

2022 Annual Report

Swiss Re Finance (Luxembourg) S.A.  
Société Anonyme

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# Directors' Report

The Directors present their annual report together with the audited annual accounts for the year ended 31 December 2022.

## Activities of the Company

The main activity of Swiss Re Finance (Luxembourg) S.A. (the "Company") is to effect borrowings from third parties or affiliated undertakings, to issue debentures, to grant loan advances, and assist affiliated undertakings.

## Evolution of the business

The total assets as at 31 December 2022 amount to EUR 2.687.848.059,00 (2021: EUR 2.569.457.240,00). Increase is mainly attributable to foreign currency remeasurement of debenture loans and loans to affiliated undertakings denominated in USD. No new debenture loans were issued in 2022.

The financial year ends with a profit of EUR 1.846.939,00 (profit 2021: EUR 2.411.042,00). The result is driven by the interest income from provided loans offset by the interest expense on issued debt and operating expenses for services provided by companies in Swiss Re Group.

The uncertainties related to coronavirus pandemic, mostly related to recoverability of loans granted to the affiliated undertakings, have not materialized in 2022. The Directors assessed the Company was not significantly impacted by the pandemic situation at year-end.

Refer to note 15 for details of material matters or events, which have occurred subsequent to 31 December 2022.

## Development and performance

The Company is a treasury services company whose main activity is to raise external finance for the purposes of on-lending the proceeds to other members of the Swiss Re Group. Loans granted to affiliated undertakings have the same principal, final maturity and currency as the issued bonds and bear fixed interest with a margin over the coupon of the issued bonds. The core business area and principal activities are appropriate to the ultimate parent undertaking and controlling party's risk appetite and strategy. This is not envisaged to change in the near future. During the course of 2022, the Company did not issue any new bonds.

## Principal risks and uncertainties

Refer to Note 14 for details of the Company's policies relating to financial risk management.

## Corporate governance declaration

The Company is part of Swiss Re Group and in scope of the Group Corporate Governance, subject to its Code of Conduct and its risk management system. The Company's internal control system is based on a general four eye principle, written procedures for its recurring activities, and management reviews for financial reporting.

It should also be noted that:

- The Company does not hold directly or indirectly listed participations.
- The subscribed capital of the Company is divided into shares that are all vested with the same rights and obligations. All the shares are in registered form and are held by Swiss Re Europe Holdings S.A., a société anonyme, having its registered office at 2, rue Edward Steichen, L-2540 Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B-72 575.
- The Directors are elected by the general meeting of shareholders at a simple majority of the votes validly cast, which determines their number and term of office. Any single term of office of a Director may not exceed six years. Directors may be re-elected for successive terms. Any Director may be removed at any time with or without cause by the general meeting of shareholders at a simple majority of the votes validly cast.
- The Articles of Association may be amended by a resolution of the extraordinary general meeting of shareholders.

- The issued share capital of the Company may be increased or reduced by a resolution of the extraordinary general meeting of shareholders adopted in the manner required for an amendment of the Articles of Association. The Company may, to the extent and under the terms permitted by the Laws, redeem its own shares. The Directors have not been authorized to issue or buy-back shares of the Company.

#### Other items

- The Company did not acquire own shares during the year under review.
- The Company did not carry on any activities in the field of research and development during the year under review.
- The Company has no branches.

#### Proposal to the Annual General Meeting

We recommend to approve the annual accounts as at 31 December 2022 and to allocate the result as follows:

	EUR
Profit brought forward	6.049.845,00
Profit for the financial year	1.846.939,00
Allocation to the legal reserve	-
Allocation to profit or loss brought forward	-7.896.784,00
Dividend distribution	-

#### Note on risk factors

Macro-economic events or developments including increased volatility and/or disruption in global markets and high inflation rates as well as losses associated with insured claim events, particularly natural catastrophes, pandemics or man-made disasters, including the ongoing war in Ukraine, could adversely affect the Company's results of operations. The Group continues to monitor these developments and their impacts on its operations and its investments.

