

# Solvency and Financial Condition Report Swiss Re Europe S.A.

For the year ended 31 December 2023



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# Executive summary

## Business and performance

- Swiss Re Europe S.A. ("the Company") is authorised by the Luxembourg Finance Minister to conduct all types of reinsurance business and operates through a number of branches in the European Union (EU) and the United Kingdom (UK). The main classes of business are property, motor vehicle liability, life and health reinsurance. The main geographical areas by location of the ceding undertakings are the UK, Germany, France, Spain, Bermuda and the Netherlands.
- The underwriting performance for 2023 was a profit of EUR 423 million (2022: EUR 259 million). For Property and Casualty (P&C) reinsurance, the result was supported by better market conditions, lower natural catastrophe and secondary peril losses compared to the previous year, and a more stable global inflationary environment, only slightly offset by some deterioration in the motor business in the UK. The Life and Health (L&H) net technical result remained strong, primarily due to changes in mortality assumptions in the UK positively impacting the longevity business and favourable impacts from the revision of the L&H reserves discount rates as a result of the higher interest rate environment, partially offset by losses recognised at the inception of large longevity transactions in line with statutory accounting guidelines.
- Investment income in 2023 amounted to EUR 398 million (2022: EUR 344 million) and investment charges to EUR 53 million (2022: EUR 141 million). The increase in investment income was primarily driven by the higher dividend received from a subsidiary of the Company, partly offset by lower realised gains in 2023 on private equity investments. Investment charges decreased by EUR 88 million compared to 2022, mainly due to lower realised losses on listed equities.

## System of governance

- The governance and organisational structure of the Company is set out in the Company's Articles of Association, Terms of Reference and Charters of Duties. These define the responsibilities and authority of the members of the Board and Committees.
- The Company uses an internal model for the purposes of calculating the Solvency Capital Requirement (SCR). The *Commissariat aux Assurances* (CAA) approved the internal model and its associated governance framework for use in calculating the Company's SCR under Solvency II on 17 December 2015. The Company's internal model governance framework sets out the requirements for model development standards, the governance around changes to the internal model, validation of the internal model and data quality standards.
- The Board carries out an annual evaluation of its system of governance against relevant best practice standards. During the reviews performed in 2023, the Board concluded that the system of governance is adequate for the nature, scale and complexity of the risks inherent in its business.

## Risk profile

- The SCR of the Company as at 31 December 2023 has decreased compared to 2022. This was driven by higher adjustments to the SCR, ie for the loss absorbing capacity of deferred taxes due to an increase in net deferred tax liabilities and for higher expected investment returns. This has been partially offset by higher insurance risks driven by the underwriting of natural catastrophe (Nat Cat) risks.
- Nat Cat risk has increased due to business growth which has led to higher exposures for European perils such as windstorm Europe, flood and convective storm.
- The Company has a significant risk concentration derived from IGR arrangements with Swiss Reinsurance Company Ltd (SRZ), which maintains a strong capital position.
- The Company's exposure to liquidity risk is driven by the potential impact of extreme losses, collateral requirements and investments into illiquid assets. Liquidity risk has remained stable at a comfortable level. The Company's liquidity position is sufficient to meet expected liquidity requirements after a large loss event, according to the Company's liquidity stress test, which is performed on a regular basis.

## Valuation for solvency purposes

### Invested assets

Investments are valued at market value, which is determined to the extent possible by reference to observable market prices. Where observable market prices are not available, the Company follows the fair value measurement methodology. The difference between Solvency II and Company Statutory is mainly due to unrealised gains/losses, which are taken into account under Solvency II, but generally not for Company Statutory purposes. In addition, the accrued interest on investments is classified as receivables under Company Statutory but as investments under Solvency II.

### Life technical provisions

The total life net technical provision was an asset of EUR 116 million at the end of 2023 (2022: EUR 178 million liability) under Solvency II valuation. This is compared to the Company Statutory amount of EUR 1 877 million (2022: EUR 1 948 million). The main differences between the valuations are the following:

- Statutory margins are included in the statutory reserves, whereas Solvency II technical provisions are based on the best estimate (excluding risk margin).
- Client balances and risk margin are included in Solvency II technical provisions and not in statutory reserves.

## Executive summary

### Non-life technical provisions

The total non-life net technical provision of EUR 5 033 million (2022: EUR 4 537 million) under Solvency II valuation is compared to the Company Statutory amount of EUR 6 681 million (2022: EUR 6 056 million). Solvency II being an economic regulatory valuation framework, and the Company Statutory valuation being an accounting valuation framework, the key differences are the following:

- In the Company Statutory figures, future cash flows are not discounted, there is no concept of risk margin and the counterparty risk is not included in the valuation.
- For Solvency II purposes, an estimate of the cash flows ultimately received for the contracts in scope is recognised. For Company Statutory, only the portion of cash flows written by the cedent and earned during the reporting period is recognised.
- In the Company Statutory figures there is no provision for future losses, whereas the Solvency II technical provisions contain best estimates of future losses not yet incurred at date of valuation.

### Other assets and liabilities

The differences in valuation of other assets and liabilities are mainly related to different recognition under Solvency II and Company Statutory valuation: deferred tax assets and liabilities are specific to Solvency II, whereas deferred acquisition costs and provision for currency risk are specific statutory items.

### Capital management

- The eligible amount of own funds to cover the Company's SCR as at 31 December 2023 was EUR 2 295 million (2022: EUR 2 240 million).
- As at 31 December 2023, the Company's SCR was EUR 825 million (2022: EUR 868 million) and the Minimum Capital Requirement (MCR) was EUR 371 million (2022: EUR 391 million). The SCR decrease was driven by adjustments to the SCR, ie for the loss absorbing capacity of deferred taxes due to an increase in deferred tax liabilities and for higher expected investment returns. This has been partially offset by higher insurance risks driven by the underwriting of Nat Cat risks.
- The solvency ratio expressed as eligible own funds as a percentage of the SCR as at 31 December 2023 was 278% (2022: 258%).

### Other events

- The risk landscape in which the Company operates remained uncertain. The ongoing war in Ukraine as well as potential consequences of other global geopolitical tensions and their indirect effects on supply chains have amplified inflationary pressures and financial market volatility. The Company's exposure to Israel and countries vulnerable to the war in the region is very small both on the underwriting and asset management side.
- Natural catastrophe losses in 2023 were again above average and Swiss Re estimates full-year insured losses for the global industry of more than USD 100 billion. A key characteristic of 2023 was the high frequency of low- to medium-severity loss events that aggregated to a high total loss number. The costliest event was the earthquake in Turkey and Syria in February 2023, which caused insured losses of USD 6.2 billion. By peril, losses were overwhelmingly driven by severe convective storms in the US and in Europe (Italy), with aggregated insured losses of above USD 60 billion. Additionally, according to the European Union's Copernicus Climate Change Service, 2023 was the hottest year on record. This increase in global temperatures and the corresponding change in frequency and intensity of climate-related natural catastrophes is a contributing factor to the increasing insured losses.

# Section A: Business and performance

## A1: Business

### Full name and legal form

Swiss Re Europe S.A. ("the Company") was incorporated on 5 December 1986 as a limited liability company (*société anonyme*) under the laws of the Grand-Duchy of Luxembourg, with registered office at 2, rue Edward Steichen, L-2540 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B25242. The Company's legal entity identifier (LEI) is 549300CJ7LW6QSGIL444.

### Supervisory authority

The Company is authorised by the Luxembourg Finance Minister to conduct all types of reinsurance business and operates through a number of branches in the European Union (EU) and the United Kingdom (UK). The Company is supervised by the *Commissariat aux Assurances* (CAA).

### *Commissariat aux Assurances*

11, rue Robert Stumper,  
L-2557 Luxembourg  
Grand-Duchy of Luxembourg  
Telephone: +352 22 69 11 1  
Fax: +352 22 69 10  
[www.caa.lu](http://www.caa.lu)

### Ultimate parent company and group supervisor

The ultimate parent company is Swiss Re Ltd, a joint stock company, listed in accordance with the International Reporting Standard on the SIX Swiss Exchange, domiciled at Mythenquai 50/60 in 8022 Zurich, Switzerland, and organised under the laws of Switzerland. For the purposes of this report, the ultimate parent company and all its subsidiaries are referred to as Swiss Re or the Swiss Re Group. The Company is part of the Reinsurance Business Unit of the Swiss Re Group. The Group supervisor is the Swiss Financial Market Supervisory Authority FINMA.

Swiss Financial Market Supervisory Authority FINMA  
Laupenstrasse 27  
CH – 3003 Bern  
Switzerland  
Telephone: +41 (0)31 327 91 00  
Fax: +41 (0)31 327 91 01  
[www.finma.ch](http://www.finma.ch)

### External auditor

The external auditor appointed by the shareholder of the Company is KPMG Audit S.à.r.l.

KPMG Audit S.à.r.l.  
39, Avenue John F. Kennedy  
L-1855 Luxembourg  
Grand-Duchy of Luxembourg  
Telephone: +352 22 51 51 1  
Fax: +352 22 51 71  
<https://home.kpmg/lu/en/home.html>

### Holding company

The parent company of the Company is Swiss Re Europe Holdings S.A., a limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand-Duchy of Luxembourg, with registered office at 2, rue Edward Steichen, L-2540 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B72575. Swiss Re Europe Holdings S.A. owns 100% of the shares of the Company.

## Section A: Business and performance

### Material-related undertakings

As of 31 December 2023, the investments by the Company in material-related undertakings were as follows (by decreasing absolute amount of investment):

Subsidiary	Country	Proportion of ownership interest %
Swiss Re Germany GmbH	Germany	100
SRE HL PE 1 L.P.	Cayman Islands	99.75

### Simplified group structure

The Company's parent and ultimate parent company, and material-related undertakings as at 31 December 2023, were as follows:



### Material lines of business and geographical areas

#### Material countries by gross written premium

The material geographic areas for the year ended 31 December 2023 were as follows (as defined in the Quantitative Reporting Template (QRT) S.04.05.21 and prepared by location of risk, which is defined as the country of localisation of the ceding undertaking for reinsurance business):

- United Kingdom\*
- Germany
- France
- Spain
- Bermuda
- Netherlands

\* Including Gibraltar

#### Material lines of business by gross written premium

The material Solvency II lines of business for the year ended 31 December 2023 were as follows:

P&C:

- Motor vehicle liability proportional reinsurance
- Fire and other damage to property proportional reinsurance
- Property non-proportional reinsurance

L&H:

- Life reinsurance
- Health reinsurance

### Significant business or other events

There were no significant business or other events that have had a material impact on the Company during 2023.

## Section A: Business and performance

### A2: Underwriting performance

#### Underwriting performance

The underwriting performance by material Solvency II lines of business, calculated on the same basis as used in the Company's statutory financial statements, for the reporting periods ended 31 December, was as follows:

EUR millions	2022	2023
<b>Non-life reinsurance</b>		
Motor vehicle liability - proportional	-33	-142
Fire and other damage to property - proportional	-17	49
Non-proportional property	-58	155
Other non-life	47	127
<b>Total non-life reinsurance</b>	<b>-61</b>	<b>189</b>
<b>Life and health reinsurance</b>		
Life	144	158
Health	176	76
<b>Total life reinsurance</b>	<b>320</b>	<b>234</b>
<b>Total all lines</b>	<b>259</b>	<b>423</b>

The gross underwriting performance of each geographic region, as shown in the table consider a combination of non-life and life business that relates to that country as per QRT S.04.05.21. For comparison to the 2022 SFCR, total net underwriting performance is also reflected in the table below.

EUR millions	2022	2023
United Kingdom*	311	501
Germany	8	86
France	-192	151
Spain	80	51
Bermuda	29	121
Netherlands	3	-47
Other	58	530**
<b>Total gross underwriting performance</b>	<b>297</b>	<b>1 393</b>
Outward underwriting performance	-38	-970
<b>Total net underwriting performance</b>	<b>259</b>	<b>423</b>

\* Including Gibraltar

\*\*Includes the impact of bulk adjustments, which impact many countries and therefore do not capture specific ceding country information eg inflation IBNR reserves

The result of the underwriting performance in 2023 amounted to a profit of EUR 423 million (2022: EUR 259 million). Gross premiums written increased by EUR 814 million, or 11%, mainly driven by rate improvements in the property space and large motor transactions, partially offset by the pruning of liability lines affected by losses. On a net basis, earned premiums increased by 20% from EUR 2 816 million in 2022 to EUR 3 379 million reflecting the gross volume increase and a lower rate of internal retrocession.

Net claims amounted to EUR 2 515 million on 31 December 2023, compared to EUR 2 246 million on 31 December 2022, an increase of EUR 269 million. The improved Property and Casualty (P&C) net technical result was supported by better market conditions, lower natural catastrophe and secondary peril losses compared to the previous year, and a more stable global inflationary environment, only slightly offset by some deterioration in the motor business in the UK. The Life and Health (L&H) net technical result remained strong, primarily due to changes in mortality assumptions in the UK positively impacting the longevity business and favourable impacts from the revision of the L&H reserves discount rates as a result of the higher interest rate environment, partially offset by losses recognised at the inception of large longevity transactions in line with statutory accounting guidelines.

## Section A: Business and performance

### A3: Investment performance

#### Investment results

Investment income and expenses by investment asset category, for the reporting periods ended 31 December, were as follows:

EUR millions	2022	2023
Deposits with ceding undertakings	45	78
Income from related undertakings	15	162
Shares and private equity	49	11
Debt securities and other variables	99	106
Value re-adjustments on investments	0	1
Gains on realisation of investments	124	28
Other	12	12
<b>Total investment income</b>	<b>344</b>	<b>398</b>
Investment management charges, including interest	-53	-40
Value adjustments on investments	-13	-8
Losses on realisation of investments	-75	-5
<b>Total investment charges</b>	<b>-141</b>	<b>-53</b>

Investment income in 2023 amounted to EUR 398 million (2022: EUR 344 million) and investment charges to EUR 53 million (2022: EUR 141 million). The increase in investment income was primarily driven by the higher dividend received from a subsidiary of the Company, partly offset by lower realised gains in 2023 on private equity investments. Investment charges decreased by EUR 88 million compared to 2022, mainly due to lower realised losses on listed equities.

#### Gains and losses recognised directly in equity

The Company does not recognise any gains or losses directly in equity.

#### Investments in securitisation

The Company holds EUR 12 million of market value in collateralised investments, mainly residential mortgage-backed securities in Europe. The investment income shown above includes immaterial interest income from these investments.

### A4: Performance of other activities

#### Material leasing arrangements

The Company has various agreements for the lease of office space. The expenses for the lease of office space in 2023 amounted to EUR 8 million. The Company does not have any other material financial and operating leasing arrangements.

#### Other material income and expenses incurred during the reporting period

During the year under report, net other charges amounting to EUR 19 million (2022: EUR 31 million) consists mainly of trademark licence fees.

### A5: Any other information

#### Other material information

There is no other material information to report for 2023.

# Section B: System of governance

## B1: General information on the system of governance

### **Organisational structure and system of governance**

The governance and organisational structure of the Company is set out in the Company's Articles of Association, Terms of Reference and Charters of Duties. These define the responsibilities and authority of the members of the Board and Committees.

### **Board**

The Board's duty is to manage the Company in the best possible way to achieve the Company's purpose and within the Company's best interests. The Board is responsible for the sound and prudent management of the Company.

The members of the Board bear ultimate responsibility and liability for meeting applicable legal obligations. They therefore have the right and obligation to take all measures to fulfil their legal duties.

The members of the Board are individuals with the abilities, professional background and personal character (including honesty and financial soundness) necessary and required to ensure an independent decision-making process in a critical exchange of ideas with the executive management.

### **Composition of the Board**

As at 31 December 2023, the Board has six members, of whom four are independent/non-executive members and two are members of the Swiss Re Group Executive Committee. The Chair of the Board is an independent non-executive member appointed by the Board.

### **Delegation and retained responsibilities of the Board**

The Board has delegated certain responsibilities and authorities to a Board Committee – the Audit Committee. The Board has further delegated certain responsibilities and authorities to:

- the Management Committee
- the General Manager
- the General Manager Committee
- the Branch Managers
- the Key Function Holders
- the Key Functions Committee
- the Internal Model Oversight Committee

The Board retains ultimate responsibility, oversight and control of the delegated responsibilities and authorities.

### **Audit Committee**

The central task of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities as they relate to the integrity of the Company's financial statements (including its Luxembourg statutory returns), the Company's internal controls, the qualifications and independence of the external auditor, and the performance of both the Internal Audit function and the external auditor. The Audit Committee's responsibilities in the area of risk management are focused on the assessment of risks that arise in the process of ensuring that the financial statement represents a full and fair presentation of the financial position of the Company. The Audit Committee further assists the Board in fulfilling its oversight responsibilities as they relate to the Company's risk tolerance and capital adequacy, own risk and solvency assessment (ORSA), risk concentration, threats etc, both from a local statutory and economic perspective.

### **Other delegations:**

#### **Management Committee**

The Management Committee's primary responsibility is to manage the day-to-day business and operations of the Company. The Management Committee as a collective body is fully accountable to the Board.

#### **General Manager**

The General Manager is in charge of the day-to-day management of the Company and represents the Company to the CAA. In particular, the General Manager has authority to sign in respect of financial and treasury management, including the opening and operation of bank accounts, hedging agreements and payments. The General Manager also has authority regarding employment matters and to act in the best interests of the Company's branches. The General Manager must be resident in Luxembourg and approved by the CAA.

## Section B: System of governance

### *General Manager Committee*

The purpose of the General Manager Committee is to assist the General Manager in managing and supervising operational activities of the Company and its branches to the extent that such operational activities relate to the Company, and to provide a cross-functional and cross-location coordination and communication platform for matters relating to the Company.

