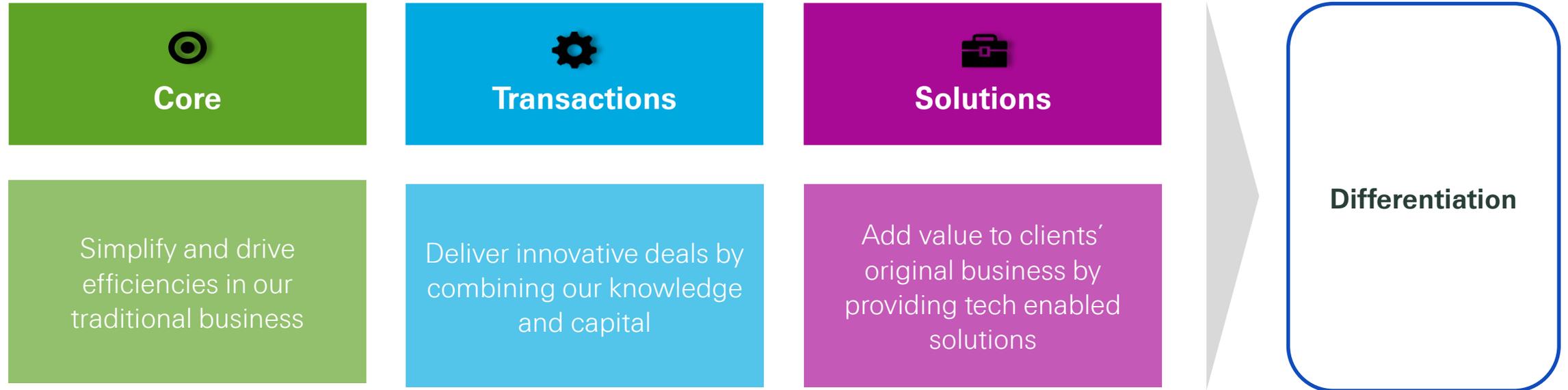
EVM premium (USD bn)



## Core strengths

- Scale of the business
- Strong client access
- Diversification between P&C Re and L&H Re
- Risk knowledge