The Board of Directors  
Luxembourg, 10 March 2023






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To the Shareholder of  
Swiss Re Finance (Luxembourg) S.A.  
2, rue Edward Steichen  
L-2540 Luxembourg  
Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

### ***Report on the audit of the annual accounts***

#### ***Opinion***

We have audited the annual accounts of Swiss Re Finance (Luxembourg) S.A. (the "Company"), which comprise the balance sheet as at 31 December 2022, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2022 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

#### ***Basis for opinion***

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Other information***

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Directors' report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### ***Responsibilities of the Board of Directors for the annual accounts***

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### ***Responsibilities of the réviseur d'entreprises agréé for the audit of the annual accounts***

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### ***Report on other legal and regulatory requirements***

The Directors' report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

Luxembourg, 10 March 2023

KPMG Audit S.à r.l.  
Cabinet de révision agréé

Emmanuel Dollé  
Partner

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RCSL Nr. : B90713

Matricule : 2002 2236 203

**BALANCE SHEET**

Financial year from 01/01 /2022 to 31/12/2022 (in EUR )

Swiss Re Finance (Luxembourg) S.A.

2, rue Edward Steichen  
 L-2540 Luxembourg

**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	2.3, 3, 14.2	110
I. Intangible assets	1111	2.626.200.006,00	2.510.199.994,00
1. Costs of development	1113		
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		
a) acquired for valuable consideration and need not be shown under C.I.3	1117		
b) created by the undertaking itself	1119		
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		
4. Payments on account and intangible assets under development	1123		
II. Tangible assets	1125		
1. Land and buildings	1127		
2. Plant and machinery	1129		

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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
<b>III. Financial assets</b>	<b>1135 2.3, 3, 14.2</b>	<b>135 2.626.200.006,00</b>	<b>136 2.510.199.994,00</b>
1. Shares in affiliated undertakings	1137	137	138
2. Loans to affiliated undertakings	1139 2.3, 3, 14.2	139 2.626.200.006,00	140 2.510.199.994,00
3. Participating interests	1141	141	142
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143	144
5. Investments held as fixed assets	1145	145	146
6. Other loans	1147	147	148
<b>D. Current assets</b>	<b>1151 2.4, 4, 14.2</b>	<b>151 48.903.450,00</b>	<b>152 44.325.381,00</b>
<b>I. Stocks</b>	1153	153	154
1. Raw materials and consumables	1155	155	156
2. Work in progress	1157	157	158
3. Finished goods and goods for resale	1159	159	160
4. Payments on account	1161	161	162
<b>II. Debtors</b>	<b>1163 2.4, 4, 14.2</b>	<b>163 48.894.400,00</b>	<b>164 44.276.656,00</b>
1. Trade debtors	1165	165	166
a) becoming due and payable within one year	1167	167	168
b) becoming due and payable after more than one year	1169	169	170
2. Amounts owed by affiliated undertakings	1171 2.4, 4, 14.2	171 48.894.400,00	172 44.276.656,00
a) becoming due and payable within one year	1173 2.4, 4, 14.2	173 48.894.400,00	174 44.276.656,00
b) becoming due and payable after more than one year	1175	175	176
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177	178
a) becoming due and payable within one year	1179	179	180
b) becoming due and payable after more than one year	1181	181	182
4. Other debtors	1183	183	184
a) becoming due and payable within one year	1185	185	186
b) becoming due and payable after more than one year	1187	187	188

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	Reference(s)	Current year	Previous year
III. Investments	1189	189	190
1. Shares in affiliated undertakings	1191	191	192
2. Own shares	1209	209	210
3. Other investments	1195	195	196
IV. Cash at bank and in hand	1197	197	198
	2.4, 14.2	9.050,00	48.725,00
E. Prepayments	1199	199	200
	2.5, 5	12.744.603,00	14.931.865,00
<b>TOTAL (ASSETS)</b>		201	202
		2.687.848.059,00	2.569.457.240,00