### *Branch managers*

For each branch, the Company appoints one person as Branch Manager and legal representative of the Company in the jurisdiction of the branch, who is in charge of the day-to-day management of the branch and of conducting business in the name of the Company in the jurisdiction of the branch.

### *Key Functions*

The Board is responsible for adopting appropriate measures to implement Group guidelines or policies relating to the functions referred to as “key functions” under the Solvency II framework (Risk Management, Compliance, Internal Audit and Actuarial) and the Insurance Distribution Directive (IDD), as implemented into Luxembourg law (a Distribution Manager responsible for the distribution of (re) insurance products for the Company).

The roles and implementation of the key functions are as follows:

### *Risk Management*

Please refer to the subsection “B3: Risk management system” and paragraph “Implementation and integration of the Risk Management function” on page 13 for details of the Risk Management function.

### *Compliance*

Please refer to the subsection “B4: Internal control system” and paragraph “Implementation of the Compliance function” on page 15 for details of the Compliance function.

### *Internal Audit*

Please refer to the subsection “B5: Internal Audit function” and paragraph “Implementation of the Internal Audit function” on page 16 for details of the Internal Audit function.

### *Actuarial*

Please refer to the subsection “B6: Actuarial function” and paragraph “Implementation of the Actuarial function” on page 16 for details of the Actuarial function.

### *Key Function Holders*

The Board nominates individuals as designated representatives of the respective key functions of the Company (the “Key Function Holder”) and monitors the key functions to ensure they are adequately staffed with professionals possessing the requisite professional qualifications, knowledge and experience. Key function holders operate under the oversight of and report directly to the Board and Audit Committee of the Company.

### *Key Function Committee*

The central task of the Key Functions Committee is to assist the Board in fulfilling its oversight responsibilities as they relate to the Company’s key functions and internal controls.

### *Internal Model Oversight Committee*

The purpose of the Internal Model Oversight Committee is to assist the Board, the Audit Committee and the Chief Risk Officer in fulfilling their oversight and decision-making responsibilities as they relate to the Company’s internal model, as well as to ensure the ongoing appropriateness of the Internal Model for use in the Company’s solvency calculations under Solvency II. The Internal Model Oversight Committee is authorised to endorse Internal Model decisions on operational matters and to submit proposals and recommendations on strategic matters to the Board.

### *Reporting and access to information*

The Board, the Audit Committee and the Management Committee have full authority to investigate any matters as part of their respective duties. They are authorised to obtain independent professional advice, request external advisors to undertake specific tasks or to obtain any information from any director, officer or employee acting on behalf of the Company and to secure their attendance at the relevant meetings when necessary.

The key functions have operational independence in performing their reporting functions, with the exception of Internal Audit, which has complete independence in performing its reporting function. Key Function Holders report directly to the Board, Audit Committee, Management Committee or Key Functions Committee any issues that could have an impact on the Company.

## Section B: System of governance

### Material changes in the system of governance

The Audit Committee and the Finance and Risk Committee have merged effective 31 December 2023. There were no other material changes to the system of governance in 2023.

### Remuneration policy and practices

The Company adopted the Swiss Re Standard on Compensation, which captures Swiss Re's compensation framework and governance, outlines the compensation processes across the Group and provides key guidelines for the execution of individual compensation actions, as well as a legal-entity-specific annex to the Swiss Re Standard on Compensation.

Swiss Re aims for total compensation that is competitive in the market and seeks to ensure that total compensation is well balanced in terms of fixed versus variable compensation and in terms of short-term versus long-term incentives to attract, motivate and retain the talent the Company needs to succeed. This ensures alignment of compensation with long-term business results and individual contribution, recognising both what was achieved and how it was achieved. The compensation framework also reinforces a culture of sustainable performance with a focus on risk-adjusted financial results, fosters compliance, supports appropriate and controlled risk-taking in line with the business and risk strategy, and avoids conflict of interest. Further, the compensation framework supports Swiss Re's commitment to ensure equal pay for equal work regardless of gender, race, ethnicity, sexual orientation or other personal characteristics.

Swiss Re has several incentive programmes that reflect the long-term nature of the business: both the Deferred Share Plan (DSP), as the deferred part of the Annual Performance Incentive (API), and the Leadership Share Plan (LSP) aim to reward sustainable long-term performance rather than short-term results. These programmes support closer alignment of the interests of shareholders and employees.

There may be local legal or regulatory requirements that are not addressed by the Swiss Re Standard on Compensation. If this is the case, such local requirements must be applied and will prevail.

### Overview of the compensation components

#### Fixed compensation

##### Base salary

Base salary is the fixed compensation paid to employees for carrying out their role and is established based on the following factors:

- Scope and responsibilities of the role, as well as qualifications required
- Market value of the role in the location in which Swiss Re competes for talent
- Skills and expertise of the individual

##### Benefits

Alongside the base salary, Swiss Re aims to provide employee benefits that are designed and implemented under a global framework. The key objectives of Swiss Re's benefits packages are to:

- Be competitive in the markets where Swiss Re competes for talent
- Provide a degree of financial resilience for employees as it relates to pension, health matters, disability and death
- Connect with Swiss Re values and enhance engagement

Forfeiture provisions apply in line with local market practice in certain benefit plans (eg common forfeiture provisions in retirement savings plans).

#### Variable compensation

##### Annual Performance Incentive (API)

The API is a discretionary, variable component of compensation. Combined with the base salary, it provides competitive total cash compensation for achievements against both business and individual performance targets and for the demonstration of desired behaviours. When the total API level for an employee equals or exceeds a predefined threshold, a portion is deferred into the DSP.

API awards to individuals are capped at two times target API (TAPI). Both the Group API pool as well as an individual API can be reduced to zero. Forfeiture of unsettled awards and clawback provisions for settled awards apply in a range of events, enabling Swiss Re to seek repayment where appropriate. Examples of such events are acts that can be considered as malfeasance, fraud or misconduct.

##### Deferred Share Plan (DSP)

The DSP is a mandatory three-year deferral of a portion of the API and generally applies to senior management, to employees with a total API above USD 150 000 and to employees where local law or regulations require a deferral. The higher the API granted, the greater the amount of compensation that remains at risk through deferral into the DSP. At grant, the award amount is converted into share units (SUs) using the average of the closing share prices of 30 trading days prior to the date of grant. The SUs granted under the DSP are conditional rights to generally receive, at the end of the three-year vesting period, a number of Swiss Re shares (where legally

## Section B: System of governance

permissible). The DSP supports Swiss Re's performance culture as the ultimate value of the deferred variable compensation depends on Swiss Re's future performance and value creation reflected in Swiss Re's share price. For the full three-year vesting period, forfeiture conditions apply. Additionally, clawback provisions apply in a range of events as defined in the DSP plan rules.

### *Leadership Share Plan (LSP)*

The purpose of the LSP is to provide an incentive for Swiss Re's senior management to achieve sustainable company performance over the long term. The vesting period, during which performance is measured, is three years. For LSP awards granted to Group Executive Committee members and other key executives, the duration of the LSP is five years, comprising a three-year vesting and performance measurement period, and an additional two-year holding period. Forfeiture and clawback provisions apply in a range of events.

### Participation plans

#### *Global Share Participation Plan (GSPP)*

Through the Global Share Participation Plan (GSPP), Swiss Re offers its employees an opportunity to directly participate in the long-term success of the Group. During a one-year contribution period, employees can purchase shares for up to a maximum of CHF 21 000 (capped at 10% of base salary). After the three-year vesting period, Swiss Re provides a 30% match on the number of shares held by employees. During the vesting period, matching shares are subject to forfeiture provisions. The GSPP has the same core design in all locations.

### Performance criteria

#### Annual Performance Incentive (API)

Swiss Re operates a Target API (TAPI) system, along with a performance management framework for all employees.

A TAPI is set for each eligible employee based on multiple factors, but primarily on the role being performed, internal calibration and market benchmarks. The API for each individual employee is determined considering their TAPI, business and individual performance (weighted equally):

- Swiss Re determines the overall Group API pool based on five financial key performance indicators (Contribution to Economic Net Worth, Group capitalisation level and three segment targets); the Compensation Committee can apply discretion to make an upward or downward adjustment to the Group API pool recommended for approval to the Board of Directors (based on a number of factors, including risk and control behaviour, sustainability, pay for performance linkage, affordability and proportionality).
- The Group API pool is then allocated to the different Business Units/Group Functions based on their financial and qualitative performance (eg risk and control behaviour and sustainability/ESG targets).
- Individual performance is assessed against the individual's established goals and Swiss Re's behaviour expectations and corporate values.

#### Deferred Share Plan (DSP)

The SUs are not subject to performance conditions. However, the value at vesting depends on the development of Swiss Re's share price.

#### Leadership Share Plan (LSP)

Grant levels are determined based on multiple factors, including the role being performed and market benchmarks. The size of the LSP pool is reviewed each year in the context of sustainable business performance, affordability and market competitiveness, and funded as part of the Group's total variable compensation pool. At the grant date, the award value is split into two underlying Performance Share Unit (PSU) components for senior management. For other eligible employees, the award value is either split into 50% PSUs and 50% SUs, or granted in 100% SUs, whereby SUs are not subject to performance. A valuation by a third party is used to determine the number of PSUs to be granted.

Impact of accounting standard transition on the LSP 2023 awards granted in April 2023:

As a result of the transition from US GAAP to IFRS as of 1 January 2024, and the decommissioning of Economic Value Management (EVM), Swiss Re's proprietary integrated economic valuation and steering framework, the KPIs and associated targets for LSP 2023 were revised. As the original KPIs will no longer be reported, the Compensation Committee has sought to identify the closest available replacements. Where needed, targets were adjusted in a purely mechanical way to ensure that these remain as challenging as intended and are not affected (either positively or negatively) by the transition to IFRS.

#### PSU performance conditions

For 2023 LSP grants, the performance condition for the first component of the PSU measures the return generated from common shareholders' equity. For the 2023 performance tranche, this will be based on return on adjusted equity (ROAE) under US GAAP which is the net income attributable to common shareholders divided by the average shareholders' equity adjusted for unrealised gains/losses as published in Swiss Re Group's audited consolidated financial statements. The 2024 and 2025 performance tranches will be based on return on equity (ROE) under IFRS, defined as Group net income divided by the average of the opening and closing reported shareholders' equity as published in Swiss Re Group's audited consolidated financial statements. In both cases, the vesting between threshold, target and maximum is linear.

## Section B: System of governance

For 2023 LSP grants, targets are as follows:

- ROAE at 14% for performance tranche 2023
- ROE at 16% for performance tranches 2024 and 2025.

At the end of each year, the performance on the respective ROAE/ROE PSU tranche is assessed and locked in. Vesting occurs only at the end of the full three-year plan period and the ROAE/ROE PSUs remain subject to forfeiture conditions.

The second PSU performance condition is relative total shareholder return (TSR) measured over three years relative to the TSR of the pre-defined peer group for the same period. The peer group, which is set at the beginning of the plan period, consists of companies that are similar in scale and have a global footprint or a similar business mix to Swiss Re. The PSUs vest within a range of 0% to 150%. Vesting starts at the 35th percentile of TSR relative to peers and is capped at 150% vesting (referring to the maximum number of granted PSUs that can vest) at the 90th percentile relative to peers. Payout for a negative absolute TSR over the performance period is capped at 100%, subject to the Compensation Committee's right to assess the circumstances and decide on the performance multiple accordingly.

### Control Functions and Key Risk Takers

#### The role of the Control Functions in compensation

Swiss Re bears risks in the course of its business activities, including market, credit and liquidity, underwriting, operational (including legal and compliance) and reputational risk.

Group Risk Management, Compliance and Group Internal Audit annually perform an independent assessment of risk and control-related behaviours of the Group and each of the business functions, and of Swiss Re's Key Risk Takers individually. These reports are delivered to key executives, including the Group Chief Risk Officer and the Group Chief Human Resources Officer & Head Corporate Services.

#### Key Risk Takers (KRTs), Material Risk Takers (MRTs) and other Identified Staff

Swiss Re's KRTs are executives in core risk-taking positions who decide on business and people strategies, approve budgets and can materially influence financial results or expose Swiss Re to significant operational or reputational risks. On a local level, MRTs and other Identified Staff may be defined. Local requirements are followed in setting and structuring compensation so as to ensure compliance with relevant regulations (control-related behaviour assessment, pre-vesting testing etc).

#### Influence of the behavioural assessment on compensation

The risk and control-related behaviour assessment of Group and Business Units/Group Functions provides additional input to determine the Group API pool and its allocation to each Business Unit/Group Function. The assessment results of each KRT serve as additional input when considering individual performance and compensation outcomes. To ensure meaningful assessments and the continued independence of control functions (defined as Group Risk Management, Compliance, Group Internal Audit and Appointed Actuaries), the aggregate API pool for each control functions and individual compensation for the head of the respective control function are approved at the Board level.

### Supplementary pension or early retirement schemes for key individuals

The Company does not have a policy of offering supplementary or enhanced early retirement to key individuals.

### Compensation framework for the Board

#### Compensation structure for non-executive directors

The non-executive members of the Board and Audit Committee of the Company receive 100% of their fees in cash. The payments are made on a quarterly basis. The fees are determined in advance at the start of the financial year and might be approved at the Swiss Re Group level (every other year or upon material changes for those entities that qualify as "significant" and every five years for the remaining legal entities). Any compensation paid to non-executive directors who are also members of the Swiss Re Ltd Board of Directors (or Group Executive Committee, if any) is subject to approval by the Annual General Meeting of Swiss Re Ltd and may only be paid after due authorisation. The fee level for each member is reviewed annually and reflects their differing levels of responsibility and time commitment.

#### Compensation structure for executive directors

The majority of the Board members at subsidiary level are Swiss Re executives who do not receive any additional fees for their services as members of the Boards at the subsidiary level.

### Material transactions

During 2023, there were no material transactions with shareholders, with persons who exercise a significant influence on the Company, or with members of the administrative, management and supervisory body of the Company.

## Section B: System of governance

### B2: Fit and proper requirements

#### Policy framework for fit and proper requirements

The Company's compliance with fit and proper requirements is assured through a combination of policies and related procedures. In particular, the Board, the General Manager, key function holders and branch managers follow special procedures related to appointments (nominations or changes), performance review and training. A set of tools and templates facilitates the implementation of these policies, which collectively ensure that those who effectively run the undertaking possess the requisite skills, knowledge and expertise for their roles.

#### Process for assessing fitness and propriety

Compliance with fit and proper requirements of the Board and Audit Committee is reviewed at various stages, as shown in the table below.

Stage	Activities
Initial assessment	The Company has adopted a specific policy and standards describing the appointment process and the skill/experience approvals required. The Company screens nominees upfront (eg CV, passport, criminal records, check) and uses the Swiss Re Group approval process and fitness and propriety assessment.
Induction	Newly appointed members receive an induction package covering a range of Group/Company topics such as finance, legal and compliance, and risk management.
Training	Training sessions are often included on the agenda of regular Board meetings, which are scheduled on a quarterly basis.
Collective assessment	A formal performance review of the Board is conducted annually during a private session. Board members individually prepare the review with a self-assessment questionnaire and checklist which specifically refers to fit and proper requirements. Gaps and action items (eg training needs, suggested changes to committees) are documented for follow-up. The evaluation of the collective competence of the Board is carried out when a Board member leaves the Board as well as when there is a major change in the programme of activities.
Ongoing and ad-hoc assessment	All individuals subject to fit and proper requirements have to complete an annual fit and proper declaration, which focuses on validation of the propriety to cover the assigned position. Re-assessments are performed if (a) additional responsibilities are assigned to an individual concerned, (b) if an individual concerned becomes aware that he/she no longer meets the Company's fit and proper criteria, or (c) if the performance or the behaviour of an individual concerned raises serious doubts about this person meeting the fit and proper criteria.

### B3: Risk management system, including the Own Risk and Solvency Assessment

#### Risk management system

The Company's risk management system is aligned with the global framework that governs risk management practices throughout Swiss Re Group. The risk governance of the Company includes frameworks for risk management, risk control, risk appetite, limits and capitalisation. Risk policies, standards and guidelines established at Group level form a large part of the Company's risk management system; key documents are reviewed for appropriateness by the Management Committee and the Board of the Company and subsequently adopted. Additional risk governance for the Company is established as an addendum to the respective Group governance where needed to address the specific circumstances of the Company.

A key objective of the Risk Management function is to support controlled risk-taking and the efficient, risk-adjusted allocation of capital. The Company's risk management is based on four fundamental principles. These apply consistently across all risk categories:

- *Controlled risk-taking* – Financial strength and sustainable value creation are central to Swiss Re's value proposition. The Company thus operates within a clearly defined risk policy and risk control framework.
- *Clear accountability* – Swiss Re's operations are based on the principle of delegated and clearly defined authority. Individuals are accountable for the risks they take on, and their incentives are aligned with Swiss Re's overall business objectives. However, responsibility for the outcome of these decisions remains with those delegating authority.
- *Independent risk controlling* – Dedicated units within Risk Management control all risk-taking activities. These are supported by Compliance and Group Internal Audit functions.
- *Open risk culture* – Risk transparency, knowledge sharing and responsiveness to change are integral to the risk control process. The central goal of risk transparency is to create a culture of mutual trust and reduce the likelihood of surprises in the source and potential magnitude of losses. Open risk culture is supported through regular reporting of both quantitative and qualitative risk information to the Company's Management Committee, Audit Committee as well as to the Board.