# Differentiation is at the heart of what Reinsurance does

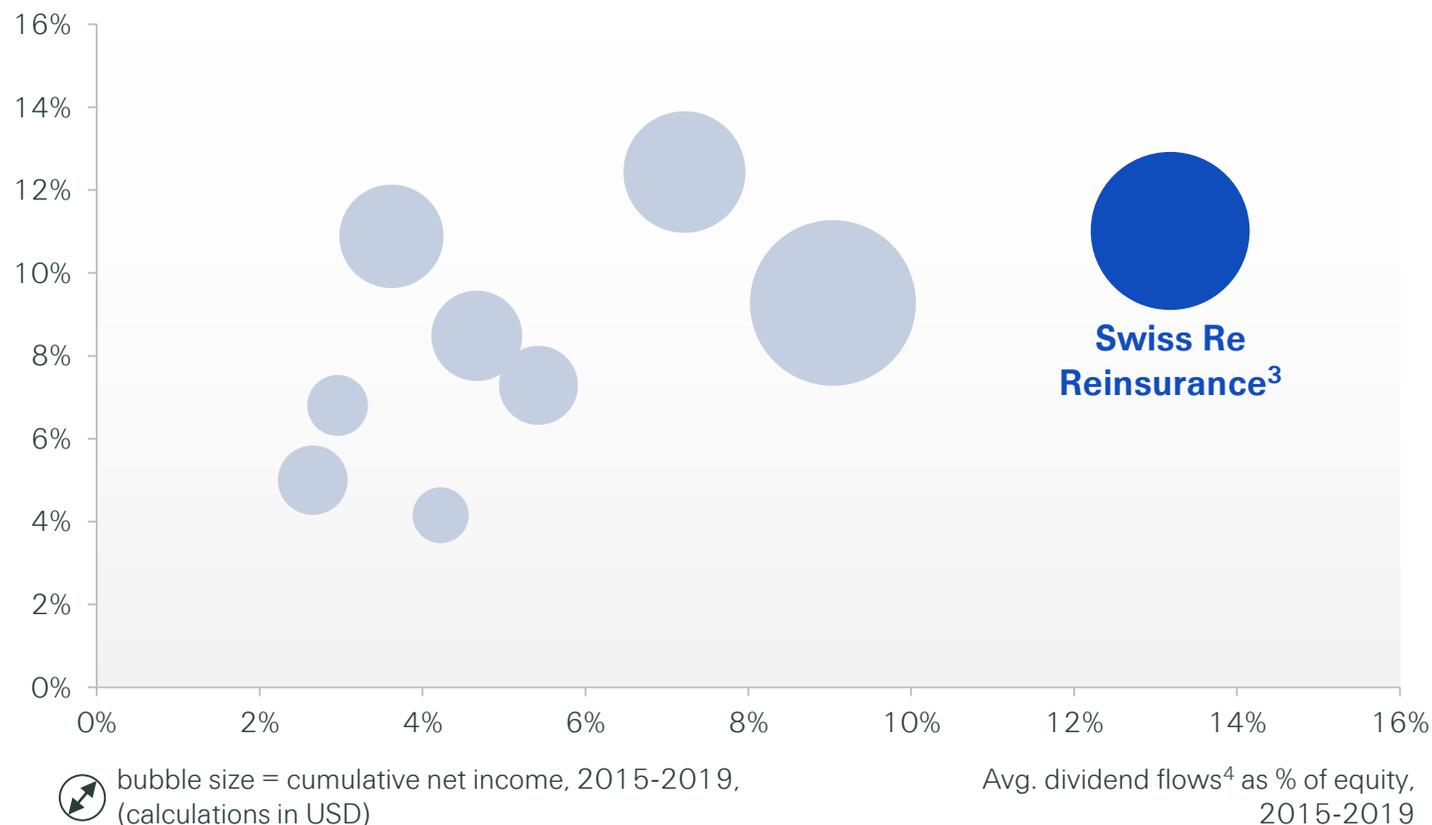


We access risk pools through the three pillars of our strategy

# Financial performance of Reinsurance reflects market-leading capabilities

## Reinsurance delivers a market-leading<sup>1</sup> combination of shareholder returns and capital repatriation

Avg. ROE, 2015-2019<sup>2</sup>



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**

<sup>1</sup> Peer group includes Alleghany, Everest Re, Hannover Re, Munich Re Reinsurance, Partner Re, Renaissance Re, RGA, SCOR

<sup>2</sup> Annualised 9M 2019 YTD actuals

<sup>3</sup> Dividend flow for Swiss Re Reinsurance reflects dividends paid by the Reinsurance Business Unit to Swiss Re Group

<sup>4</sup> Dividend flows include ordinary dividends paid to shareholders as well as special dividends and share buy-backs

# Corporate Solutions is focused on returning to underwriting profitability and on differentiated growth



## Good progress in implementing management actions

- Targeted portfolio pruning
