Swiss Re

Investors' Day

Zurich, 20 November 2020

Agenda – Investors' Day 2020

Time	Content	Management
10:30 – 11:05	**Group CEO update**	Christian Mumenthaler
11:05 – 11:30	**Financial strength and capital management**	John Dacey
11.30 – 11.50	**Asset Management**	Guido Fürer
11:50 – 12:30	Q&A session	
12:30 – 13:30	Break	
13:30 – 13:55	**Group Underwriting**	Thierry Léger
13:55 – 14:30	**Reinsurance**	Moses Ojeisekhoba
14:30 – 14:50	**Corporate Solutions**	Andreas Berger
14.50 – 15.25	Q&A session	
15:25 – 15:30	Wrap-up	Christian Mumenthaler

Group CEO update

Christian Mumenthaler, Group Chief Executive Officer

Key messages for today

- Very strong balance sheet and proactive approach to COVID-19 reserving allow for **targeted growth**
- We see positive rate momentum in P&C Re and expect a **normalised combined ratio of ≤96% in 2021**
- We continue to **focus on profitable growth** across regions in L&H Re and to manage in-force margins
- Corporate Solutions is well on track to achieve a **normalised combined ratio of ≤98% in 2021**
- iptiQ's **strong growth trajectory** continues with a market-implied valuation of USD ~2bn
- Swiss Re's **investment portfolio is well-positioned** to mitigate the current low interest rate environment
- We remain committed to our capital management priorities, focusing on **superior capitalisation** and a **stable or increasing dividend**
- Our risk insights and successful partnership approach complement our risk transfer proposition and position Swiss Re for **long-term success**

COVID-19 crisis significantly impacts the risk landscape

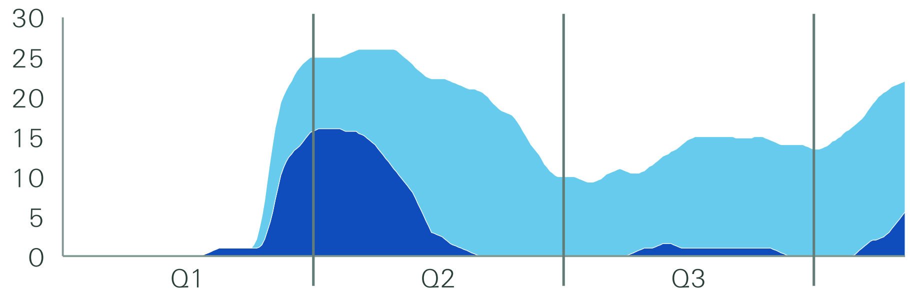
COVID-19

Key impact on re/insurance industry	Swiss Re response
Less capital available near-term and significant uncertainty on ultimate losses	Maintain strong balance sheet and proactively establish appropriate COVID-19 reserves
Global insurance protection gap further increased	Continue to develop and promote public-private partnership solutions
Increasing re/insurance demand with accelerated shift to digital channels	Reinforce commitment to our digital B2B2C platform iptiQ
Unprecedented low interest rates expected to remain for longer	Increase focus on underwriting margins and gradual strategic asset allocation repositioning

COVID-19 pandemic is still ongoing with more targeted restrictions and expected claims impact in Q4

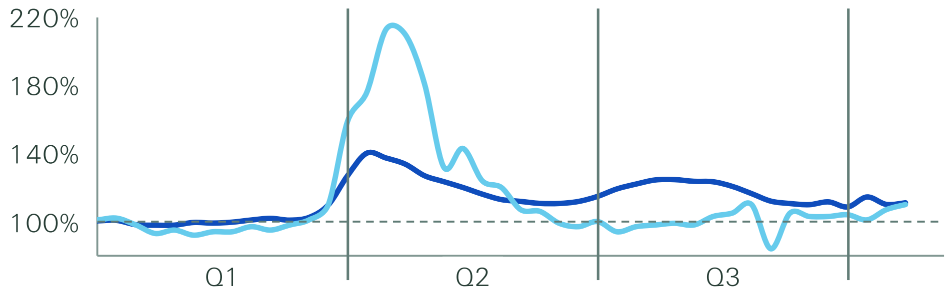
Business closings in Europe[1]

Number of countries



Excess mortality in the US, England and Wales[2]

% of expected



- Data on business closings indicates that majority of business interruption losses were incurred in Q2
- Increasing restrictions in Q4 expected to lead to additional losses in some business lines, although at a lower level compared to Q2
- The US, England and Wales experienced the peak of excess mortality at the beginning of Q2
- Sharp increase in new cases in Europe and the US in Q4, however, impact on excess mortality remains to be seen

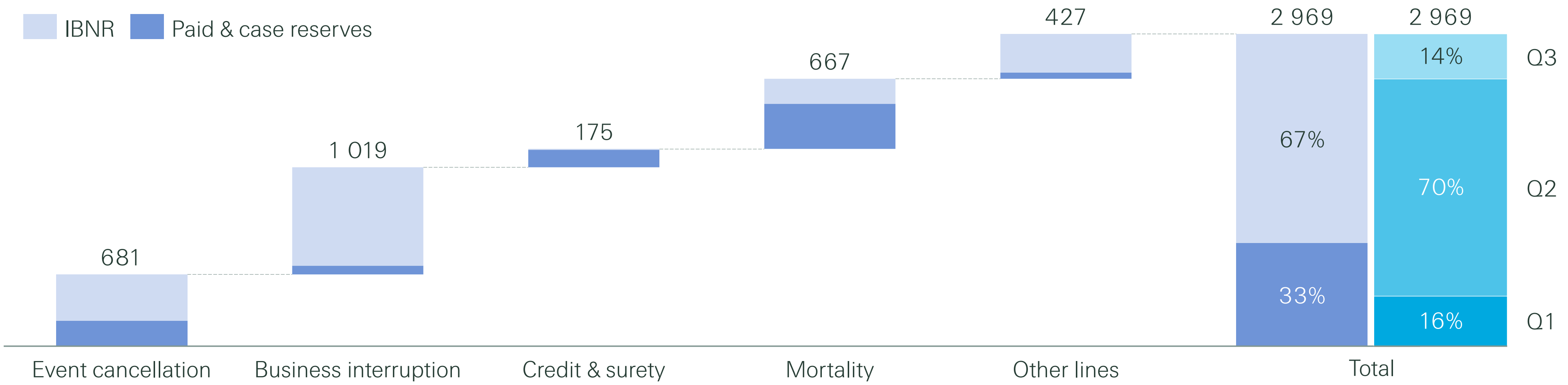
Majority of ultimate COVID-19 insurance losses are expected to have been incurred in Q2 2020

[1] Country universe includes EU, Switzerland and the UK; Source: University of Oxford, Swiss Re Institute; data until 9 November 2020
[2] Source: Office for National Statistics, Centers for Disease Control and Prevention; data until 23 October 2020

Our reported US GAAP COVID-19 claims and reserves have developed broadly in line with our original assumptions