## Section B: System of governance

### Risk identification

For its risk identification process, the Company applies the Swiss Re Group's framework for identifying, assessing, managing and controlling risks. In addition, the emerging risk process provides a platform for raising emerging risks and reporting early warning signals. This information is complemented with external expertise and reported to internal and external stakeholders.

### Risk appetite framework and limits

The Company's risk appetite framework establishes the overall approach through which the Company practises controlled risk-taking. It complements the Group's risk appetite framework, as provided in the Group Risk Policy. The Company practises controlled risk-taking based on various controls as defined by the Company and the Group, ie the Company's risk appetite statement, risk tolerance according to its Legal Entity Capitalisation Policy, which defines the target capital as the minimum available capital that the Company needs to hold in relation to the risks that it assumes, as well as Group limits and other controls.

### Implementation and integration of the Risk Management function

Under the Company's Terms of Reference, the Board assumes the oversight role for risk and capital steering supported by the Chief Financial Officer and the Chief Risk Officer. The Board has delegated certain responsibilities and authorities to the Audit Committee as well as to other committees (including the Management Committee).

The governance bodies for the Company are described in section "B1: General information on the system of governance", paragraph "Organisational structure and system of governance" on page 8. The Company's Risk Management is supported by Group Risk Management functions that provide specialised risk category expertise and accumulation control, risk modelling and reporting services, regulatory relations management and central risk governance framework development.

### Internal model

The Company uses an internal model for the purposes of calculating the SCR under Solvency II. The CAA approved the internal model and its associated governance framework for use in calculating the SCR under Solvency II on 17 December 2015. The Company's internal model governance framework sets out the requirements for model development, the governance around changes to the internal model, the use of expert judgement for key assumptions of the internal model, validation of the internal model and data quality standards. The internal model governance framework leverages the Swiss Re model governance framework.

The Chief Risk Officer reports the results from the internal model to the Company's Management Committee, the Internal Model Oversight Committee, the Audit Committee and the Board, as well as to the regulatory authorities.

### Process for accepting changes to the internal model

The Company has defined an approval process for all model changes that leverages the process and definitions in the Group Risk Model Governance Standards adopted by the Company. This includes a qualitative and quantitative assessment of the impact of model changes on the Company. The Board is required to approve any major changes to the model prior to implementation. Subsequently, major changes are submitted to the CAA for approval prior to use for external reporting purposes. Minor changes can be adopted by the Company's Chief Risk Officer and notified to the CAA.

### Material changes to the internal model governance

The Company has made several improvements to its internal model governance framework. The Group Model Change Standard, the Group Model Development Standard and the Expert Judgment Guidelines have been reviewed and consolidated into a newly created Group Model Governance Standards document. The documentation of model vetting requirements has been added under the new Group Model Governance Standards.

### Internal model validation tools and processes

The Risk Model Validation Standards adopted by the Company require independent validation of the internal models. This is carried out by an internal model validation team. The appropriateness of the model is subject to regular review with a broad range of validation tools, including profit and loss attribution, stress tests, scenario analyses, reverse stress tests, sensitivity and stability analysis.

### The Prudent Person Principle

In accordance with the Prudent Person Principle under Solvency II, the management of the Company's investments is governed by the general principle of the creation of economic value. This is done on the basis of returns relative to the liability benchmark and its replicating portfolio, the asset management policy adopted by the Company and a set of strategic asset allocation limits that are established by the Board. The asset management policy of the Company also requires the integration of environmental, social and governance (ESG) considerations in investment decisions.

### Own Risk and Solvency Assessment (ORSA) process

The ORSA is an ongoing process, with critical risk control and reporting activities being carried out on a regular basis. It is used to assess the risks inherent in the business plan and the resilience of the Company's solvency and balance sheet over a three-year horizon. Anticipated significant changes in the risk profile are included in assessing the future solvency position. Scenarios are used to

## Section B: System of governance

provide insights into the strength of the balance sheet and to assess future potential solvency positions. Scenario assessment of climate change-related risks also covers a significantly longer time horizon than the Company's business or strategic plan, to align with the long-term evolving nature of climate change-related risks. Where exceptionally adverse scenarios are identified, mitigating actions and control measures are contemplated but would require Board approval prior to action being taken.

The Chief Risk Officer maintains operational responsibility for carrying out the ORSA process and reporting the ORSA results to the Board.

### Review of ORSA

The ultimate responsibility for the ORSA rests with the Board, which reviews and approves the results of the ORSA process at least annually.

### Solvency assessment

Based on the planned risk profile, the internal model is used to determine capital requirements. The Company sets aside capital to cover its quantifiable risks in accordance with its capitalisation policy (see section "E1: Own funds" for more information). The risk-based capitalisation position of the Company is monitored on a frequent basis by the Company's Chief Risk Officer and Chief Financial Officer against target capital, with a number of options if risk and capital develop out of predefined control ranges. The ORSA process uses scenarios to stress the plan and assess the resilience of the solvency position through the plan period, including identifying relevant actions that may be considered to mitigate the potential downsides.

## B4: Internal control system

### Internal control system

#### Control functions and three lines of defence

Swiss Re's control functions help identify the principal operational risks to the organisation and the relevant key controls to manage them, as well as to demonstrate that a sufficient level of assurance is gained from the effectiveness of those controls.

Risk-taking activities are typically subject to three lines of control, with progressive levels of independence:

- The first line comprises the day-to-day risk control activities performed by risk takers in the business as well as in other functions of the Company, including proactive identification of risks, and 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

#### Control function interactions

While all control functions retain their specific mandates and areas of expertise, they work together and rely where possible on each other's work to ensure a holistic approach. Information, planning and execution of assurance work are coordinated and results are shared, reducing overlap between control functions, increasing mutual reliance and providing an increased focus on pre-emptive assurance. The integrated approach is deployed within the following activities:

- Risk scoping and assurance planning
- Coordination between control functions in business interactions
- Issue and action management interactions
- Monitoring across assurance functions
- Reporting

### Implementation of the Compliance function

To ensure that the Company's compliance objectives are consistent with the expectations of regulatory authorities, shareholders, clients and other stakeholders, the Board of Directors mandates best compliance practices and an appropriately resourced Compliance function with defined responsibilities to perform its duties. The Compliance Charter sets forth the overall responsibilities and accountabilities of the Compliance function, as well the overall compliance-related responsibilities and accountabilities of the Board, Management and employees. These responsibilities and accountabilities also apply to branches of the Company.

The Compliance function is responsible for:

- Issuing compliance risk-related policies and standards as well as the Code of Conduct, and ensuring that these are regularly reviewed and up to date.
- Providing guidance regarding compliance risk related policies, standards and the Code of Conduct.
- Overseeing as well as providing appropriate communication and risk-based training to the Company's directors, officers and employees covering the Code of Conduct and certain compliance risk related regulatory obligations.
- Providing primary assurance oversight covering compliance with the Code of Conduct and internal policies and standards in relation to compliance risks.

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The specific areas of compliance risk within the scope of Compliance's core responsibilities include: Money Laundering and Terrorist Financing; Bribery and Corruption; Fraud; Conduct Risk; Conflict of Interest; Data Protection; Insider Trading; International Trade Controls; and Investment Compliance.

The Compliance function is authorised to review all areas and to have full, unrestricted access to all activities, records, property, and personnel, including, without limitation, access to employee e-mail records, subject in all cases to applicable law. In addition, the Compliance function is operationally independent with regular and timely interaction and direct access to the Board of Directors, management team and governance committees of the Company.

The Compliance Charter is reviewed once per annum as a minimum and will be updated more frequently in the event of material changes.

### B5 Internal Audit function

#### Implementation of the Internal Audit function

Group Internal Audit (GIA) assists the Board and Management in protecting the assets, reputation and sustainability of the Company. GIA performs audit activities designed to assess the adequacy and effectiveness of the Company's internal control systems and to add value through improving the Company's operations.

GIA provides written audit reports, identifying issues and management actions to the Audit Committee, senior management and external auditor on a regular basis. GIA monitors and verifies that management's actions have been effectively implemented. Significant issues and issues that have not been effectively corrected, are highlighted to the Audit Committee.

#### Independence of the Internal Audit function

GIA performs its internal audit activities with independence and objectivity. Activities are coordinated with the other assurance functions. GIA has no direct operational responsibility or authority over any of the activities it reviews. Authority is granted for full, free and unrestricted access to any and all of the Company's property and personnel relevant to any function under review or GIA's continuous risk assessment. All employees are required to assist GIA in fulfilling their duty. The Head GIA reports to the Chairperson of the Group Audit Committee and has reporting responsibilities to the Chairperson of any relevant Legal Entity Audit Committee.

GIA staff shall govern themselves by adherence to:

- The Swiss Re Code of Conduct (CoC).
- The mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing.
- All regulatory requirements applicable to GIA as a function in all relevant jurisdictions.

In addition, GIA adheres to the Group's guidelines and procedures, and to GIA's organisation and processes, manuals and guidelines.

### B6: Actuarial function

#### Implementation of the Actuarial function

The tasks of the Actuarial function under the Solvency II framework are allocated across various functions of the Company:

- Technical provisions calculations are overseen and signed off by qualified actuaries within the Company
- Opinions on the underwriting policy and reinsurance adequacy are performed within Risk Management
- Input and feedback into the risk modelling framework are provided by the Risk Management team

### B7: Outsourcing

#### Outsourcing policy

The Company has adopted Swiss Re's comprehensive global outsourcing framework and cloud governance framework. It has further specified the roles and responsibilities within the Company in a separate addendum.

The framework covers two types of outsourcing arrangements:

- External outsourcing, where the mandate is given to an external service provider
- Intra-group outsourcing between Swiss Re entities

The addendum clarifies the processes, roles and responsibilities of the Company in relation to outsourcing arrangements where it is acting as a service recipient. It also defines 'critical or important' outsourcing arrangements in relation to key functions and other main functions based on materiality and outlines the approval process.

## Section B: System of governance

The Board approves the appointment of outsourcing managers for outsourcing arrangements related to key functions and other main functions that are deemed critical and important.

The critical or important services related to the Risk Management, Actuarial, Compliance and Internal Audit functions are provided to the Company by other entities in the Swiss Re Group under intra-group outsourcing arrangements.

### B8: Any other information

#### **Assessment of adequacy of the system of governance**

The Board carries out an annual evaluation of its system of governance against relevant best practice standards. During the reviews performed in 2023, the Board concluded that the system of governance is adequate for the nature, scale and complexity of the risks inherent in its business.

#### **Additional disclosures as required by the Shareholders Rights Directive 2017/828**

Equity investments are generally held against surplus in order to generate excess returns through dividends and appreciation, and are not used to back long-term liabilities. To the extent certain liabilities reflect equity market performance, equity securities will be held as a hedge against this exposure.

The investment management agreement between the Asset Manager (SRZ) and the Company requires the Asset Manager to manage with appropriate devotion of time and with such skill, diligence, care and attention as the Company may reasonably expect of a professional investment manager. The Asset Manager must comply with the Prudent Person Principle, as well as all legal and regulatory requirements applicable to the Company. In addition, there is an obligation to manage the portfolio in line with any investment decision taken and limits imposed by the Board of Directors. Through these arrangements, the Asset Manager is incentivised to enhance the long-term value of the Company's portfolios. The Asset Manager is a leader in the sustainable investment space, and the benefit of its long-term-oriented ESG policies (including a comprehensive voting and engagement policy) and procedures extends to the Company's portfolios.

The performance of the Asset Manager is measured across various dimensions and time horizons, including a comparison versus selected benchmarks that reflect ESG criteria and thus incentivise investment with a long-term sustainable view. The Asset Manager's remuneration is based solely on net asset exposure under management with no performance-based component. There are, however, quantitative and qualitative measures to evaluate the manager's overall performance and the relationship can be terminated in case of continuous dissatisfaction, ensuring that the manager meets return expectations and fulfils the terms of the agreement, including engagement requirements. For listed equities, the manager generally follows relatively low turnover strategies. To ensure that there is no excessive turnover, the trading volume is steadily monitored by the Asset Manager. The Company has the right to terminate the relationship with the Asset Manager at any time, subject to a 90-day notice period, or immediately in certain cases, including any material or persistent breach of obligations under the investment agreement.

#### **Other material information**

There is no other material information to report for 2023.

# Section C: Risk profile

## Overview of risk exposure

The Company is exposed to a broad landscape of risks. These include core risks that are taken as part of insurance or asset management operations and are quantified in the Company's internal model. As required under Solvency II, the model also quantifies operational risk. In addition to these modelled risks, the Company is exposed to further risks that arise from undertaking business, including liquidity, strategic, regulatory, political and reputational risk.

Modelled risks	Other risks
Underwriting: Life and health, Property and casualty and credit	Strategic risk
Financial Market risk	Regulatory risk
Credit risk excluding credit underwriting	Political risk
	Reputational risk
Operational risk	Sustainability risk
	Liquidity risk
<b>Emerging risks</b>	

### Climate change-related risks

The company is exposed to physical and transition risks related to climate change affecting its assets and liabilities. These risks are not considered as a risk category on their own because they affect all risk categories.

### Measures used to assess risks and material changes

The Company uses a CAA-approved integrated internal model to assess all modelled risk categories. Separate risk modules are used to model the individual risk factors. Risks not covered by the SCR (liquidity risks, strategic risks, regulatory risks, political risks and others) are regularly considered and assessed on a qualitative basis with various monitoring and reviews in place.

### Quantification of modelled risks by risk category

The table below sets out the quantification as at 31 December 2023 for the Company's modelled risk categories over the next twelve months. It also shows the changes compared to the SCR as at 31 December 2022. The figures represent the loss for each risk category\* that is likely to be exceeded only once in two hundred years, gross of retrocession. Due to diversification, the total risk of the Company is lower than the sum of the individual categories.

The SCR of the Company as at 31 December 2023 has decreased compared to 2022. This was driven by higher adjustments to the SCR, ie for the loss absorbing capacity of deferred taxes due to an increase in deferred tax liabilities and for higher expected investment returns. This has been partially offset by higher insurance risks driven by the underwriting of Nat Cat risks.

EUR millions	2022	2023
Life and health risk	1 116	1 025
Property and casualty risk	2 843	3 219
Financial market risk	809	751
Credit risk	320	111
Operational risk	98	94
Diversification	-2 063	-1 776
Other impacts**	-2 078	-2 373
<b>Pre-tax Solvency Capital Requirement</b>	<b>1 044</b>	<b>1 050</b>
Deferred tax impact	-176	-225
<b>SCR</b>	<b>868</b>	<b>825</b>

\* Risk categories are gross of retrocession.

\*\* Other impacts are mainly driven by expected change in own funds and retrocession-related impacts

Please refer to the paragraph "Solvency Capital Requirement split by risk category" on page 36 for further details.

### Risk concentration

The Company has a material counterparty exposure to SRZ as a result of its IGR arrangements. This risk is mitigated by the strong solvency and liquidity position of SRZ, as well as its financial strength rating. For details of the solvency position of SRZ, please refer to the Swiss Re Group website: <https://www.swissre.com/investors/solvency-ratings/solvency.html>.

## Section C: Risk profile

The biggest underwriting risks of the Company on a standalone basis are natural catastrophe risks (in particular European windstorm), non-life claims inflation and longevity risk.

The following sections (C1 to C6) provide further details on specific risk categories.

### C1: Underwriting risk

#### **Risk exposure**

Underwriting risk comprises exposures taken on by the Company when it writes property and casualty, life and health, and credit insurance business.

#### **Life and Health risk**

L&H risk arises from coverage provided for mortality (death), longevity (annuity) and morbidity (illness and disability). In addition to potential shock events (such as a severe pandemic), the Company monitors and manages underlying risks inherent in L&H contracts (such as pricing and reserving risks) that arise when mortality, morbidity or lapse experience deviate from expectations. The investment risk that is part of some L&H business is modelled, monitored and managed as financial market risk. The L&H risk of the Company is mainly driven by lethal pandemic, mortality and longevity risks.

#### **Property and Casualty risk**

P&C risks arise from coverage that the Company provides for property, liability, motor and accident risks, as well as specialty risks such as aviation, engineering, cyber and marine. It includes underlying risks inherent in the business underwritten, such as inflation or uncertainty in pricing and reserving. Major property and casualty risks of the Company comprise claims inflation, costing and reserving risk, as well as natural catastrophe risk, eg related to European windstorm and flood.

#### **Credit underwriting risk**

Credit underwriting risk arises from liabilities taken on by the Company in the course of its credit and surety underwriting. The exposure from this line of business is small in comparison to P&C and L&H exposures. Due to the nature of the risk, credit underwriting risk is quantified in the credit risk model.

#### **Material risk developments over the reporting period**

The main risks to which the Company is exposed have remained largely the same since last year. P&C risks have increased due to higher Nat Cat risk because of business growth which has led to higher exposures for European perils such as windstorm Europe, flood and convective storm. The Company's L&H underwriting risk has decreased due to an update of model threat scenario parameters. This has reduced the contribution of longevity risks to the total L&H risk while longevity risk has increased on a standalone basis.

#### **Risk mitigation**

The Company's underwriting risk is largely mitigated by a combination of proportional and non-proportional internal retrocessions.

#### **Sensitivity analysis and stress testing**

During the annual ORSA process, various scenarios are used to test the resilience of the Company's balance sheet beyond a baseline scenario.

The scenarios that are used take a multi-year time frame into account. Consideration of these scenarios helps management to better understand the impact of potential deviations from the expected/baseline scenarios and to be better prepared to dynamically respond to such scenarios should they occur.

The scenarios consider a range of macro-economic situations (from extreme to more probable). They may also consider insurance risk scenarios under which the Company could be expected to operate as well as situations that lead to different underwriting results.

