

Management Dialogues

London, 23 May 2019



Agenda – Management Dialogues 2019

Time	Content
08:30 – 09:00	Registration
09:00 – 09:05	Welcome
	<i>The following sessions will run in parallel:</i>
09:10 – 09:50	Asia strategy & growth
10:00 – 10:40	<i>Jayne Plunkett, CEO Reinsurance Asia</i>
10:50 – 11:30	Casualty risks & opportunities
	<i>Jason Richards, Head Casualty Underwriting Reinsurance</i>
	iptiQ strategy
	<i>Thierry Léger, CEO Life Capital Pravina Ladva, CTOO Life Capital</i>
11:40 – 12:25	Dialogue with Group CEO and Group CFO
	<i>Christian Mumenthaler, Group CEO John Dacey, Group CFO</i>
12:30 – 14:00	Lunch



Swiss Re

Asia strategy & growth

Jayne Plunkett, CEO Reinsurance Asia



Swiss Re in Asia – unmatched market position

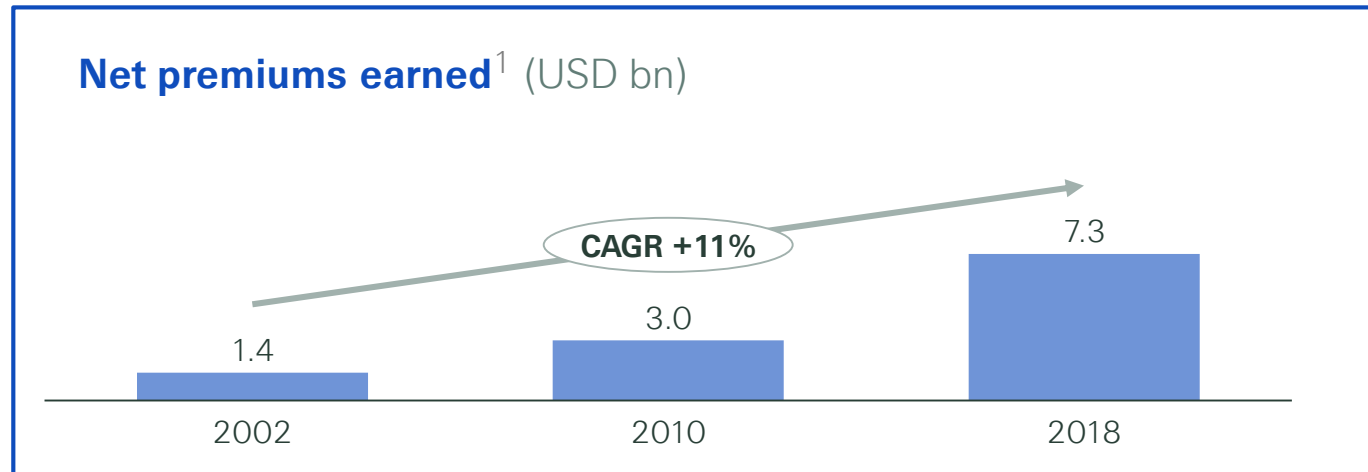


¹ Net premiums earned FY 2018 including fee income from policyholders; does not reflect the exposure to HGMs through Principal Investments

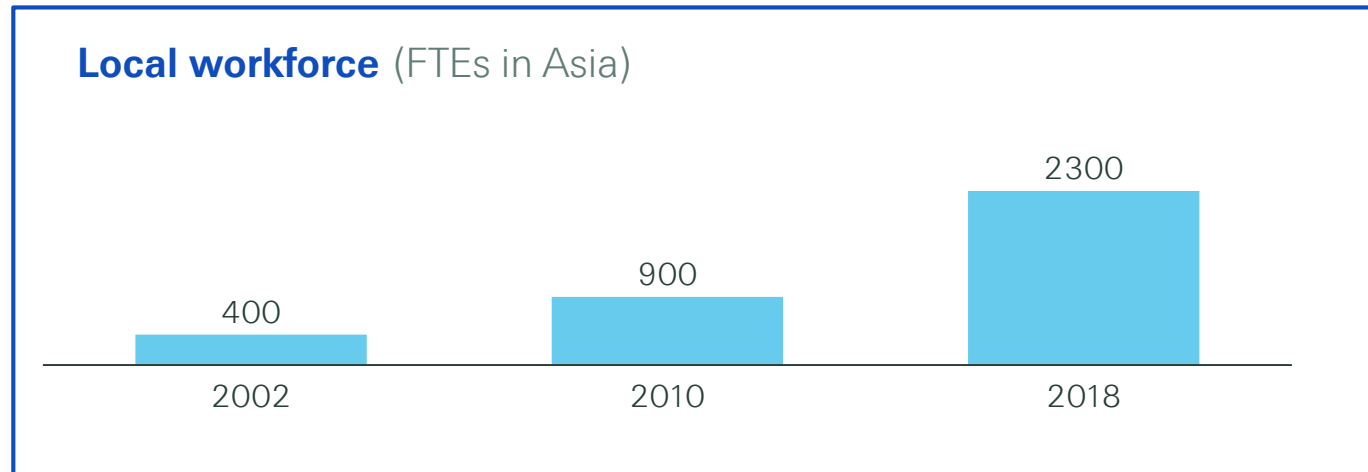
² Gross premiums written FY 2018 including fee income from policyholders; does not reflect the exposure to HGMs through Principal Investments

We have shifted our global workforce to reflect premium development and capture growth opportunities

Asia already contributes substantially to Swiss Re's financials, supported by a strong local team