Swiss Re's reported COVID-19 losses in 9M 2020

USD m, pre-tax



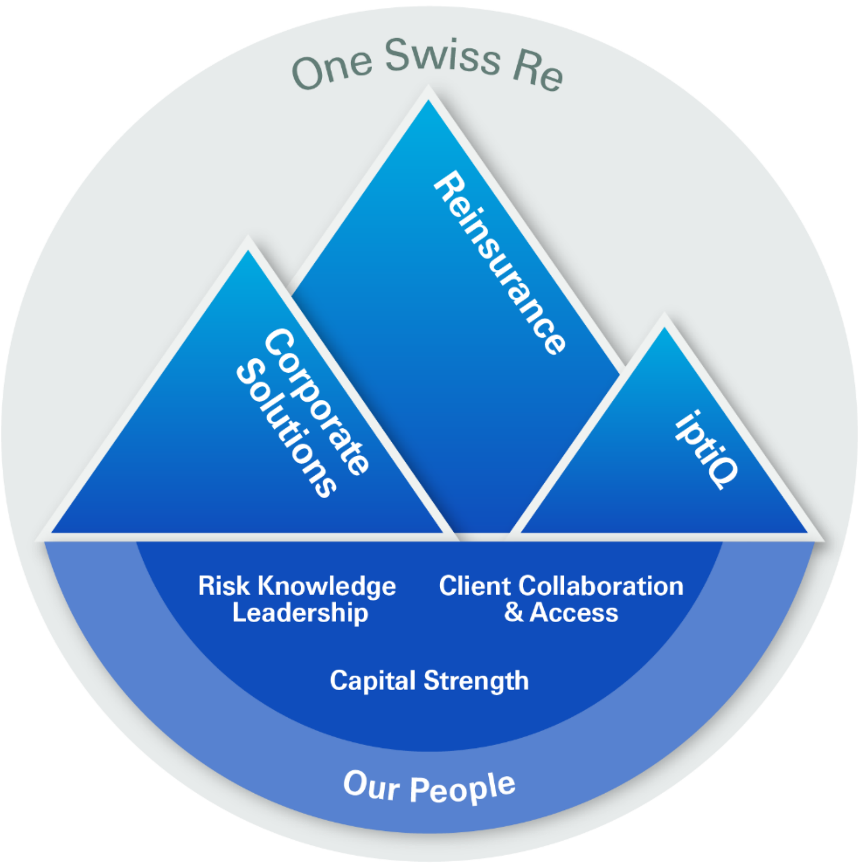
	Event cancellation	Business interruption	Credit & surety	Mortality	Other lines	Total
P&C Re	325	879	29	-	354	1 587
L&H Re	-	-	-	655	34	689
Corporate Solutions	356	140	146	-	36	678

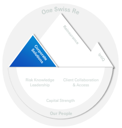
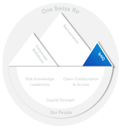
In US GAAP, we have booked COVID-19 losses of USD 3.0bn, representing the majority of the ultimate SST assumption

We expect the impact of additional waves in the coming quarters to be manageable

	Pre-tax US GAAP losses booked in 9M 2020 (USD)	
Event cancellation	**0.7bn**	• Majority of Q4 events already reflected in 9M US GAAP numbers • Corporate Solutions with limited exposure in 2021 as book is in run-off • Ultimate loss assumption anticipates larger sports events to take place without spectators in 2021
Business interruption	**1.0bn**	• Impact of additional waves expected to be lower driven by: i) shorter and more targeted restrictions, ii) insurance policies have exhausted sub-limits and/or renewed with exclusions, iii) application of loss occurrence/aggregation provisions in reinsurance treaties and/or treaties renewed with exclusions • Limited exposure in 2021 as vast majority of reinsurance treaties will have been renewed with exclusions
Mortality	**0.7bn**	• Excess mortality dependent on additional factors such as severity of flu season or availability of vaccine • Sensitivity: estimated USD 0.2bn pre-tax US GAAP losses per 100k excess deaths in the US
Credit & Surety and other lines	**0.6bn**	• Possible additional adverse impact mainly on credit & surety and disability • Impact dependent on several factors, including government stimulus, vaccine availability and knock-on effects from lockdowns

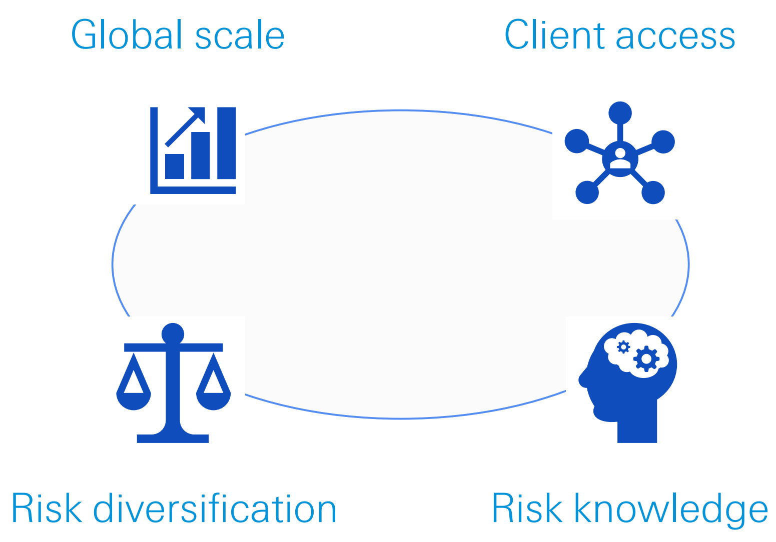
We aim to operate as 'One Swiss Re'



	**Reinsurance**	A leading global reinsurer
	**Corporate Solutions**	A specialised risk partner with direct access to corporate customers
	**iptiQ**	A globally leading digital B2B2C insurance platform
	**Group foundation**	A balanced approach to accountability, shared values and strengths

Reinsurance – a powerful franchise with unique competitive advantages

Core strengths of Reinsurance

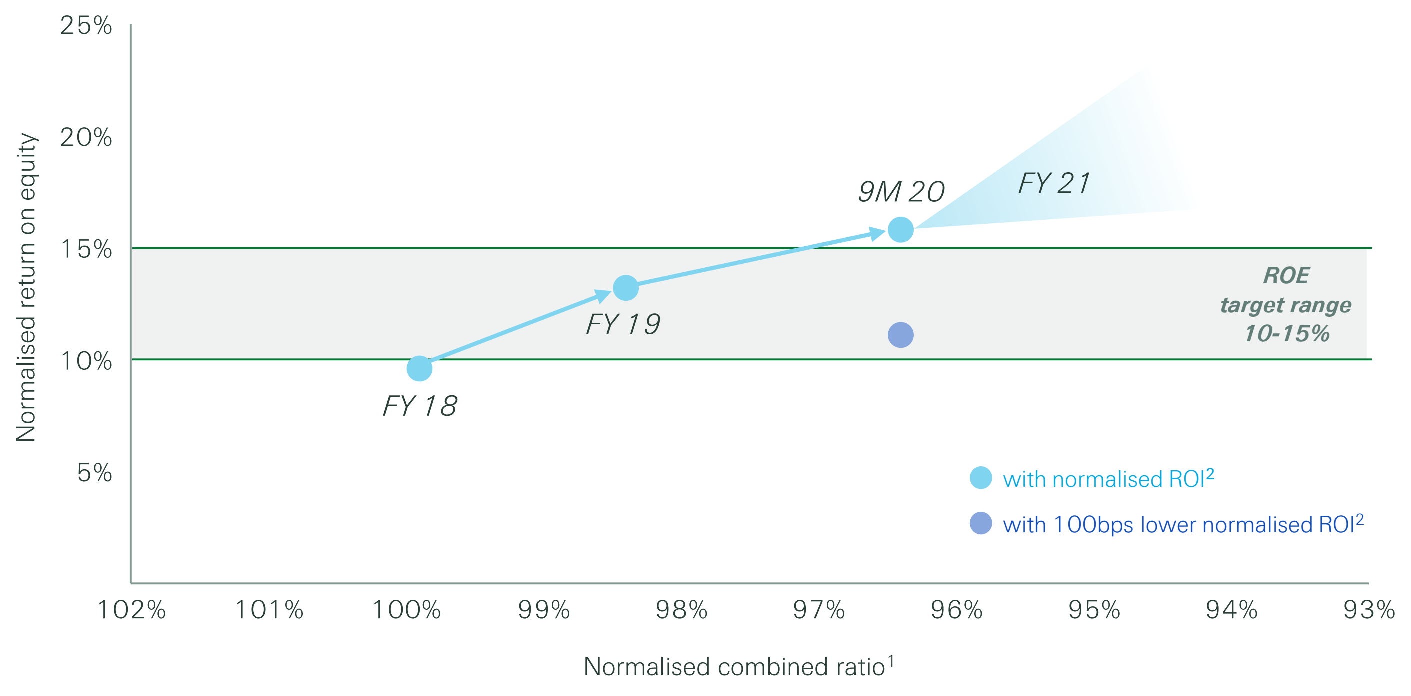


- P&C Re is growing in a hardening market and addressing underperforming portfolios
- L&H Re maintains successful ROE and new business track record despite COVID-19 impact, with positive medium-term outlook
- We benefit from significant economies of scale from growing both segments while maintaining our expenses flat
- Deconsolidation of ReAssure significantly reduces financial market risk, providing financial flexibility

Reinsurance is the key contributor to our earnings power and is well-positioned to capture current growth opportunities