<b>CAPITAL, RESERVES AND LIABILITIES</b>
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	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 <u>6, 6.1, 6.2</u>	301 <u>9.914.904,00</u>	302 <u>8.067.965,00</u>
I. Subscribed capital	1303 <u>6, 6.1</u>	303 <u>181.200,00</u>	304 <u>181.200,00</u>
II. Share premium account	1305 <u>6</u>	305 <u>1.818.800,00</u>	306 <u>1.818.800,00</u>
III. Revaluation reserve	1307	307	308
IV. Reserves	1309 <u>6, 6.2</u>	309 <u>18.120,00</u>	310 <u>18.120,00</u>
1. Legal reserve	1311 <u>6, 6.2</u>	311 <u>18.120,00</u>	312 <u>18.120,00</u>
2. Reserve for own shares	1313	313	314
3. Reserves provided for by the articles of association	1315	315	316
4. Other reserves, including the fair value reserve	1429	429	430
a) other available reserves	1431	431	432
b) other non available reserves	1433	433	434
V. Profit or loss brought forward	1319 <u>6</u>	319 <u>6.049.845,00</u>	320 <u>3.638.803,00</u>
VI. Profit or loss for the financial year	1321 <u>6</u>	321 <u>1.846.939,00</u>	322 <u>2.411.042,00</u>
VII. Interim dividends	1323	323	324
VIII. Capital investment subsidies	1325	325	326
<b>B. Provisions</b>	1331	331	332
1. Provisions for pensions and similar obligations	1333	333	334
2. Provisions for taxation	1335	335	336
3. Other provisions	1337	337	338
<b>C. Creditors</b>	1435 <u>2.6, 2.8, 7, 8</u>	435 <u>2.664.112.496,00</u>	436 <u>2.546.121.752,00</u>
1. Debenture loans	1437 <u>2.6, 7</u>	437 <u>2.626.200.006,00</u>	438 <u>2.510.199.994,00</u>
a) Convertible loans	1439	439	440
i) becoming due and payable within one year	1441	441	442
ii) becoming due and payable after more than one year	1443	443	444
b) Non convertible loans	1445 <u>2.6, 7</u>	445 <u>2.626.200.006,00</u>	446 <u>2.510.199.994,00</u>
i) becoming due and payable within one year	1447	447	448
ii) becoming due and payable after more than one year	1449 <u>2.6, 7</u>	449 <u>2.626.200.006,00</u>	450 <u>2.510.199.994,00</u>
2. Amounts owed to credit institutions	1355	355	356
a) becoming due and payable within one year	1357	357	358
b) becoming due and payable after more than one year	1359	359	360

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Matricule: 2002 2236 203

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361	361	362
a) becoming due and payable within one year	1363	363	364
b) becoming due and payable after more than one year	1365	365	366
4. Trade creditors	1367	367	368
a) becoming due and payable within one year	1369	369	370
b) becoming due and payable after more than one year	1371	371	372
5. Bills of exchange payable	1373	373	374
a) becoming due and payable within one year	1375	375	376
b) becoming due and payable after more than one year	1377	377	378
6. Amounts owed to affiliated undertakings	1379	2.7 453.525,00	380
a) becoming due and payable within one year	1381	2.7 453.525,00	382
b) becoming due and payable after more than one year	1383		384
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		386
a) becoming due and payable within one year	1387		388
b) becoming due and payable after more than one year	1389		390
8. Other creditors	1451	2.8, 8 37.458.965,00	452 35.921.758,00
a) Tax authorities	1393	2.8, 8 65.585,00	394 48.436,00
b) Social security authorities	1395		396
c) Other creditors	1397	2.8, 8 37.393.380,00	398 35.873.322,00
i) becoming due and payable within one year	1399	2.8, 8 37.393.380,00	400 35.873.322,00
ii) becoming due and payable after more than one year	1401		402
D. Deferred income	1403	2.2, 2.9, 9 13.820.659,00	404 15.267.523,00
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 2.687.848.059,00	406 2.569.457.240,00

The notes in the annex form an integral part of the annual accounts.

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Matricule : 2002 2236 203

**PROFIT AND LOSS ACCOUNT**

Financial year from <sup>01</sup> 01/01 /2022 to <sup>02</sup> 31/12/2022 (in <sup>03</sup> EUR )

Swiss Re Finance (Luxembourg) S.A.

