

Swiss Re – Leading Global Re/Insurer

Baader Helvea Swiss Equities Conference
Thomas Bohun, Head Investor Relations
Bad Ragaz, 11 January 2024



Today's focus areas



Group
strategy



Business
update



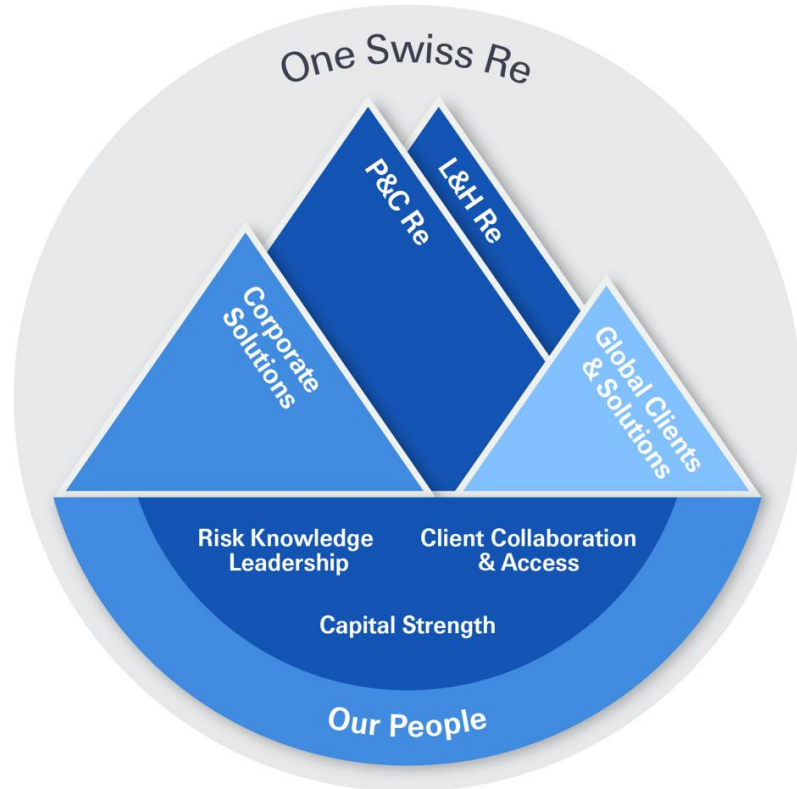
2024
outlook



Capital
management



We operate as 'One Swiss Re'



- > **P&C Re and L&H Re** are leading global reinsurance franchises with strong client relationships
- > **Corporate Solutions** is a specialised risk partner to corporate clients
- > **Global Clients & Solutions** delivers re/insurance solutions to a broad group of insurers and brands across the globe
- > Acting as **"One Swiss Re"** based on one foundation with the flexibility to create new businesses



We benefit from differentiated strengths

Capital strength

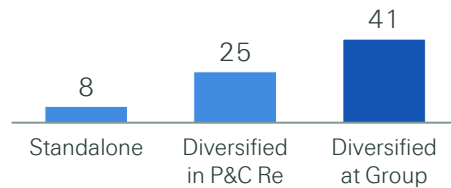


AA-
Group S&P rating

314%
Group SST ratio
as of 1 July 2023

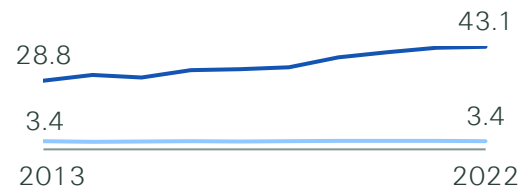
FY 2023 expected¹ capital returns of nat cat book (%)

Diversification



Group premiums and operating expenses (USD bn)

Scale & efficiency



ACP² capabilities



USD 3.3bn
of third-party capital³

USD 174m
fee income and
commission revenues⁴

Solutions capabilities



15 solutions with **40%**
revenue growth in
2023 vs. prior year

Serving **~400 clients
and partners** across
insurance value chain

Risk knowledge & client access



~800 FTEs in R&D
supporting **127 R&D
programmes**

~80 000 annual
client interactions

¹ Assuming normal loss experience in line with costed assumptions

² Alternative Capital Partners

³ Sidecar / asset management platform as of end September 2023

⁴ Based on last 4 quarters up to Q3 2023



We have entered the most conducive market environment in over a decade

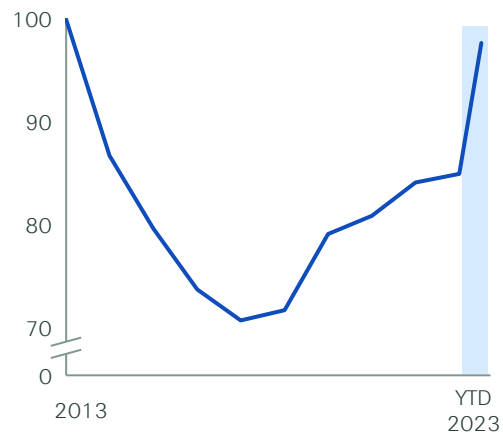
While reinsurers **absorbed a series of loss events since 2017**, including severe nat cat events, the COVID-19 pandemic and high social and economic inflation, underlying **profitability has dramatically improved** in all of Swiss Re's businesses



P&C Re

Reinsurance price hardening

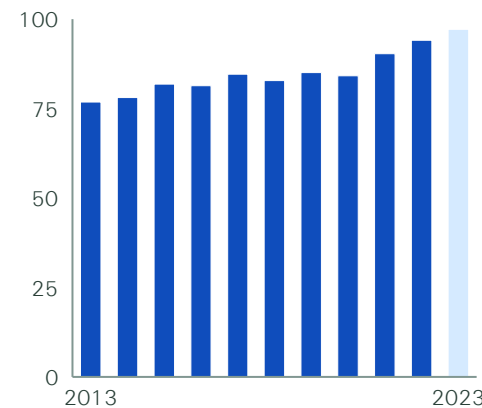
Worldwide P&C reinsurance market prices¹