The application of these stresses and comprehensive scenarios provided insights into the resilience of the Company and its ability to meet Solvency II and liquidity requirements under extreme conditions.

#### **Special-purpose vehicles**

The Company does not currently use special-purpose vehicles.

### C2: Financial market risk

#### **Risk exposure**

The value of the Company's assets or liabilities may be affected by movements in financial market prices or rates, such as equity prices, interest rates, credit spreads, foreign exchange rates or real estate prices. The Company is exposed to such financial market risk from

## Section C: Risk profile

two main sources: investment activities and the sensitivity of the economic value of liabilities to financial market fluctuations. Four types of financial market risk are currently material for the Company: credit spread risk, equity risk, interest rate risk and real estate risk.

### List of assets

The Company invests in government, corporate and agency bonds, cash and cash equivalents, listed investments, securitised assets, infrastructure loans, alternative investments (including real estate) and private equities. These investments have been made in accordance with the Prudent Person Principle as outlined in the paragraph "The Prudent Person Principle" on page 14.

### Material risk developments over the reporting period

The Company's financial market risk has decreased mainly because of asset management activities, namely the reduction of equity exposures, further supported by a valuation update of the real estate portfolio.

### Risk mitigation

The Company uses a prudent and effective asset and liability matching process to mitigate financial market risks. Regular reporting monitors the effectiveness of the asset liability matching process that is in place. The limits or ranges on asset classes are approved on an annual basis to take into account business planning and the strategic asset allocation plan; usage against approved target ranges is monitored regularly. The Company has integrated ESG considerations for its investment decisions to mitigate sustainability-related risks.

### Sensitivity analysis and stress testing

The 2023 ORSA of the Company includes financial market stresses to assess the resilience of the capitalisation of the Company, including an upward shock on credit spreads and downward shocks affecting equities and real estate market values.

The Company continues to meet all Solvency II requirements under these stresses.

### Group-wide stress testing framework

Apart from the scenarios considered above, the Company's financial market exposures are also subject to the group-wide stress testing framework. The asset management stress is monitored on a daily basis against an approved target range.

## C3: Credit risk

### Risk exposure

Credit risk reflects the potential financial loss that may arise due to diminished creditworthiness or default of counterparties of the Company or of third parties. This risk arises directly from investment activities, as well as from counterparty risk related to external and intra-group counterparties, and investments in corporate bonds, and also covers Credit underwriting risk as described in section C1.

### Material risk developments over the reporting period

Credit risk has decreased mainly due to an update of duration parameters for credit exposures in relation to the Company's longevity business.

### Risk mitigation

Risk Management regularly monitors corporate counterparty credit quality and exposures and compiles watch lists of cases that merit close attention. Risk Management monitors and reports credit exposure and limits on a regular basis to maintain exposure within approved limits. A governance framework is in place and appropriate actions will be taken when limits are near to being breached.

### Sensitivity analysis and stress testing

No specific scenario is considered for credit risk.

## Section C: Risk profile

### C4: Liquidity risk

#### Risk exposure

Liquidity risk represents the possibility that the Company will not be able to meet expected and unexpected cash flow and collateral needs without affecting either daily operations or the Company's financial condition. The Company's exposure is driven by potential extreme losses, as well as the amount of its investments in liquid assets.

#### Material risk developments over the reporting period

Liquidity risk has remained stable at a low level, and at year-end 2023 the Company holds ca. 40% of its investments in the most liquid asset class, ie government bonds, bills and cash.

#### Risk mitigation

The Company controls liquidity risk to ensure that it can satisfy claims payments, debt maturities, expenses and collateral requirements and pay dividends. To manage liquidity risk, the Company has a range of liquidity policies and measures in place, including a securities lending agreement with Swiss Reinsurance Company Ltd. and regular monitoring and reporting of key stress liquidity ratios to the Board.

#### Sensitivity analysis and stress testing

The Company assesses liquidity risk against extreme losses affecting the relevant liquidity pool using a group-wide liquidity stress scenario. The 2023 ORSA of the Company includes a Liquidity stress under the extreme loss scenario, ie in light of a global recession.

The Company's liquidity position is sufficient to meet the liquidity requirements under these stresses.

#### Amount of expected profit in future premiums (EPIFP)

In accordance with the revised reporting requirements, as stipulated by EIOPA in Taxonomy 2.8, the EPIFP has been calculated on the gross basis instead of the net basis used previously. The total amount of EPIFP for the Company as at 31 December 2023 is EUR 4 239 million, calculated on the gross basis. On the net basis, the EPIFP would have been EUR 1 668 million.

### C5: Operational risk

#### Risk exposure

Operational risk represents the potential economic, reputational or compliance impact of inadequate or failed internal processes, people and systems or from external events, including cyber risk, legal risk and the risk of a material misstatement in financial reporting.

#### Material risk developments over the reporting period

Operational risk remained broadly stable. The Company's processes and the control framework have proved to be robust throughout 2023.

The number and severity of operational events within the existing period are within acceptable levels and no increase in the reporting of operational events has been observed. No emerging themes are noticeable with the majority of events relating to processing, human and internal communication errors without any major financial or reputational impact on the Company.

#### Risk mitigation

The Company's internal control framework outlined in section B4 is used to manage and mitigate operational risk.

#### Sensitivity analysis and stress testing

The Company relies on a regular exercise undertaken by Group Operational Risk Management to re-evaluate its exposure to operational risk. The team conducts workshops where business experts (first-line risk takers) and second line of defence risk managers exchange views and outlooks of the potential for one-in-two-hundred-year operational events and the expected financial impact if these risks should materialise under various scenarios.

The outcome of these discussions enables the recalibration of the Swiss Re Group Risk Model's operational risk module and a calculation of Group Operational Risk Capital. A portion of this is assigned to the Company on a pro-rata basis.

The operational risk model is designed to represent the economic loss potential due to events classified as operational risk over a one-year horizon for use in the internal risk model. The focus of interest for this purpose lies entirely in large, unexpected events that potentially jeopardise the capital adequacy of the Company. The 2023 ORSA of the Company has assessed the impact of operational risk scenarios, including the potential consequences of a failure to execute exclusion clauses deemed to limit losses from strikes, riots and civil commotion due to a contracts management issue. The Company would remain resilient under these scenarios, supported by effective operational risk mitigations.

## Section C: Risk profile

### C6: Other material risks

#### **Other material risks**

No other material risks have been identified, but there is a process by which the Company tracks the development of emerging risks.

The risk landscape in which the Company operates remains uncertain. The ongoing war in Ukraine as well as potential consequences of other global geopolitical tensions and their indirect effects on supply chains might create new inflationary pressures and financial market volatility. The Company's exposure to Israel and countries vulnerable to the war in the region is very small both on the underwriting and asset management side.

P&C markets are expecting decent growth in a market that may observe a hard cycle peak. However the growth expectation for L&H is more cautious for 2024 and beyond. In addition to legal changes, the company will continue to monitor any regulatory developments that might impact its business model and reporting, eg the Corporate Sustainability Reporting Directive (CSRD), the Solvency II review, the Insurance Recovery and Resolution Directive (IRR), or the Digital Operational Resilience Act (DORA).

### C7: Any other information

#### **Other material information**

All material information has been disclosed above.

# Section D: Valuation for solvency purposes

## D1: Assets

Material assets on a Solvency II valuation basis as at 31 December 2023 were as follows (based on QRT Balance Sheet S.02.01.01):

EUR millions	Solvency II	Company Statutory	Difference
Reinsurance recoverables	6 674	12 680	-6 006
Investments (other than assets held for index-linked and unit-linked funds)	6 193	6 277	-84
Deposits to cedents	2 652	2 649	3
Total of all other assets not listed above	2 940	5 688	-2 748
<b>Total assets</b>	<b>18 459</b>	<b>27 294</b>	<b>-8 835</b>

### Methods applied for valuation of material assets

The following valuation bases were used to value material assets for Solvency II purposes:

Material assets	Quoted market price valuation	Adjusted equity valuation	Alternative valuation
Investments (other than assets held for index-linked and unit-linked funds)			
All other investments, excluding the investments listed below	X		
Participations (subsidiaries and associates) and Swiss Re Funds (Lux)*		X	
Private equity funds		X	
Property other than for own use			X
Loans and mortgages			X
Reinsurance recoverables			X
Deposits to cedents			X

\* Swiss Re Funds (Lux) relates to Swiss Re Funds (Lux) Global Bonds Multi-currency and Swiss Re Funds (Lux) I Global Bonds Euro

### Reinsurance recoverables

#### Solvency II

The share of technical provisions for retroceded business is determined with reference to the contractual agreement and the underlying gross Solvency II best estimate liability per treaty. Furthermore, the reinsurance recoverables include the allowance for the counterparty credit risk.

#### Company Statutory

The share of technical provisions for retroceded business is determined with reference to the contractual agreement and the underlying gross business data per treaty.

The difference in L&H between Solvency II and Company Statutory is attributable to the margins included within the statutory reserving basis. The main difference in P&C is attributable to the discounting approach under Solvency II, where future cash flows are discounted using the Solvency II discount rates.

Refer to section "D2: Technical provisions" for further details on reinsurance recoverables.

### Investments (other than assets held for index-linked and unit-linked funds)

#### Solvency II

Quoted market price valuation:

- Investments (excluding the investments listed below) are valued at fair value, determined to the extent possible by reference to observable market prices.

Adjusted equity valuation:

- Participations: valuation of participations (subsidiaries and associates) is estimated based on readily available accounting information.
- Swiss Re Funds (Lux): the valuation is based on net asset value.
- Private equity funds: the valuation is based on net asset value.

Alternative valuation:

- Property other than for own use has been valued by an external appraiser using a discounted cash flow method.
- Loans and mortgages are valued using a discounted cash flow method. The values thus determined are considered a reasonable approximation of the market value.

## Section D: Valuation for solvency purposes

### Company Statutory

Amortised cost:

- Debt securities and other fixed income transferable securities are valued at amortised cost (included as bonds or collateralised securities under Solvency II).
- Loans to affiliated undertakings are valued at their amortised cost.

Nominal value:

- Deposits with credit institutions are valued at nominal value.

Lower of acquisition cost or market value:

- Shares and other variable yield transferable securities and units in unit trusts are valued at the lower of acquisition cost or market value, except for positions held to hedge liabilities in respect of certain co-reinsurance treaties of unit-linked insurance portfolios, which are carried at fair value (included as equity or investment funds under Solvency II).
- Private equity funds are valued at the lower of acquisition cost or market value (included as investment funds under Solvency II).
- Shares in affiliated undertakings and participating interests, including investments in unit trusts solely used as investment vehicles by Swiss Re Group entities, are valued at the lower of acquisition cost or market value. Acquisition cost includes expenses related to the purchase.

Depreciated acquisition cost:

- Land and buildings are valued at historical acquisition or construction cost. Buildings are depreciated over their useful economic lives. The acquisition cost includes expenses related to the purchase.

The difference between Solvency II and Company Statutory is mainly due to unrealised gains and losses, which are taken into account under Solvency II but not accounted for Company Statutory purposes. In addition, the accrued interest on investments is classified as receivables under Company Statutory but as investments under Solvency II. Furthermore, in the Solvency II balance sheet, pension liabilities and pension assets are netted, consistent with IAS 19. For more details on pension assets and liabilities, refer to the paragraph "Employee benefits" on page 31.

### Deposits to cedents

For L&H business, the value of deposits with ceding undertakings is calculated by discounting the deposit reserve cashflows (mainly change in deposits and interest on deposits) using the official risk-free discount rates published by the European Insurance and Occupational Pensions Authority (EIOPA). The difference between Solvency II and Company Statutory is mainly due to the different discounting treatment for the deposits.

For P&C business, deposits with ceding undertakings are stated mostly at face value under Solvency II and the Company Statutory valuation. The difference between Solvency II and Company Statutory is mainly due to discounting of the deposits under Solvency II, whereas under Company Statutory no discounting is applied to the cash deposits.

### Other assets not listed above:

The difference between Solvency II and the Company Statutory amounts of other assets not listed above is mainly driven by deferred acquisition costs, only recognised in Company Statutory, and debtors arising out of reinsurance operations. A part of the latter item contains future cash flows recognised under Solvency II as a part of technical provisions.

### Assumptions and judgements applied for valuation of material assets

Investments are valued at market value, which is determined to the extent possible by reference to observable market prices. Where observable market prices are not available, the Company follows the fair value measurement methodology. There are no major sources of estimation of uncertainty when using judgements to determine valuations. Since Solvency II follows fair value methodology, the securities are not carried at more than the recoverable amounts.

### Changes made to recognition and valuation basis of material assets during the year

No changes were made to the recognition and valuation basis or to estimation assumptions during 2023.

### Drivers of difference between Solvency II and Company Statutory accounts

The difference between the Solvency II balance sheet and the Company Statutory balance sheet is explained by the different valuation methodologies used as described in the paragraph "Methods applied for valuation of material assets" on page 23.

### Property (held for own use)

The company holds EUR 3 million in property for own use which relates to leasehold improvements.

### Inventories

The Company does not hold any inventories as at 31 December 2023.

## Section D: Valuation for solvency purposes

### Intangible assets

The Company does not show any intangible assets on the Solvency II balance sheet as at 31 December 2023.

### Financial assets

#### Methods and assumptions applied in determining the economic value

Quoted prices in active markets for identical assets are used to determine the economic value for the majority of securities. Where quoted prices are not available, alternative methods are used. Most financial asset prices are sourced from BlackRock Solutions. The Company holds the list of vendors used by BlackRock Solutions to confirm pricing. In addition, all prices are reviewed by Swiss Re's independent pricing verification team to ensure agreement. When BlackRock Solutions's prices are not available, a market price from an alternative source is selected. These are pre-agreed vendors, brokers or dealers, or calculations depending on the type of financial assets.

As at 31 December 2023, the value of assets in scope of the QRT List of assets S.06.02.01 valued at quoted market prices in active markets, for the identical assets, was EUR 763 million (2022: EUR 881 million). The value of assets valued at quoted market prices in active markets, for similar assets, was EUR 2 019 million (2022: EUR 2 089 million). The value of assets using the adjusted equity method was EUR 3 365 million (2022: EUR 3 221 million) and the value of assets using the alternative valuation method was EUR 3 388 million (2022: EUR 2 864 million), of which deposits to cedents EUR 2 652 million (2022: EUR 2 102 million).

#### Use of non-observable market data

The Company follows the valuation methodology as per Article 10 of the Commission Delegated Regulation (EU) 2015/35, which states that "the use of quoted market prices in active markets for the same assets or liabilities, or, where that is not possible, for similar assets and liabilities, shall be the default valuation approach". This approach ensures that the values are not significantly higher or lower.

#### Significant changes to the valuation models used

There were no significant changes to the valuation models during the year.

### Lease assets

The Company does not have any material financial and operating leasing arrangements other than various agreements for the lease of office space.

### Deferred tax assets

#### Recognition of deferred tax assets

Deferred income tax assets of EUR 867 million (2022: EUR 780 million) have been recognised for all deductible temporary differences and for the carry forward on unused tax losses and unused tax credits, to the extent that the realisation of the related tax benefit through expected future taxable profits is probable.

Deferred tax asset recognition on tax losses is determined by reference to the tax laws enabling such recognition on the same enacted or substantively enacted basis.

#### Amount for which no deferred tax asset is recognised

The amount of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the Solvency II balance sheet is immaterial.

The expiry date, if any, for tax losses and tax credits, is dependent on the local tax law and hence varies depending on the relevant branch jurisdiction.

Temporary differences and unused tax losses are assumed to relate to the individual branch, and consistent with tax rules, there is no offsetting of deferred tax assets in one branch against deferred tax liabilities in a different branch.

Swiss Re Europe S.A. UK branch L&H business and Swiss Re Europe S.A. UK Branch P&C business are considered as separate entities for deferred tax computation in this regard.

#### Projected future taxable profits

Deferred tax assets to be recovered after more than 12 months are EUR 867 million (2022: EUR 780 million). Deferred tax assets to be recovered within 12 months are zero.

The valuation and utilisation of deferred tax assets can be supported by projections of future taxable profits, including those arising from the reversal of existing taxable temporary differences. The projections are based on prior-year experiences considering expectations about future business. The Company is presumed not to enter into runoff after a shock loss, and credit is only given for deferred tax assets utilised within a three-year timeframe. Adjustments are made for local restrictions on tax loss.

## Section D: Valuation for solvency purposes

### Actual tax losses suffered by the Company

Actual tax losses suffered by the branches of the Company in either the existing or preceding periods, in the tax jurisdiction in which the deferred tax assets are considered as a deferred tax asset, are taken into account to the extent that future tax benefits utilising these tax losses are probable. Local tax loss carry forward restrictions are considered. In certain jurisdictions, it may be possible to either utilise tax losses against prior-year profits or against profits arising in sister subsidiaries or branches in those same jurisdictions. For balance sheet figures, the actual utilisation of tax losses in this manner is taken into account. For the purposes of computing the loss absorbing capacity of deferred taxes, such tax utilisation is assumed not to happen.

### Tax rate changes during the year and their effects on deferred tax assets

The tax rate changes during the year affect deferred tax assets, which are computed based on enacted statutory rates.

For details of deferred tax liabilities please refer to the paragraph "Deferred tax liabilities" on page 30.

### Valuation of related undertakings

Participations are valued using the adjusted equity method.

The adjusted equity method is used to value those participations where there are no observable market prices or where there is no alternative valuation method applied, given that the nature and size of those participations do not justify the application of alternative valuation methods.

## D2: Technical provisions

### Life business

#### Material technical provisions by Solvency II line of business

The following table shows the value of life technical provisions, based on QRT S.12.01.02, by material line of business as at 31 December 2023:

\*Liabilities are presented as positive amounts.