2, rue Edward Steichen  
 L-2450 Luxembourg

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701	701	702
<b>2. Variation in stocks of finished goods and in work in progress</b>	1703	703	704
<b>3. Work performed by the undertaking for its own purposes and capitalised</b>	1705	705	706
<b>4. Other operating income</b>	1713	713	714
<b>5. Raw materials and consumables and other external expenses</b>	1671	671	672
a) Raw materials and consumables	1601	601	602
b) Other external expenses	1603	603	604
<b>6. Staff costs</b>	1605	605	606
a) Wages and salaries	1607	607	608
b) Social security costs	1609	609	610
i) relating to pensions	1653	653	654
ii) other social security costs	1655	655	656
c) Other staff costs	1613	613	614
<b>7. Value adjustments</b>	1657	657	658
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	660
b) in respect of current assets	1661	661	662
<b>8. Other operating expenses</b>	1621	621	622
		-487.327,00	-6.871,00

RCSL Nr.: B90713

Matricule : 2002 2236 203

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>	1715 _____	715 _____	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
<b>10. Income from other investments and loans forming part of the fixed assets</b>	1721 _____ <u>10</u>	721 _____ <u>112.249.420,00</u>	722 _____ <u>101.438.942,00</u>
a) derived from affiliated undertakings	1723 _____ <u>10</u>	723 _____ <u>112.249.420,00</u>	724 _____ <u>101.437.770,00</u>
b) other income not included under a)	1725 _____	725 _____	726 _____ <u>1.172,00</u>
<b>11. Other interest receivable and similar income</b>	1727 _____	727 _____ <u>132.274,00</u>	728 _____ <u>1.429,00</u>
a) derived from affiliated undertakings	1729 _____	729 _____ <u>123.518,00</u>	730 _____ <u>1.429,00</u>
b) other interest and similar income	1731 _____	731 _____ <u>8.756,00</u>	732 _____
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>	1663 _____	663 _____	664 _____
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>	1665 _____	665 _____	666 _____
<b>14. Interest payable and similar expenses</b>	1627 _____ <u>11</u>	627 _____ <u>-110.007.093,00</u>	628 _____ <u>-98.994.178,00</u>
a) concerning affiliated undertakings	1629 _____	629 _____ <u>-18.055,00</u>	630 _____ <u>-14.569,00</u>
b) other interest and similar expenses	1631 _____ <u>11</u>	631 _____ <u>-109.989.038,00</u>	632 _____ <u>-98.979.609,00</u>
<b>15. Tax on profit or loss</b>	1635 _____	635 _____	636 _____
<b>16. Profit or loss after taxation</b>	1667 _____	667 _____ <u>1.887.274,00</u>	668 _____ <u>2.439.322,00</u>
<b>17. Other taxes not shown under items 1 to 16</b>	1637 _____	637 _____ <u>-40.335,00</u>	638 _____ <u>-28.280,00</u>
<b>18. Profit or loss for the financial year</b>	1669 _____	669 _____ <u>1.846.939,00</u>	670 _____ <u>2.411.042,00</u>

# Notes to the annual accounts

as at 31 December 2022

## 1. General information

Swiss Re Finance (Luxembourg) S.A. ("the Company") was incorporated on 27 December 2002 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period and is subject to the general company law in Luxembourg.

The registered office of the Company is established at 2, rue Edward Steichen, L-2540 Luxembourg. The Company's financial year starts on 1 January and ends on 31 December of each calendar year.

The main activity of the Company is to effect borrowings from third parties or affiliated undertakings, to issue debentures, to grant undertakings, in which the Company has an interest or with which it is affiliated within a group, any assistance, loans, advances or guarantees, on either a short-term basis, with an expected maturity of at maximum one year, or on a long-term basis. The terms affiliated undertaking and affiliate take the meaning of wholly owned indirect subsidiaries of Swiss Re Group.

To manage any associated interest rate, foreign currency and/or credit risks, the Company may enter into derivative transactions.

The Company has debts listed on the Euro MTF Market of the Luxembourg Stock Exchange.

The Company's accounts are included in the consolidated financial statements of Swiss Re Group, representing the largest entity of which the Company is an indirect subsidiary. The registered office of the ultimate parent company, Swiss Re Ltd, is Mythenquai 50/60, 8022 Zurich, Switzerland, where the consolidated financial statements are available.

In addition, the Company's accounts are included in the consolidated financial statements of Swiss Reinsurance Company Group, representing the smallest entity of which the Company is an indirect subsidiary. The registered office of Swiss Reinsurance Company Ltd is Mythenquai 50/60, 8022 Zurich, Switzerland, where the consolidated financial statements are available.

The Company's direct parent company is Swiss Re Europe Holding S.A., a société anonyme domiciled in Luxembourg.