L&H Re

Mortality premiums increasing

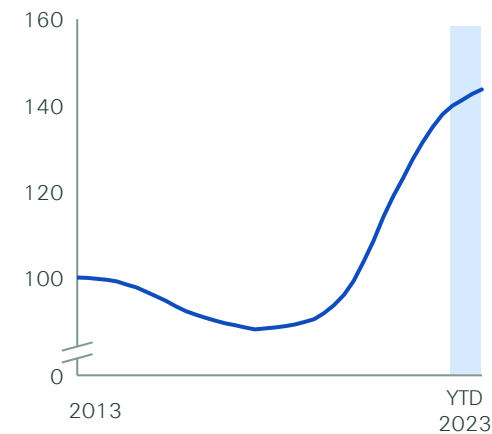
US mortality market premiums (USD bn)²



Corporate Solutions

Commercial price hardening

Commercial insurance market prices³



Asset Management

Investment yields increasing

US 10-year treasury yield⁴



¹ Source: Swiss Re Institute. Covering Swiss Re's traditional non-proportional nat cat reinsurance pricing, risk-adjusted, indexed with base year 2013

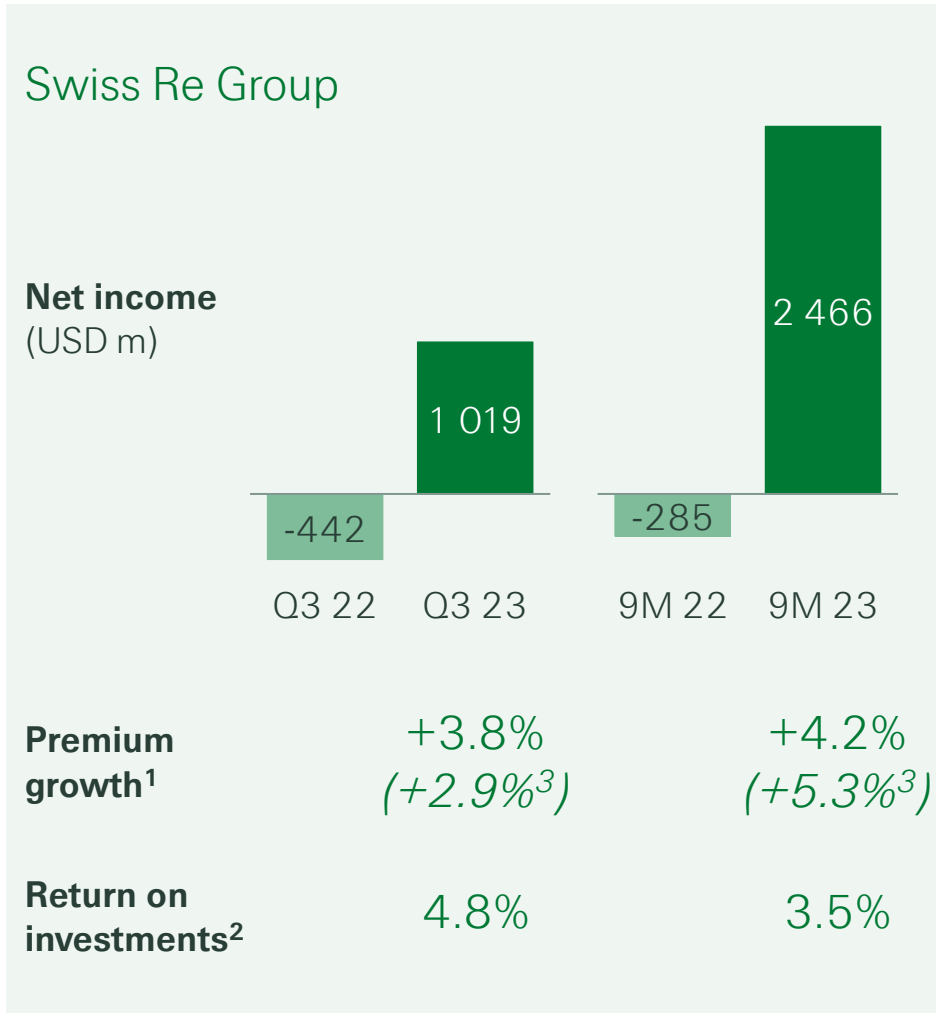
² Source: Swiss Re Institute. Direct premiums, 2023 preliminary full-year estimate

³ Source: Marsh Global Insurance Price Index, indexed with base year 2013

⁴ Source: Bloomberg



On track to achieve full-year 2023 targets



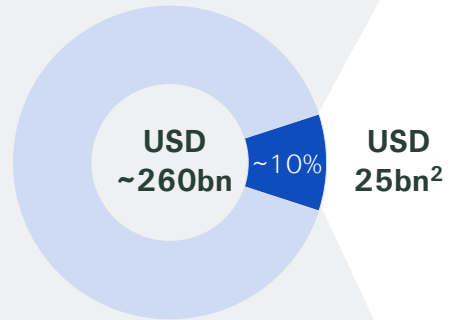
		Q3 2023 key figures	9M 2023 key figures	FY 2023 targets
P&C Reinsurance	Combined ratio	93.7%	94.3%	<95%
Corporate Solutions	Combined ratio	91.7%	91.3%	<94%
L&H Reinsurance	Net income (USD)	241 m	634m	~900m
Swiss Re Group	Net income (USD)	1.0bn	2.5bn	>3bn