P&C Reinsurance – strong earnings power, supported by a hardening market

We expect a normalised combined ratio[1] of ≤96% in 2021



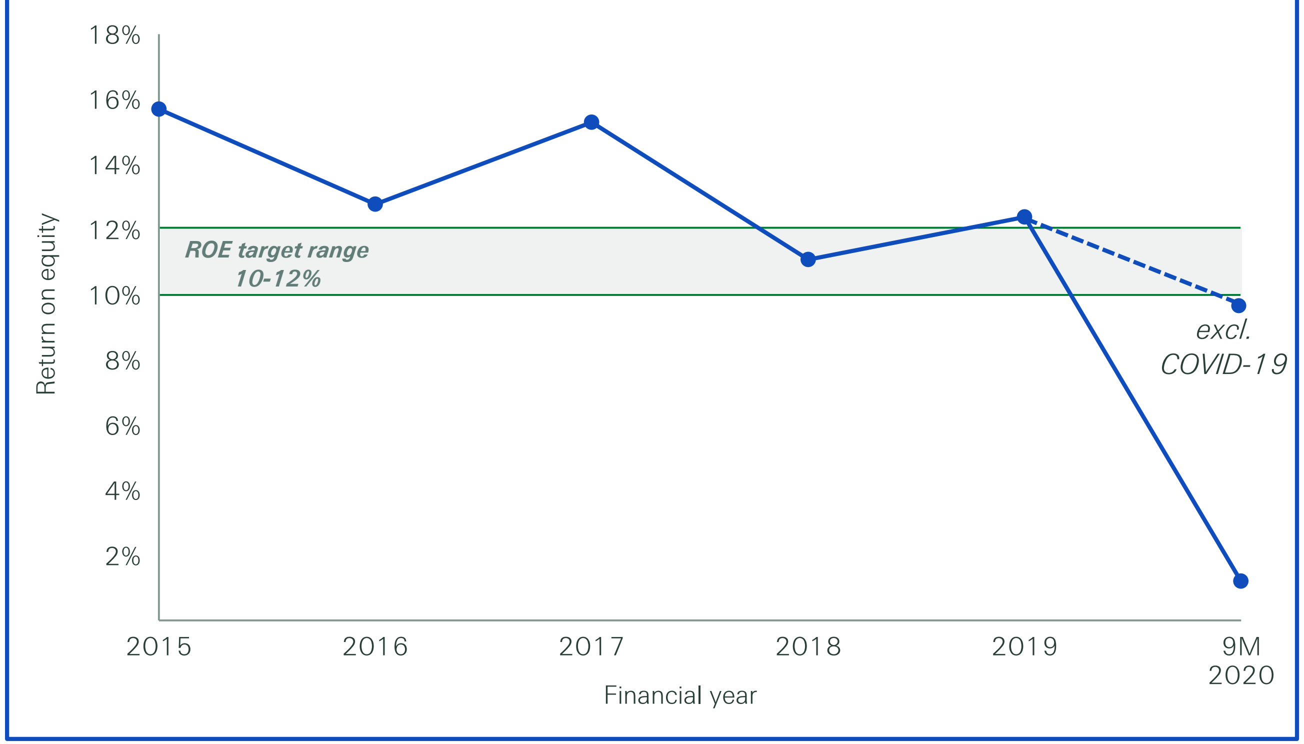
- At today's investment returns, P&C Re operates at ~16% normalised ROE
- A further 100bps reduction of the ROI[2] would be compensated by a ~2.5%pts combined ratio improvement
- Asset-liability duration of ~6 years implies erosion of running yield will be gradual

Improving underwriting margins and our ability to leverage scale provide basis for increasing profitability

1 Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact; FY 2019 combined ratio adjusted for impact of adverse development cover with Corporate Solutions
2 ROI = return on investments; adjusted for fixed income and FX realised gains/losses and replaced equity (un)realised gains/losses with expected equity returns

L&H Reinsurance – we continue to focus on profitable growth across all regions and to manage in-force margins

L&H Re has delivered strong results

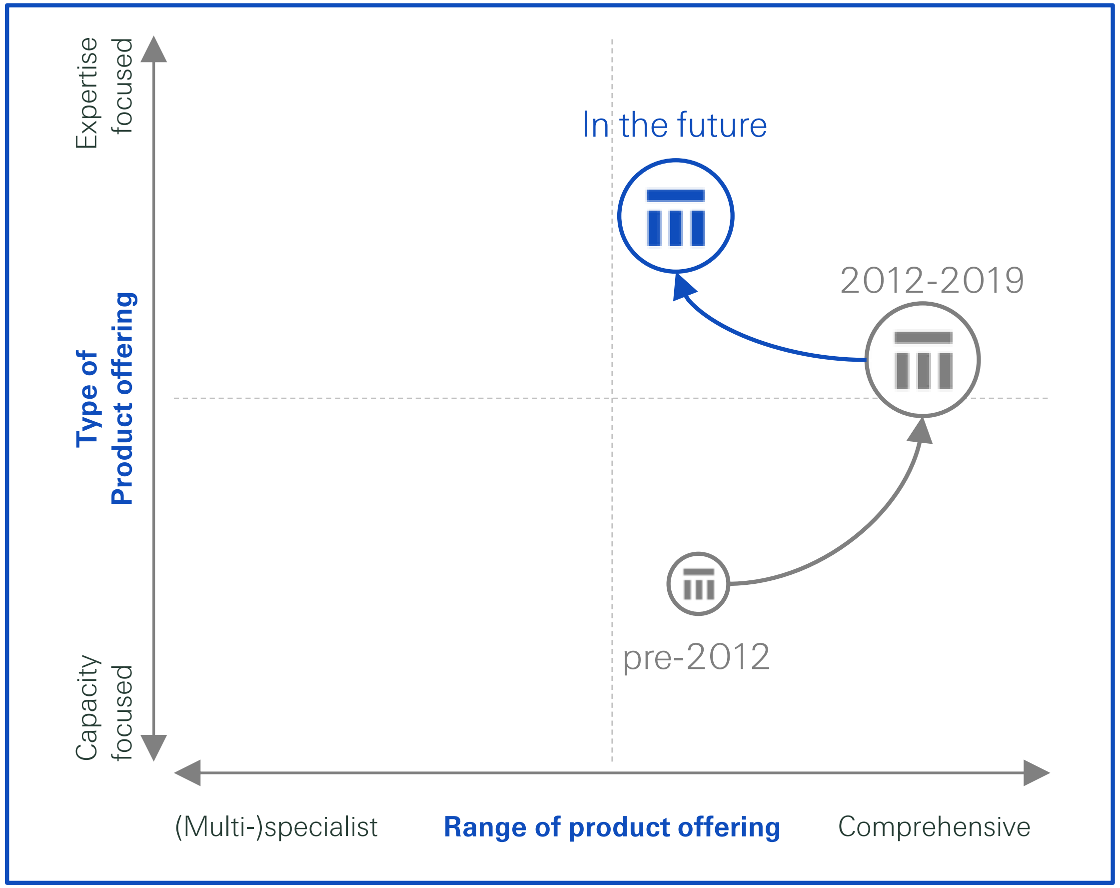


- Earnings expected to return to target range in 2021, medium-term outlook positive
- Strong annual new business generation with average economic profit of USD 1bn since 2015
- New business has improved the attractiveness and earnings diversification of in-force portfolio
- ~25% premium growth and cost discipline results in a ~2%pts lower operating cost ratio since 2015

Build on successful track record through attractive new business generation and in-force management

Corporate Solutions – specialised risk partner that enables Group-wide strategic engagement with corporate customers