~21%
of global
premiums
from Asia

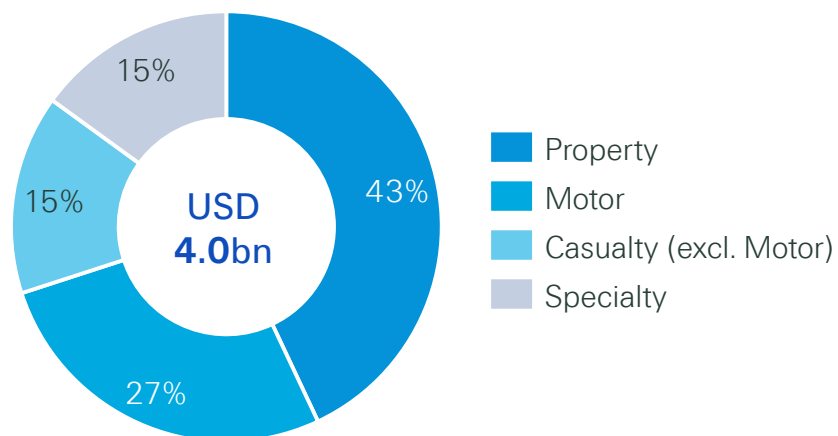


~15%
of global
workforce
based in Asia

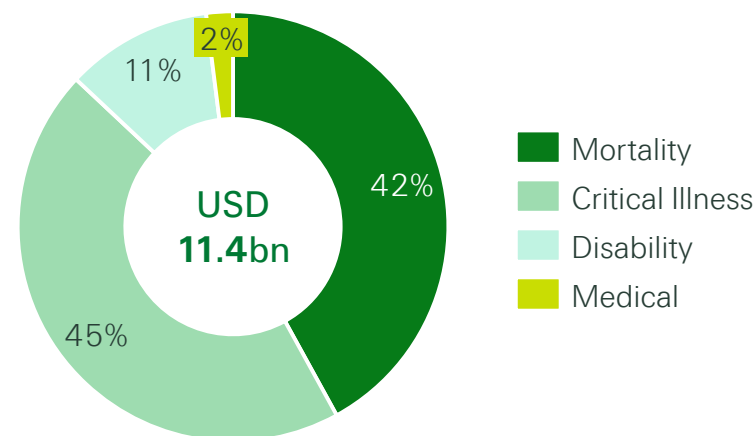
¹ Net premiums earned including fee income from policyholders; does not reflect the exposure to HGMs through Principal Investments

We deliver value through Solutions & Transactions, while bringing efficiencies to our Core business in Reinsurance

P&C Reinsurance portfolio in Asia (EVM premiums FY 2018)



L&H Reinsurance portfolio in Asia (EVM premiums FY 2018)



Reinsurance strategic pillars

Core: Simplify and drive efficiencies to enable long-term sustainable growth in our traditional reinsurance business
(e.g. leveraging technology to achieve efficiency along value chain)

Transactions: Engage in a broader strategic dialogue with clients, delivering innovative, customised deals
(accounted for >30% of the business generated in Asia over the last 5 years)

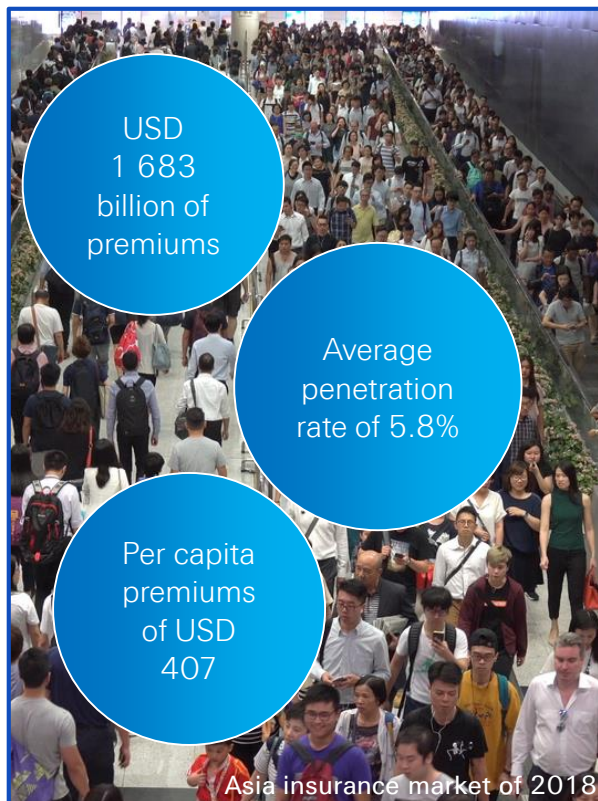
Solutions: Add value to clients' original business by providing solutions and services across the value chain
(e.g. satellite Agro solutions; Magnum platform)

~40%
of our
economic
premiums
from Asia

#1
economic
earnings
contributor
in L&H Re

~20%
of economic
underwriting
capital allocated to
Asia

High growth in Asia expected to continue



Strong growth outlook...

180%
premiums increase
in Asian non-life by 2028¹

200%
premiums increase
in Asian life by 2028¹

+7-8%
**p.a. reinsurance
cessions**
over the next 5 years²

...built on robust fundamentals



Growing middle class



*Increasing need for private
health insurance*



*Improving regulatory
environment*



*New technology-based
products*

We expect the
emerging
market share
of global
premiums to
increase by
~50% over
the next
10 years

¹ Growth expectations in real terms

² Cession rates expectations in nominal terms

Source: Swiss Re Institute

As a knowledge company with full commitment to Asia, we are well positioned to benefit from current trends and continue to grow our portfolio



- We have an unmatched market position with strong local footprint
- Superior R&D capabilities are the basis for our underwriting decisions and are valuable differentiating factors for our clients
- We have built a diversified portfolio based on our strategic pillars (Core, Transactions, Solutions), which is contributing materially to our overall results
- The market outlook remains positive with underlying exposures growing and new risk exposures emerging