Leading P&C Re franchise with global set-up highly appreciated by clients

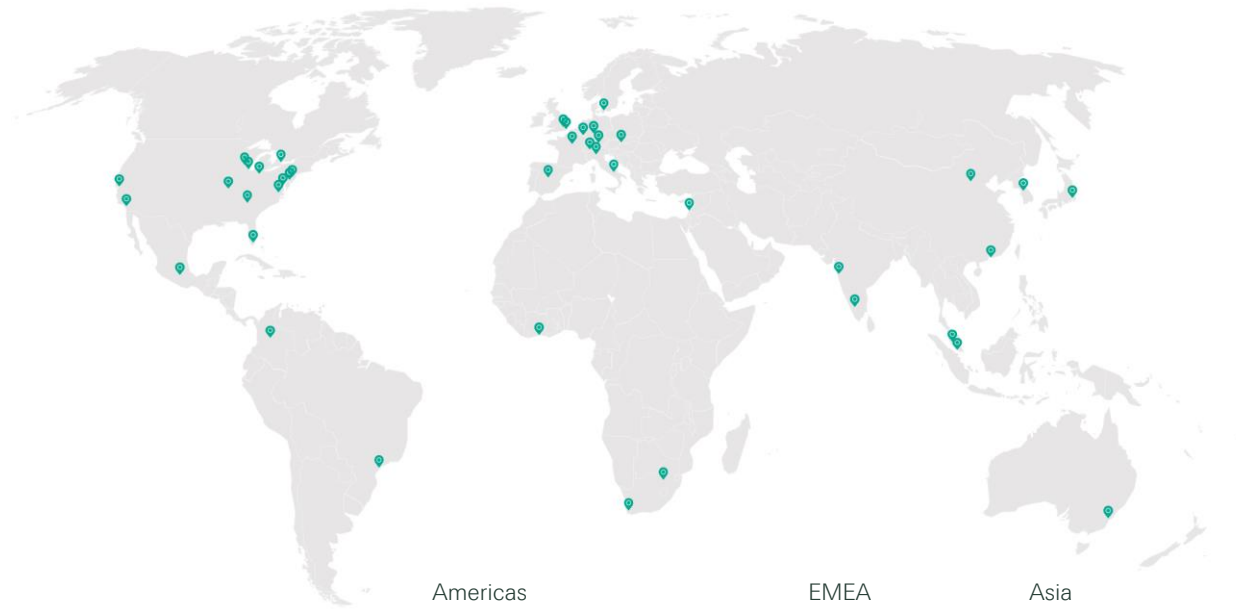
P&C reinsurance market¹

Market Swiss Re



+5% growth p.a. over next 10 years

50% Non-brokered
40 offices P&C Re
870 FTEs Underwriting
130 FTEs Claims



Client rankings³

#1
P&C Re target market

#1
total market

¹ Source: Swiss Re Institute, gross premiums written full-year estimate for 2023

² Based on extrapolation of 9M 2023

³ Source: NMG Consulting P&C Reinsurance Global Study 2023 on insurers and brokers (all respondents, total and target market)

⁴ EVM capital, based on extrapolation of 9M 2023, nat cat refers to property non-proportional business



P&C Re is well positioned for the future with a rebalanced high quality portfolio