#### Overview of methodology and assumptions

##### Best estimate

EUR millions	Gross best estimate	Net best estimate	Risk margin	Total net technical provision
Life	-997	-239	88	-151
Health	121	16	20	35
<b>Total</b>	<b>-875</b>	<b>-224</b>	<b>108</b>	<b>-116</b>

Cash flow projections have been carried out on each relevant risk within the contract, which entails calculating the present value of projected premiums, claims, commission (initial, initial claw-back and renewal), profit commission, management expenses, surrender values and maturities over the lifetime of each policy using best estimate assumptions. The cash flows are discounted using the official risk-free discount rates published by EIOPA. No allowance is made for the matching premium or counter-cyclical premium.

### Provisions for options and guarantees

Additionally, whenever the Company's liabilities include provision to cover options or guarantees, then additional liabilities have been established where considered necessary.

### Portfolio reinsurances

The Company has a number of portfolio level financing arrangements. The Company is exposed to the risk that the cedents' future profits or surpluses in the defined portfolios supporting these arrangements will be lower than expected. Ongoing monitoring of the performance of the underlying portfolios is conducted and appropriate liabilities established wherever necessary.

### Simplifications used in calculation of best estimate or risk margin

There are no relevant simplifications.

### Risk margin

The risk margin is calculated under a transfer value approach, assuming that the insurance or reinsurance obligations are transferred to a so-called reference undertaking, which is assumed to be empty prior to the transfer and then funded with assets to cover the technical provisions. Since the calculation is based on the cost of holding required capital, assumptions around the risk margin rely on the calculation of the SCR and are explained and justified in the internal model documentation.

## Section D: Valuation for solvency purposes

Solvency II additionally requires the allocation of the risk margin to the lines of business or segments as defined by the Solvency II regulation. The allocation is required to adequately reflect the contribution of the lines of business to the SCR of the reference undertaking over the lifetime of the insurance or reinsurance obligations. In the internal model, the allocation is implemented using a pro-rata approach, allocating the total risk margin to life and non-life by their share of the sum of the two standalone risk margins. This change is to reduce the volatility of the risk margin split between life and non-life business.

### Uncertainty associated with the technical provisions

Estimating technical provisions involves predicting future cash flow payments (income and outflow) based on historical and existing information and knowledge, as well as judgement about future conditions. However, changes to economic (national or regional) performance, medical advances (different from expected), policyholder attitudes regarding insurance policies, the social or regulatory environment, or the Company's operation and its book of business mean that actual cash flows will most likely be different from predicted cash flows.

### Material differences between Solvency II and statutory technical provisions

Material differences by line of business between Solvency II and statutory net life technical provisions as at 31 December 2023 were as follows:

EUR millions	Solvency II	Company Statutory	Difference
Life	-151	1 162	-1 314
Health	35	714	-679
<b>Total</b>	<b>-116</b>	<b>1 877</b>	<b>-1 993</b>

*\*Liabilities are presented as positive amounts.*

The actuarial methods and assumptions used for the valuation of the technical provisions for Solvency II purposes are the same as for the preparation of the Company's statutory accounts. Nevertheless, there are significant differences between the two valuation methodologies. The difference of EUR 1 993 million is driven by the reasons outlined below. A negative difference means that statutory technical provisions are higher than Solvency II technical provisions.

- Statutory margins included in the statutory reserves contribute EUR 1 555 million to the difference (EUR 1 015 million for Life and EUR 540 million for Health). Statutory reserving includes prudent margins, whereas Solvency II technical provisions are the best estimate (excluding risk margin).
- Remaining differences relate mainly to client balances and risk margin, which are included in Solvency II technical provisions but not in statutory reserves.

### Recoverables due from reinsurance contracts

Net technical provisions take account of the reinsurance recoverables based on the underlying contracts. The reinsurance ceded is predominantly proportional reinsurance. Therefore, the determination of the reinsurance recoverable is a pure calculative process and does not require estimations, actuarial methods, assumptions, or other judgemental elements. In the valuation of ceded reinsurance, the counterparty risk is considered.

### Material changes in assumptions made

During 2023, several updates were made to the mortality, morbidity, mortality trend and lapse assumptions. These updates were made to reflect more recent experience across the portfolios.

### Matching adjustment

Not applicable to the Company.

### Volatility adjustment

Not applicable to the Company.

### Transitional measures

Not applicable to the Company.

## Section D: Valuation for solvency purposes

### Non-life business

#### Material technical provisions by Solvency II line of business

The following table shows the value of non-life technical provisions, based on QRT S.17.01.02, by material lines of business\* as at 31 December 2023:

EUR millions	Gross best estimate	Net best estimate	Risk margin	Total net technical provision
Casualty non-proportional reinsurance	4 468	1 603	159	1 762
Motor vehicle liability proportional reinsurance	2 246	1 339	26	1 365
Property non-proportional reinsurance	1 950	674	10	685
Fire and other damage to property proportional reinsurance	1 270	452	11	462
General liability proportional reinsurance	1 295	416	34	451
Total of others not included in above	878	297	11	308
<b>Total</b>	<b>12 107</b>	<b>4 781</b>	<b>251</b>	<b>5 033</b>

\* By the amount of net technical provisions for non-life business.

#### Overview of methodology and assumptions

##### Best estimate

The estimation of the best estimate technical provisions is based on two steps:

- For all contract years, the nominal values of future payments related to premiums, claims and commissions (including other contractual costs) are estimated.
- For all those nominal values, the timing of such future payments is estimated.

Combining the payment patterns and nominal values provides the expected future cash flow streams. Applicable discount rates can be applied to these future cash flow streams for Solvency II reporting. Those estimates are made by a dedicated team of reserving actuaries as follows:

- For most contracts, they use classical actuarial methods for analysing triangular information concerning the development of past premiums, claims and commissions. For such analysis, the contracts are grouped into segments (large or structured contracts may be analysed on a standalone basis).
- For new contracts, those estimates cannot be derived with the aforementioned actuarial techniques. The values of new contracts are generally based on values estimated during the process of determining the price of each contract. Over time, as new experience emerges, the initial estimates are revisited using classical actuarial techniques.

The estimates are reviewed and approved by the reserving committee.

##### Main assumptions

Estimating technical provisions is not a purely calculative process. Sometimes assumptions must be made in respect of some parameters in the calculations. If the historical development observed in data captured in a triangle does not cover the full possible development, the length and amount of future development beyond the last observed point (the tail) must be quantified based on assumptions. Another area where important assumptions are needed in reserving is judgement as to whether the future will proceed as in the recent past or whether a different future development should be expected compared to the recent past observed in historical data.

##### Risk margin

Please refer to the paragraph "Overview methodology and assumptions" on page 26 within the subsection "D2: Technical provisions - Life business" for the calculation of the risk margin.

#### Uncertainty associated with the technical provisions

Estimating technical provisions involves predicting future loss payments based on historical and existing information and knowledge, as well as judgement about future conditions. However, changes to historical patterns and trends, changes due to, among other factors, an evolving legal or social environment, claimants' attitudes regarding insurance claims, changes in national or regional economic performance, or changes in Company operations and its book of business make the incidence of claims more or less likely and claims settlement values lower or higher.

The technical provisions contain no provision for the extraordinary future emergence of new classes or types of losses not sufficiently represented in the Company's historical database or that are not yet quantifiable. Contrary to the balance sheet used for Luxembourg statutory, the technical provisions used for Solvency II purposes contain best estimates of future losses not yet incurred at the date of valuation. Such losses can result, for example, from major natural catastrophes. Actual future losses and loss adjustment expenses will not develop exactly as projected and may, in fact, vary significantly from the projections.

## Section D: Valuation for solvency purposes

### Material differences between Solvency II and statutory technical provisions

Material differences by line of business between Solvency II and statutory net non-life technical provisions as at 31 December 2023 were as follows:

EUR millions	Solvency II	Company Statutory	Difference
Casualty non-proportional reinsurance	1 762	2 231	-469
Motor vehicle liability proportional reinsurance	1 365	1 709	-344
Property non-proportional reinsurance	685	789	-104
Fire and other damage to property proportional reinsurance	462	826	-364
General liability proportional reinsurance	451	680	-229
Total of others not included in above	308	446	-138
<b>Total</b>	<b>5 033</b>	<b>6 681</b>	<b>-1 648</b>

The actuarial methods and assumptions used for the valuation of the technical provisions for Solvency II purposes are identical to those used for the preparation of the Company's statutory accounts. Nevertheless, there are significant differences between the two valuation methodologies applicable to all lines of business:

- In the Company Statutory figures, future cash flows are not discounted, time value of money is not recognised, there is no concept of risk margin and the counterparty risk is not included in the valuation.
- For Solvency II purposes, an estimate of the cash flows ultimately received for the contracts in scope is recognised. For Company Statutory reporting, the contracts in scope are the same, but on assumed proportional reinsurance treaties, only the portion of the cash flows written by the cedent during the reporting period is recognised.
- In the Company Statutory figures, there is no provision for future losses, whereas the Solvency II technical provisions contain best estimates of future losses not yet incurred at the date of valuation.

### Recoverables due from reinsurance contracts

Net technical provisions takes account of the reinsurance recoverables based on the underlying contracts. The reinsurance ceded is predominantly proportional reinsurance. Therefore, the determination of the reinsurance recoverable is a pure calculative process and does not require estimations, actuarial methods, assumptions, or other judgemental elements. In the valuation of ceded reinsurance, the counterparty risk is considered.

### Material changes in assumptions made

In the current circumstances of persistently high inflation, a provision for potential increased claims costs was made, as excess inflation was deemed not substantially recognised in the historical data. Swiss Re has been running a continuous assessment of the inflation impact on different lines of business and regions and developed a reasonable approach for the balance sheet, allowing for excess inflation in the claims reserves. Over the course of the year 2023, as the cedents have been gradually building up inflation projections in their reported case reserves, we have reduced the level of top-down adjustment for not enough reported inflation. The Company has booked an additional gross undiscounted incurred but not reported (IBNR) reserve of EUR 175 million (net: EUR 53 million) as of the year ending 31 December 2023 compared to EUR 301 million (net: EUR 90 million) as at 31 December 2022.

The data, methods, processes and systems used for reserving bodily injury claims implying future regular payments are continuously adapted and reviewed.

### Transitional measures

Not applicable to the Company reviewed.

## Section D: Valuation for solvency purposes

### D3: Other liabilities

#### Other material liabilities

Material other liabilities by Solvency II valuation basis, as at 31 December 2023, were as follows (based on QRT Balance Sheet S.02.01.01):

EUR millions	Solvency II	Company Statutory	Difference
Deferred tax liabilities	1 386	-	1 386
Deposits from reinsurers	1 152	1 105	47
Insurance and reinsurance payables	947	2 455	-1 507
Total of all other liabilities not listed above	489	1 452	-964
<b>Total other liabilities</b>	<b>3 974</b>	<b>5 012</b>	<b>-1 038</b>

#### Deferred tax liabilities

##### *Solvency II*

Deferred tax assets and liabilities are considered based on temporary differences between the Solvency II balance sheet and the local statutory balance sheet. The analysis is performed on the basis of the local branches of the Company and the corresponding jurisdictional tax regulations are taken into account. Deferred tax liabilities are calculated on all balance sheet differences that are recognised as being temporary and that will have a tax reversal impact in the foreseeable future.

##### *Company Statutory*

Deferred income tax assets and liabilities are calculated based on the difference between financial statement carrying amounts and the corresponding income tax bases of assets and liabilities using enacted income tax rates and laws, which are not recognised in the Company's annual accounts under Luxembourg Generally Accepted Accounting Principles. The amount of deferred tax liabilities is disclosed as part of the notes to the accounts.

#### Deposits from reinsurers

For P&C business, deposits received from reinsurers contain cash deposits withheld from retrocessionaires and are stated mostly at face value under both Solvency II and the Company Statutory valuation. The difference between Solvency II and Company Statutory is due to discounting of the deposits under Solvency II, whereas under Company Statutory no discounting is applied to the cash deposits.

For L&H business, the value of deposits from reinsurers is calculated by discounting the deposit reserve cash flows (mainly change in deposits and interest on deposits) using the official risk-free discount rates published by EIOPA. The difference between Solvency II and Company Statutory is due to the different discounting treatment for the deposits.

#### Insurance and reinsurance payables

##### *Solvency II and Company Statutory*

Under Company Statutory, this item corresponds to creditors arising out of reinsurance operations. The difference with Solvency II is mainly explained by the future cash flows included as payables under Company Statutory but recognised as a part of technical provisions under Solvency II. All payables have a term of less than five years.

##### *Other liabilities not listed above*

Other liabilities under both Solvency II and Company Statutory include other creditors and tax provisions, with immaterial differences between the two valuations. In addition, Company Statutory also includes the statutory-specific items, such as deferred acquisition costs and provision for currency risks. Furthermore, on Solvency II balance sheet, pension liabilities are presented net of the assets set aside to cover these obligations, consistent with IAS 19. For more details on pension assets and liabilities, refer to the paragraph "Employee benefits" on page 31.

#### Other classes of liabilities

The Company only applies liability classes as prescribed in the Solvency II balance sheet template.

#### Financial liabilities

The Company has no material financial liabilities as at 31 December 2023.

#### Lease liabilities

The Company had no material financial or operating lease liabilities as at 31 December 2023, other than various agreements for the lease of office space.

## Section D: Valuation for solvency purposes

### Deferred tax liabilities

Deferred income tax liabilities of EUR 1 386 million (2022: EUR 1 189 million) have been recognised for all taxable temporary differences, which will result in higher future taxable income positions.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax liabilities to be settled after more than 12 months are EUR 1 386 million (2022: EUR 1 189 million).

Deferred tax liabilities to be settled within 12 months are zero.

### Tax rate changes during the year and their effect on deferred tax liability

The United Kingdom corporate income tax rate increased from 19% to 25% from 1 April 2023. Closing deferred tax balances have been remeasured at the new corporate income tax rates.

### Closing procedures

During the closing process, changes in the applicable tax rates, in expectations on future taxable profits, in tax loss carry forward time limitations and in local tax regulations in the applicable tax regimes are reviewed, documented and considered for the calculation of deferred taxes under Solvency II.

For details of deferred tax assets, please refer to the paragraph "Deferred tax assets" on page 25.

### Contingent liabilities

The Company does not carry contingent liabilities on its Solvency II balance sheet as at 31 December 2023.

### Employee benefits

#### Nature of the obligations

#### *Pension liabilities, German branch*

The Company has defined benefit pension plans for its employees, mainly in Germany. The Company has assets set aside to cover these obligations, which are handled under a contractual trust agreement and liability insurance contracts – refer to the paragraph "Plan assets" below.

#### *Other pension liabilities, German branch*

The Company has a long-term obligation regarding a deferred compensation plan, which is a form of company pension in Germany, in which employees waive parts of their future remuneration in return for a commitment by the Company to pay a pension of equal value, calculated in accordance with financial and actuarial principles.

#### *Long-term vacation programme (short-term obligation), German branch*

The Company has put in place a long-term vacation programme where there is a legal requirement in Germany to secure obligations resulting from this programme. The Company has assets set aside to cover these obligations, which are handled under a Contractual Trust Agreement – refer to the paragraph "Plan assets".

#### *Early retirement programme (long-term obligation), German branch*

The Company runs an early retirement programme, which is designed to create an incentive for German employees within a certain age group to smooth the transition from employment into retirement before the employees' legal retirement age. There is a legal requirement to secure obligations resulting from this programme. The Company has assets set aside to cover these obligations, which are handled under a Contractual Trust Agreement – refer to the paragraph "Plan assets" below.

## Section D: Valuation for solvency purposes

### All branches

#### Other employee benefits

In addition, the Company has other employee benefit programmes in place for which it has the obligation to set aside reserves to meet the future obligations. As at 31 December 2023, the following programmes were in place:

Other employee benefits	Short-term obligations	Long-term obligations	Other post-employment	Termination benefits
Annual Performance Incentive	X			
Global Share Participation Plan		X		
Vacation accrual	X			
Italy – <i>Trattamento di Fine Rapporto</i> *		X		
Italy – healthcare and life insurance for retired employees			X	
Leadership Share Plan		X		
Value Alignment Incentive**		X		
Deferred Share Plan**		X		
German branch				X

\* Italy – *Trattamento di Fine Rapporto*: this is a leaving service benefit paid to employees who leave the Company for any reason at any time.

\*\* Value Alignment Incentive programme is in run-off and has been replaced by a Deferred Share Plan programme since 2022.

#### Other benefit programmes

Please refer to the paragraph “Remuneration policy and practices ” on page 10 for details of the other programmes.

#### Plan assets

The Company has put in place asset concepts to secure pension liabilities, long-term vacation and early retirement programmes in Germany. Two types of concepts are currently in place, namely a Contractual Trust Agreement and liability insurance contracts.

In the Solvency II balance sheet, pension liabilities are presented net of the assets set aside to cover these obligations, consistent with IAS 19.

#### Pension liabilities

As of 31 December 2023, the following assets are held to secure the pension liabilities:

- EUR 204 million is held under a Contractual Trust Agreement. The assets are held in an investment fund in which units are 100% owned by the Company and invested mainly in government bonds.
- EUR 22 million is held in insurance contracts with Allianz Lebensversicherungs AG.

The values as at 31 December 2023 were as follows:

Assets	EUR millions	%
Government bonds	202	89
Insurance contracts	22	10
Other	2	1
<b>Total</b>	<b>226</b>	<b>100</b>

#### Other pension liabilities

For the deferred compensation plan, separate assets in insurance contracts were set up to cover the future liabilities. These insurance contracts show total assets of EUR 5 million as at 31 December 2023.

