

News release

Swiss Re to propose increase in regular dividend to CHF 5.60 per share and a new share buy-back programme

- Swiss Re's Board of Directors to propose 12% increase in regular dividend to CHF 5.60 per share
- Board of Directors to seek authorisation for a new public share buy-back programme consisting of two tranches of each up to CHF 1.0 billion purchase value
- 2018 Total Contribution to Economic Net Worth (ENW) of USD 2.2 billion, including Economic Value Management (EVM) loss of USD 693 million
- Economic net worth (ENW) of USD 36.0 billion, ENW per share growth at 4.4%
- Swiss Re maintains very strong capital position with Group SST ratio at 251%

Zurich, 14 March 2019 – At Swiss Re's upcoming Annual General Meeting of shareholders (AGM) on 17 April 2019, the Board of Directors proposes a higher regular dividend of CHF 5.60 per share. In addition, the Board of Directors requests the authorisation of a new public share buy-back programme for cancellation purposes consisting of two tranches of each up to CHF 1 billion purchase value. Swiss Re today also publishes its 2018 Annual Report, which includes information on its EVM 2018 results, and the 2018 Corporate Responsibility Report.

Consistent with the established capital management priorities, Swiss Re plans to continue to return excess capital to shareholders. As the Group's capital position remains very strong with a 2019 Group SST ratio of 251%, comfortably above the target level and combined with the Group's sustained capital generation, Swiss Re's Board of Directors will propose a 12% increase in the dividend to CHF 5.60 per share in 2018. The dividend will be paid after shareholder approval at Swiss Re's upcoming AGM on 17 April 2019.

The Board of Directors will also propose to the AGM a public share buy-back programme, to be executed prior to the 2020 AGM and subject to the necessary regulatory approvals. The first tranche of up to CHF 1.0 billion (purchase value) would commence at the discretion of the Board shortly after the 2019 AGM approval. The second tranche of up to CHF 1.0 billion (purchase value) would be launched at the discretion of the Board, and will be conditional on the 2019 development of the Group's excess capital position, for example a significant increase as a result of the successful reduction of Swiss Re's holding in ReAssure to below 50%.

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If a new public share buy-back programme is launched, the Board of Directors will thereafter at a subsequent AGM propose the cancellation of the repurchased shares by way of share capital reduction.

Swiss Re's Chairman of the Board of Directors, Walter B. Kielholz, says: "We are living in uncertain times and events on the world stage are increasingly providing cause for concern. However, I believe we are very well prepared for these challenges and we are looking to the future with confidence. Our strong long-term economic earnings create the basis for our capital generation and dividend capacity. Since 2013, we have already paid back USD 14.5 billion to our shareholders via share buy-backs and dividends; which will increase to USD 17.2 billion if the proposed dividend and first tranche of the new share buy-back are accepted and executed."

Election of Board members

The Articles of Association provide for an annual individual election of members of the Board of Directors and of the Chairman of the Board of Directors by the AGM. The Board of Directors proposes Walter B. Kielholz to be re-elected to the Board of Directors and in the same vote be re-elected as Chairman of the Board of Directors for a one-year term of office until the completion of the AGM in 2020. All other members of the Board of Directors are also standing for re-election.

Swiss Re's Articles of Association also require that the members of the Board of Directors' Compensation Committee are elected. The Board of Directors proposes the following Directors to be re-elected as members of the Compensation Committee:

- Raymond K.F. Ch'ien
- Renato Fassbind
- Joerg Reinhardt
- Jacques de Vaucleroy

The invitation to Swiss Re's 2019 AGM to be held on 17 April 2019 is available online [here](#).

Publication of the 2018 Annual Report

Today, Swiss Re publishes its 2018 Annual Report "Predict. Prepare. Protect.", consisting of the Business Report and the Financial Report, including audited financial statements for 2018. The report is also available online at www.swissre.com/annualreport2018.

As in previous years, Swiss Re publishes incurred loss development triangles on an accident year basis in its 2018 Financial Report and also discloses reported loss ratio development triangles on an underwriting year basis. Swiss Re's reserve adequacy is strong and its reserving strength remains in the upper half of a range of best estimate, between the 60th and 80th percentile.

Publication of the 2018 EVM information

The 2018 EVM financial information is integrated as a separate chapter in the 2018 Financial Report. In addition, a summary of significant EVM principles and a table of EVM sensitivities are available online at www.swissre.com/EVM2018. EVM is Swiss Re's proprietary integrated economic valuation and steering framework, consistently measuring economic performance across all businesses. It allows Swiss Re to see the connection between risk-taking and value creation and provides a consistent framework to evaluate the outcome of controlled risk-taking and capital allocation decisions throughout a performance cycle.

Swiss Re reported a Total Contribution to ENW, or Group economic earnings, of USD 2.2 billion, reflecting an EVM loss of USD 693 million in 2018. The EVM loss reflects the impact of large natural catastrophe and man-made losses that adversely affected the underwriting results of Property & Casualty Reinsurance and Corporate Solutions, and an unfavourable investment result, mainly due to widening credit spreads. These impacts were partially offset by a strong new business result in Life & Health Reinsurance.