Successful renewals in 2023

+18%

nominal price increase

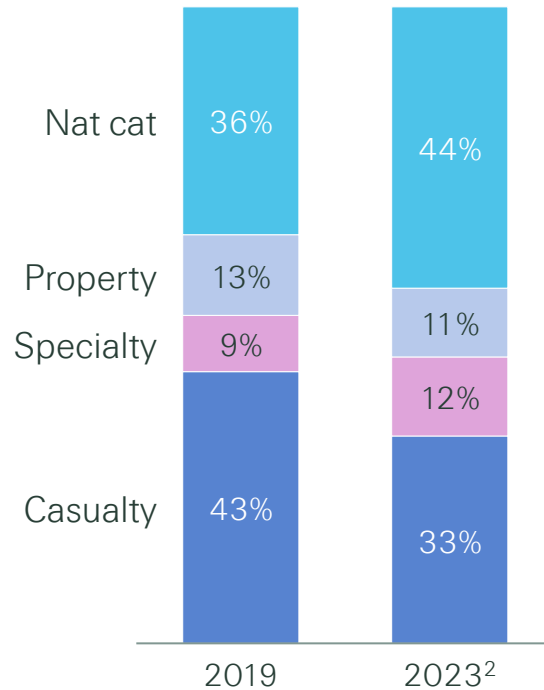
+13%

higher loss assumptions

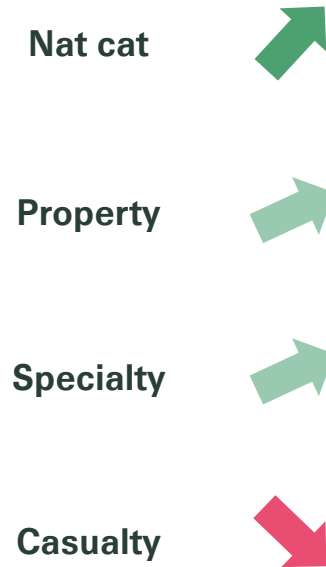
USD > 1 bn

increased economic pre-tax earnings

Rebalanced portfolio¹



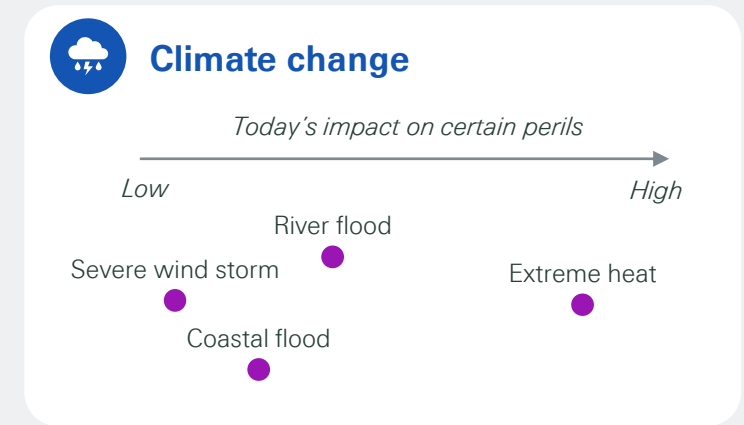
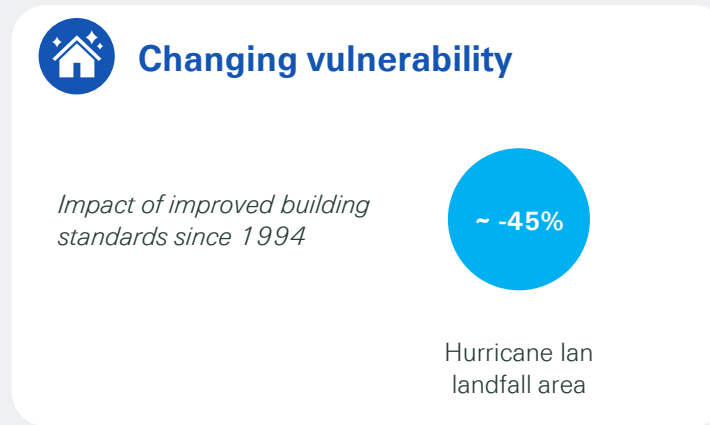
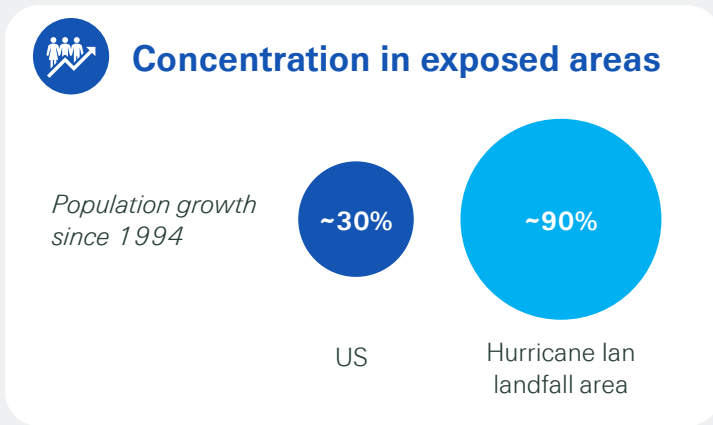
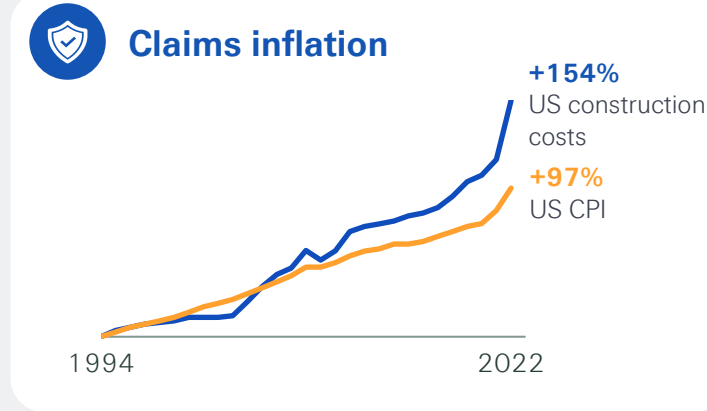
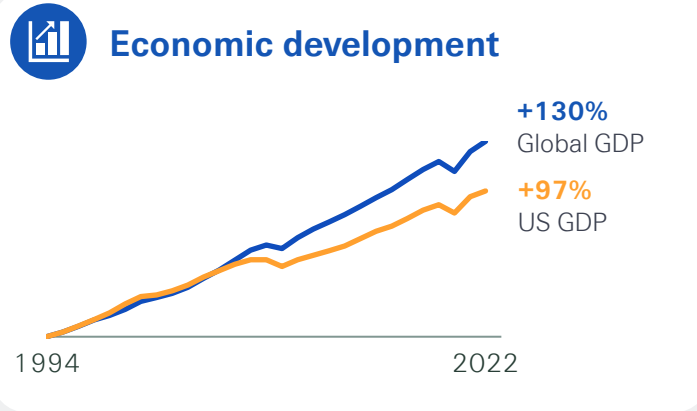
Unchanged portfolio strategy





Nat cat industry impacted by various loss drivers which are captured in our models and underwriting process

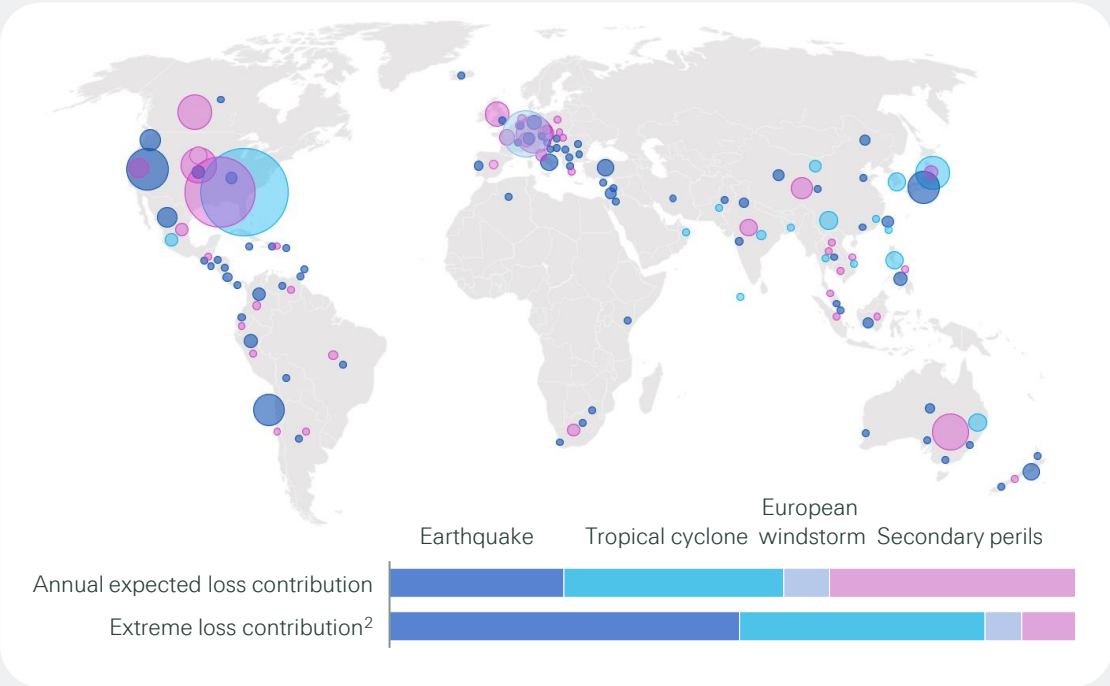
Drivers of nat cat losses¹





Global scale, diversification and sophisticated proprietary modelling capabilities are key drivers of Swiss Re's nat cat track record

