Life Capital

Thierry Léger, Chief Executive Officer Life Capital

Swiss Re

Life Capital's three businesses continue to execute on their strategies

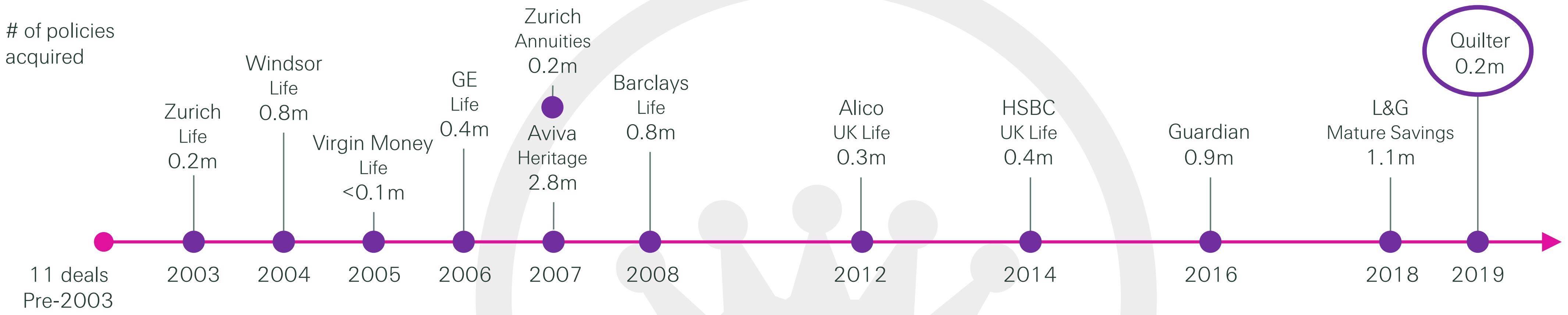
ReAssure	elipsLife	iptiQ
UK life & pension closed book consolidator	Group life, disability and income protection solutions provider	White-labelled individual protection solutions provider

Client Access

Risk Knowledge

Capital Strength

Swiss Re remains committed to supporting ReAssure's growth



Quilter UK Heritage business acquisition

- Announced in August 2019 for GBP 425m with ~200k policies; GBP 12bn assets under administration; completion expected Q4 2019
- Expected surplus generation >GBP 500m, incl. ~GBP 200m synergies, of which ~40% are costs; IRR >11%
- Expected price to adjusted Unrestricted Tier 1 at completion to be ~80%[1]; 100% internally funded, with payback period of 4 years
- Focus on stakeholder outcomes: Superior customer outcome, execution certainty for vendor and attractive returns for shareholders

ReAssure has a strong track record in successfully acquiring and integrating closed books and a solid pipeline for future deals

[1] The main adjustments are revised expense assumptions and transitional measures on technical provisions

Solid ReAssure surplus generation and strong capital position

Attractive Surplus Generation target

GBP 2.1bn FY 19-23E

- Life Capital Gross Cash Generation target replaced by ReAssure Surplus Generation target from 2020
- Further strategic asset allocation changes to optimise risk-adjusted capital:
  - Implementation of equity hedging
  - Increase in private debt holdings
  - Diversification in credit exposure
  - BBB exposure reduced to 28% (as of end 9M 2019)[2]

H1 2019 customer satisfaction

88.6%

- Leading ratings amongst consolidators across 4.1m policies managed
- Integration of L&G acquisition in process; completion expected in Q1 2020
- Extend digital portal roll-out: ReAssure Now
- Focus on superior customer outcomes also drives shareholder value creation

H1 2019 Solvency II ratio

148%[1]

- Strong Solvency II balance sheet despite low interest rate environment
- GBP 1.4bn headroom above Solvency II SCR, up from GBP 1.2bn in December 2018[1]
- Quilter acquisition self-funded
- Completion of L&G integration expected to release ~GBP 200m of capital (+8%pts)