As of 31 December 2018, Swiss Re's economic net worth (ENW) decreased to USD 36.0 billion from USD 37.7 billion as of 31 December 2017, driven by dividends and share buy-back programmes of together USD 2.9 billion and unfavourable foreign exchange impacts, partially offset by Total Contribution to ENW of USD 2.2 billion. ENW per share was USD 119.96 (CHF 118.20) as of 31 December 2018, compared to USD 119.74 (CHF 116.67) as of 31 December 2017. ENW per share growth amounted to 4.4% in 2018, below the over-the-cycle target of 10%.

The 2018 EVM information is included on pages 56 et seqq. in the 2018 Financial Report and is available at www.swissre.com/financialreport2018.

Swiss Re maintains very strong capital position: Group SST ratio at 251%

Swiss Re's capitalisation remains very strong with a Group SST ratio of 251%, comfortably above the 220% target. This is supported by Swiss Re's diversified business model and disciplined risk-taking. Swiss Re maintains its industry leading capital position and high financial flexibility to invest in attractive growth opportunities.

Compared to 2018, the Group SST ratio decreased from 269% to 251%. This was mainly driven by dividends paid and share buy-back programmes as well as unfavourable foreign exchange movements and only partly offset by positive contributions from underwriting activities.

Further information on Swiss Re's capital position, financial strength and capital management can be found on pages 72 et seqq. of the 2018 Financial Report.

Publication of 2018 Corporate Responsibility Report

For the third time, Swiss Re publishes its Corporate Responsibility Report together with the Annual Report. The 2018 edition again presents a detailed overview of Swiss Re's Corporate Responsibility Topics, showing their links to the UN Sustainable Development Goals and the actions the company has taken to meet its internally set goals.

Key actions include innovative new re/insurance solutions helping its clients improve their risk resilience – ranging from major natural catastrophe covers in the US, Latin America and China to solutions addressing the needs of low-income clients in Egypt and Zambia. Swiss Re also made a further important refinement to its sustainability risk management by introducing a thermal coal policy. A new publication shares the experiences Swiss Re has made one year after switching to ESG benchmarks in its Asset Management. The full 2018 Corporate Responsibility Report can be downloaded from www.swissre.com/about-us/corporate-responsibility/approach.

In addition to the Corporate Responsibility Report, the 2018 Annual Report includes a chapter on climate-related financial disclosures (TCFD). The TCFD information can be found on pages 174 et seqq. of the 2018 Financial Report.

Investors' and analysts' conference call

Swiss Re will hold an investors' and analysts' conference call at 2 pm CET with John Dacey (Group CFO), Patrick Raaflaub (Group CRO) and Edmond Kartun (Head Actuarial Control P&C) focussing on Q&A.

To listen to the call you are kindly requested to dial into the conference call 10 -15 minutes prior to the start using the following numbers (listening mode for journalists):

Switzerland: +41 (0) 58 310 50 00

Germany: +49 (0) 69 5050 0082

France: +33 (0) 1 7091 8706

UK: +44 (0) 207 107 0613

USA: +1 (1) 631 570 56 13

The conference call will be recorded and the recordings will be made available after the event has taken place.

Swiss Re

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 80 offices globally. It is organised into three Business Units, each with a distinct strategy and set of objectives contributing to the Group's overall mission.

For logos and photography of Swiss Re executives, directors or offices, click [here](#)



For media 'b-roll' please send an email to media_relations@swissre.com



Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements typically are identified by words or phrases such as “anticipate”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend”, “may increase”, “may fluctuate” and similar expressions, or by future or conditional verbs such as “will”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Group’s actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- the cyclical nature of the insurance and reinsurance sectors;
- instability affecting the global financial system;
- deterioration in global economic conditions;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on the Group’s investment assets;
- changes in the Group’s investment result as a result of changes in the Group’s investment policy or the changed composition of the Group’s investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- the Group’s ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group’s financial strength or otherwise;
- any inability to realise amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- changes in legislation and regulation, and the interpretations thereof by regulators and courts, affecting us or the Group’s ceding companies, including as a result of shifts away from multilateral approaches to regulation of global operations;
- the outcome of tax audits, the ability to realise tax loss carry forwards, 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 business models;

- failure of the Group's hedging arrangements to be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re Group companies, and developments adversely affecting the Group's ability to achieve improved ratings;
- uncertainties in estimating reserves;
- policy renewal and lapse rates;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes and certain large man-made losses, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs, lower-than-expected benefits, or other issues experienced in connection with any such transactions;
- changing levels of competition, including from new entrants into the market; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks and the ability to manage cyber security 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.

This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities in any jurisdiction, including the United States. Any such offer will only be made by means of a prospectus or offering memorandum, and in compliance with applicable securities laws.