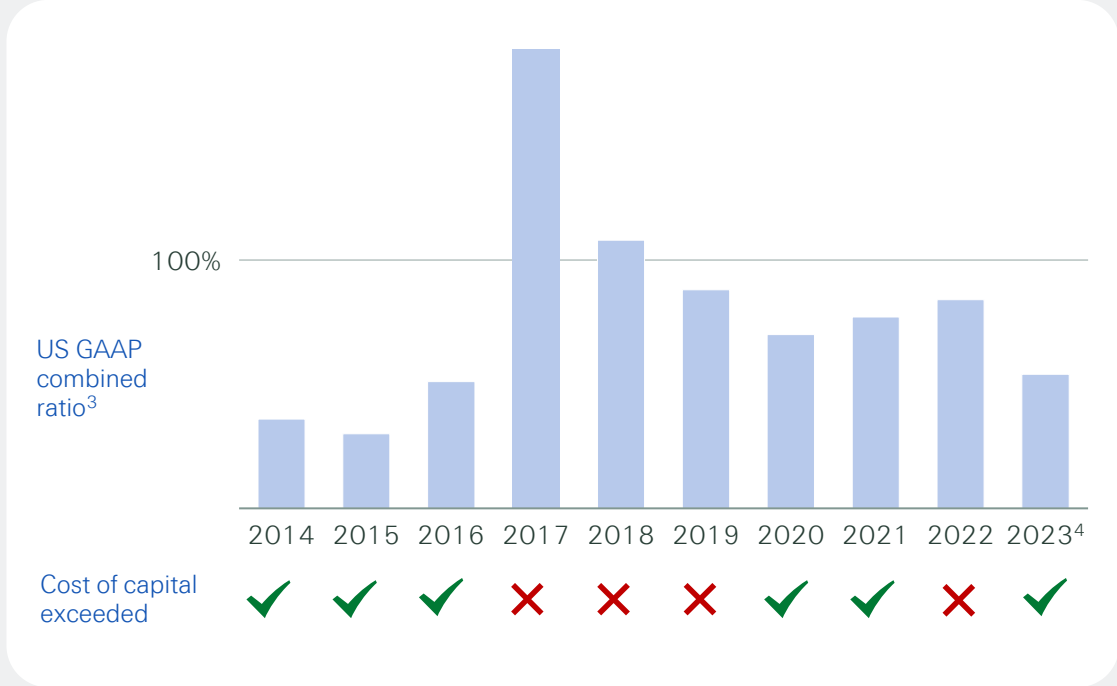
Swiss Re global nat cat book¹



~200
proprietary risk models

69%
10-year average
US GAAP combined ratio⁵

Track record of P&C Re nat cat book



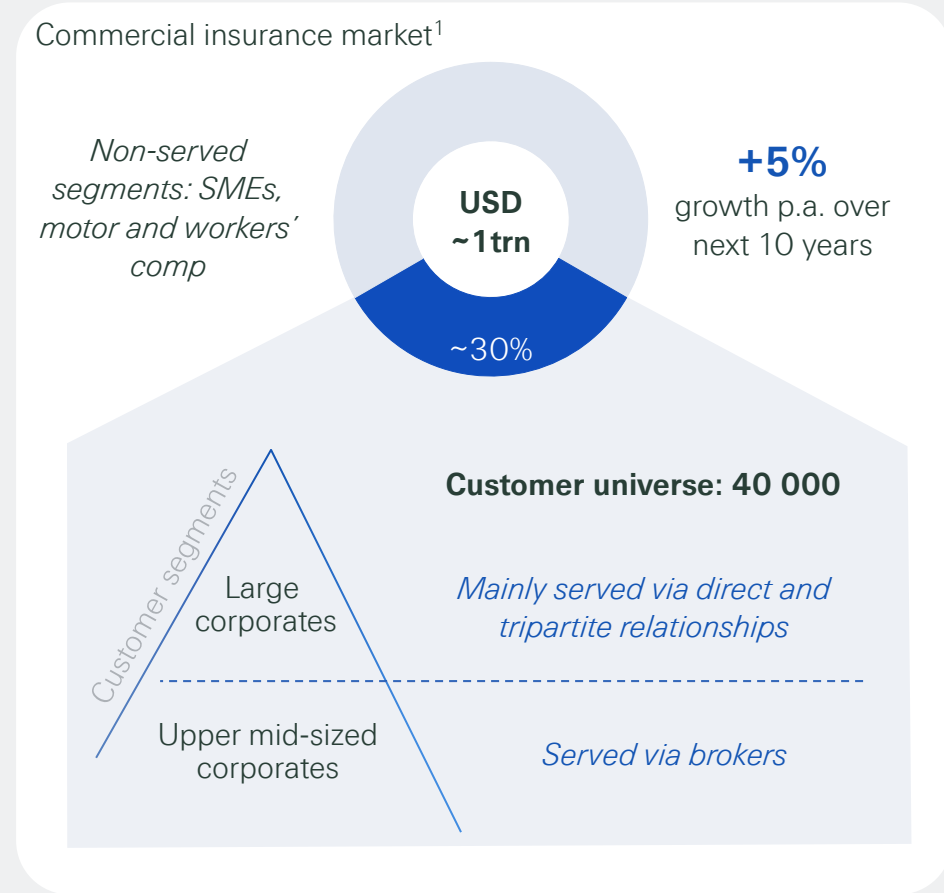
USD ~9bn
US GAAP underwriting profits
over last 10 years⁵