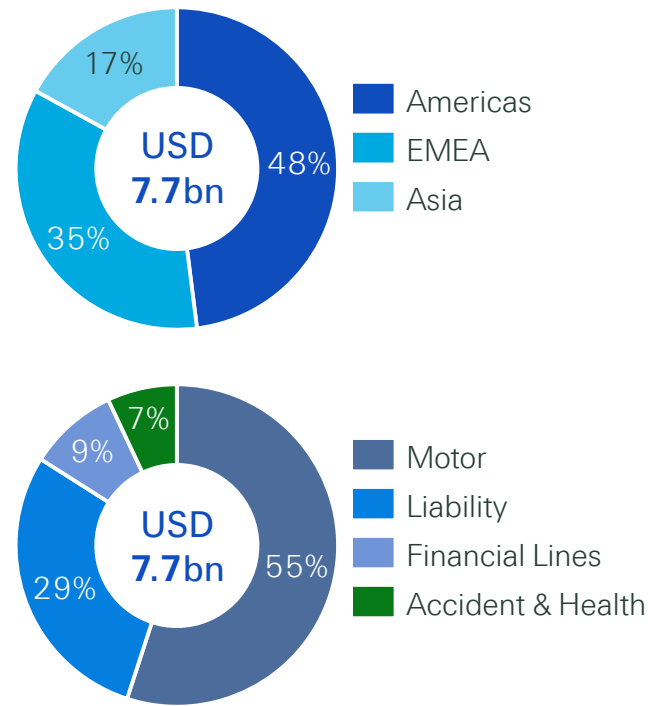
Casualty risks & opportunities

Jason Richards, Head Casualty Underwriting Reinsurance



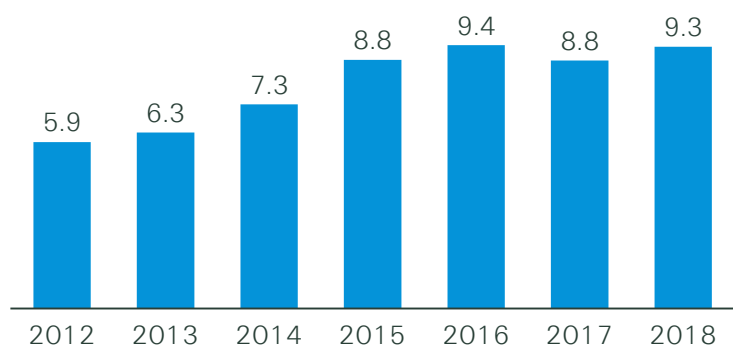
Casualty Reinsurance overview and strategy

Portfolio split by region and sub-line
(% of net premiums earned, FY 2018)



In-house expertise
Highly experienced team (average Swiss Re tenure of 9 years) across key regions with diverse backgrounds and expertise

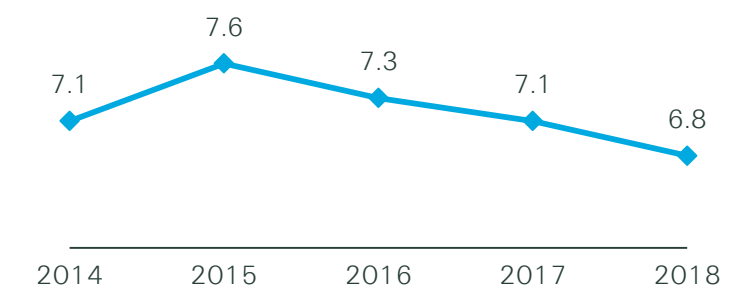
EVM premiums – new business (USD bn)



Economic combined ratio¹ (%)



Casualty business duration (years)



Strategic pillars

Core
Maintaining strength of global portfolio, while further improving pricing quality. Focus on portfolio steering

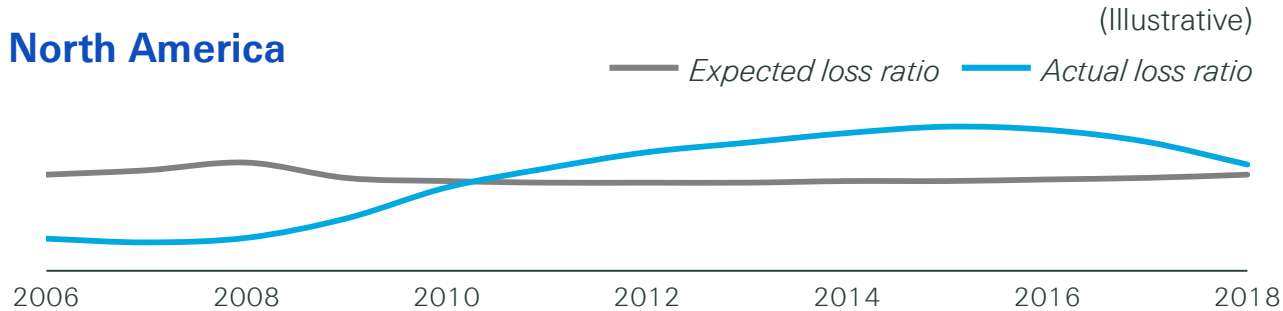
Transactions
Delivering innovative, tailor-made transactions for clients combining casualty risk knowledge and capital strength

Solutions
Broad suite of value enhancing solutions, e.g. bespoke analytics to help Swiss Re’s clients grow their business

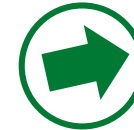
¹ Financial year view (including new and previous years’ business); premiums, claims, commissions and expenses discounted at risk free rates

Casualty Reinsurance underwriting experience

North America



Price change
(Risk adjusted)

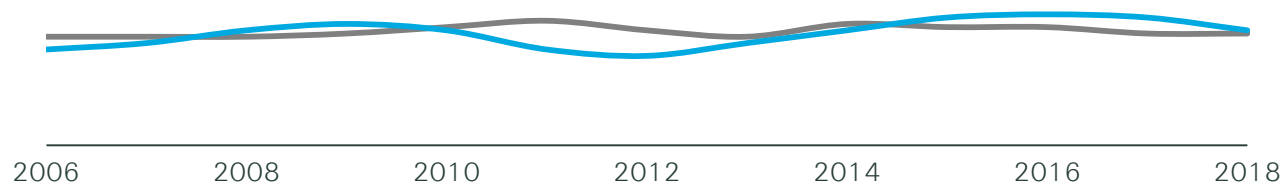


Expected trends

- **Liability:** Primary rate rises expected
- **Motor:** Primary rate rises expected
- **Loss trends:** Frequency expected to flatten while severity is still elevated

Our priority: caution and manage risk

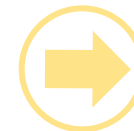
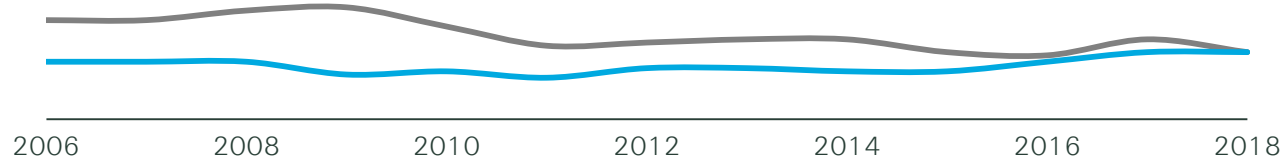
EMEA



- **Liability:** Stable, some rises expected
- **Motor:** Improved premium rates expected driven by Western Europe
- **Loss trends:** Overall loss frequency and severity is expected to moderately increase

Our priority: stability and margin management

Asia



- **Liability:** Primary rates stable
- **Motor:** Primary rates stable
- **Loss trends:** Frequency expected to decrease for motor and liability but severity expected to rise

Our priority: innovation and profitable growth

Recent adverse experience (especially in the US) is fully captured in our reserving position and updated economic pricing assumptions. A more constructive price environment and portfolio optimisation are expected to improve performance