## 2. Summary of significant accounting policies

The principal accounting policies and valuation rules of the Company are as follows:

### 2.1 Presentation of the annual accounts

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements on a going concern basis and under the historical cost convention except for the use of the fair value for certain derivative financial instruments. Accounting policies and valuation rules are, besides the ones laid down by the amended Law of 19 December 2002, determined and applied by the Board of Directors of the Company.

The preparation of the annual accounts required the use of certain critical accounting estimates. It also required the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company maintains its books and records in Euros ("EUR"). All amounts in these annual accounts are presented in EUR, unless otherwise indicated.

## 2.2 Foreign currency translation

Revenues and expenses are translated into EUR using the exchange rate prevailing at the date of the transaction. Assets and liabilities are initially recognized at the exchange rate prevailing at the date of the transaction and subsequently translated into EUR at year-end exchange rates.

Unrealized foreign exchange gains from the application of year-end rates and foreign exchange transactions are presented under the caption "Deferred income". Recognition through the profit and loss account only occurs for the revaluation of the "Cash at bank and in hand" line item and for other balance sheet items in cases when the related existing provision is not sufficient to compensate for negative exchange rate differences.

## 2.3 Financial assets

Shares in affiliated undertakings, participating interests, loans to affiliated undertakings, securities held as fixed assets, or other loans, intended to be held for more than a year, are valued at their original purchase price, respectively nominal value for loans, including the expenses incidental thereto. In case of a durable depreciation in value according to the opinion of the Board of Directors of the Company, based upon objective evidence, value adjustments are deducted directly from the affected individual assets, so that these are valued at the lower figure to be attributed to them at the balance sheet date. The value adjustments are not maintained if the reasons for which the value adjustments were made have ceased to apply.

## 2.4 Current assets

The Company classifies any assets as current assets if these assets are expected to be settled within one year, or alternatively, can be settled at anytime. Debtors and cash at bank are valued at their nominal value. They are subject to value adjustments when their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debt securities held as current assets are valued at amortized cost. Premium and discounts are amortized over the period remaining to maturity. In case of decrease of market value below amortized cost, value adjustment is recognized.

## 2.5 Prepayments

This asset item includes any expenses in connection with external debt issuances incurred during the financial year but relating to a subsequent financial year and amortized over the duration of the underlying debt instrument using an effective interest rate method. The amortisation is presented under the caption "Interest payable and similar expenses".

## 2.6 Debenture loans

This liability item encompasses any debt issued by the Company to any non-affiliated parties in connection with the Company's participation in certain Swiss Re Group debt issuance programs, guaranteed by Swiss Reinsurance Company Limited ("SRZ"), and traded in various market places as set out in the relevant offering circulars. Otherwise, such debt is reported at the redemption value at maturity.

## 2.7 Amounts owed to affiliated undertakings

This liability item encompasses any borrowings or liabilities for services provided, which are effected by the Company from affiliated undertakings, whether on a short-term or on a long-term basis, and are reported at their nominal value.

## 2.8 Other creditors

Other creditors are valued at their settlement value.

## 2.9 Deferred income

This liability item includes any income in connection with internal debt issuances incurred during the financial year but relating to a subsequent financial year and amortized over the duration of the underlying debt instrument using an effective interest rate method. The amortisation is presented under the caption "Income from other investments and loans forming part of the fixed assets derived from affiliated undertakings".

In addition, this liability item includes exchange rate differences, as presented in the note 2.2.

### 3. Financial assets

The following loans have been granted to SRZ:

Instruments	Maturity	Interest rate	Original currency	Principal 2021 in original currency	Book value 2021 in EUR	Movement in original currency	Principal 2022 in original currency	Book value 2022 in EUR
Loan	30 April 2050	2.584%	EUR	750.000.000,00	750.000.000,00	–	750.000.000,00	750.000.000,00
Loan	2 April 2049	5.050%	USD	1.000.000.000,00	880.099.997,00	–	1.000.000.000,00	938.100.003,00
Loan	No scheduled final maturity date	4.300%	USD	1.000.000.000,00	880.099.997,00	–	1.000.000.000,00	938.100.003,00
<b>Total</b>					<b>2.510.199.994,00</b>			<b>2.626.200.006,00</b>

No indicators have been identified for any value adjustment at year-end.

