Overview of Swiss Re Asset Management's Voting and Engagement Approach

We believe that environmental, social and governance (ESG) considerations, including good corporate governance and transparency towards shareholders, are key drivers of sustainable value creation. Swiss Re Asset Management recognises the relevance of shareholder engagement in the exercise of its shareholder rights and responsibilities, and of transparent reporting of such activities to its stakeholders as an integral part of its commitment to responsible investment.

This overview of Swiss Re Asset Management's Standard on Voting and Engagement (Standard) provides transparency on our voting and engagement approach for our stakeholders, consistent with regulatory developments. This document reflects our commitment to actively exercising our rights as shareholders.

The Standard takes into account the Shareholder Rights Directive (EU) 2017/828 (SRD II) which amends Directive (EU) 2007/36 (SRD I) and promotes long-term shareholder engagement and enhances the transparency between EU-listed companies and their investors.

All Swiss Re Asset Management personnel as well as all Treasury personnel, where applicable, are responsible for ensuring compliance with the Standard, for investments held in any legal entity within the Swiss Re Group. The Standard defines the relevant principles on the approach, scope and processes related to Swiss Re Asset Management's voting and engagement activities; in this way, the Standard sets the governing principles for any shareholder votes cast on behalf of Swiss Re Asset Management.

1. Overall approach

- The Standard is applicable to all securities which confer voting or other participation rights which can be exercised by Swiss Re Asset Management (directly or indirectly) and/or provide an opportunity for engagement.
- We assess our governing voting principles periodically to keep them aligned with best practice. We also review our engagement topics on a regular basis to assure they reflect Swiss Re Asset Management's ambitions as a responsible and long-term investor.
- In the case of internally managed portfolios, we make use of our influence as a responsible shareholder by exercising voting or other participation rights, as well as engaging on topics through Swiss Re board member representation where applicable.
- For externally managed portfolios, such as listed equities and corporate bond portfolios, we work with the relevant external investment managers to execute our proxy votes and related engagement activities in accordance with the Standard.

1 Excluding ReAssure and its subsidiaries, which maintain independent Voting and Engagement Policies and separately ensure adherence with the requirements of SRD II.
2. **Engagement practice**

**Scope:**
- Swiss Re Asset Management encourages active engagement on relevant matters, such as strategy, financial and non-financial performance and risk, capital structure and ESG considerations. Through active engagement, we specifically aim to promote consensus on methodologies, standards, and reporting metrics of ESG investing and advocate for emphasis on ESG in financial analysis and greater availability of ESG investment products.

**Process:**
- Swiss Re Asset Management facilitates exchanges on best practices, opportunities for improvement and innovation in the implementation of responsible investing and policy issues with relevant stakeholders (Stakeholders), including other institutional investors, investment managers, data and service providers, responsible investment institutions, sustainability experts, and public authorities.
- Swiss Re Asset Management seeks information on relevant matters and opportunities for improvement as applicable and outlined under Scope at investee companies through the review of available information as well as direct meetings with investee companies and/or its external investment managers.
- The Asset Class teams engage with the external investment managers in regular investment calls, where they discuss relevant engagement activities on assets held on behalf of Swiss Re Asset Management.

**Reporting:**
- Engagement summary reports are made publicly available on an annual basis through the PRI Transparency Report, and/or through Swiss Re's Sustainability Report.

3. **Engagement with Stakeholders**

- Swiss Re is committed to facilitating exchange particularly on responsible investing with interested stakeholders, through training sessions, participation on conference panels, as well as by participating in relevant organisations.
- Swiss Re also aligns and collaborates with other stakeholders in engagement activities to reach a preferred outcome on any relevant matters, such as strategy, financial and non-financial performance and risk, capital structure and ESG considerations.

4. **Voting practice**

**Scope:**
- When exercising voting rights Swiss Re Asset Management votes in line with local and regulatory requirements with care, skill and diligence to the maximum extent that practical considerations (such as costs and administrative work) allow.

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2 For information on how Swiss Re Public Affairs and Sustainable Risk Management may engage in dialogues with policymakers, government representatives and international organisations, see "Swiss Re's Policy Engagement".