Strategic repositioning of Corporate Solutions

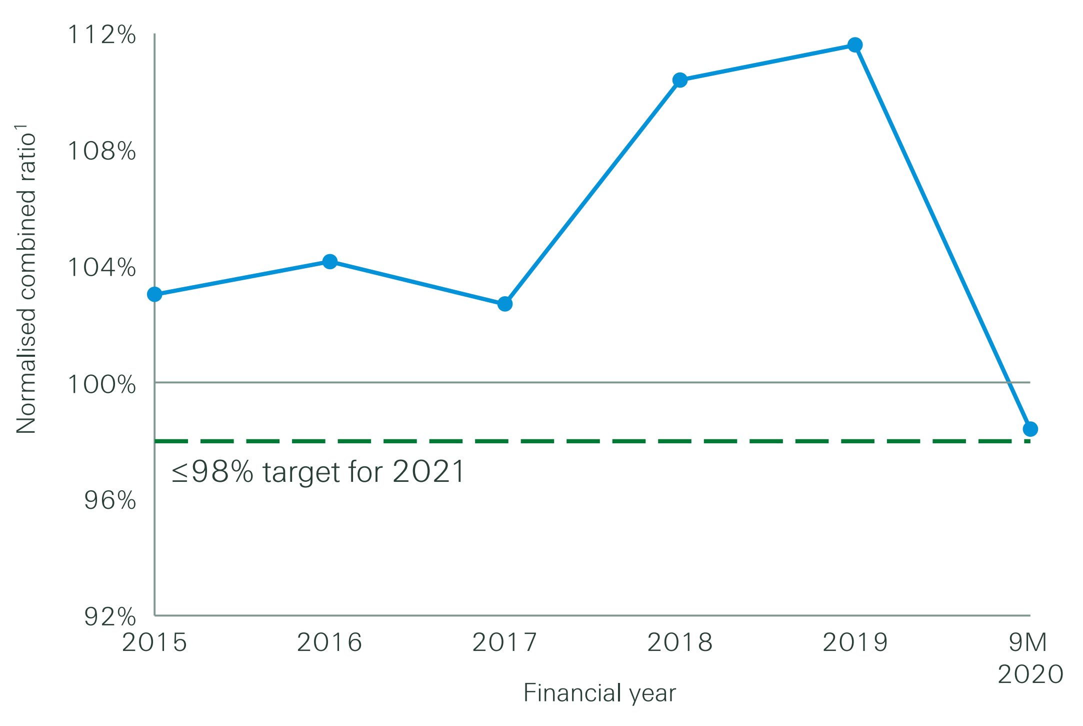


Key elements of repositioning

- Focus on segments with clear competitive advantage
- Growth to be driven by Primary Lead expansion supported by proven technology
- Fostering a more disciplined and data-driven underwriting culture
- Leveraging our direct access to corporates for the entire Swiss Re Group

Corporate Solutions – management actions and strong price momentum have significantly improved underlying profitability

Well on track to achieve 2021 combined ratio target[1]



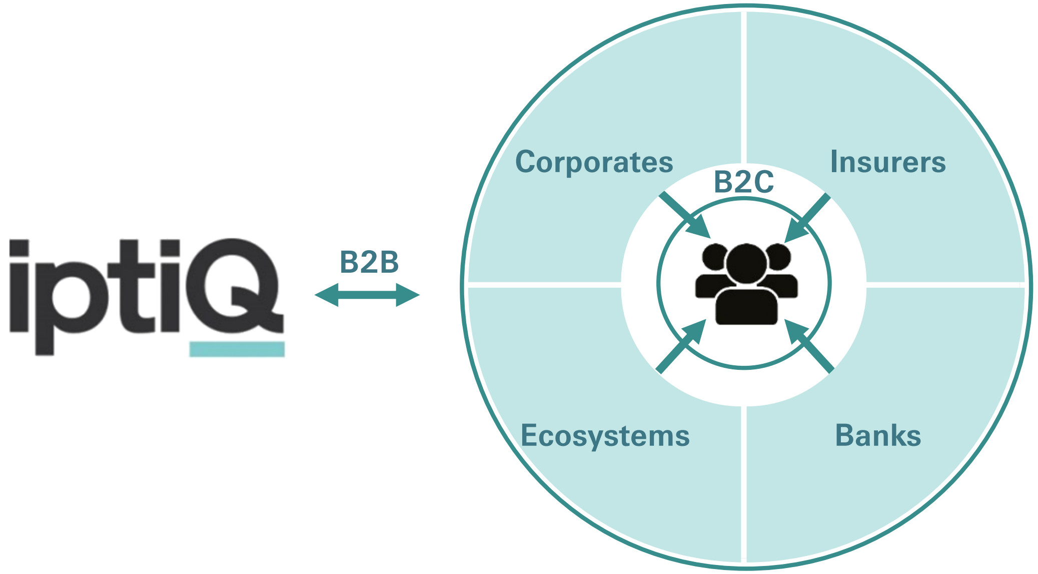
- 85% of portfolio pruning to be realised by the end of 2020
- On track to achieve communicated gross cost savings
- Current reinsurance structure reduces earnings volatility
- Supported by strong price momentum (+15% achieved YTD)
- Favourable prior-year development in 9M 2020
- Uncertainties related to unique nature of claims development in 2020

Corporate Solutions turnaround is ahead of plan, supported by broad-based rate hardening and portfolio pruning actions

[1] Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) COVID-19 impacts; 2019 adjusted for ADC premium and restructuring costs

iptiQ – a global B2B2C digital insurance platform aimed at both digital and traditional affinity distribution partners

B2B2C model



>500k customers with **40** partners in **5** markets

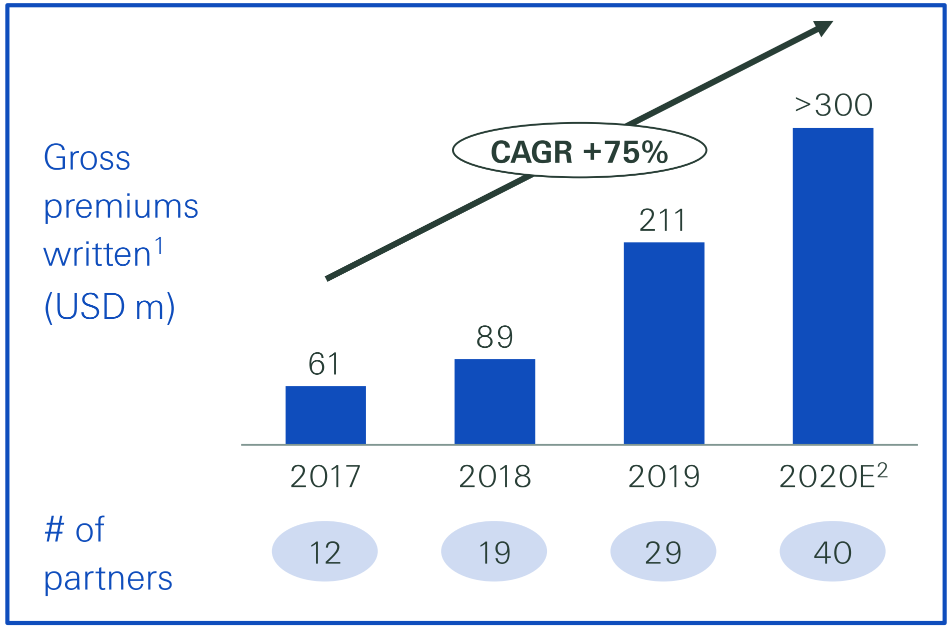
Global expansion accelerating

- iptiQ will become a standalone division, reporting directly to the Group CEO
- Successful launch of iptiQ P&C in Europe with 6 distribution partners already live
- COVID-19 accelerates shift to digital sales distribution channels, providing further long-term growth opportunities

We are further expanding our B2B2C offering while increasing scale of our existing partnerships

iptiQ – based on growth trajectory and peer valuations we estimate a market-implied valuation of USD ~2bn

Strong growth trajectory since inception

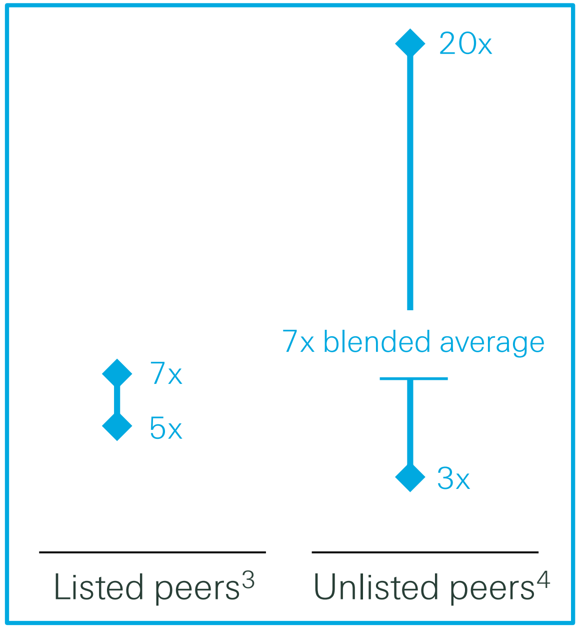


USD >300m

2020E GPW[1,2]