### 4. Amounts owed by affiliated undertakings

Amounts owed by affiliated undertakings are as follows:

All amounts in EUR	Balance as at 31 December 2021	Balance as at 31 December 2022
Accrued interest	25.982.167,00	38.800.186,00
Cash pooling	18.294.489,00	10.094.214,00
Intercompany receivables	–	–
<b>Total</b>	<b>44.276.656,00</b>	<b>48.894.400,00</b>

### 5. Prepayments

Prepayments include deferred debt issuance costs in the amount of EUR 12.744.603,00 (note 2.5; 2021: EUR 14.931.865,00).

### 6. Capital and reserves

The movements in capital and reserves for the financial year 2022 are as follows:

All amounts in EUR	Balance as at 31 December 2021	Allocation of the 2021 result	Dividends	Profit for the year	Balance as at 31 December 2022
Subscribed capital	181.200,00	–	–	–	181.200,00
Share premium account	1.818.800,00	–	–	–	1.818.800,00
Reserves - Legal reserve	18.120,00	–	–	–	18.120,00
Profit or loss brought forward	3.638.803,00	2.411.042,00	–	–	6.049.845,00
Profit or loss for the financial year	2.411.042,00	-2.411.042,00	–	1.846.939,00	1.846.939,00
<b>Total</b>	<b>8.067.965,00</b>	<b>–</b>	<b>–</b>	<b>1.846.939,00</b>	<b>9.914.904,00</b>

#### 6.1 Subscribed capital

The subscribed capital amounts to EUR 181.200,00 and is divided into 1.812 shares fully paid up with a nominal value of EUR 100,00 each, all vested with the same rights and obligations. There are no shares carrying specific rights.

#### 6.2 Legal reserve

In accordance with Luxembourg company law, the Company is required to allocate a minimum of 5% of its net profit for each financial year to the legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders. No allocation was required during the financial year ended 31 December 2022.

## 7. Debenture loans

The following debts have been issued by the Company to third parties:

Instruments	Maturity	Coupon	Original currency	Principal 2021 in original currency	Book value 2021 in EUR	Movement in original currency	Principal 2022 in original currency	Book value 2022 in EUR
<b>Fixed Rate Note</b>	30 April 2050	2.534%	EUR	750.000.000,00	750.000.000,00	–	750.000.000,00	750.000.000,00
<b>Fixed Rate Note</b>	2 April 2049	5.000%	USD	176.000.000,00	154.897.599,00	–	176.000.000,00	165.105.601,00
<b>Fixed Rate Note</b>	2 April 2049	5.000%	USD	824.000.000,00	725.202.398,00	–	824.000.000,00	772.994.402,00
<b>Fixed Rate Note</b>	No scheduled final maturity date	4.250%	USD	1.000.000.000,00	880.099.997,00	–	1.000.000.000,00	938.100.003,00
<b>Total</b>					<b>2.510.199.994,00</b>			<b>2.626.200.006,00</b>

Debts are listed on the Euro MTF Market of the Luxembourg Stock Exchange and are guaranteed by SRZ.

## 8. Other creditors

Other creditors mainly include accrued interest in the amount of EUR 37.362.314,00 (2021: EUR 35.844.244,00) and net wealth tax liability in the amount of EUR 65.585,00 (2021: EUR 48.436,00) for financial years for which a definitive taxation notice has not been received from the fiscal authorities or which has been received but not yet paid.

## 9. Deferred income

This liability item includes deferred income related to provided loans in the amount of EUR 12.744.603,00 (note 2.9; 2021: EUR 14.931.865,00) and exchange rate differences (note 2.2) amounting to EUR 1.076.056,00 as at 31 December 2022 (2021: EUR 335.658,00).

## 10. Income from other investments and loans forming part of the fixed assets derived from affiliated undertakings

Income from financial assets derived from affiliated undertakings amounted to EUR 112.249.420,00 in 2022, compared to EUR 101.437.770,00 in 2021. The increase is mainly driven by variance in exchange rates.

## 11. Interest payable and similar expenses

Interest payable and similar expenses amounted to EUR 110.007.093,00 in 2022, compared to EUR 98.994.178,00 in 2021. The increase is mainly driven by variance in exchange rates.

## 12. Off-balance sheet commitments

As at 31 December 2022, the Company had no off-balance sheet commitments.

## 13. Other

### 13.1 Tax status

The Company is subject to the general tax regulations applicable to all companies in Luxembourg. As from 1 January 2003, the Company has entered into the tax consolidation with its sole shareholder, Swiss Re Europe Holdings S.A.

