

# Asset management

Guido Furer, Group Chief Investment Officer

# 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 4.0bn**

to Swiss Re Group's US GAAP results from  
2014-2018

## Flexible investment platform

Leverage tech and advanced analytics

Target Liability  
Portfolio



Strategic Asset  
Allocation



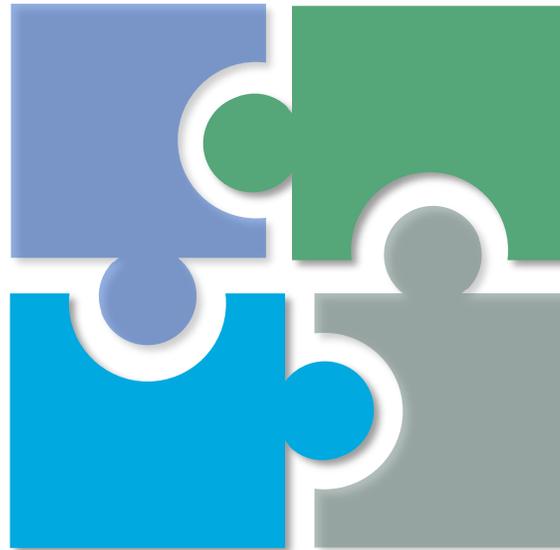
Risk  
analytics



Big  
data



Scenario  
modelling



## Industry-leading ESG approach

Systematic integration of ESG  
considerations

**~100%**

assets considering ESG criteria

## Financial markets expertise

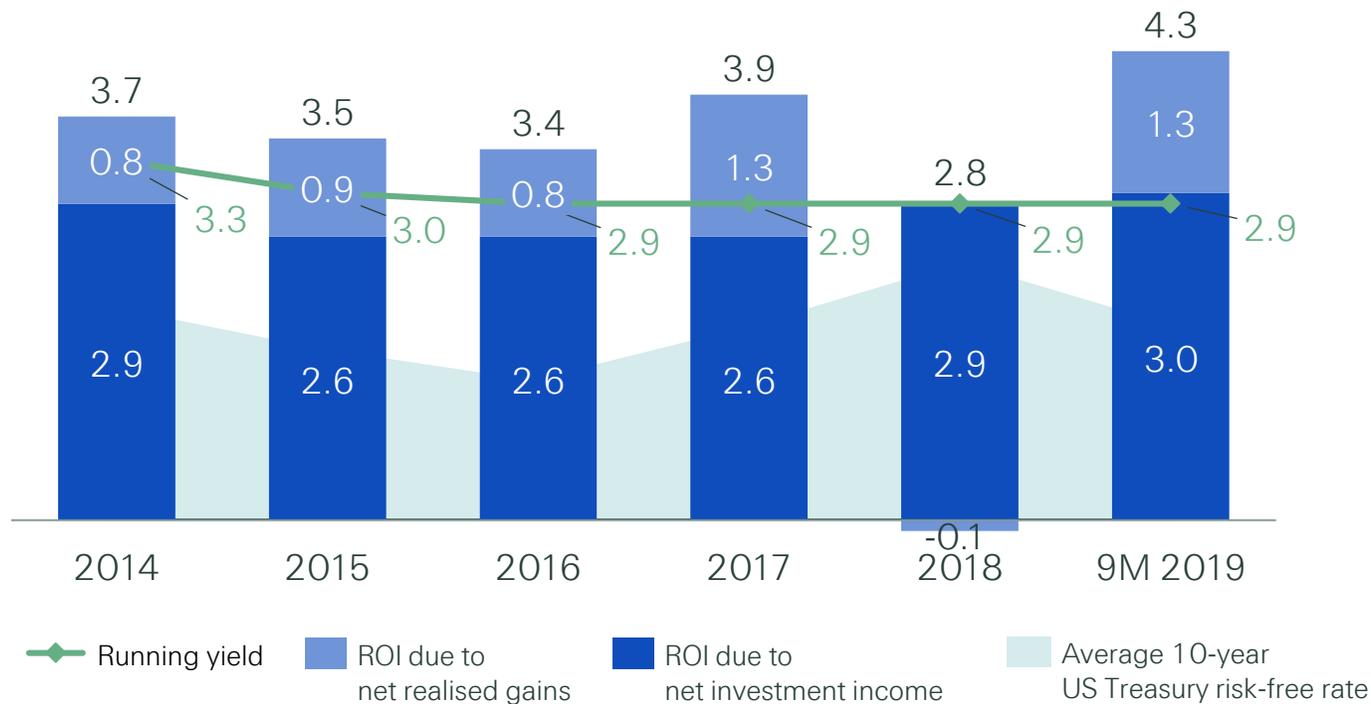