X

Attractive peer valuations



5-7

conservative price/GPW multiple

iptiQ

USD

~2bn

market-implied valuation

[1] Core business only

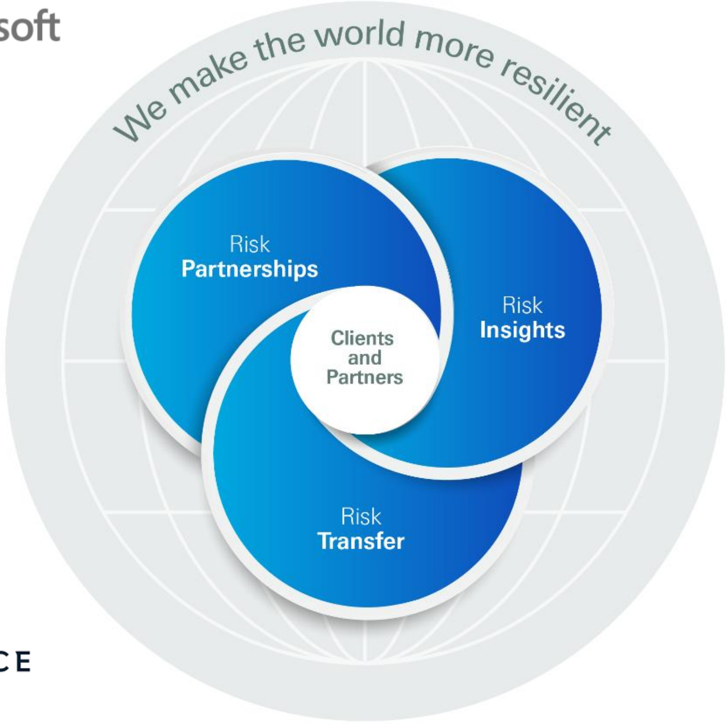
[2] Number of partners as of 9M 2020, GPW FY 2020 extrapolation based on 6M 2020

[3] Listed peers based on publicly available information, including Lemonade and Root (both adjusted for operating model differences) as well as Lifenet

[4] Unlisted peers based on latest available funding rounds, including Hippo, Next Insurance, Clover and wefox

Our strategy offers more than traditional risk transfer

UBS
Microsoft
HITACHI
verily
DAIMLER
TOYOTA
BMW
Brokerslink
Allthings
Homebridge
ASSURANCE



Swiss Re Institute

sigma research

SONAR
New emerging risks insights

Making life easy
Life Guide

SwiftRe®

Surety Client Portal

Magnum

Ex Tool
MPL for explosions

CatNet®

PUMA
Engineering underwriting

FacEasy

PULSE
Online risk management

Public sector risk transfer

Traditional risk transfer

Large and complex transactions

Swiss Re is progressing towards net-zero emissions across our business

Business areas	Commitments	Recent initiatives
Underwriting	UN Business Ambition for 1.5°C pledge	✓ Exclude support to most carbon intensive oil and gas companies[1]
Asset Management	Net-zero Asset Owner Alliance (AOA)	✓ Co-led development of AOA Target Setting Protocol enabling reduction target setting for 2025
Operations	Net-zero operations	✓ 100% powered by renewable energy and 30% CO_2 reduction target for air travel for 2021[2]

2030 2050

BUSINESS AMBITION FOR 1.5°C OUR ONLY FUTURE

RE 100

[1] Swiss Re will exclude business support to companies producing the world's 5% and 10% most carbon intensive oil and gas from July 2021and July 2023, respectively
[2] 100% renewable power used for Swiss Re's own operations from 2020 (RE100); CO_2 reduction target relative to air travel levels as at FY 2018

We drive sustainability leadership across the industry with pioneering initiatives

Recent initiatives

First multinational company to announce triple-digit real carbon levy[1]

- Internal carbon levy to increase to USD 100/tonne as of 2021, and to gradually increase to USD 200/tonne by 2030
- Incentivises emission reductions in operations
- Generates funding to compensate residual emissions via carbon removal (100% by 2030, in line with our net-zero target)

Biodiversity and Ecosystem Services (BES) Index launched

- Swiss Re Institute study assesses risks of biodiversity and ecosystem services decline
- BES Index available to clients as part of CatNet®
- Enables businesses and governments to factor in biodiversity and ecosystem issues into economic decision-making

External recognition

MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | AAA

July 2020

Member of Dow Jones Sustainability Indices
Powered by the S&P Global CSA

PRI Principles for Responsible Investment

2020 Bloomberg Gender-Equality Index

[1] Based on a Swiss Re analysis of CDP Climate Change questionnaires submitted for the 2020 disclosure cycle

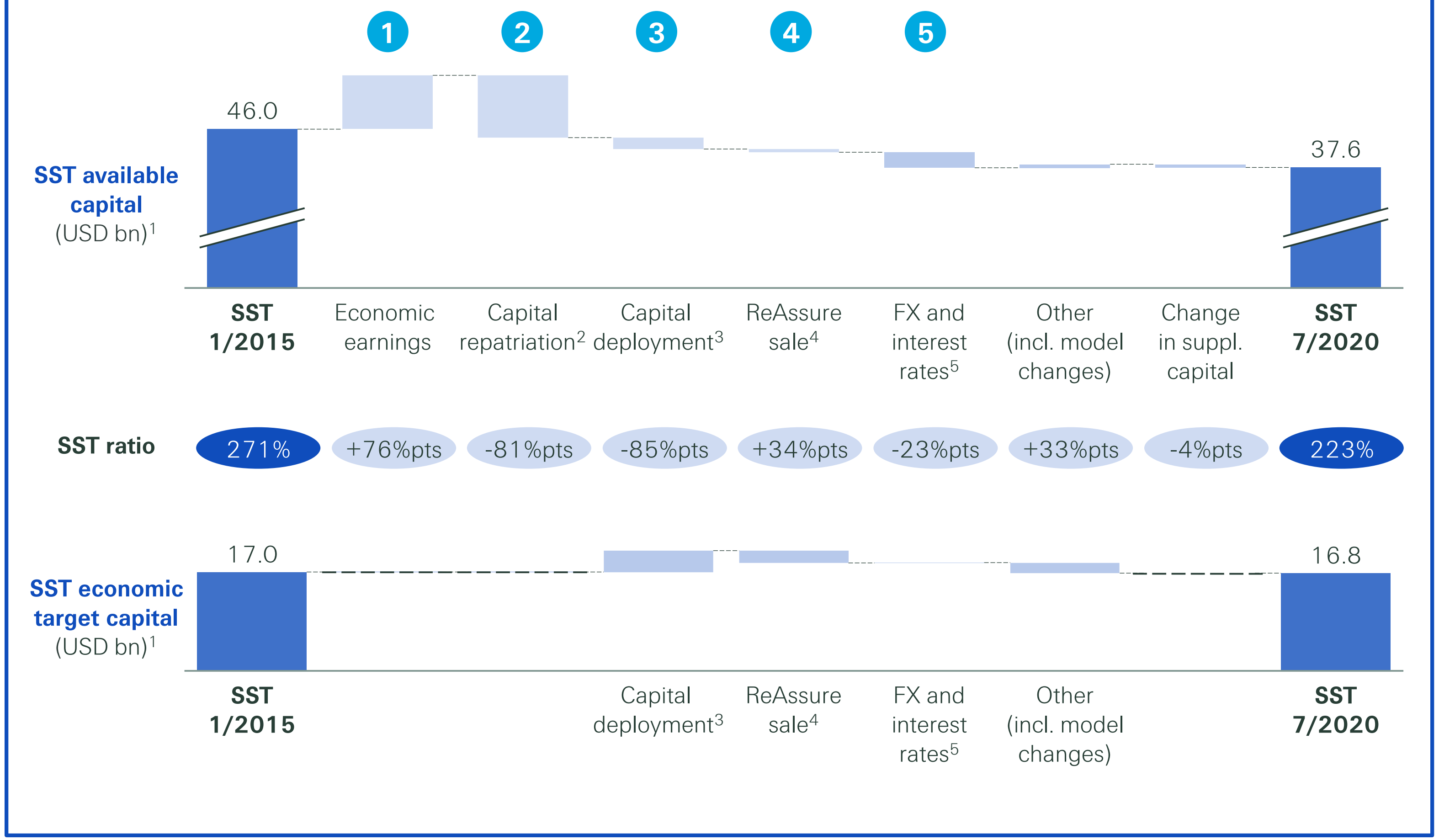
Financial strength and capital management