[1] Calculated on a pro-forma basis for ReAssure PLC Group (on a shareholder capital basis) including transitional measures on technical provisions recalculation
[2] Based on ReAssure methodology for decomposing portfolio by rating

elipsLife continues to provide steady growth in group L&H through service and cost leadership

Market focus

- Group Life & Health
- Biometric risks

Business model

- Broker-led distribution
- Scalable platform

Key success factors

Cost leadership

<18%

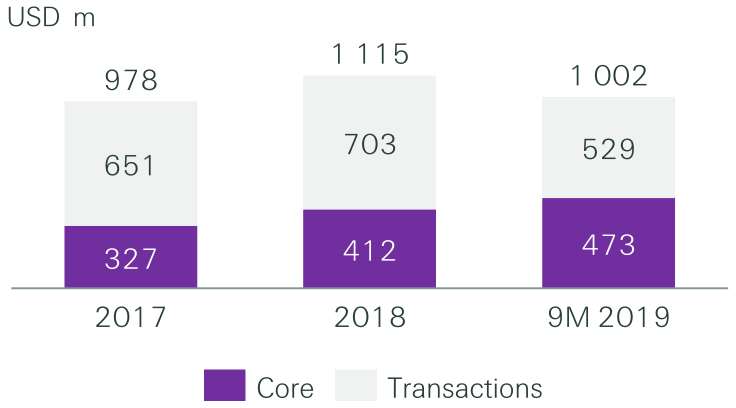
Cost ratio

Service leadership[1]