- Strong push for price increases
- Improving productivity
- Optimised reinsurance structure

Combined ratio target<sup>1</sup>

**98%**

in 2021 and further improvement expected thereafter

## Strategic priorities

While implementing management actions, Corporate Solutions will grow selectively in line with its strategic priorities



**De-commoditise our core business**



**Grow with differentiating assets**



**Expand through tech-driven solutions**

Access to commercial lines risk pool and to corporate clients remains strategic to Swiss Re Group

# Life Capital's three businesses continue to execute on their strategies



**ReAssure**

UK life & pension closed book consolidator



Group life, disability and income protection solutions provider

**iptiQ**

White-labelled individual protection solutions provider

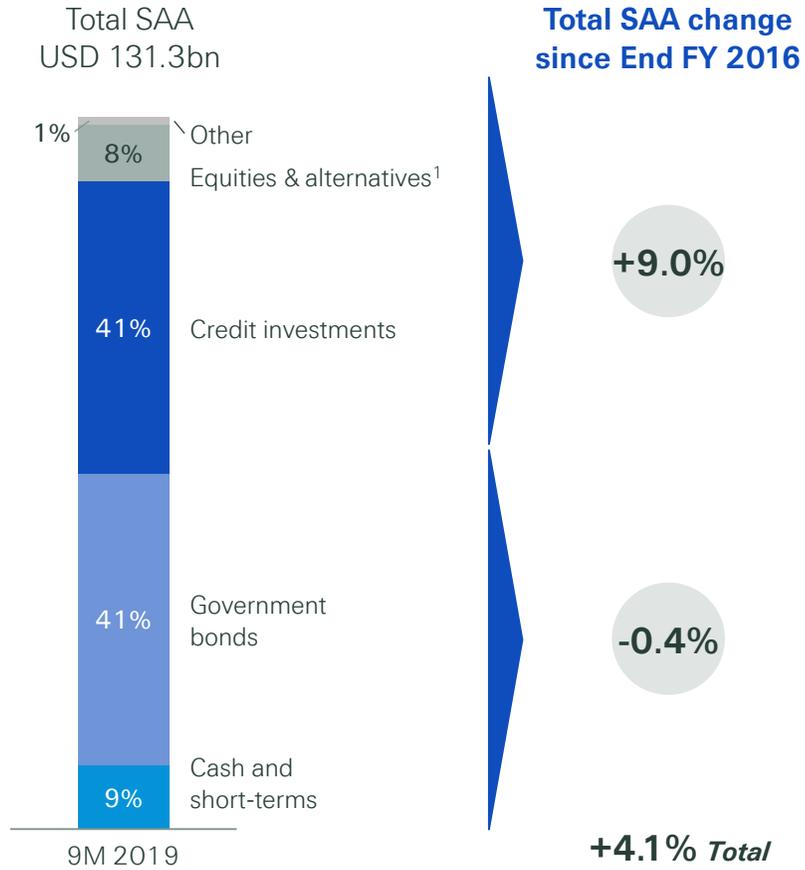
- Swiss Re continues to support ReAssure's growth strategy and to benefit from cash generation capacity
- Objective remains to reduce Swiss Re's ownership and to deconsolidate ReAssure (<50% stake)