John Dacey, Group Chief Financial Officer

Swiss Re

Economic earnings have comfortably covered ordinary dividends in the last 5 years, even in a difficult environment

Group capital generation since beginning of 2015



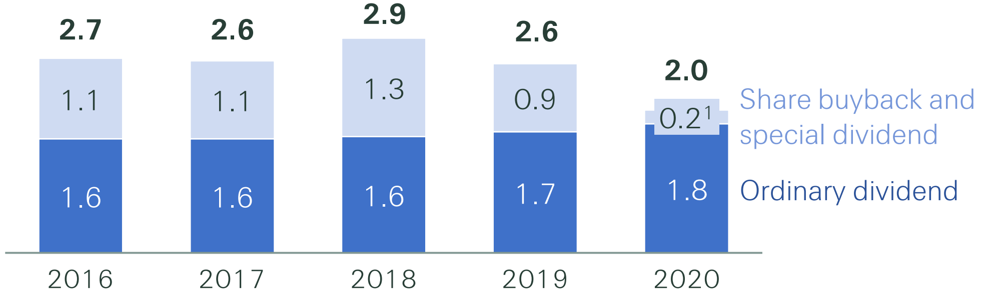
1. Generated USD ~12bn of economic earnings since 2015, despite above-average nat cat losses and COVID-19
2. Economic earnings covered 130% of ordinary dividends; share repurchases served as a tool to reduce excess capital towards target level
3. Selectively deployed capital to underwriting risks in an improving market environment
4. Successful ReAssure sale has significantly lowered the Group's financial market risk
5. Lower interest rates with significant impact on headline ratio, but this relates primarily to capital costs (not to actual increases in technical provisions)

[1] SST available capital: SST risk bearing capital – MVM; SST economic target capital: SST target capital – MVM
[2] Assumes pro-rata ordinary dividend to be paid in 2021
[3] SST available capital: change in MVM from business update; SST economic target capital: change in shortfall from business update and market moves e.g. in credit spreads
[4] Including stake sale to MS&AD Insurance Group Holdings Inc and sale to Phoenix Group Holdings plc
[5] Foreign exchange impact on SST available capital and interest rate impact on valuation differences between EVM and SST

Strong capital generation and liquid funds at Group level have provided the basis for attractive capital repatriation track record

Excellent track record of external capital repatriation

USD bn, in year paid

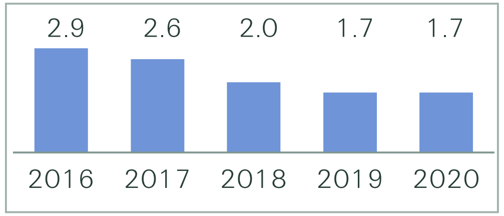


	2016	2017	2018	2019	2020
per share in CHF	3.30	3.40	4.20	3.10	0.60
	4.60	4.85	5.00	5.60	5.90

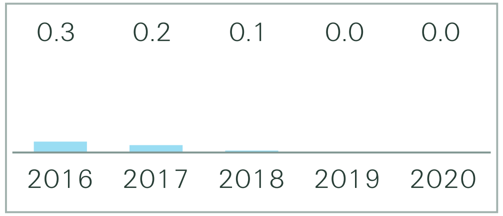
Swiss Re

Internal dividend flows (USD bn, in year paid)

Reinsurance

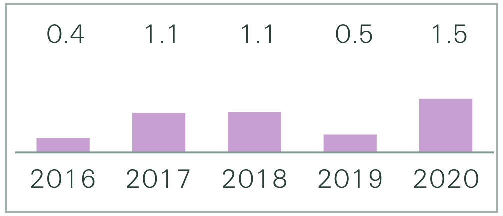


Corporate Solutions



Capital contributions of USD 1.0bn in 2017, USD 0.6bn in 2019 and USD 0.3bn in 2020

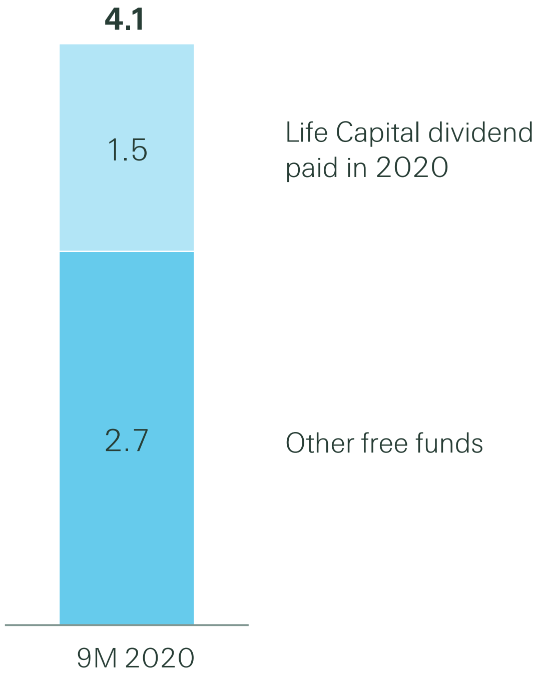
Life Capital



Capital contribution of USD 1.6bn in 2016 for Guardian acquisition and USD 1.1bn in 2017 – 2020

Liquid funds at Group level

USD bn



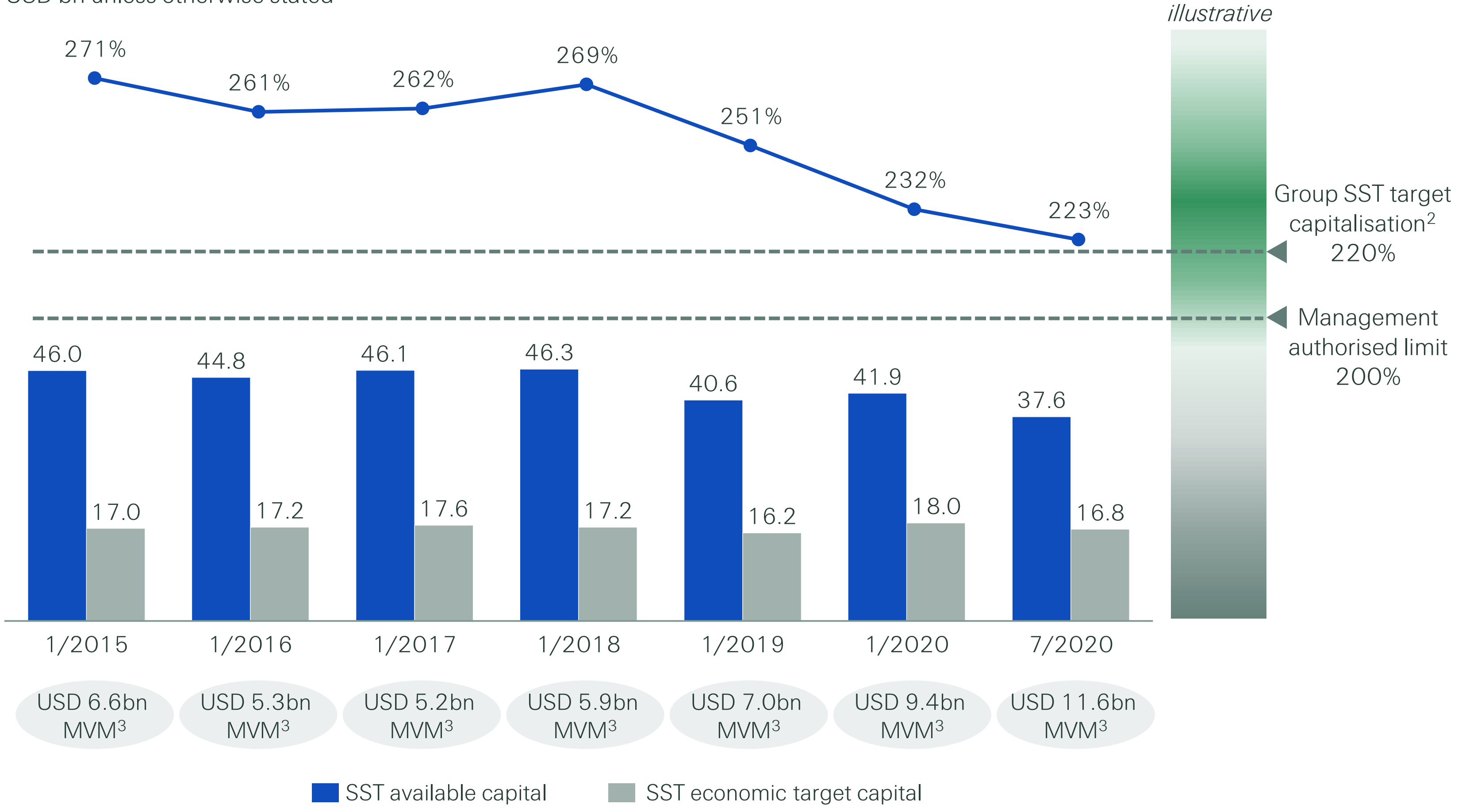
Swiss Re Ltd holds sufficient liquid funds to cover more than 2x the ordinary dividend