Portfolio steering approach and priorities

Selected casualty portfolios owned by senior leaders, overseeing and assessing performance and being responsible for executing portfolio strategies with clearly defined priorities



Manage profitability:

Increase profit margin; portfolio actions to reduce or steer growth



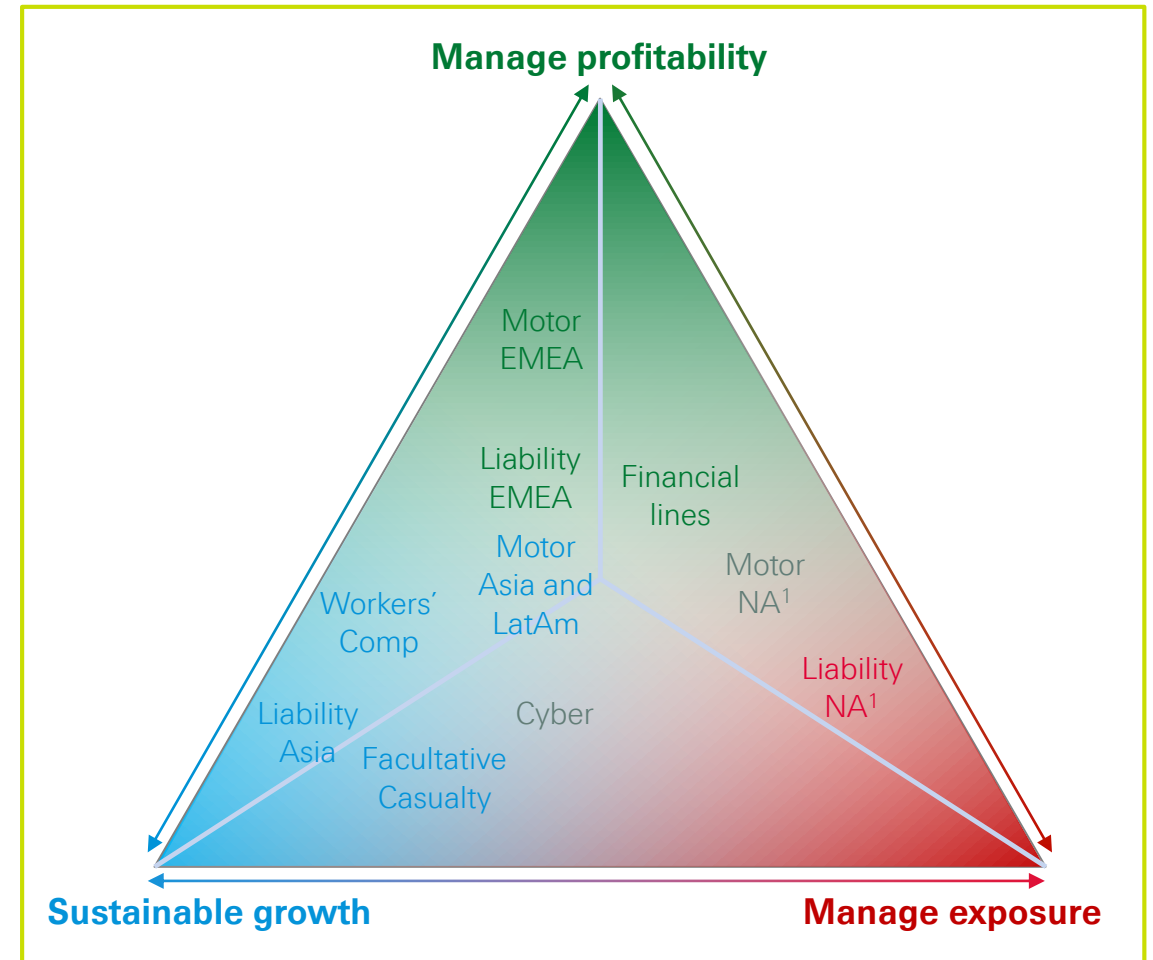
Sustainable growth:

Future profitable growth; portfolio actions may lead to lower margins



Manage exposure:

Reduce volatility against expected underwriting returns; portfolio actions may lead to reduced growth or margins



We manage our overall strategic portfolio on multiple return (US GAAP, EVM, Cash Flow) and risk (shock and trend risk) metrics in close discussion with our clients, and conduct tactical actions on individual portfolios

Portfolio steering in action – managing exposure and risk in North America

	Challenge	Management actions
Portfolio Profitability “Raise the bar”	Soft market conditions impacting Casualty portfolio profitability	<ul style="list-style-type: none">• Achieved price improvement for all new and renewal business• Exited underperforming accounts, whilst balancing holistic client relationship
Commercial Auto	Increasing commercial auto claims frequency in umbrella covers	<ul style="list-style-type: none">• Leveraged portfolio analytics to gain further insights• Adjusted underwriting parameters to further improve adequacy of costing
Large Corporate Risks (LCRs)	Increasing frequency and severity of large claims from LCRs due to societal developments influencing jurors	<ul style="list-style-type: none">• Actively reduced exposure, re-assessed capacity or leveraged diversifying business• Created sense of urgency in the market – sharing Swiss Re’s insights

We proactively manage identified challenges by addressing them together with our clients and offering innovative solutions and tailored reinsurance coverage

Global long-term trends drive growth in demand for Casualty products



Casualty remains an **attractive risk pool**

Strong focus on **margin management**

Transactions & solutions key differentiation factors

Exposure growth generates attractive opportunities

Opportunities to close the **protection gap**

iptiQ strategy

Thierry Léger, CEO Life Capital

Pravina Ladva, CTOO Life Capital

Transforming insurance. Powering your progress.



By  Swiss Re





iptiQ

Transforming insurance. Powering your progress.

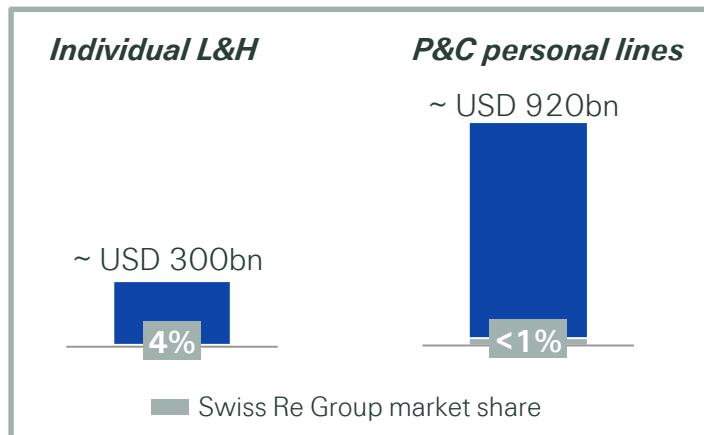
iptiQ is expanding globally

USD 30bn+ long-term opportunity...