Centre of excellence for the Group



# Stable current income and performance above peer average

## Investment performance

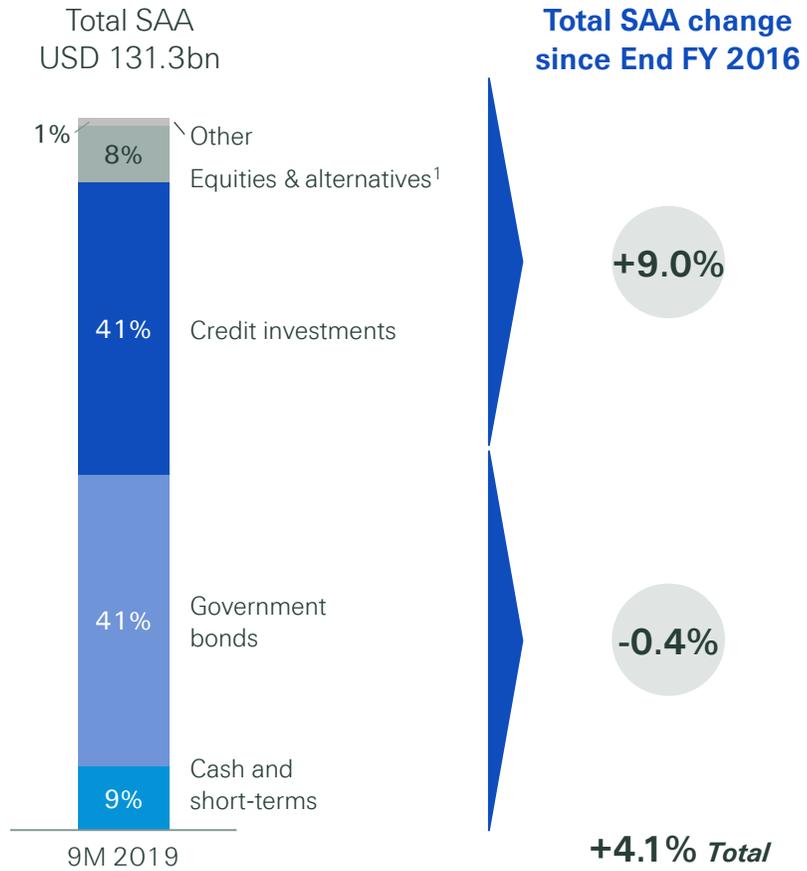
In %



- Well-balanced investment portfolio
- 3.6% average ROI since 2014 vs. peer median at 3.3%<sup>1</sup>
- Stable running yield due to concentration in higher income, longer maturity securities
- 66% of fixed income unrealised gains are on securities with > 10 years in maturity
- Lower interest rates expected to have moderately negative impact on 2020 running yield

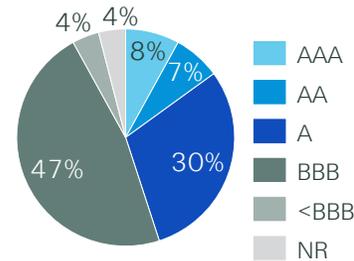
# Investment portfolio shifts support longer term stability of results