¹ Based on portfolio as of 1 July 2023, net of retrocession. Area of bubble proportional to annual expected loss
² Refers to 99% tail VaR
³ Current accident year only
⁴ As of 9M 2023
⁵ Including prior-year development January 2014 - September 2023



Corporate Solutions, a specialised risk partner for medium to large corporates

Corporate Solutions addressable market



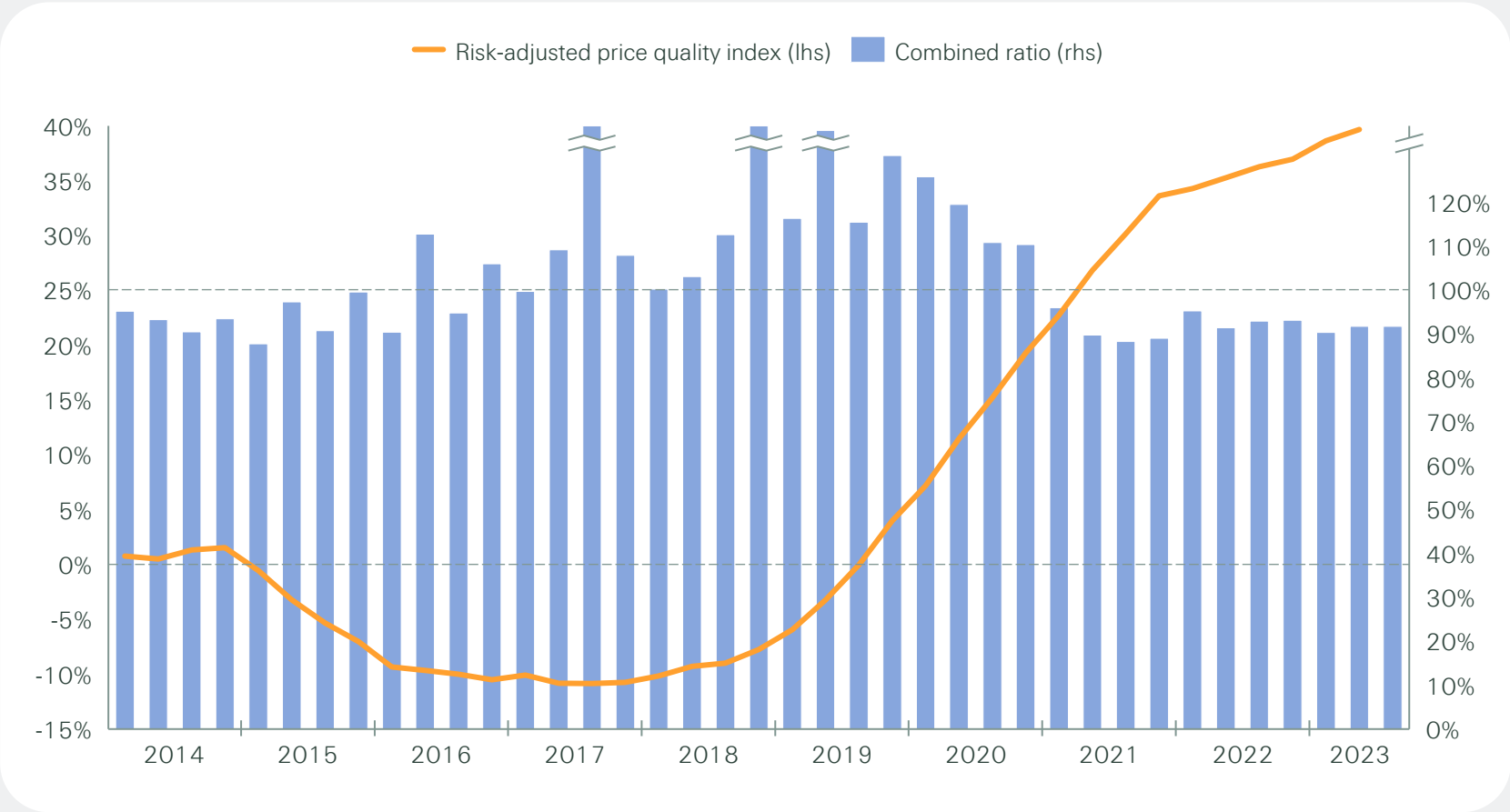
Corporate Solutions strategy

CORE		DIFFERENTIATED
<i>Generate resilient returns through the cycle via long-term portfolio strategy</i>		<i>Further expand value proposition through differentiated offering and adjacent services</i>
Excess & follow capacity	Primary Lead capacity	International Programs, Innovative Risk Solutions & services
~50 traditional competitors	~15 sophisticated players	5-10 specialised peers
~40% of premiums	~40% of premiums	~20% of premiums



Resilient performance since turnaround driven by disciplined underwriting, portfolio restructuring, strict expense management and rate increases