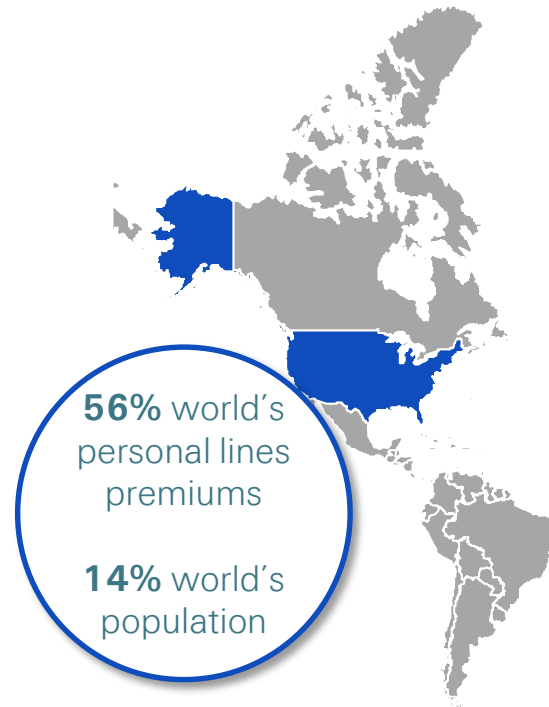
...driven by

Business	White-labelled individual protection products through distributors
Products	Individual life, health and non-life protection
Marketing	Distribution partners