## Shift to higher return generating strategies



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

### Credit bonds USD 48.1bn



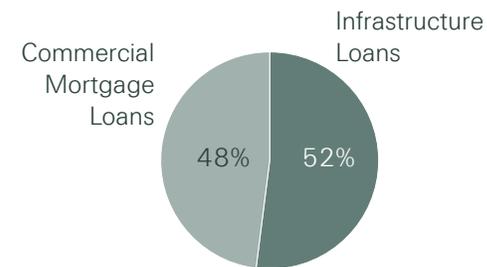
**A-**

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



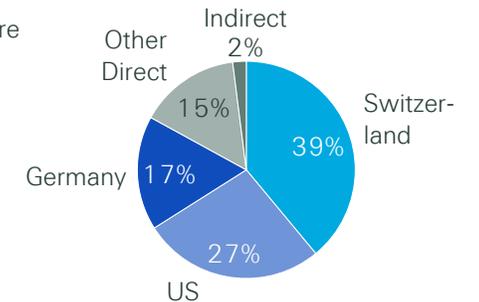
**+65%**

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

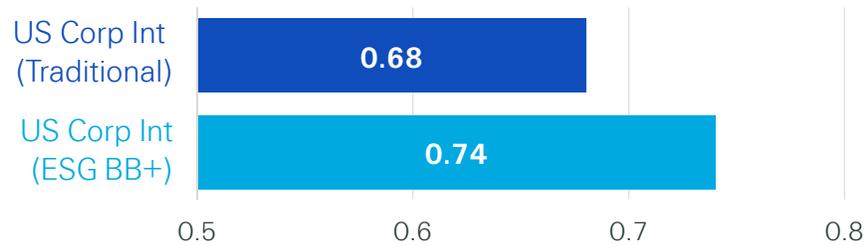
<sup>1</sup> Includes Principal Investments and real estate

<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

# Better risk-adjusted returns supported by industry-leading ESG investment approach

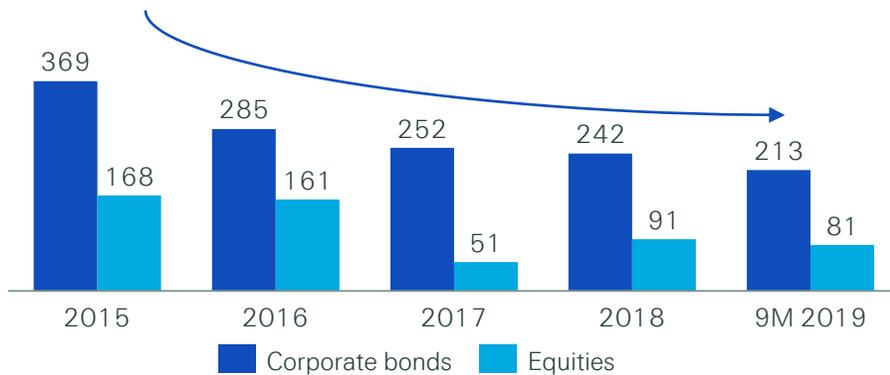
## Risk-adjusted return of credit ESG benchmarks exceeds traditional returns<sup>1</sup>



Sources: Barclays, Swiss Re

## Weighted average carbon intensity development of Swiss Re's portfolio

CO<sub>2</sub> tn / USD m revenue



## Our continued Responsible Investing leadership contributes to our vision of making the world more resilient

- Co-initiator UN Asset Owner Alliance<sup>2</sup>**  
Committed to net-zero GHG emissions by 2050
- Thought Leadership**  
ESG benchmarks implemented in 2017
- PRI Leaders Group 2019**

# 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

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- 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 realise 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;
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- 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;
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- significant investments, acquisitions or dispositions, and any delays, unexpected costs, lower-than expected benefits, or other issues experienced in connection with any such transactions;
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