3 Stakeholders refers, as appropriate, to stakeholders of Swiss Re or stakeholders of investee companies.
Process:

- With respect to proxy voting, the Standard sets out principles and procedures to ensure such principles are adhered to. Swiss Re Asset Management ensures diligent selection, adequate instruction and surveillance of third-party providers, such as external investment managers or custodians, to ensure their execution meets our Standard and votes are cast in a manner consistent with our interests.

- Swiss Re Asset Management reviews the alignment of the voting policies of external investment managers to confirm compliance with the Standard during the due diligence process as well as every time external investment managers communicate major changes on their voting policies.

Reporting:

- The Standard specifies regular reporting requirements on voting activities. External investment managers are required to report on proxy votes cast on behalf of Swiss Re Asset Management on a quarterly basis.

- In case Swiss Re Asset Management is unable to influence the voting decision for non-listed securities held in a fund, the reporting of voting records is not required.

- Swiss Re Asset Management ensures that votes are cast and voting results are annually reported to the Swiss Re Asset Management Investment Committee chaired by the Group Chief Investment Officer.

- Swiss Re voting statistics are made public annually through the PRI Transparency Report and/or Swiss Re's Sustainability Report.

5. Voting principles

Overview:

- The Standard contains a list of Voting Principles (Principles). The Principles guide proxy voting decisions on topics that are of particular importance to Swiss Re Asset Management.

- The Principles help to ensure that voting on key topics is consistent with long-term shareholder value generation.

- The Principles apply to all securities conferring voting rights directly managed by Swiss Re Asset Management; for those managed by external investment managers, they serve as a reference benchmark applied to regularly review the external investment managers' voting principles.

The Principles as set out in the Standard:

- Board and Directors section, consisting of subsections on Board Composition, Chairman's role, Audit Committee, Compensation Committee and Other Committees, specifies how our voting should aim to support a Board of Directors (BoD) that provides effective stewardship and acts in the best long-term interests of all shareholders.

- Compensation section, consisting of subsections on Executive Compensation (MSOP) and Non-Executive/Board Compensation, sets out how our voting will support compensation schemes that incentivise long-term sustainable performance.

- Capital section lays out our stance on capital increase (through seasoned public offerings or private placements) or decrease (through share repurchases) and M&A activities.

- ESG section provides our support for investee companies aligning their corporate governance with ESG considerations, in particular through greater disclosure and reporting.
• Shareholder Rights section lays down broad principles for safeguarding shareholder rights and shareholders’ say as part of good corporate governance
• Standard Items section includes the standard expectation for timely publication and quality of annual reports and/or financial statements

6. Conflict of Interest
• Conflict of interest may arise where Swiss Re Group invests in a company with which we are also engaged in a business relationship, or where we hold both bonds and shares in the same company. Swiss Re Group aims to reduce these conflicts for example by refraining from voting or by following Swiss Re Group’s guidelines for the management of conflict of interest
• Swiss Re Group is committed to ensure transparency regarding its management of unavoidable conflicts of interest which should be addressed appropriately (e.g. abstain from voting)
• Swiss Re Group expects that its external investment managers and proxy advisors (i) comply with all applicable laws, rules, regulations and guidelines and (ii) maintain procedures and uphold a prohibition on non-compliance with statutory or regulatory applicable exemptions in relation to managing conflict of interest.
• Conflict of interest situations in the context of the exercise of voting rights will be reported to the relevant Legal & Compliance Officer
• In the situation of a conflict of interest, Swiss Re Legal & Compliance will provide advice. Voting recommendations and a detailed report may be made available to the internal ESG Advisory Board for their review as well as to the relevant investment committee

7. Further information about our responsible investing approach
• For how Swiss Re takes ESG considerations into account, please see "Responsible investments – Shaping the future of investing", "Responsible investments – The next steps in our journey", "Responsible Investing – Our approach" as well as Swiss Re’s Sustainability Report
• For climate change related information as well as Asset Management related information, please see Swiss Re’s Annual Report