[1] Remainder of the first tranche of the 2019/2020 share buyback programme; second tranche of the 2019/20 share buyback programme has been cancelled

The Group's capital efficiency has improved

Group SST ratio[1] development

USD bn unless otherwise stated

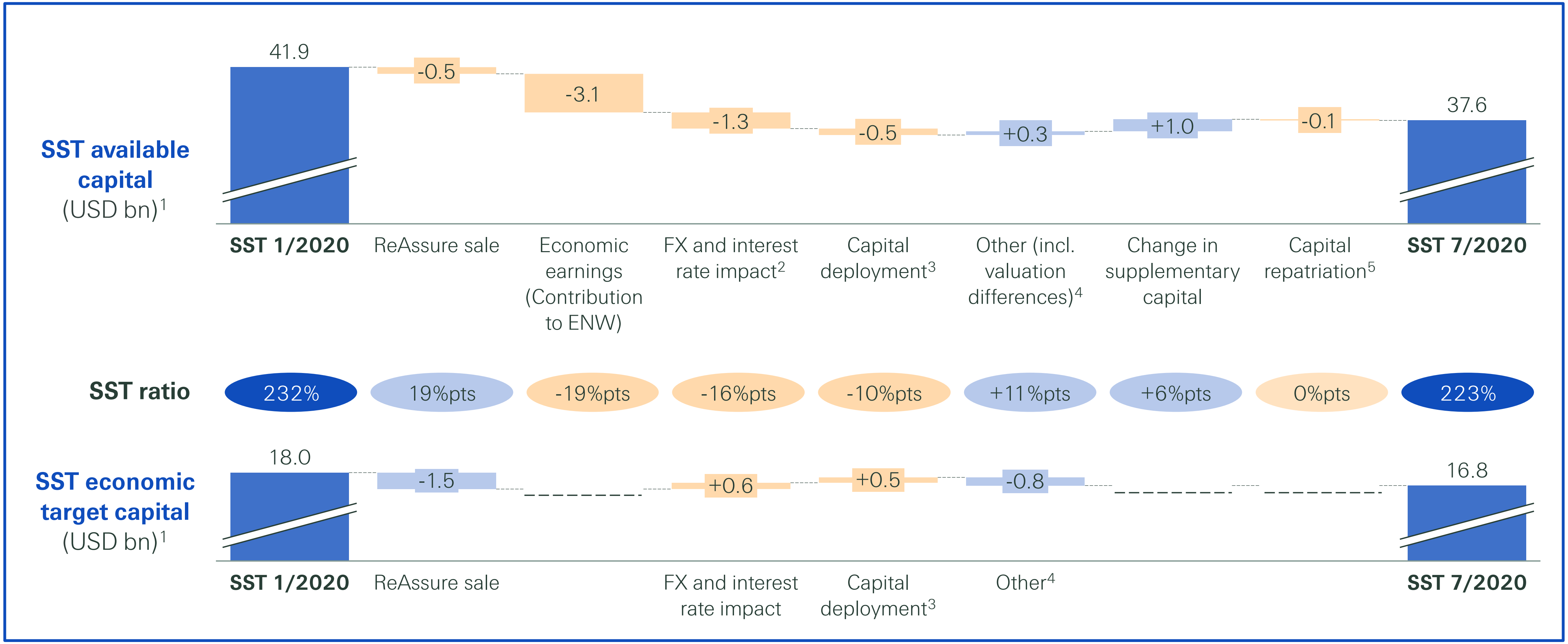


- SST available capital decrease mainly driven by the impact of COVID-19 losses
- SST economic target capital decrease reflects the sale of ReAssure
- MVM[3] increase mainly due to decreasing interest rates

[1] Group SST ratio calculation: SST available capital / SST economic target capital = (SST risk-bearing capital – MVM) / (SST target capital – MVM)
[2] SST 220% target capitalisation was introduced in 2017
[3] MVM = Market Value Margin = minimum cost of holding capital after the one-year SST period until the end of a potential run-off period

Group SST capital generation impacted by COVID-19 and low interest rates

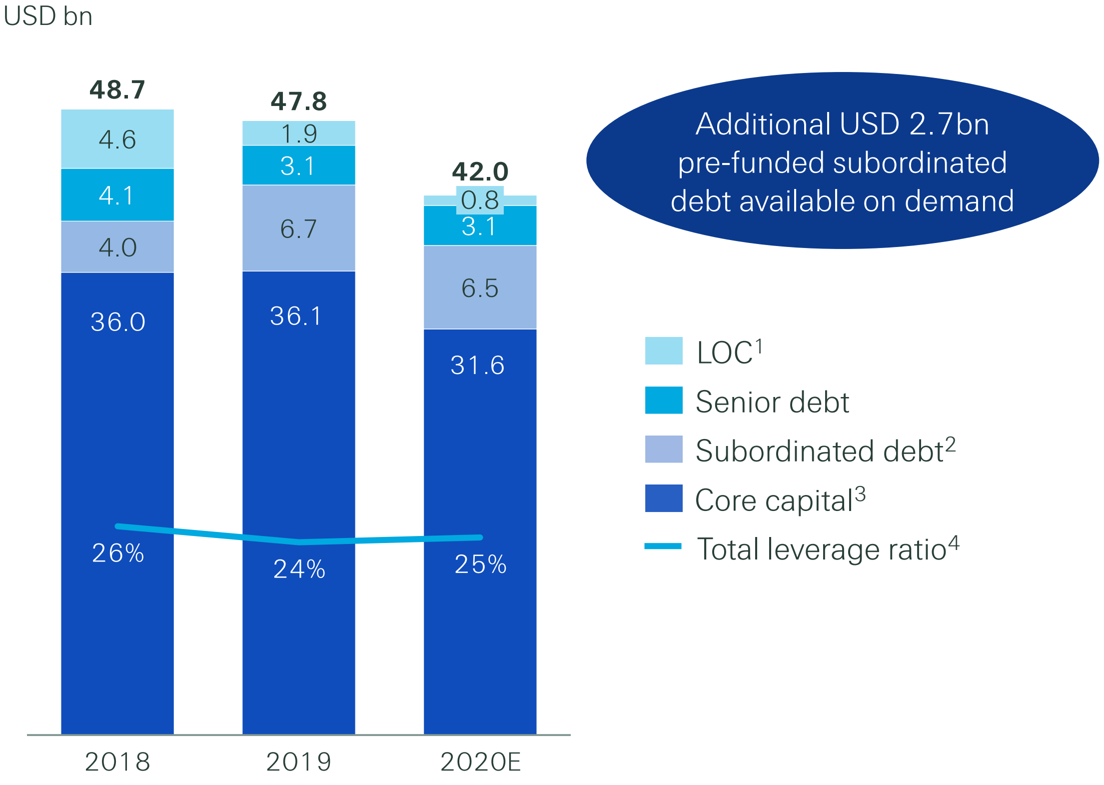
Group capital generation in H1 2020



1 SST available capital: SST risk bearing capital – MVM; SST economic target capital: SST target capital – MVM
2 Foreign exchange impact on SST available capital and interest rate impact on valuation differences between EVM and SST
3 SST available capital: change in MVM from business update; SST economic target capital: change in shortfall from business update and market moves e.g. in credit spreads
4 Includes model changes
5 Assumes pro-rata ordinary dividend to be paid in 2021