#### Long-term vacation and early retirement programmes

EUR 13 million is used to cover long-term vacation obligations and EUR 12 million to cover early retirement obligations held under a Contractual Trust Agreement. The assets are held in an investment fund in which units are 100% owned by the Company and invested mainly in government bonds. As at 31 December 2023 the assets were invested as follows:

Assets	EUR millions	%
Government bonds	25	100
<b>Total</b>	<b>25</b>	<b>100</b>

#### Deferred recognition of actuarial gains and losses

Actuarial gains and losses are not deferred under Solvency II or for the Company Statutory accounts prepared under Luxembourg Generally Accepted Accounting Principles.

## Section D: Valuation for solvency purposes

### Methodologies and inputs used to determine the economic value

#### *Pension liabilities*

The pension plan provisions are based on the relevant plan regulations. The associated pension provision obligations represent the present value of accrued benefits (projected benefit obligation), which is calculated based on the projected unit credit method at the valuation date and maintained on the Company's balance sheet. The following actuarial assumptions were used as of 31 December 2023: discount rate 3.4%, increase in salaries 3.0%, pension increase rate 2.6%, fluctuation 4.8% p.a, average age of retirement in line with RVAGAnpG 2007 (German Act Adapting the Standard Retirement Age for the Statutory Pension Insurance System), mortality table based on Heubeck 2018 G mortality tables from 10 October 2018, which are based on mortality data in Germany.

#### *Other pension liabilities*

For the deferred compensation plan, the obligations are calculated from the insurance company in line with financial and actuarial principles.

#### *Long-term vacation programme*

For the long-term vacation obligations, the outstanding portions of the vacation and flexitime are transferred each year to a long-term vacation account and valued with the individual daily rates. The accumulated volumes earn interest.

#### *Early retirement programme*

Provisions for the early retirement programme are calculated in accordance with financial and actuarial principles.

#### *Other employee benefits*

Other employment benefits are determined according to business principles and are based on estimated needs.

### **Changes during the reporting period**

No changes were made to the recognition and valuation basis or to estimation assumptions during 2023.

### **Assumptions and judgements**

No assumptions or judgements contribute materially to the valuation of other liabilities.

## D4: Alternative methods of valuation

### **Alternative methods of valuation**

The Company uses alternative methods of valuation for real estate and loans and mortgages, as a market value for those investments cannot be readily identified. The property assets are valued by an external appraiser using a discounted cash flow method. Similarly, loans and mortgages are valued using a discounted cash flow method. The values thus determined are considered a reasonable approximation of the market value. Given the inherent difference in valuation methods applied, the Solvency II and Company Statutory values of these assets are expected and reasonable.

Deposits with cedents and deposits from reinsurers are also valued using alternative valuation methods described in detail in the paragraphs "Methods applied for valuation of material assets" on page 23 and "Other material liabilities" on page 30.

## D5: Any other information

### **Other material information**

All material information regarding the valuation of assets and liabilities for Solvency II purposes has been described in the sections above.

# Section E: Capital management

## E1: Own funds

### Solvency ratio

The solvency ratio expressed as eligible own funds after dividend as a percentage of the SCR as at 31 December 2023 was 278% (2022: 258%).

### Own funds – objectives, policies and processes

The Company's capitalisation policy ensures that it is appropriately capitalised for the risks that it incurs. The capital structure and the level of capitalisation are determined by regulatory capital requirements, management's assessment of the risks and opportunities arising from business operations and by financial management considerations. Throughout 2023, the Company's capital level was maintained in accordance with the capitalisation policy.

The Company monitors compliance with the capitalisation policy on a regular basis, taking into account relevant developments in the risk landscape and in its business portfolio. Surplus capital, which is not required to support expected new business, is made available to the Swiss Re Group.

### Own funds – time horizon used for capital planning

The Company considers a three-year time horizon for its capital planning.

### Own funds by tier

The value of own funds by tier, based on the QRT S.23.01.01, as at 31 December, was as follows:

EUR millions	2022				2023			
	Tier I	Tier II	Tier III	Total	Tier I	Tier II	Tier III	Total
Ordinary share capital (gross of own shares)	350			<b>350</b>	350			<b>350</b>
Share premium account related to ordinary share capital	4			<b>4</b>	4			<b>4</b>
Surplus funds								
Reconciliation reserve	1 881			<b>1 881</b>	1 940			<b>1 940</b>
Subordinated liabilities	-		-		-		-	
Net deferred taxation asset			5	<b>5</b>			0	<b>0</b>
<b>Total basic own funds after adjustments</b>	<b>2 236</b>		<b>5</b>	<b>2 240</b>	<b>2 294</b>		<b>0</b>	<b>2 295</b>

The increase in own funds over the reporting period was primarily driven by an increase in the reconciliation reserve, a Tier I item, mainly as a result of the positive impact from P&C and L&H underwriting profit and a positive market environment, partially offset by foreseeable dividend of EUR 600 million and tax impact.

### Eligible amount of own funds to cover the Solvency Capital Requirement

The eligible amount of own funds to cover the SCR for 2023 is EUR 2 295 million (2022: EUR 2 240 million), of which EUR 2 294 million (2022: EUR 2 236 million) is classified as Tier I and EUR 0.3 million (2022: EUR 5 million) is classified as Tier III.

### Restrictions to available own funds

The Company does not have restricted Tier I own funds. The EUR 0.3 million (2022: EUR 5 million) of Tier III own funds are fully within the eligibility limits for the coverage of the SCR.

### Eligible amount of basic own funds to cover the Minimum Capital Requirement

The eligible amount of basic own funds to cover the MCR for 2023 is EUR 2 294 million (2022: EUR 2 236 million), all classified as Tier I.

### Differences between equity in Solvency II and Company Statutory accounts

The material differences in equity as shown in the Company Statutory accounts and Solvency II as at 31 December 2023 were as follows:

EUR millions	Equity reconciliation
Equity per Company Statutory accounts (excluding retained earnings)	354
<b>Reconciliation reserve</b>	<b>1 940</b>
Total of reserves and retained earnings from financial statements	689
Difference in the valuation of assets	-2 828
Difference in the valuation of technical provisions	3 642
Difference in the valuation of other liabilities	1 037
Foreseeable dividend	-600
Net deferred taxation asset	0
<b>SII own funds</b>	<b>2 295</b>

## Section E: Capital management

### Reconciliation reserve

The reconciliation reserve represents the differences in the valuation of assets, technical provisions or other liabilities in the adoption of the Solvency II valuation, as well as retained earnings, including current year results and the legal reserve. It also includes a deduction for the foreseeable dividend.

### Basic own funds subject to transitional arrangements

No own funds items are subject to transitional arrangements.

### Ancillary own funds

There are no ancillary own funds in the Company.

### Items deducted from own funds

The foreseeable dividend of EUR 600 million (2022: EUR 200 million) has been deducted from own funds of the Company. This deduction is considered in the reconciliation reserve.

### Deferred taxes

Deferred income tax assets of EUR 867 million (2022: EUR 780 million) have been recognised for all deductible temporary differences and for the carry forward on unused tax losses and unused tax credits, to the extent that the realisation of the related tax benefit through expected future taxable profits is probable. A net deferred tax asset of EUR 0.3 million has been recognised in relation to basic own-fund items classified as Tier 3 in accordance with Article 76(a)(iii).

### Subordinated capital instrument in issue at year-end

The Company does not have subordinated capital instruments as at 31 December 2023.

### Capital instruments issued as debts

Not applicable to the Company.

### Value of subordinated debt

The Company does not have subordinated capital instruments as at 31 December 2023.

### Principal loss absorbency mechanism

The Company does not have a loss absorbency mechanism that qualifies as high-quality own funds instruments.

### Key elements of the reconciliation reserve

The reconciliation reserve based on QRT S.23.01.01 as at 31 December 2023 was as follows:

EUR millions	2023
Excess of assets over liabilities	2 895
Equity per the Company Statutory accounts (excluding retained earnings)	-354
Foreseeable dividend	-600
Net deferred taxation asset	0
<b>Reconciliation reserve</b>	<b>1 940</b>

The reconciliation reserve includes, within the excess of assets over liabilities, an amount that corresponds to the expected profit in future premiums (EPIFP).

The difference between the excess of assets over liabilities under Solvency II and the equity value shown in the Company Statutory accounts is mainly due to different valuations applied under Solvency II for assets, technical provisions and other liabilities. Further details of valuation differences are provided in the paragraph "Differences between equity in Solvency II and Company Statutory accounts" above.

### Total excess of assets over liabilities within ring-fenced funds

The Company does not have any ring-fenced funds.

## Section E: Capital management

### E2: Solvency Capital Requirement and Minimum Capital Requirement

#### Solvency Capital Requirement and Minimum Capital Requirement

As at 31 December 2023, the Company's SCR was EUR 825 million (2022: EUR 868 million) and the MCR was EUR 371 million (2022: EUR 391 million).

#### Solvency Capital Requirement split by risk category

The Company uses an integrated internal model to measure its capital requirement using 99.5% value at risk as described in section C. The table below quantifies the Company's modelled risk categories\* as at 31 December, gross of retrocession, including a projection for the average exposure over the year, as well as changes compared to the previous year.

EUR millions	2022	2023
Life and health risk	1 116	1 025
Property and casualty risk	2 843	3 219
Financial market risk	809	751
Credit risk	320	111
Operational risk	98	94
Diversification	-2 063	-1 776
Other impacts **	-2 078	-2 373
<b>Pre-tax Solvency Capital Requirement</b>	<b>1 044</b>	<b>1 050</b>
Deferred tax impact	-176	-225
<b>SCR</b>	<b>868</b>	<b>825</b>

\* Risk categories before retrocession

\*\* Other impacts: mainly driven by expected change in own funds and retrocession-related impacts

#### Simplification calculation

The Company does not apply the standard formula.

#### Standard formula parameters

The Company does not apply the standard formula.

#### Disclosure of capital add-on

This is not applicable, because the Company is not required to hold additional capital (capital add-on).

#### Standard formula capital add-on applied to Solvency Capital Requirement

The Company does not apply the standard formula.

#### Information on inputs used to calculate Minimum Capital Requirement

Inputs used to calculate the MCR for non-life insurance or reinsurance obligations include premiums written during the last 12 months, split by line of business, and best estimate technical provisions without a risk margin, split by line of business.

Inputs used to calculate the MCR for life insurance or reinsurance obligations include best estimate technical provisions without a risk margin split by type of contract and capital at risk.

#### Material changes to Solvency Capital Requirement and Minimum Capital Requirement over the period

Please refer to paragraph "Solvency Capital Requirement split by risk category" above for details of the current year and prior year SCR. The changes are driven by the change in risk exposure as detailed in section "C. Risk Profile" on page 18.

The SCR decreased from EUR 868 million in 2022 to EUR 825 million in 2023, driven by higher adjustments to the SCR, ie for the loss absorbing capacity of deferred taxes due to an increase in deferred tax liabilities and for higher expected investment returns. This has been partially offset by higher insurance risk driven by the underwriting of Nat Cat risks.

The MCR is 45% of the SCR (in 2023 as well as 2022). Thus, the MCR decreased in line with the SCR from EUR 391 million in 2022 to EUR 371 million in 2023.

#### Loss-absorbing capacity of deferred taxes

The SCR has been reduced by EUR 225 million (2022: EUR 176 million) for the loss-absorbing capacity of deferred taxes. According to the CAA's regulatory guidance the loss absorbing capacity of deferred tax is restricted to the amount of existing net deferred tax liability of EUR 519 million (2022: EUR 409 million).

## Section E: Capital management

### E3: Duration-based equity risk

#### Use of the duration-based equity risk submodule

Not applicable to the Company.

### E4: Differences between the standard formula and the internal model

The Company uses its internal model, as approved by the CAA, for the purposes of calculating its capital requirements under Solvency II. This internal model aligns with the Swiss Re Group internal model.

#### The structure of the internal model

The internal model consists of the following building blocks:

- Risk factors: to model the stochastic change in the state of the world over the one-year time horizon
- Exposure model: to determine the change in basic own funds given a realisation of the risk factors
- Transaction model: to model the intra-group transactions in place as well as external retrocession
- Balance sheet model: to evaluate the impact of defaults of Group companies and follow-up effects

Generally speaking, risk factors are sources of risk external to the Company. Their stochastic evolution is modelled over one year, using approaches such as univariate or multivariate distributions, frequency-severity models, event set-based models and Merton-type threshold models. Dependencies between risk factors are modelled by copulas, causal dependencies and other approaches. In contrast to many models used, dependencies are taken into account at the level of the underlying risk factors and not at the level of major risk categories. This implies that dependencies are independent of the Company's portfolio. The exposure model captures the impact of the risk factors on the economic profit and loss through the Company's portfolio. In the exposure model, the Company's business activities are broken down into different exposures. The change in basic own funds of the entire portfolio resulted from aggregating the effect on the individual exposures. Each exposure is assigned attributes, such as line of business and treaty year, which enable drill-down analyses and an evaluation of the contribution to total risk.

#### Risk categories concerned and not concerned by the internal model

Refer to section "C: Overview of risk exposure" for details of risk covered and not covered by the internal model.

#### Aggregation methodologies and diversification effects

Aggregation in the standard formula is prescribed in a hierarchical bottom-up scheme, with explicit standardised, industry-wide diversification benefits between its components at each step of the aggregation. In the Company's internal model, the diversification and interdependencies occur in the joint simulation of risk factors. Combining the realised outcomes of all the risk factors to which a specific portfolio selection is exposed yields an aggregate loss distribution. Such an aggregation takes place in a single step and contains implicit diversification between its risk module components.

#### Risk not covered in the standard formula but covered by the internal model

The Company's internal model covers the spread risk of EU government bonds, which is assumed to be nil in the standard formula, and a number of risks that are not explicitly addressed by the standard formula, including cyber and inflation risks.

#### Various purposes for which the internal model is used

The purpose of the Company's internal model is defined by four major areas for which the model is intended to be used:

- Capital adequacy assessment: is the capital base sufficient to support the risk in the book?
- Risk controlling and limit setting: how much risk capacity should be allocated to each risk category?
- Portfolio management: what measures can be taken to improve capital efficiency?
- Costing: what is the cost of capital to carry a specific risk?

#### Scope of internal model in terms of Business Units and risk categories

The scope of the internal model includes all material risks that impact the Solvency II balance sheet of the Company. Please refer to section "C: Overview of risk exposure" for details of the risk categories used.

#### Partial internal model

The Company does not use a partial internal model.

#### Methods used in the internal model for the calculation of the probability distribution forecast and the Solvency Capital Requirement

The stochastic economic balance sheet is obtained by modelling the impact of joint scenarios of risk factor realisations on the economic balance sheet. For this purpose, a model design principle is to separate the modelling of joint risk factor realisations from their impact on the balance sheet positions (exposures). In the Company's internal model, the risk that arises from a balance sheet position is defined as the unexpected change in the economic value of this balance sheet position over a one-year time horizon. A large

## Section E: Capital management

number of Monte Carlo simulations yield a sufficiently accurate and stable empirical joint distribution of balance sheet changes; the SCR of a risk is calculated as the 99.5 percentile of the corresponding empirical distribution.

### **Risk measures and time period used in the internal model**

The internal model calculates the probability distribution of the change in basic own funds over one year. In particular, it enables the value at risk of this change to be calculated at the 99.5% quantile level.

### **Nature and appropriateness of the data used in the internal model**

Data used in the internal model is provided by different functions and comes in a variety of different formats. This input data is validated at several stages and transferred via the Integrated Risk and Analytics Modelling Platform into the well-defined format of the Risk Management Data Warehouse. The Data Dictionary defines the precise structure and content of each data item that is submitted to the Risk Management Data Warehouse. Validation of the data is the responsibility of the respective data provider at each stage of the process. The process to ensure data quality is governed by the Risk Model Data Quality Standards. Validation of data quality is carried out in five steps:

- Within the responsibility of the respective data provider at collection of data or while downloading it from a source system
- Structural and syntactical validation at the moment a data provider uploads any data delivery to the Integrated Risk and Analytics Modelling Platform
- Asynchronous validation of data consistency between interdependent deliveries, particularly with regard to reference data
- Validation of data completeness at the beginning of each internal model calculation
- Validation of calculation results and changes over time by the data provider, supported by the Risk Management team (plausibility checks).

## E5: Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

### **Any non-compliance with the Solvency Capital Requirement and Minimum Capital Requirement**

The Company complied with the SCR and MCR during 2023.

## E6: Any other information

### **Other material information**

All material information regarding capital management has been described in the sections above.

# 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” and similar expressions, or by future or conditional verbs such as “will”, “may”, “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 the Group 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

## Cautionary note on forward-looking statements

- 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 carryforwards 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. 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.