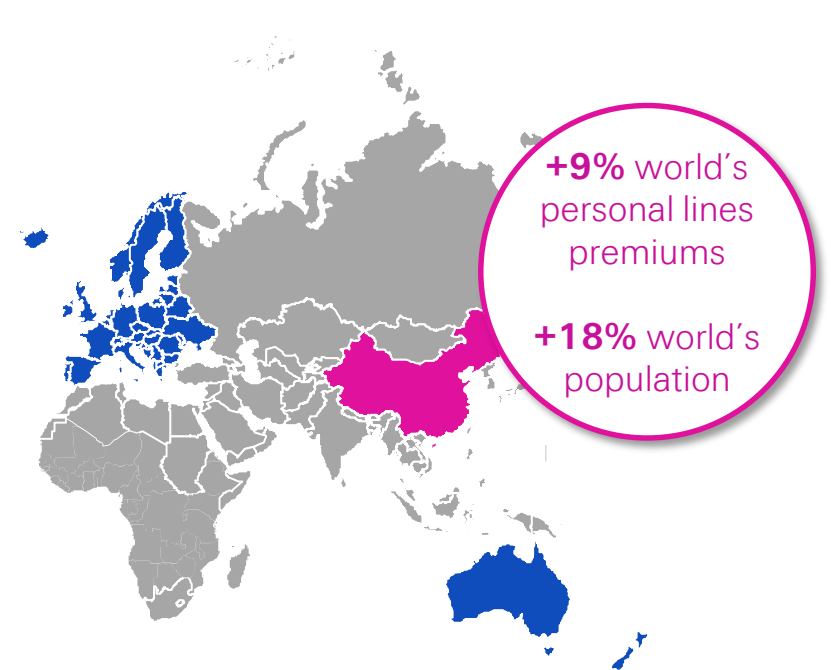
Market opportunity



Current footprint



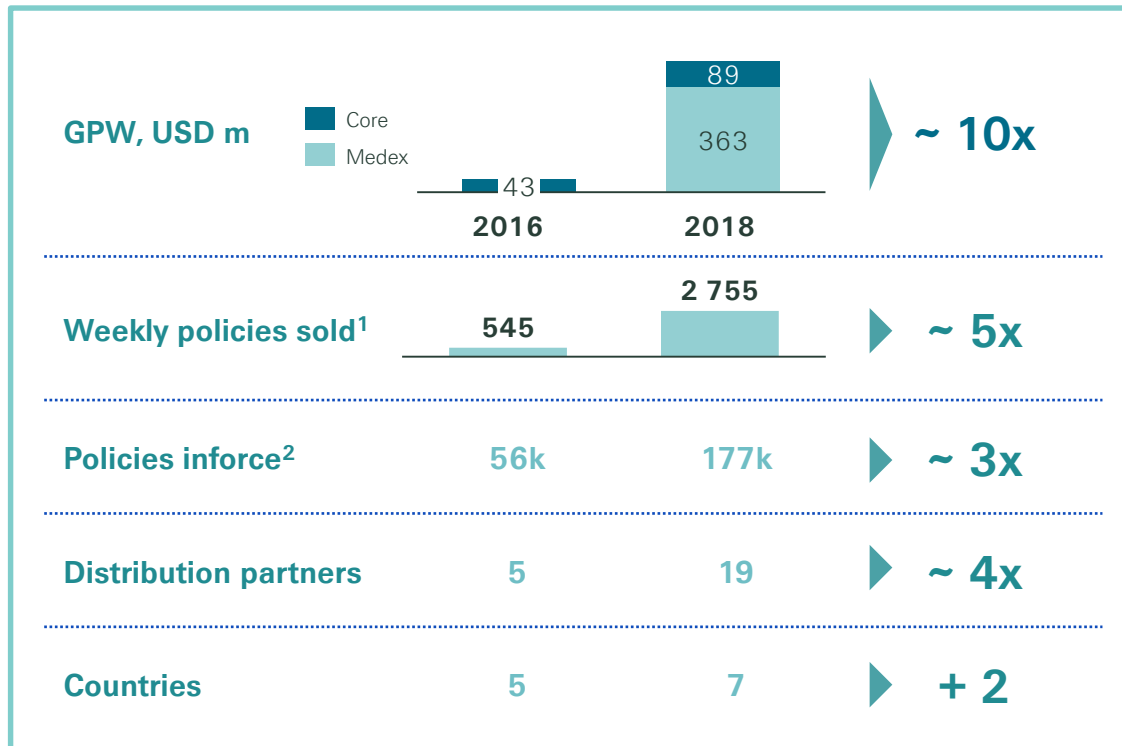
Expansion opportunities



Source: Swiss Re Institute 2018

iptiQ is growing dynamically

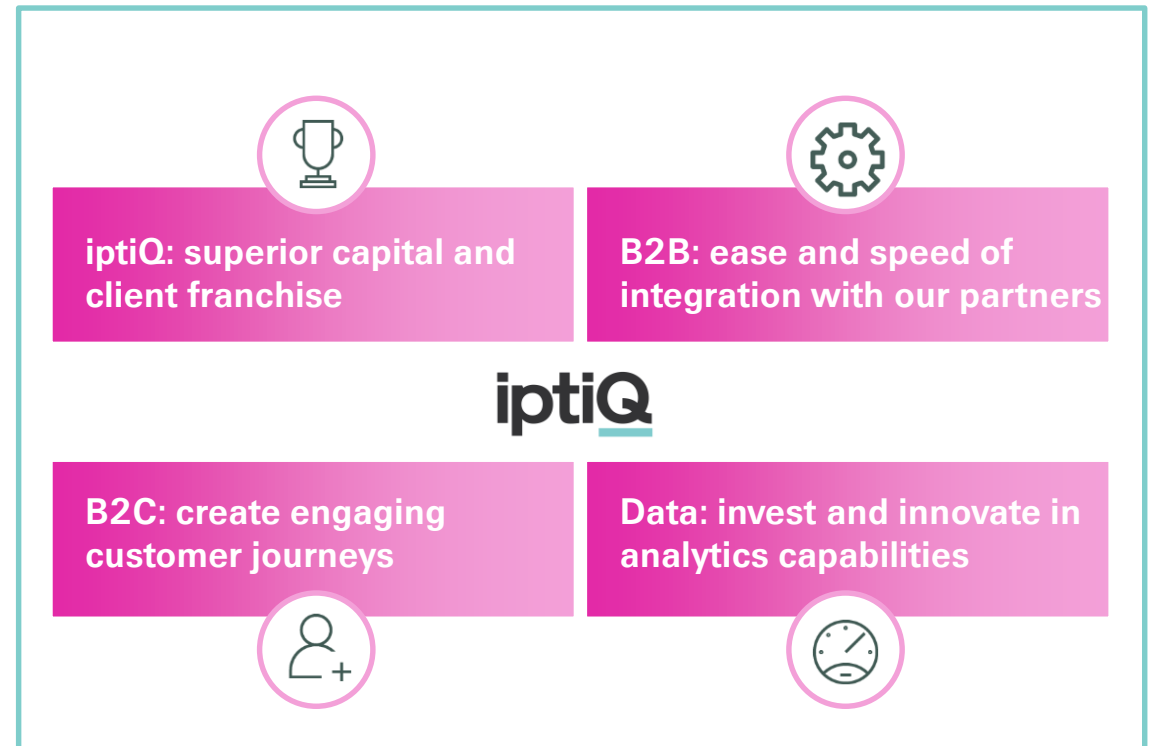
Dynamic growth



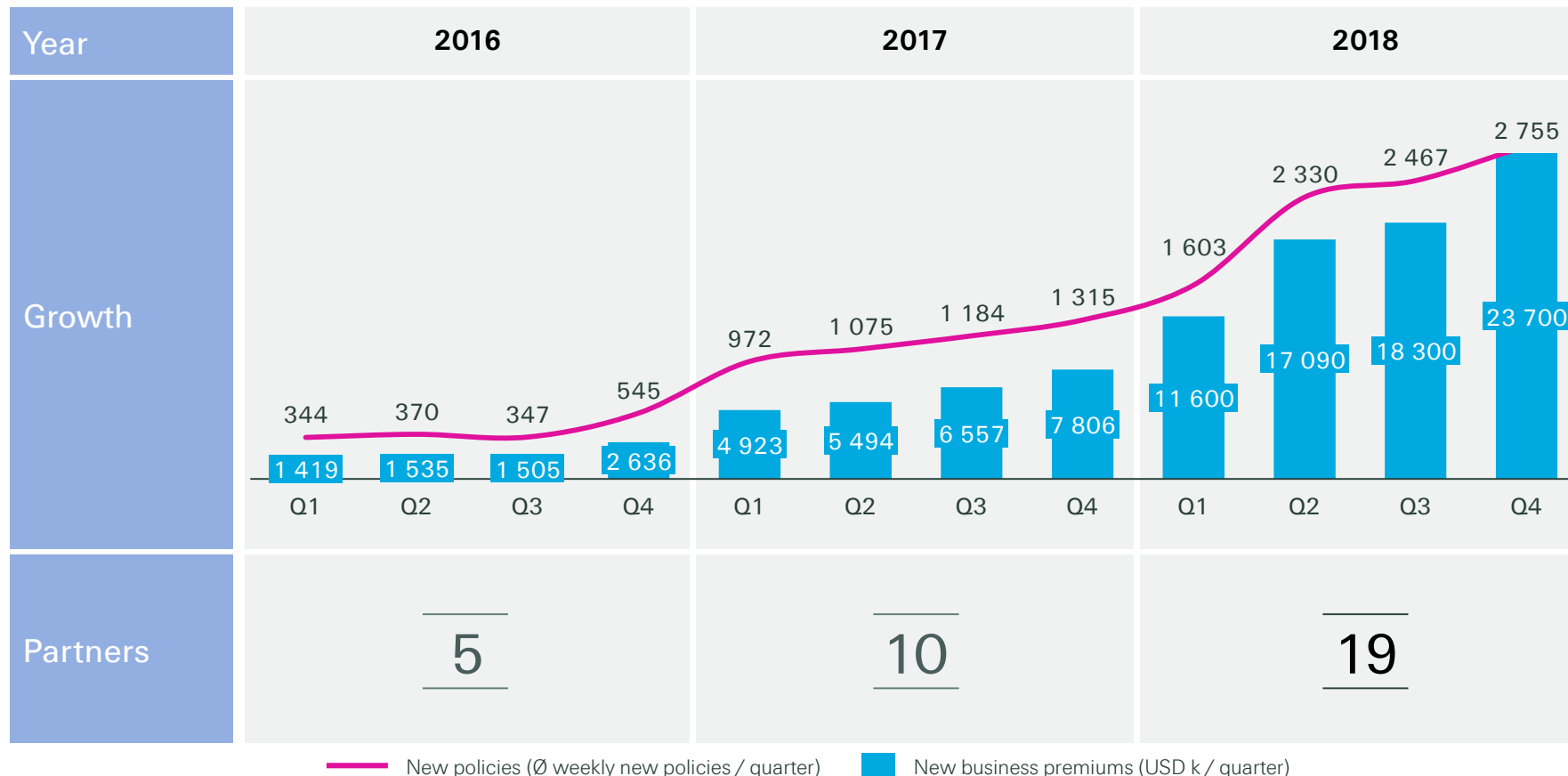
¹ Average weekly policies sold in Q4 2016 and Q4 2018, respectively