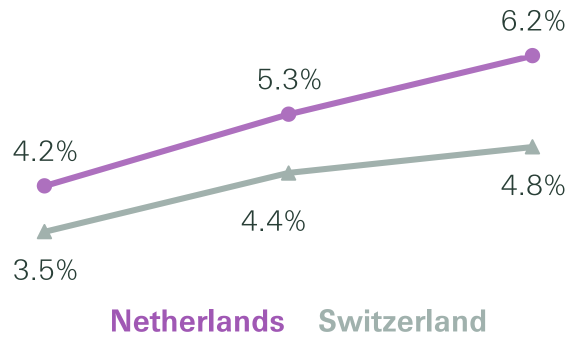
~96%

Retention ratio

Gross premiums written



Market share



elipsLife
your insurance

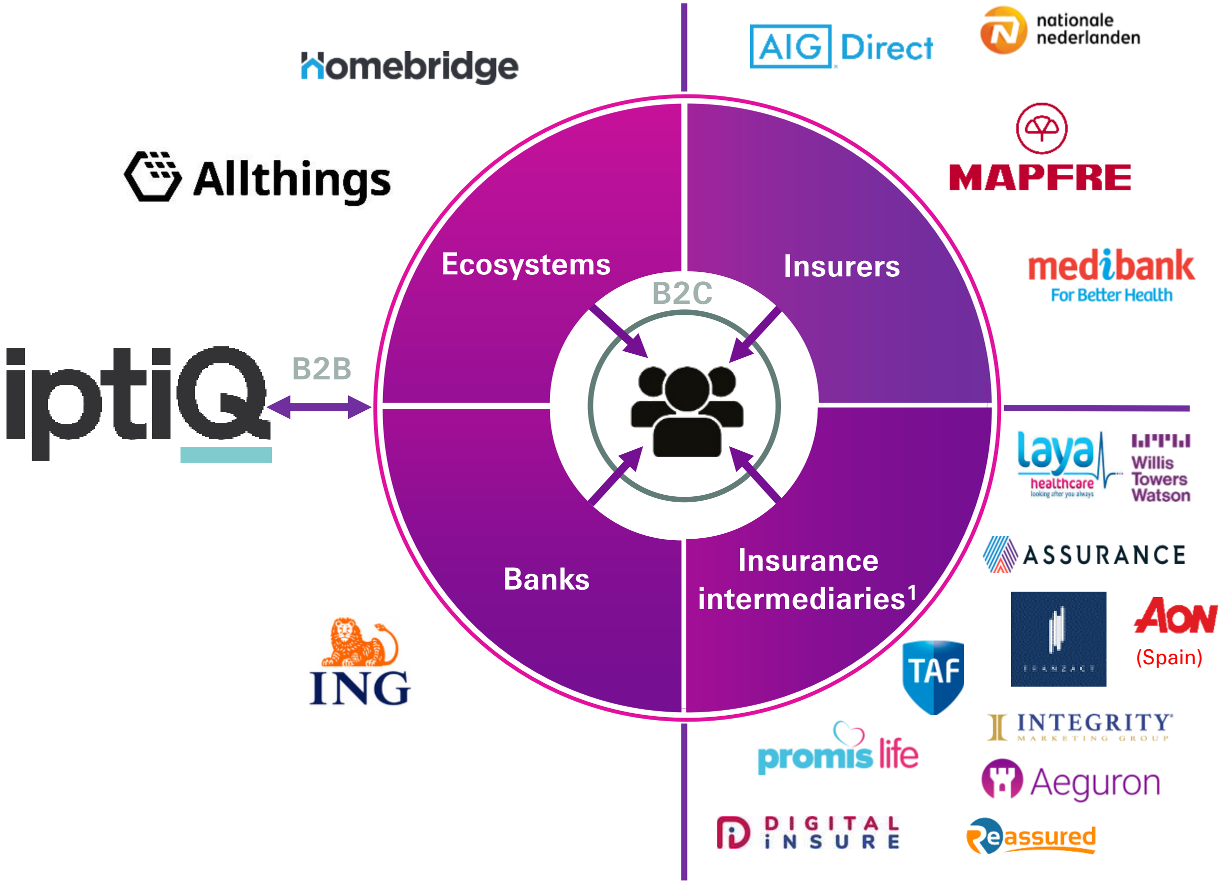
- Access to attractive risk pool
- Profitable business for several years in mature markets allowing to self-fund the expansion to new markets, including Italy, Ireland, Germany and US
- Cost ratio already below 16% in mature markets
- US market entry shows strong pipeline and first sales in 2019

[1] 98% in Switzerland and 94% in the Netherlands for 2018 business

iptiQ applies cutting-edge technology to deliver insurance through partners

B2B2C model...

Selected partners



...with strong distribution partnerships

We offer

- Seamless integration with our partners (60-day onboarding)
- White labelled end-to-end insurance platform
- Risk selection and innovation built on Swiss Re risk knowledge

We obtain

- Long-term relationships (>3-5 years)
- Access to customers through commission-based arrangements
- Risk premium directly or through reinsurance

[1] Managing General Agents, brokers, aggregators, call centres or independent agents

iptiQ continues to enhance its consumer platform with data-driven insights

Efficient access through partners…

 # distribution partners

28

Estimated consumer reach

93m

Average annual premium per policy

~USD 700

360k customers as of 9M 2019

…with simple products at fair value…

L&H

- Term Life
- Whole Life
- Health add-ons
- Accident
- Critical Illness

iptiQ

P&C

- Travel
- Cyber
- Mobility
- Home

NPS score ~10pts above industry average[1]