### 13.2 Personnel employed

No personnel was employed by the Company during the years ended 31 December 2022 and 31 December 2021.

### 13.3 Emoluments granted to the members of the management and supervisory bodies

There are no emoluments granted to the members of the Board of Directors of the Company.

## 14. Financial risk management

Risk management is an inherent part of the business activities of the Group, of which the Company is a part. The Company's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of its major risks. The Company exercises oversight through the Directors.

An overview of the key aspects of risk management and use of financial instruments is provided below.

### 14.1 Liquidity risk

Liquidity risk arises from the general funding needs of the Company's activities and from the management of its assets and liabilities. The Company's funding needs are met externally and guaranteed by SRZ. Moreover, the funds are managed in a manner consistent with the overall Group liquidity management framework.

The bonds outstanding have long-term final maturity and early redemption dates with interest paid at least annually. The liquidity risk is reduced since the Company has provided back-to-back loans to Group companies with the same maturity and early redemption dates, as well as the same interest payment dates with higher interest rate, resulting in the overall net cash inflows.

### 14.2 Credit risk

The Company's exposure to credit risk arises from the possibility that counterparties may default on their obligations to the Company. The Company manages its credit risk by minimising its exposure to external counterparties. The amount of Company's maximum exposure to credit risk is indicated by the carrying value of its financial assets. The cash of EUR 9,050,00 is mainly held at JPMorgan and cash pooling of EUR 10,094,214,00 is pooled to SRZ, both having excellent Moody's credit rating. The Company has credit risk related to the funds loaned to SRZ of EUR 2,626,200,006,00 (2021: EUR 2,510,199,994,00). The funds loaned are unsecured and subordinated to any other obligations. The funds loaned are neither past due, nor impaired as provided to Group companies having Moody's financial strength rating as Aa3 (excellent). The Company did not identify an objective evidence of impairment for these assets as at 31 December 2022.

### 14.3 Market risk

Market risk represents the potential loss in value of portfolios and financial instruments caused by adverse movements in market variables. At the balance sheet date, the Company does not have any significant exposure to market risk.

### 14.4 Cash flow risk

The Company has significant long-term funds granted to affiliated undertakings with fixed interest rates, as well as significant long-term bonds issued at fixed interest rates. The maturity of the funds loaned and borrowed is identical. The net interest margin on these back-to-back positions is 0.05%. Due to interest being fixed for both financial assets and financial liabilities, the risk of loss resulting from movements in interest rates is considered low.

At the balance sheet date, the Company had foreign currency bank balances, loans granted to affiliated undertakings and bonds issued to external parties, the net of which is not significant. Therefore, the Company is not considered to have significant cash flow risk arising from changes in foreign exchange rates.

## 15. Subsequent events

The Company has evaluated whether events or transactions have occurred after 31 December 2022 that would require recognition or disclosure in these annual accounts through 10 March 2023, which is the issuance date of these annual accounts. There are no subsequent events that have had a material effect on the Company.

# 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", "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 Swiss Re Group's actual results of operations, financial condition, solvency ratios, capital or liquidity position or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity position or prospects expressed or implied by such statements or cause Swiss Re Group to not achieve its published targets. Such factors include, among others:

- instability affecting the global financial system and developments related thereto;
- deterioration in global economic conditions;
- Swiss Re 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 Swiss Re Group's financial strength or otherwise;
- 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 Swiss Re Group's investment assets;
- changes in Swiss Re Group's investment result as a result of changes in its investment policy or the changed composition of its investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- uncertainties in valuing credit default swaps and other credit-related instruments;
- possible inability to realise amounts on sales of securities on Swiss Re Group's balance sheet equivalent to their mark-to-market values recorded for accounting purposes;
- 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;
- the possibility that Swiss Re Group's hedging arrangements may not 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 Swiss Re Group's ability to achieve improved ratings;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes, 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;
- the frequency, severity and development of insured claim events,
- acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- policy renewal and lapse rates;

- extraordinary events affecting Swiss Re Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting Swiss Re Group or its ceding companies and the interpretation of legislation or regulations;
- 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 or other issues experienced in connection with any such transactions;
- changing levels of competition; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

These factors are not exhaustive. Swiss Re 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 Group undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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