- elipsLife continues to provide steady growth in group L&H through service and cost leadership
- Profitable business for several years in mature markets allowing to self-fund the expansion to new markets, including Italy, Ireland, Germany and US

- iptiQ applies cutting-edge technology to deliver fair value P&C and L&H insurance products through partners
- iptiQ businesses are growing dynamically, with significant expansion opportunities

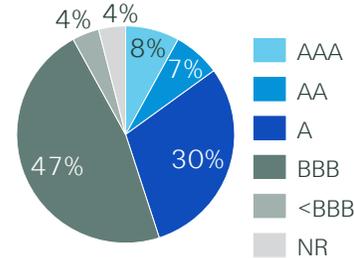
# Investment portfolio shifts support longer term stability of results

## Shift to higher return generating strategies



## Defensive credit positioning with focus on quality, yield and diversification

### Credit bonds USD 48.1bn



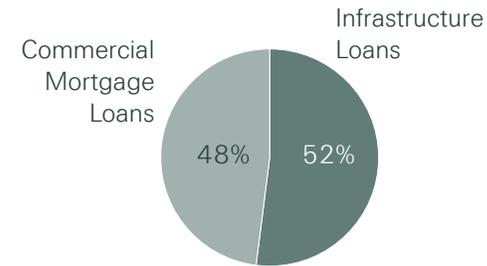
**A-**

Average rating of credit bond portfolio

**AA- vs. A+**

Average rating of total fixed income portfolio relative to peers<sup>2</sup>

### Private Debt USD 3.3bn



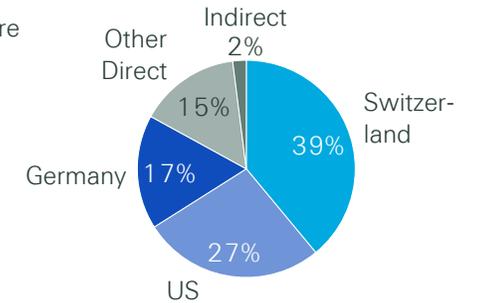
**+65%**

Portfolio growth since 2016

**75 bps**

Gross private debt premium vs. peer average of 20-35bps<sup>3</sup>

### Real Estate USD 4.6bn



**+24%**

Portfolio growth since 2016

**7.7%**

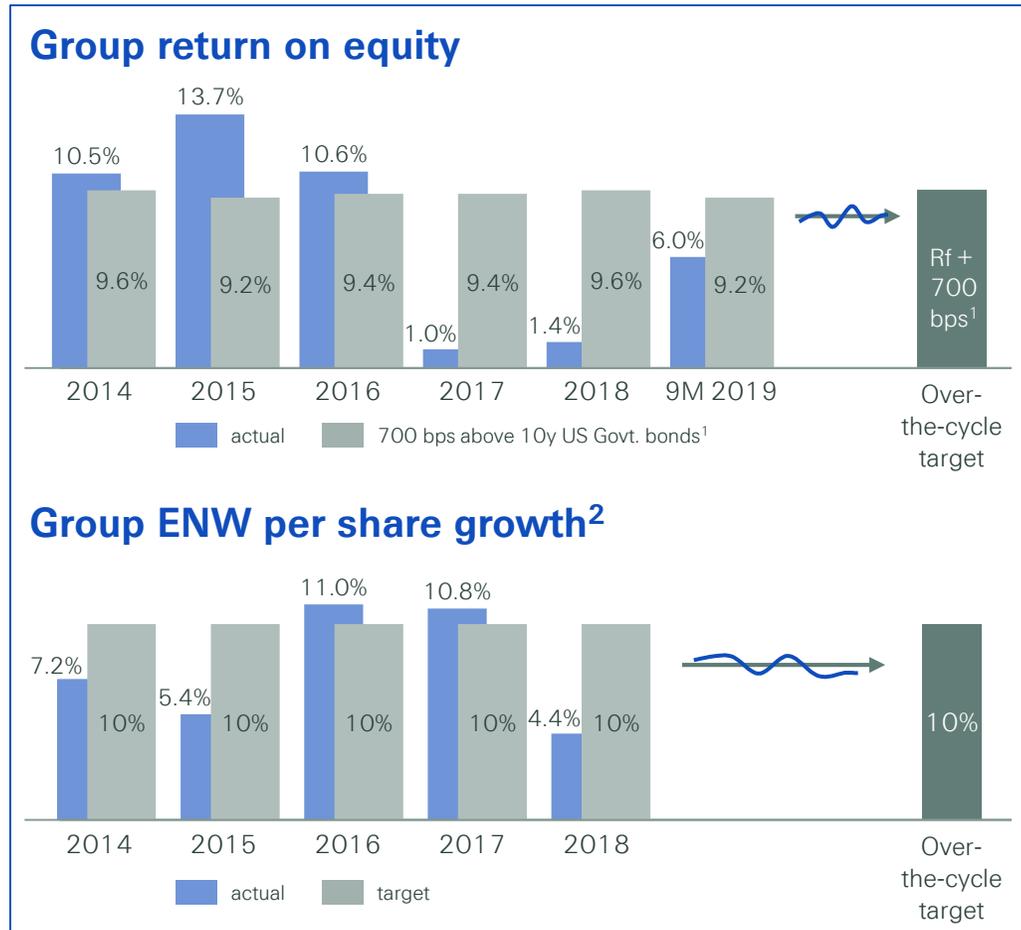
Average net yield on portfolio over last 3 years

<sup>1</sup> Includes Principal Investments and real estate

<sup>2</sup> Peer group includes Allianz, AXA, Chubb, Everest Re, Hannover Re, Munich Re, RGA, SCOR, Zurich

<sup>3</sup> Source: BlackRock, Inframation, Market Participants infrastructure loan spreads

# Our Group targets and capital management priorities remain unchanged



# Swiss Re maintains leadership in sustainability



## Responsible investing

**~100%**

assets considering ESG criteria



## Underwriting

**~3 400**

wind and solar farms insured



## Sustainable operations

**100%**

GHG<sup>1</sup> neutral since 2003

**50%**

reduction in CO<sub>2</sub> emissions per employee since 2003

### External recognition

**MSCI**  
ESG RATINGS



CCC B BB BBB A AA AAA

July 2019



PRI 2019 Leaders' Group



# Corporate calendar and contacts

## Corporate calendar

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### 2020

20 February  
19 March  
17 April

**Annual Results 2019**  
**Publication of Annual Report 2019**  
**156<sup>th</sup> Annual General Meeting**

Conference call  
  
Zurich

## Investor Relations contacts

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### Hotline

+41 43 285 4444

Philippe Brahin  
+41 43 285 7212

Olivia Brindle  
+41 43 285 6437

### E-mail

[Investor\\_Relations@swissre.com](mailto:Investor_Relations@swissre.com)

Daniel Bischof  
+41 43 285 4635

Deborah Gillott  
+41 43 285 2515

Iunia Rauch-Chisacof  
+41 43 285 7844

# 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 and acts of war;
- mortality, morbidity and longevity experience;
- the cyclical nature of the insurance and reinsurance sectors;
- instability affecting the global financial system;
- deterioration in global economic conditions;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on the Group’s investment assets;
- changes in the Group’s investment result as a result of changes in the Group’s investment policy or the changed composition of the Group’s investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- 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;
- any inability to realize amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- changes in legislation and regulation, and the interpretations thereof by regulators and courts, affecting us or the Group’s ceding companies, including as a result of shifts away from multilateral approaches to regulation of global operations;
- the outcome of tax audits, the ability to realize tax loss carryforwards, 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 business models;
- failure of the Group’s hedging arrangements to be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting the Group’s ability to achieve improved ratings;
- uncertainties in estimating reserves;
- 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;
- extraordinary events affecting the Group’s clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs, lower-than expected benefits, or other issues experienced in connection with any such transactions;
- changing levels of competition, including from new entrants into the market; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks and the ability to manage cybersecurity 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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