Quarterly Corporate Solutions combined ratio and risk-adjusted price index¹

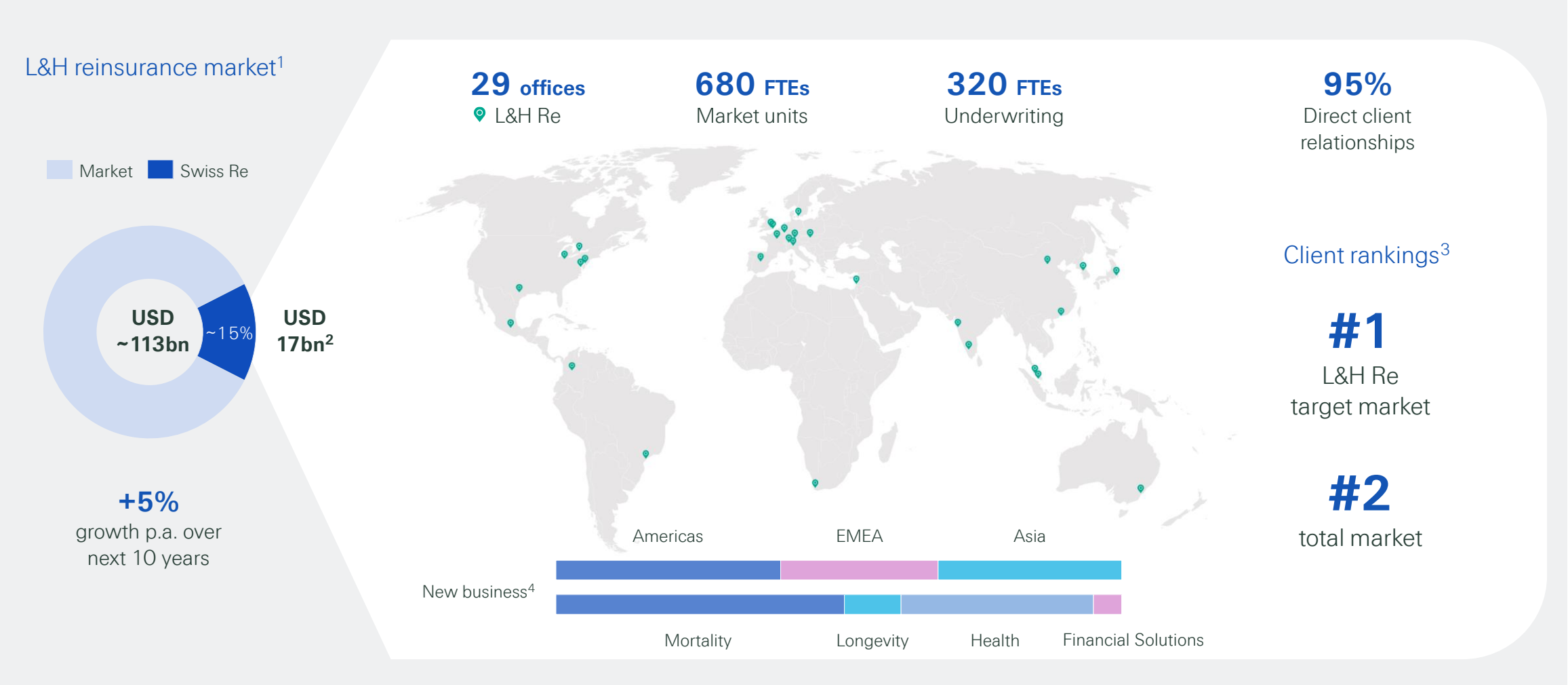


91%
average combined ratio
since turnaround in 2021

+50%
risk-adjusted price
increases since 2017



L&H Re is a globally diversified franchise with strong client relationships



¹ Source: Swiss Re Institute, gross premiums written full-year estimate for 2023
² Based on extrapolation of 9M 2023
³ Source: NMG Consulting L&H Reinsurance Global Study 2022 (all respondents, total and target market)
⁴ EVM new business underwriting profit, 2020-2022



L&H Re is well positioned for the future with a balanced high quality portfolio

Attractive new business

+4%pts
increase in new business return
on capital since 2020¹

USD > 1 bn
economic profit
2023²

Balanced portfolio

Category	In-force ³	New business ⁴
Mortality	High	High
Longevity	Low	Medium
Health	Medium	High
Financial Solutions	Low	Low

Portfolio outlook

Mortality →

Longevity →

Health ↗

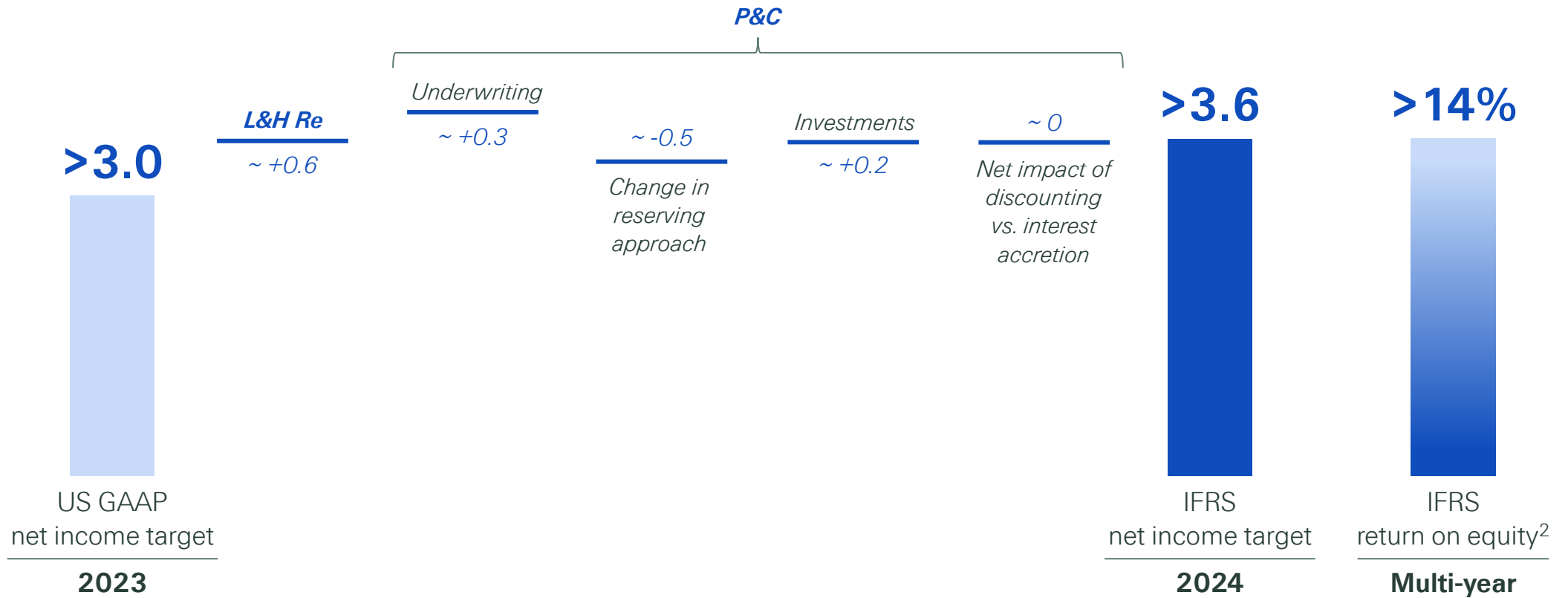
Financial Solutions ↗

¹ New business return on capital defined as EVM new business underwriting profit / EVM capital
² EVM new business underwriting profit based on extrapolation of 9M 2023
³ 2023 opening balance CSM, indicative and subject to finalisation
⁴ EVM new business underwriting profit, 2020-2022