² Excludes medex business

Key differentiators



iptiQ more than doubled its policies sold & tripled new business premiums in 2018

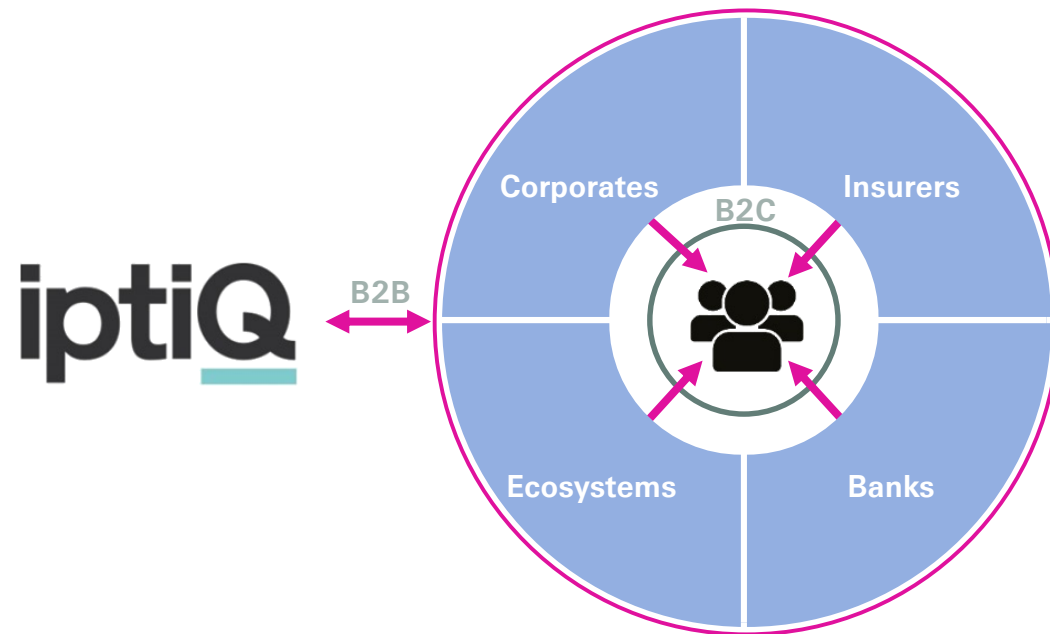


Selected partners



We partner with trusted brands to distribute insurance products

The B2B(2C) model



✓ Time for partner launch reduced to
60-90 days

✓ Flexible integration supported by
Application Programming Interfaces (API)

✓ Modular products
**>10 core products live with
hundreds of configurations**

We innovate continuously on customer-centric solutions

Modular platform and continued innovation...



We create engaging customer journeys with our digital capabilities



We accelerate underwriting leveraging data and automated rules engines



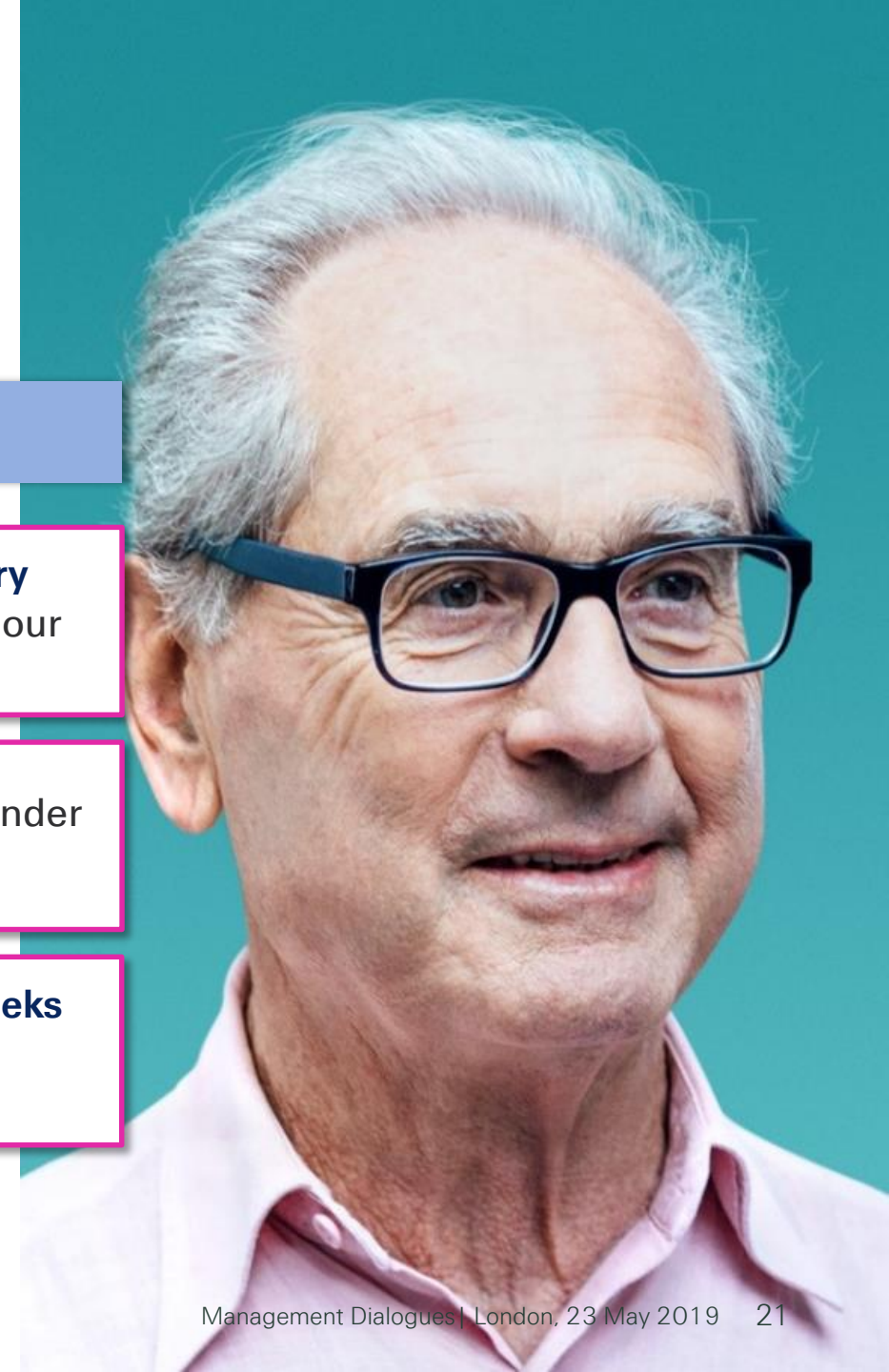
We are digital-by-default to maximize efficiency and minimise costs

...lead to improved customer outcomes

✓ We achieve **above industry average customer** success in our target markets

✓ Up to **USD 1m** coverage in under **15min**

✓ New features roll-out **in weeks** (e.g. Alexa, Eva, Face Age, Wearables)





Hi, I'm Eva!
I'm here to help.