…and continuous innovation

Voice-enabled, replicating human interaction

walkme

Online assisted customer journey

Selfie-based age prediction and quote via facial recognition

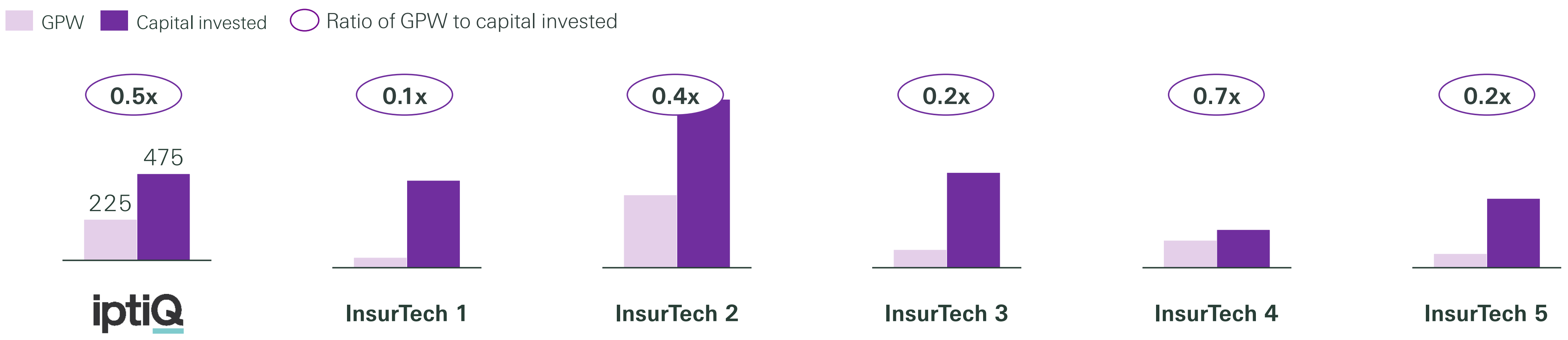
iptiQ Chatbot developed with assisted learning technology

~USD 40m p.a. technology spend

[1] US NPS score of 38 as of Sep-2019 against average insurance 2019 NPS of 28 (Source: clearlyrated)

iptiQ generates efficient growth from invested capital

Gross premiums written (GPW) relative to capital invested since inception[1]



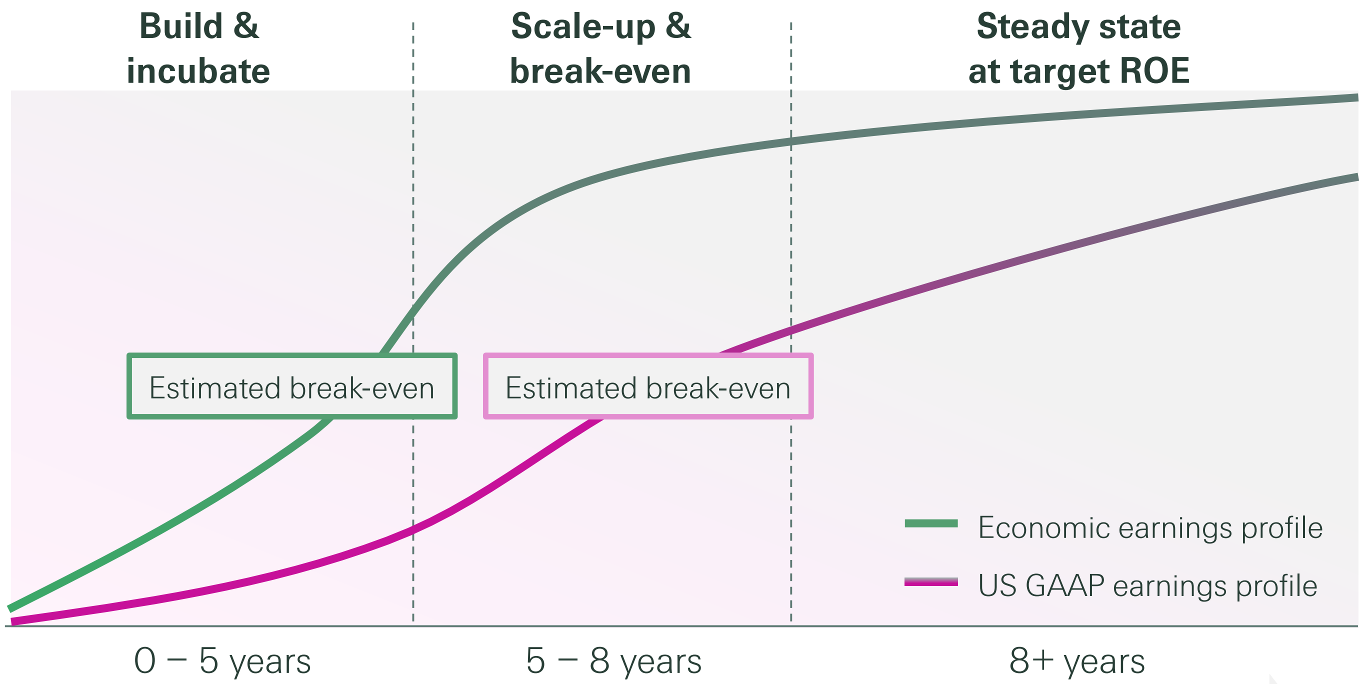
- Solid premiums to capital invested ratio of 0.5x for iptiQ compared to InsurTechs average of 0.3x, as we drive sales of higher value products
- Very strong growth in L&H protection annualised new business premium, also when compared to selected incumbents in their home markets
- Incumbents' new sales in L&H protection products is subdued, but they benefit from profits from large back books