We target an IFRS net income of USD >3.6bn and a multi-year IFRS ROE of >14%

Group targets: 2024 net income (USD bn)¹ and multi-year ROE



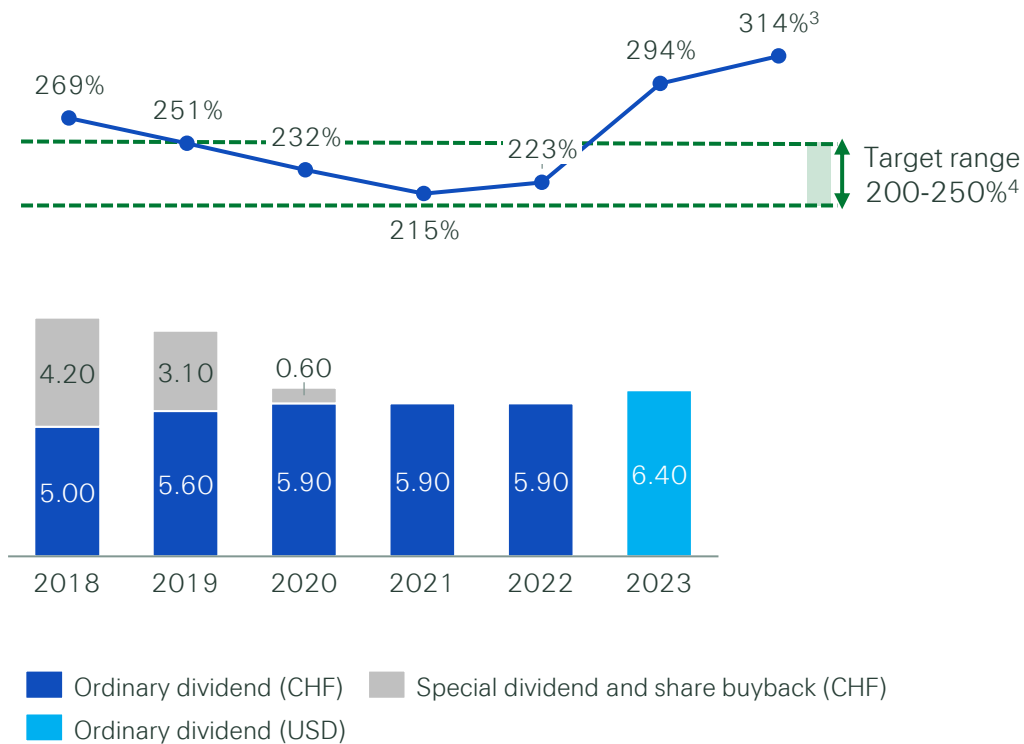
¹ Numbers in net income target walk are indicative and assume no significant interest rate movements

² Replaces the existing 10% Economic Net Worth per share growth per year target from 2024 onwards



We aim to return to sustainable dividend growth

Group SST ratio¹, dividends and share buybacks²



Capital management priorities

Ensure **superior capitalisation** at all times and maximise **financial flexibility**

Grow the ordinary dividend with long-term earnings, and at a minimum maintain it



Repatriate excess capital to shareholders

Deploy capital for business growth where it meets our strategy and profitability targets

¹ As of 1 January. Swiss Solvency Test (SST) ratio calculation: SST available capital / SST economic target capital = (SST risk-bearing capital – MVM) / (SST target capital – MVM)

² Per share. Year corresponds to year of payment. From 2023 onwards, ordinary dividends are declared in USD

³ As of 1 July 2023

⁴ Group SST target range was introduced in 2021

Key messages

- » Swiss Re is a **truly global and diversified reinsurer** with very **strong capital position**
- » Well positioned in an **attractive market environment**
- » **On track to achieve 2023 financial targets**
- » Transition to **IFRS will be beneficial** to balance sheet and earnings
- » Target **IFRS net income of USD >3.6bn in 2024** and a **multi-year IFRS ROE of >14%**
- » Aim to return to **sustainable dividend growth**



Corporate calendar and contacts

Corporate calendar

2024

16 February	Annual Results 2023	Conference call
13 March	Publication of Annual Report 2023	
12 April	160th Annual General Meeting	Zurich
16 May	Q1 2024 Results	Conference call

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- macro-economic events or developments including increased volatility of, and/or disruption in, global capital, credit, foreign exchange and other markets and their impact on the respective prices, interest and exchange rates and other benchmarks of such markets, and historically high inflation rates;
- the frequency, severity and development of, and losses associated with, insured claim events, particularly natural catastrophes, man-made disasters, pandemics, social inflation litigation, acts of terrorism or acts of war, including the ongoing war in Ukraine, and any associated governmental and other measures such as sanctions, expropriations and seizures of assets as well as the economic consequences of the foregoing;
- the Group's ability to comply with standards related to environmental, social and governance ("ESG"), sustainability and corporate social responsibility ("CSR") matters and to fully achieve goals, targets, or ambitions related to such matters;
- the Group's ability to achieve its strategic objectives;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability, the intensity and frequency of which may also increase as a result of social inflation;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- mortality, morbidity and longevity experience;
- the cyclical nature of the reinsurance sector;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realise amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- matters negatively affecting the reputation of the Group, its board of directors or its management;
- the lowering, loss or giving up of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions, in particular in Property & Casualty Reinsurance due to higher costs caused by inflation and supply chain issues;
- policy renewal and lapse rates;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities as well as changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
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