# Glossary

<b>Acquisition costs</b>	That portion of an insurance premium that represents the cost of obtaining the insurance business: it includes the intermediaries' commission, the company's sales expense and other related expenses.
<b>Affiliated undertakings</b>	Affiliated undertakings are undertakings over which the Company exercises a direct or indirect dominant influence.
<b>API</b>	Annual Performance Incentive
<b>Board</b>	The Board of Directors of the Company
<b>CAA</b>	<i>Commissariat aux Assurances</i> , Luxembourg
<b>Capacity</b>	Maximum amount of risk that can be accepted in insurance. Capacity also refers to the amount of insurance coverage allocated to a particular policyholder or in the marketplace in general.
<b>Casualty insurance</b>	Branch of insurance – mainly comprising accident and liability business – which is separate from property, engineering and life insurance.
<b>Claim</b>	Demand by an insured for indemnity under an insurance contract.
<b>Committees</b>	The committees of the Company to which the Board has delegated (or another Committee has sub-delegated) certain responsibilities and authorities.
<b>Company</b>	Swiss Re Europe S.A.
<b>Cover</b>	Insurance and reinsurance protection of one or more specific risk exposures based on a contractual agreement.
<b>Credit insurance</b>	Insurance against financial losses sustained through the failure, for commercial reasons, of policyholders' clients to pay for goods or services supplied to them.
<b>Credit spreads</b>	Applies to derivative products. Difference in the value of two options, when the value of the one sold exceeds the value of the one bought.
<b>DSP</b>	Deferred Share Plan
<b>EEA</b>	The European Economic Area
<b>EVM, Economic Value Management</b>	Swiss Re's integrated economic valuation framework for planning, pricing, reserving and steering the business. It also provides the basis for determining available capital under the Swiss Solvency Test and for Solvency II.
<b>EIOPA</b>	European Insurance and Occupational Pensions Authority
<b>EMEA</b>	Europe, Middle East and Africa
<b>ENW</b>	Economic Net Worth, the difference between the market-consistent value of assets and liabilities
<b>EPIFP</b>	Expected profit in future premiums
<b>ESG</b>	Environmental, Social and Governance
<b>EU</b>	European Union
<b>GIA</b>	Group Internal Audit
<b>Group Risk Model</b>	The internal model, developed by the Swiss Re Group and in place since 1994, used for articulating risk tolerance, assessing performance and setting targets. The internal model forms an integral part of steering reality at Swiss Re. As part of Solvency II, the implementation of "Solvency II-specific features" (eg illiquidity premium, ultimate forward rate, treatment of deferred taxes) has been carried out. For the purpose of this report, any reference to the Group Risk Model refers to the model, including the Solvency II-specific modifications.
<b>GSPP</b>	Global Share Participation Plan
<b>Health insurance</b>	Generic term applying to all types of insurance indemnifying or reimbursing for losses caused by bodily injury or sickness or for expenses of medical treatment necessitated by sickness or accidental bodily injury.
<b>IBNR</b>	Incurred but not reported provision for claims incurred but not reported by the balance sheet date. In other words, it is anticipated that an event will affect a number of policies, although no claims have been made so far, and is therefore likely to result in liability for the insurer.
<b>IDD</b>	Insurance Distribution Directive
<b>Intra-group retrocession</b>	Retrocession between subsidiaries of the same parent company or between a subsidiary and its parent; intra-group retrocession aims to optimise capital allocation and tax efficiency for the Swiss Re Group, as well as ensure adherence to regulatory solvency requirements.

## Glossary

<b>Intra-group transaction</b>	This can be either in the form of a proportional (eg quota-share) or non-proportional (eg stop-loss or Cat XL) agreement.
<b>Key functions</b>	Risk Management, Compliance, Internal Audit and Actuarial.
<b>Key Function Holder</b>	The Board nominates individuals as designated representatives of the respective key functions towards the Company.
<b>L&amp;H</b>	Life and Health reinsurance
<b>Liability insurance</b>	Insurance for damages that a policyholder is obliged to pay because of bodily injury or property damage caused to another person or entity based on negligence, strict liability or contractual liability.
<b>Life insurance</b>	Insurance that provides for the payment of a sum of money upon the death of the insured, or upon the insured surviving a given number of years, depending on the terms of the policy. In addition, life insurance can be used as a means of investment or saving.
<b>Longevity risk</b>	The risk to which a pension fund or life insurance company could be exposed as a result of higher-than-expected payout ratios. Increasing life expectancy trends among policyholders and pensioners can result in payout levels that are higher than originally accounted for.
<b>LSP</b>	Leadership Share Plan
<b>Minimum Capital Requirement, MCR</b>	If, despite supervisory intervention, the available resources of the insurer fall below the Minimum Capital Requirement, then "ultimate supervisory action" will be triggered. In other words, the insurer's liabilities will be transferred to another insurer and the licence of the insurer will be withdrawn or the insurer will be closed to new business and its in-force business will be liquidated.
<b>Nat Cat</b>	Natural catastrophe
<b>Non-life insurance</b>	All classes of insurance business excluding life insurance.
<b>Non-proportional reinsurance</b>	Form of reinsurance in which coverage is not in direct proportion to the original insurer's loss. Instead, the reinsurer is liable for a specified amount that exceeds the insurer's retention; also known as "excess of loss reinsurance".
<b>Operational risk</b>	Risk arising from failure of operational processes, internal procedures and controls leading to financial loss.
<b>ORSA</b>	Own Risk and Solvency Assessment
<b>Own Funds</b>	Excess of assets over liabilities, including any amount that is deemed suitable to provide support for the Solvency Capital Requirement.
<b>P&amp;C</b>	Property and Casualty re/insurance
<b>Participating interests</b>	Participating interests are rights contained in the capital of other undertakings which, when creating a durable link with those undertakings, are intended to contribute to the Company's activities.
<b>Premium</b>	The payment, or one of the periodical payments, a policyholder agrees to make for an insurance policy.
<b>Premiums earned</b>	Premiums an insurance company has recorded as revenues during a specific accounting period.
<b>Premiums written</b>	Premiums for all policies sold during a specific accounting period.
<b>Property insurance</b>	Collective term for fire and business interruption insurance as well as the burglary, fidelity guarantee and allied lines.
<b>Proportional reinsurance</b>	Form of reinsurance arrangement in which the premiums earned and the claims incurred of the cedent are shared proportionally by the cedent and the reinsurer.
<b>PSU</b>	Performance Share Unit
<b>QRT</b>	Quantitative Reporting Template
<b>Reinsurance</b>	Insurance that lowers the risk carried by primary insurance companies. Reinsurance includes various forms such as facultative, financial, non-proportional, proportional, quota share, surplus and treaty reinsurance.
<b>Reserves</b>	Amount required to be carried as a liability in the financial statements of an insurer or reinsurer to provide for future commitments under outstanding policies and contracts.
<b>Retention</b>	Amount of risk that the policyholder or insurer does not insure or reinsure but keeps for its own account.
<b>Retrocession</b>	Amount of the risk accepted by the reinsurer which is then passed on to other reinsurance companies.

## Glossary

<b>Risk</b>	Condition in which there is a possibility of injury or loss; also used by insurance practitioners to indicate the property insured or the peril insured against.
<b>Return on equity, ROE</b>	Net income as a percentage of time-weighted shareholders' equity.
<b>Risk appetite</b>	An expression of how the Company aims to deploy its risk capacity. It specifies the types of risk that the Company wishes to take and, for each type, the amount to be taken, while remaining within the boundaries imposed by the Company's stated risk.
<b>Risk management</b>	Management tool for the comprehensive identification and assessment of risks based on knowledge and experience in the fields of natural sciences, technology, economics and statistics.
<b>Risk profile</b>	Threats to which an organisation is exposed. The risk profile will outline the type of risks and potential effect of the risks. This outline allows a business to anticipate additional costs or disruptions to operations.
<b>Risk tolerance</b>	An expression of the extent to which the Board has authorised executive management to assume risk. It represents the amount of risk that the Company is willing to accept within the constraints imposed by its capital resources, its strategy, its risk appetite, and the regulatory and rating agency environment within which it operates.
<b>RSU</b>	Restricted Share Unit
<b>Securitisation</b>	Financial transactions in which future cash flows from assets (or insurable risks) are pooled, converted into tradeable securities and transferred to capital market investors. The assets are commonly sold to a special-purpose entity, which purchases them with cash raised through the issuance of beneficial interests (usually debt instruments) to third-party investors.
<b>SFCR</b>	Solvency and Financial Condition Report
<b>Solvency Capital Requirement, SCR</b>	Solvency Capital Requirement under Solvency II – calculated using the internal model. The Solvency Capital Requirement is based on a value at risk measure calibrated to a 99.5% confidence level over a one-year time horizon.
<b>Stop-loss reinsurance</b>	Form of reinsurance that protects the ceding insurer against an aggregate amount of claims over a period, in excess of either a stated amount or a specified percentage of estimated benefit costs.
<b>SUs</b>	Share units
<b>Swiss Re or the Swiss Re Group or the Group</b>	For the purposes of this report, the ultimate parent company and all its subsidiaries are referred to as Swiss Re or the Swiss Re Group or the Group.
<b>Swiss Re Zurich, SRZ</b>	Swiss Reinsurance Company Ltd
<b>Swiss Solvency Test, SST</b>	Switzerland has already introduced an economic and risk-based insurance regulation similar to the objectives of the Solvency II project in the EU. Since 2008, all insurance and reinsurance companies writing business in Switzerland have had to implement the Swiss Solvency Test, and, since 1 January 2011, the Swiss Solvency Test-based target capital requirement has been in force, and companies must achieve economic solvency.
<b>TAPI, Target API</b>	Target Annual Performance Incentive
<b>Target capital</b>	Defined by the Company's Capitalisation Policy.
<b>Technical result</b>	Underwriting defined as nominal premiums less nominal commissions and claims.
<b>TSR</b>	Total Shareholder Return
<b>UK</b>	United Kingdom of Great Britain and Northern Ireland
<b>Underwriting performance</b>	Premiums earned less the sum of claims paid, change in the provision for unpaid claims and claim adjustment expenses and expenses (acquisition costs and other operating costs and expenses).
<b>VAI</b>	Value Alignment Incentive
<b>Value at risk</b>	Maximum possible loss in market value of an asset portfolio within a given time span and at a given confidence level. 99% value at risk measures the level of loss likely to be exceeded in only one year out of a hundred, while 99.5% value at risk measures the loss likely to be exceeded in only one year out of two hundred. 99% tail value at risk estimates the average annual loss likely to occur with a frequency of less than once in one hundred years.





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# Appendix

## SFCR Public Disclosure Templates

Swiss Re Europe S.A.

5.02.01.01  
Balance sheet  
5.02.01.02.01  
Balance sheet

				Solvency II value		
				C0010		
				R0010	---	
Assets	Goodwill			R0010	---	
	Deferred acquisition costs			R0020	---	
	Intangible assets			R0030		
	Deferred tax assets			R0040	866'761	
	Pension benefit surplus	Pension benefit surplus	Pension benefit surplus	R0050	0	
	Property, plant & equipment held for own use	Property, plant & equipment held for own use	Property, plant & equipment held for own use	R0060	4'908	
	Investments (other than assets held for index-linked and unit-linked contracts)	Investments (other than assets held for index-linked and unit-linked contracts)	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	6'193'020	
		Property (other than for own use)	Property (other than for own use)	R0080	290'888	
		Holdings in related undertakings, including participations	Holdings in related undertakings, including participations	R0090	1'258'329	
		Equities		R0100	0	
		Equities - listed		R0110	0	
		Equities - unlisted		R0120	0	
		Bonds		R0130	2'432'270	
		Government Bonds		R0140	999'119	
		Corporate Bonds		R0150	1'421'061	
		Structured notes		R0160	0	
		Collateralised securities		R0170	12'090	
		Collective Investments Undertakings	Collective Investments Undertakings	R0180	2'143'784	
		Derivatives	Derivatives	R0190	8'697	
		Deposits other than cash equivalents	Deposits other than cash equivalents	R0200	0	
		Other investments	Other investments	R0210	59'053	
	Assets held for index-linked and unit-linked contracts	Assets held for index-linked and unit-linked contracts	Assets held for index-linked and unit-linked contracts	R0220	298'428	
	Loans and mortgages	Loans and mortgages	Loans and mortgages	R0230	366'928	
		Loans on policies	Loans on policies	R0240	0	
		Loans and mortgages to individuals	Loans and mortgages to individuals	R0250	777	
		Other loans and mortgages	Other loans and mortgages	R0260	366'149	
	Reinsurance recoverables from:	Reinsurance recoverables from:	Reinsurance recoverables from:	R0270	6'674'082	
		Non-life and health similar to non-life	Non-life and health similar to non-life	R0280	7'325'761	
		Non-life excluding health	Non-life excluding health	R0290	7'259'059	
		Health similar to non-life	Health similar to non-life	R0300	66'701	
		Life and health similar to life, excluding health and index-linked and unit-linked	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-651'678	
		Health similar to life	Health similar to life	R0320	105'631	
		Life excluding health and index-linked and unit-linked	Life excluding health and index-linked and unit-linked	R0330	-757'309	
		Life index-linked and unit-linked	Life index-linked and unit-linked	R0340	0	
	Deposits to cedants	Deposits to cedants	Deposits to cedants	R0350	2'651'965	
	Insurance and intermediaries receivables	Insurance and intermediaries receivables	Insurance and intermediaries receivables	R0360	4'004	
	Reinsurance receivables	Reinsurance receivables	Reinsurance receivables	R0370	652'424	
	Receivables (trade, not insurance)	Receivables (trade, not insurance)	Receivables (trade, not insurance)	R0380	711'709	
	Own shares (held directly)	Own shares (held directly)	Own shares (held directly)	R0390	0	
	Amounts due in respect of own fund items or initial fund called up but not yet paid in	Amounts due in respect of own fund items or initial fund called up but not yet paid in	Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0	
	Cash and cash equivalents	Cash and cash equivalents	Cash and cash equivalents	R0410	28'945	
	Any other assets, not elsewhere shown	Any other assets, not elsewhere shown	Any other assets, not elsewhere shown	R0420	6'172	
	Total assets	Total assets	Total assets	R0500	18'459'344	
	Liabilities	Technical provisions - non-life			R0510	12'358'678
		Technical provisions - non-life (excluding health)			R0520	12'231'066
		Technical provisions calculated as a whole			R0530	0
		Best Estimate			R0540	11'983'007
		Risk margin			R0550	248'050
		Technical provisions - health (similar to non-life)			R0560	127'610
		Technical provisions calculated as a whole			R0570	0
Best Estimate			R0580	124'173		
Risk margin			R0590	3'437		
Technical provisions - life (excluding index-linked and unit-linked)			R0600	-1'098'533		
Technical provisions - health (similar to life)			R0610	140'945		
Technical provisions calculated as a whole			R0620	0		
Best Estimate			R0630	121'206		
Risk margin			R0640	19'738		
Technical provisions - life (excluding health and index-linked and unit-linked)			R0650	-1'239'478		
Technical provisions calculated as a whole			R0660	0		
Best Estimate			R0670	-1'325'079		
Risk margin			R0680	85'601		
Technical provisions - index-linked and unit-linked			R0690	330'687		
Technical provisions calculated as a whole			R0700	0		
Best Estimate			R0710	328'484		
Risk margin			R0720	2'203		
Other technical provisions			R0730	---		
Contingent liabilities			R0740	0		
Provisions other than technical provisions			R0750	99'276		
Pension benefit obligations			R0760	88'562		
Deposits from reinsurers			R0770	1'151'717		
Deferred tax liabilities			R0780	1'386'158		
Derivatives			R0790	8'778		
Debts owed to credit institutions			R0800	472		
Financial liabilities other than debts owed to credit institutions			R0810	0		
Insurance & intermediaries payables			R0820	263'917		
Reinsurance payables			R0830	683'383		
Payables (trade, not insurance)			R0840	227'134		
Subordinated liabilities			R0850	0		
Subordinated liabilities not in Basic Own Funds			R0860	0		
Subordinated liabilities in Basic Own Funds			R0870	0		
Any other liabilities, not elsewhere shown			R0880	64'424		
Total liabilities			R0900	15'564'653		
Excess of assets over liabilities	Excess of assets over liabilities	Excess of assets over liabilities	R1000	2'894'691		

<b>Report:</b>	S.04.05.21.01
<b>Reporting entity:</b>	Swiss Re Europe SA
<b>Reference date</b>	31 December 2023
<b>Reporting currency</b>	EUR thousands

### S.04.05.01

#### Activity by country - location of risk

### S.04.05.21.01

#### Home country: non-life insurance and reinsurance obligations

			Home Country
			C0010
Premiums written (gross)	Gross Written Premium (direct)	<b>R0020</b>	
	Gross Written Premium (proportional reinsurance)	<b>R0021</b>	4'450
	Gross Written Premium (non-proportional reinsurance)	<b>R0022</b>	13'376
Premiums earned (gross)	Gross Earned Premium (direct)	<b>R0030</b>	0
	Gross Earned Premium (proportional reinsurance)	<b>R0031</b>	4'729
	Gross Earned Premium (non-proportional reinsurance)	<b>R0032</b>	13'439
Claims incurred (gross)	Claims incurred (direct)	<b>R0040</b>	0
	Claims incurred (proportional reinsurance)	<b>R0041</b>	3'445
	Claims incurred (non-proportional reinsurance)	<b>R0042</b>	-2'122
Expenses incurred (gross)	Gross Expenses Incurred (direct)	<b>R0050</b>	0
	Gross Expenses Incurred (proportional reinsurance)	<b>R0051</b>	1'014
	Gross Expenses Incurred (non-proportional reinsurance)	<b>R0052</b>	1'761

Report: S.04.05.21.02  
Reporting entity: Swiss Re Europe SA  
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Reporting currency: EUR thousands

S.04.05.01

Activity by country - location of risk

S.04.05.21.02

Top 5 countries (by amount of gross premiums written) : non-life insurance and reinsurance obligations

			Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life	Top 5 countries: non-life
			C0020	C0020	C0020	C0020	C0020
Country		R0010	(GB) UNITED KINGDOM	(DE) GERMANY	(GI) UNITED KINGDOM (GIBRALTAR)	(FR) FRANCE	(ES) SPAIN
Premiums written (gross)	Gross Written Premium (direct)	R0020					
	Gross Written Premium (proportional reinsurance)	R0021	1'511'982	529'562	669'121	282'396	319'806
	Gross Written Premium (non-proportional reinsurance)	R0022	473'725	334'628	89'708	215'848	34'488
Premiums earned (gross)	Gross Earned Premium (direct)	R0030	0	0	0	0	0
	Gross Earned Premium (proportional reinsurance)	R0031	1'414'469	531'971	582'921	287'990	337'201
	Gross Earned Premium (non-proportional reinsurance)	R0032	479'073	337'760	80'236	216'888	40'846
Claims incurred (gross)	Claims incurred (direct)	R0040	0	0	0	0	0
	Claims incurred (proportional reinsurance)	R0041	1'103'265	360'691	485'841	229'385	238'034
	Claims incurred (non-proportional reinsurance)	R0042	131'230	217'210	90'964	123'918	26'652
Expenses incurred (gross)	Gross Expenses Incurred (direct)	R0050	0	0	0	0	0
	Gross Expenses Incurred (proportional reinsurance)	R0051	430'740	185'537	148'471	77'676	83'075
	Gross Expenses Incurred (non-proportional reinsurance)	R0052	77'374	30'979	12'572	31'431	4'873

<b>Report:</b>	S.04.05.21.03
<b>Reporting entity:</b>	Swiss Re Europe SA
<b>Reference date</b>	31 December 2023
<b>Reporting currency</b>	EUR thousands

**S.04.05.01**

**Activity by country - location of risk**

**S.04.05.21.03**

**Home country: life insurance and reinsurance obligations**

		Home Country
		C0030
Gross Written Premium	<b>R1020</b>	4'161
Gross Earned Premium	<b>R1030</b>	4'161
Claims incurred	<b>R1040</b>	263
Gross Expenses Incurred	<b>R1050</b>	2'606

<b>Report:</b>	S.04.05.21.04
<b>Reporting entity:</b>	Swiss Re Europe SA
<b>Reference date</b>	31 December 2023
<b>Reporting currency</b>	EUR thousands

**S.04.05.01**

Activity by country - location of risk

**S.04.05.21.04**

Top 5 countries (by amount of gross premiums written) : life insurance and reinsurance obligations

		Top 5 countries: life and health SLT	Top 5 countries: life and health SLT	Top 5 countries: life and health SLT	Top 5 countries: life and health SLT	Top 5 countries: life and health SLT
		C0040	C0040	C0040	C0040	C0040
Country	R1010	(GB) UNITED KINGDOM	(NL) NETHERLANDS	(IE) IRELAND	(FR) FRANCE	(GG) GUERNSEY
Gross Written Premium	R1020	1'718'961	280'255	239'723	193'370	189'775
Gross Earned Premium	R1030	1'718'961	280'255	239'723	193'370	189'775
Claims incurred	R1040	1'689'966	230'523	175'269	66'102	185'050
Gross Expenses Incurred	R1050	158'264	11'296	10'059	35'195	6'498





Report: S.12.01.02.01  
Reporting entity: Swiss Re Europe SA  
Reference date: 31 December 2023  
Reporting currency: EUR thousands

S.12.01.02

Life and Health SLT Technical Provisions

S.12.01.02.01

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health	Health insurance (direct business)			Annuities stemming from non-life	Health reinsurance (reinsurance)	Total (Health similar to life insurance)							
			C0020	C0030	C0040	C0050	C0060	C0070				C0080	C0090	C0100				C0150	C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole		R0010																						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole		R0020																						
Technical provisions calculated as a sum of BE and RM	Best Estimate	R0030																						
	Gross Best Estimate																							
	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080								-996'594	-996'594					121'206	121'206							
	Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090								-757'309	-757'309					105'631	105'631							
Risk margin	R0100								-239'285	-239'285					15'576	15'576								
		R0110							87'804	87'804					19'738	19'738								
Technical provisions - total		R0200								-908'790	-908'790				140'945	140'945								

Report: S.17.01.02.01  
Reporting entity: Swiss Re Europe SA  
Reference date: 31 December 2023  
Reporting currency: EUR thousands

S.17.01.02

Non-life Technical Provisions

S.17.01.02.01

Non-life Technical Provisions

			Direct business and accepted proportional reinsurance											Accepted non-proportional reinsurance				Total Non-Life obligation				
			Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance				
			C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180			
Technical provisions calculated as a whole			R0010																			
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole			R0050																			
Technical provisions calculated as a sum of BE and RM	Best Estimate	Premium provisions	Gross	R0060	2374		-255	143793	2643	-8537	8631	-61779	-1179	-1815		-665	-217	3891	-5392	-20436	61258	
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	276		-1	49945	166	-6654	-11922	-27913	-323	-214			-136	4937	-2504	-16008	-10352	
			Net Best Estimate of Premium Provisions	R0150	2098		-254	93848	2477	-1883	20553	-33865	-856	-1401			-665	-81	-1046	-2888	-4428	71810
	Claims provisions	Gross	R0160	40020	1453	2957	2102009	43775	241789	1281585	1356391	79214	19496		15114	77841	4464224	369718	1970336		12045922	
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	23481	708	1707	857059	27043	176931	830516	906166	39102	13365		9182	40666	2960631	258006	1291549		7336113
			Net Best Estimate of Claims Provisions	R0250	16538	745	1250	1244950	16732	64858	431069	450225	40112	6131		5932	37175	1903593	111713	678786		4709809
		Total Best estimate - gross	R0260	42394	1453	2702	2245802	46419	233252	1270216	1294612	78035	17881		14449	77624	4468115	364326	1949899		12107180	
	Total Best estimate - net	R0270	18637	745	996	1338798	19209	62976	451622	416359	39256	4730		5267	37094	1602547	108824	674358		4781419		
	Risk margin	R0280	747		1	147	26143	410	1371	10569	34345	1806	407		419	2542	159347	3059	10183		251496	
Technical provisions - total			R0320	43141	1455	2849	2271944	46828	234623	1280785	1328957	79841	18288		14869	80166	4627462	367385	1960082		12358676	
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total			R0330	23757	708	1706	907004	27210	170277	818594	878253	38779	13151		9182	40530	2965568	255502	1275541		7325761	
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total			R0340	19384	747	1143	1364941	19619	64347	462191	450705	41063	5137		5986	39636	1761894	111883	684541		5032915	



<b>Report:</b>	S.19.01.21.02
<b>Reporting entity:</b>	Swiss Re Europe SA
<b>Reference date:</b>	31 December 2023
<b>Reporting currency:</b>	EUR thousands

**S.19.01.21**

**Non-life insurance claims**

**S.19.01.21.02**

**Gross claims paid (non-cumulative) - current year, sum of years (cumulative). Total non-life business**

Accident year / Underwriting year	<b>Z0020</b>	(2) 2 - Underwriting year
-----------------------------------	--------------	---------------------------

		In Current year	Sum of years (cumulative)
		<b>C0170</b>	<b>C0180</b>
Prior	<b>R0100</b>	219'390	219'390
N-9	<b>R0160</b>	28'721	1'378'338
N-8	<b>R0170</b>	23'006	1'652'006
N-7	<b>R0180</b>	88'715	1'831'933
N-6	<b>R0190</b>	103'881	2'138'964
N-5	<b>R0200</b>	223'926	2'314'477
N-4	<b>R0210</b>	365'784	2'857'003
N-3	<b>R0220</b>	381'128	1'922'234
N-2	<b>R0230</b>	538'799	1'714'421
N-1	<b>R0240</b>	876'055	956'337
N	<b>R0250</b>	276'795	276'795
Total	<b>R0260</b>	3'126'202	17'261'898



<b>Report:</b>	S.19.01.21.04
<b>Reporting entity:</b>	Swiss Re Europe SA
<b>Reference date:</b>	31 December 2023
<b>Reporting currency:</b>	EUR thousands

**S.19.01.21**

**Non-life insurance claims**

**S.19.01.21.04**

**Gross discounted best estimate claims provisions - current year, sum of years (cumulative). Total non-life business**

Accident year / Underwriting year	<b>Z0020</b>	(2) 2 - Underwriting year
-----------------------------------	--------------	---------------------------

		Year end (discounted data)
		<b>C0360</b>
Prior	<b>R0100</b>	2'842'662
N-9	<b>R0160</b>	177'394
N-8	<b>R0170</b>	317'221
N-7	<b>R0180</b>	344'004
N-6	<b>R0190</b>	382'824
N-5	<b>R0200</b>	748'092
N-4	<b>R0210</b>	1'026'704
N-3	<b>R0220</b>	1'167'268
N-2	<b>R0230</b>	1'320'332
N-1	<b>R0240</b>	2'008'396
N	<b>R0250</b>	1'711'025
Total	<b>R0260</b>	12'045'922

Report:  
Reporting entity:  
Reference date:  
Reporting currency:

S.23.01.01.01  
Swiss Re Europe SA  
31 December 2023  
EUR thousands

S.23.01.01

Own funds

S.23.01.01.01

Own funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35	Ordinary share capital (gross of own shares)	R0010	350'000	350'000	----		----
	Share premium account related to ordinary share capital	R0030	4'094	4'094	----		----
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040			----		----
	Subordinated mutual member accounts	R0050		----			
	Surplus funds	R0070			----	----	----
	Preference shares	R0090		----			
	Share premium account related to preference shares	R0110		----			
	Reconciliation reserve	R0130	1'940'266	1'940'266	----	----	----
	Subordinated liabilities	R0140		----			
	An amount equal to the value of net deferred tax assets	R0160	331	----	----	----	331
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220		----	----	----	----	
Deductions	Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions		R0290	2'294'691	2'294'360			331
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300		----	----		----
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings callable on demand	R0310		----	----		----
	Unpaid and uncalled preference shares callable on demand	R0320		----	----		
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330		----	----		
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340		----	----		----
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350		----	----		
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360		----	----		----
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370		----	----		
	Other ancillary own funds	R0390		----	----		
Total ancillary own funds		R0400		----	----		
Available and eligible own funds	Total available own funds to meet the SCR	R0500	2'294'691	2'294'360			331
	Total available own funds to meet the MCR	R0510	2'294'360	2'294'360			----
	Total eligible own funds to meet the SCR	R0540	2'294'691	2'294'360			331
	Total eligible own funds to meet the MCR	R0550	2'294'360	2'294'360			----
SCR		R0580	824'706	----	----	----	----
MCR		R0600	371'118	----	----	----	----
Ratio of Eligible own funds to SCR		R0620	278%	----	----	----	----
Ratio of Eligible own funds to MCR		R0640	618%	----	----	----	----

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**Own funds**

**S.23.01.01.02**

**Reconciliation reserve**

Reconciliation reserve			<b>C0060</b>
	Excess of assets over liabilities	<b>R0700</b>	2'894'691
	Own shares (held directly and indirectly)	<b>R0710</b>	
	Foreseeable dividends, distributions and charges	<b>R0720</b>	600'000
	Other basic own fund items	<b>R0730</b>	354'425
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	<b>R0740</b>	
		<b>R0760</b>	1'940'266
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	<b>R0770</b>	3'991'842
	Expected profits included in future premiums (EPIFP) - Non-life business	<b>R0780</b>	247'147
Total Expected profits included in future premiums (EPIFP)		<b>R0790</b>	4'238'989

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**S.25.05.21**

**Solvency Capital Requirement - for undertakings using an internal model (partial or full)**

**S.25.05.21.01**

**Solvency Capital Requirement information**

Risk type			Solvency Capital Requirement	Amount modelled	USP	Simplifications
			C0010	C0070	C0090	C0120
Risk type	Total diversification	<b>R0020</b>	-1'511'516			
	Total diversified risk before tax	<b>R0030</b>	1'049'869			
	Total diversified risk after tax	<b>R0040</b>	824'706			
	Total market & credit risk	<b>R0070</b>	1'443'589			
	Market & Credit risk - diversified	<b>R0080</b>	785'568			
	Credit event risk not covered in market & credit risk	<b>R0190</b>	39'415			
	Credit event risk not covered in market & credit risk - diversified	<b>R0200</b>	39'415			
	Total Business risk	<b>R0270</b>	0			
	Total Business risk - diversified	<b>R0280</b>	0			
	Total Net Non-life underwriting risk	<b>R0310</b>	1'917'170			
	Total Net Non-life underwriting risk - diversified	<b>R0320</b>	966'241			
	Total Life & Health underwriting risk	<b>R0400</b>	1'082'176			
	Total Life & Health underwriting risk - diversified	<b>R0410</b>	326'069			
	Total Operational risk	<b>R0480</b>	94'011			
	Total Operational risk - diversified	<b>R0490</b>	94'011			
	Other risk	<b>R0500</b>	-279'058			

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**Solvency Capital Requirement - for undertakings using an internal model (partial or full)**

**S.25.05.21.02**

**Calculation of Solvency Capital Requirement**

			<b>C0100</b>
Total undiversified components		<b>R0110</b>	2'561'385
Diversification		<b>R0060</b>	-1'511'516
Adjustment due to RFF/MAP nSCR aggregation		<b>R0120</b>	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		<b>R0160</b>	
Solvency capital requirement, excluding capital add-ons		<b>R0200</b>	824'706
Capital add-ons already set		<b>R0210</b>	
	of which, Capital add-ons already set - Article 37 (1) Type a	<b>R0211</b>	
	of which, Capital add-ons already set - Article 37 (1) Type b	<b>R0212</b>	
	of which, Capital add-ons already set - Article 37 (1) Type c	<b>R0213</b>	
	of which, Capital add-ons already set - Article 37 (1) Type d	<b>R0214</b>	
Solvency Capital Requirement		<b>R0220</b>	824'706
Other information on SCR	Amount/estimate of the overall loss-absorbing capacity of technical provisions	<b>R0300</b>	0
	Amount/estimate of the loss absorbing capacity for deferred taxes	<b>R0310</b>	-225'162
	Capital requirement for duration-based equity risk sub-module	<b>R0400</b>	
	Total amount of Notional Solvency Capital Requirements for remaining part	<b>R0410</b>	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	<b>R0420</b>	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	<b>R0430</b>	
	Diversification effects due to RFF nSCR aggregation for article 304	<b>R0440</b>	
	Method used to calculate the adjustment due to RFF nSCR aggregation	<b>R0450</b>	
	Net future discretionary benefits	<b>R0460</b>	0

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**S.25.05.21**

**Solvency Capital Requirement - for undertakings using an internal model (partial or full)**

**S.25.05.21.03**

**Approach to tax rate**

		YES/NO
		C0109
Approach based on average tax rate	<b>R0590</b>	(2) 2 - No

**Report:**

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**S.25.05.21**

**Solvency Capital Requirement - for undertakings using an internal model (partial or full)**

**S.25.05.21.04**

**Calculation of loss absorbing capacity of deferred taxes**

		LAC DT
		C0130
Amount/estimate of LAC DT	<b>R0640</b>	-225'162
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	<b>R0650</b>	-225'162
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	<b>R0660</b>	0
Amount/estimate of LAC DT justified by carry back, current year	<b>R0670</b>	0
Amount/estimate of LAC DT justified by carry back, future years	<b>R0680</b>	0
Amount/estimate of Maximum LAC DT	<b>R0690</b>	0

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**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**S.28.01.01.01**

**Linear formula component for non-life insurance and reinsurance obligations**

		<b>MCR components</b>
		<b>C0010</b>
MCRNL Result	<b>R0010</b>	936'036

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**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**S.28.01.01.02**

**Background information**

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	<b>R0020</b>	18'637	14'156
Income protection insurance and proportional reinsurance	<b>R0030</b>	745	0
Workers' compensation insurance and proportional reinsurance	<b>R0040</b>	996	-
Motor vehicle liability insurance and proportional reinsurance	<b>R0050</b>	1'338'798	1'268'465
Other motor insurance and proportional reinsurance	<b>R0060</b>	19'209	34'918
Marine, aviation and transport insurance and proportional reinsurance	<b>R0070</b>	62'976	29'280
Fire and other damage to property insurance and proportional reinsurance	<b>R0080</b>	451'622	478'948
General liability insurance and proportional reinsurance	<b>R0090</b>	416'359	190'004
Credit and suretyship insurance and proportional reinsurance	<b>R0100</b>	39'256	10'424
Legal expenses insurance and proportional reinsurance	<b>R0110</b>	4'730	22'436
Assistance and proportional reinsurance	<b>R0120</b>	-	-
Miscellaneous financial loss insurance and proportional reinsurance	<b>R0130</b>	5'267	11'085
Non-proportional health reinsurance	<b>R0140</b>	37'094	4'204
Non-proportional casualty reinsurance	<b>R0150</b>	1'602'547	165'224
Non-proportional marine, aviation and transport reinsurance	<b>R0160</b>	108'824	57'910
Non-proportional property reinsurance	<b>R0170</b>	674'358	259'099

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**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**S.28.01.01.03**

**Linear formula component for life insurance and reinsurance obligations**

		<b>C0040</b>
MCRL Result	<b>R0200</b>	164'862

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**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**S.28.01.01.04**

**Total capital at risk for all life re insurance obligations**

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	<b>R0210</b>	40'873	----
Obligations with profit participation - future discretionary benefits	<b>R0220</b>		----
Index-linked and unit-linked insurance obligations	<b>R0230</b>	328'484	----
Other life (re)insurance and health (re)insurance obligations	<b>R0240</b>	0	----
Total capital at risk for all life (re)insurance obligations	<b>R0250</b>	----	230'071'459

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**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**S.28.01.01.05**

**Overall MCR calculation**

		<b>C0070</b>
Linear MCR	<b>R0300</b>	1'100'897
SCR	<b>R0310</b>	824'706
MCR cap	<b>R0320</b>	371'118
MCR floor	<b>R0330</b>	206'177
Combined MCR	<b>R0340</b>	371'118
Absolute floor of the MCR	<b>R0350</b>	3'900
Minimum Capital Requirement	<b>R0400</b>	371'118