[1] Capital injected as part of Life Capital to date (iptiQ as of 9M 2019 and for peers as of latest funding round); GPW: Gross Premium Written for iptiQ projected as of year end 2019 for core business only; InsurTech companies as of FY 2018 or latest available (indicative only) including: Clover, Hippo, Lemonade, Next Insurance and ROOT

We incubate and operate dynamically growing start-up businesses…

Financial returns profile

US GAAP and EVM returns profile – experience-based / illustrative



Maturity profile

iptiQ P&C | iptiQ L&H US | iptiQ L&H EMEA | iptiQ ANZ

- High upfront investments in build and growth
- Businesses need scale to achieve profitability
- Economic profit break-even is achieved more quickly than US GAAP
- Significant Economic Net Worth of ~USD 600m for iptiQ projected for year-end 2019
- Experience from incubating start-up business with accelerated time to launch down to 10 months with mature platform and resources

...which increase Swiss Re's economic value

Estimating the current value of iptiQ, as applied to...

I

...high growth insurance companies

based on equity and value of new business[1]

~USD 600m 2019[2] ENW × **~1.0x** ENW multiplier + **~USD 50m** Normalised 2019[1] EVM new business profit × **~10-15x** VNB multiplier[3]

II

...InsurTech start-ups

based on gross premiums written

USD 225m 2019[2] GPW × **~5-7x** P/GPW multiple[3]

~USD 1-1.5 bn
Total value

Swiss Re

[1] Normalised EVM figures and multiples reflect impact of USD 100m p.a. costs invested to build the platform and sub-scale overrun costs above modelled expenses
[2] 2019 projected
[3] Multiples used are based on peer comparison and observable metrics for similar high growth companies

Transition from closed book consolidator to dynamic primary B2B2C business continues, with significant value in the open books

- ✓ Life Capital expands the Swiss Re Group's access to attractive risk pools
- ✓ Swiss Re remains committed to supporting ReAssure's growth, with mid-term intention to deconsolidate
- ✓ elipsLife continues to provide steady growth in group L&H through service and cost leadership
- ✓ iptiQ, our digital B2B2C business, is built on and complements Swiss Re's core strengths

Key objectives

GBP 2.1bn

ReAssure Surplus Generation target 2019-2023

Dynamic growth

of open books

Corporate calendar and contacts

Corporate calendar

2020

20 February	**Annual Results 2019**	Conference call
19 March	**Publication of Annual Report 2019**	
17 April	**156th Annual General Meeting**	Zurich

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- 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 cyclicality 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 carryforwards, 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 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;
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