Management CVs

The background image shows a modern office interior. On the left, there is a glass railing with a metal handrail, overlooking a lower level. To the right, there is a long, white, curved bar with several white high stools. The ceiling is white with recessed lights. Large windows in the background offer a view of a city skyline with various buildings.

Management CVs



Christian Mumenthaler
Group Chief Executive Officer

Christian Mumenthaler was appointed as Group Chief Executive Officer in July 2016. Christian Mumenthaler started his career in 1997 as associate with the Boston Consulting Group. He joined Swiss Re in 1999 and was responsible for key company projects. In 2002, he established and headed the Group Retro and Syndication unit. Christian Mumenthaler served as Group Chief Risk Officer between 2005 and 2007 and was Head of Life & Health between 2007 and 2010. In January 2011, he was appointed Chief Marketing Officer Reinsurance and member of the Group Executive Committee, and became Chief Executive Officer Reinsurance that October.



John Dacey
Group Chief Financial Officer

John R. Dacey was appointed Group Chief Financial Officer with effect from 1 April 2018. John R. Dacey started his career in 1986 at the Federal Reserve Bank of New York. From 1990 to 1998, he was a consultant and subsequently Partner at McKinsey & Company. He joined Winterthur Insurance in 1998 and was its Chief Financial Officer from 2000 to 2004 as well as member of its Group Executive Board until 2007. From 2005 to 2007, he was Chief Strategy Officer and member of its risk and investment committees. He joined AXA in 2007 as Group Regional CEO and Group Vice Chairman for Asia-Pacific as well as member of their Group Executive Committee. John R. Dacey joined Swiss Re in October 2012 and was appointed Group Chief Strategy Officer and member of the Group Executive Committee as of November 2012. He also served as Chairman Admin Re[®] from November 2012 to May 2015.

Management CVs



Jayne Plunkett

Chief Executive Officer Reinsurance Asia

Jayne Plunkett was appointed as Chief Executive Officer Reinsurance Asia, Regional President Asia and a member of the Group Executive Committee as of July 2016.

Jayne Plunkett started her career at John Deere Insurance Company in 1992, where she held various positions in the Commercial Lines segment in Property and Casualty. In 1999 she joined GE Insurance Solutions, where she served as Insurance Pricing Team Leader, Deputy Chief Reserving Actuary, Head of Casualty Risk Management, and Head of Planning and Analysis. Following the acquisition of GE Insurance Solutions by Swiss Re in 2006, Jayne Plunkett joined Swiss Re as Head of the Kansas City Hub for Property & Casualty. From 2008 to 2012 she worked in Asia as Head of Casualty Underwriting for the region. In 2013 she assumed the global position as Head Casualty Reinsurance, also managing the unit dealing with large and complex transactions for P&C Reinsurance.

Jayne Plunkett is a fellow of the Casualty Actuarial Society and a member of the American Academy of Actuaries. Additionally, she was named a Young Global Leader of the World Economic Forum in 2010.



Jason Richards

Head Casualty Underwriting Reinsurance

Jason Richards was appointed as Head Casualty Underwriting Reinsurance with effect from 1 November 2017.

In this function, Jason Richards is responsible for technical underwriting and portfolio management, management of the structured solutions business across P&C, and leading Swiss Re's client solutions startup across P&C. Previously, he led Swiss Re's in-force portfolio of business related to property and casualty reinsurance. Prior to that, he led the Reinsurance Asset and Liability Management (RLM) department for 6 years, managing Swiss Re's global run-off portfolios as well as the significant reinsurance asset. Additionally, Jason is heavily involved in Swiss Re's activities in the Fintech and Insurtech areas.

Jason Richards joined Swiss Re in 2006 as part of the acquisition of GE Insurance Solutions. During his 12 years at GE, he held a number of leadership positions in many areas of the business including underwriting, corporate development, finance, Six Sigma process improvement, technical accounting and claims.

Management CVs



Thierry Léger

Chief Executive Officer Life Capital

Thierry Léger was appointed Chief Executive Officer Life Capital and member of the Group Executive Committee as of January 2016. Thierry Léger started his career in the civil construction industry before joining Swiss Re as an engineering underwriter in 1997. In 2001 he moved to Swiss Re New Markets, providing non-traditional solutions to insurance clients. Between 2003 and 2005 he was a member of the executive team in France as leader of the sales team. From 2006 Thierry Léger assumed increasing responsibility for Swiss Re's largest clients, ultimately becoming the Head of the newly-created Globals Division in 2010 and a member of the Group Management Board. In 2013, Thierry Léger became Head of L&H Products Reinsurance.



Pravina Ladva

Chief Technology & Operations Officer Life Capital

Pravina Ladva was appointed as Chief Technology & Operations Officer with effect from 1 May 2017. Prior to joining Swiss Re, Pravina Ladva established a successful career in the financial technology sector, taking on complex roles with responsibility for strategy, delivery and results. From 2008 until 2017, she worked in a variety of roles at Barclaycard, including COO Digital Marketplace and CIO Barclaycard Business Solutions. During this time, she led B2B and B2B2C technology and change teams, driving the agile and Dev Ops transformation across Barclaycard. Also at Barclaycard, she won the best implementation of Agile in the private sector in 2015. She led a program that successfully addressed regulatory issues and drove improvements across IT systems, processes and controls and auditing.

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 cyclicity 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 realize 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 realize tax loss carryforwards, the ability to realize 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;
- 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 cybersecurity risks.

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Corporate calendar & contacts

Corporate calendar

2019

31 July

H1 2019 Results

Conference call

31 October

9M 2019 Key Financial Data

Conference call

25 November

Investors' Day 2019

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