Swiss Re's dynamic capital structure provides significant financial flexibility

Group available capital and leverage



Strong access to diversified funding sources

- Despite COVID-19 market turbulence, Swiss Re raised EUR 800m of subordinated debt to support growth opportunities
- Strategic issuance of SGD 350m of subordinated debt in June also highlights our ability to access diversified sources of funding

Funding tool	Outlook
Subordinated leverage	Continued focus on optimising cost of capital and funding business growth
Senior leverage	Focus on continued reduction

Continued focus on financial flexibility through our prudent approach to leverage and strong access to diversified funding sources

[1] Unsecured LOC usage and related instruments
[2] Funded subordinated debt and contingent capital instruments, excluding non-recourse positions
[3] Core capital is defined as economic net worth (ENW); 2020E shows Q3 ENW estimate
[4] Total on-balance sheet senior and subordinated debt and contingent capital, including drawn LOCs divided by total capitalisation

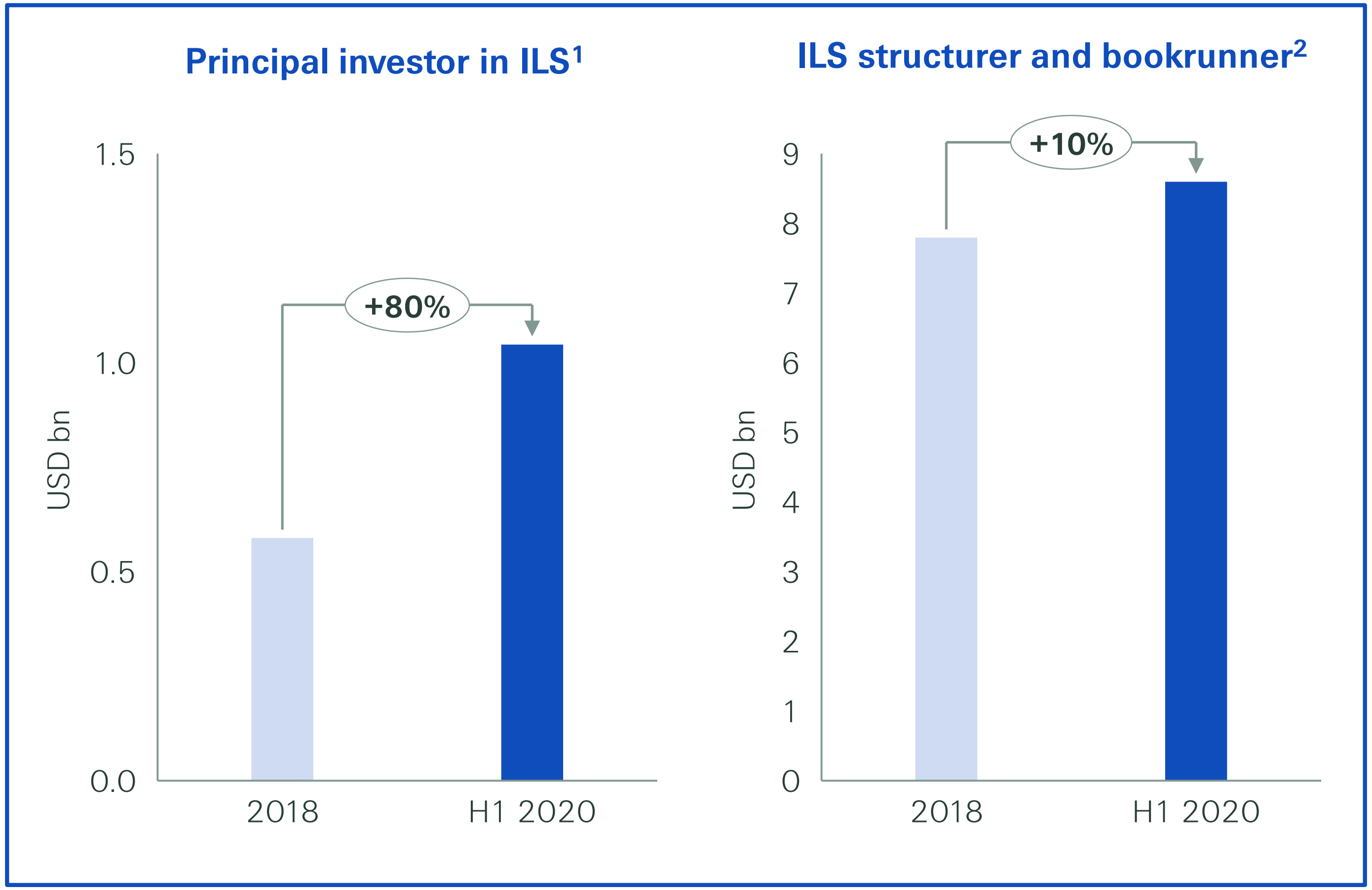
Alternative Capital Partners (ACP) is our unified centre of expertise in the alternative capital space

AC market leadership

Knowledge and reputation are the foundations for fast access to AC market

- Arranger and structurer for our clients
  1st cat bond structured in 1997
- Principal investor
  1st investments in ILS ~20 years ago

Increased presence in the alternative capital market



[1] Portfolio is composed of tradable securities and other index-based private transactions (e.g. ILW)
[2] ILS outstanding notional structured by Swiss Re Capital Markets (structuring agent and/or bookrunner of outstanding ILS bonds)

ACP has sourced more than USD 2bn of additional alternative capital in a challenging market environment since 2018

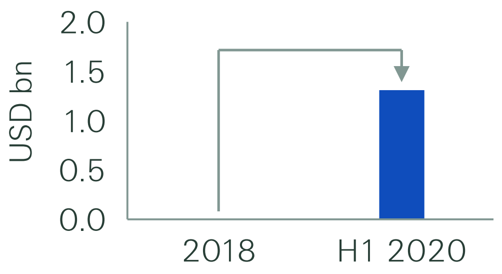
Exposure management

Support growth in a risk controlled-manner and generate additional revenues

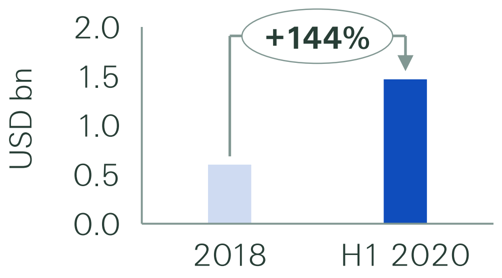
- We manage our net risk exposure by **ceding excess risks to ACP investors**
- **Attractive returns** for ACP investors and Swiss Re shareholders
- We **earn a commission or spread** between risk taking and hedging

Nat cat growth supported by our increasing sidecar platform and cat bond issuances

Outstanding nat cat bonds[1]



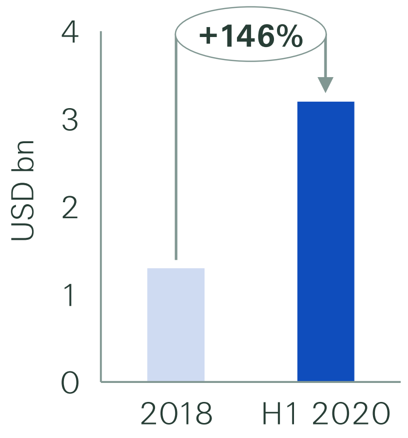
Sidecar platform[2]



Expand risk-sharing platform

- New vehicles will focus on increasing permanency of third-party capital
- Will allow investors to participate alongside Swiss Re
- Innovation will enable ease of capital raising throughout the year

Shortfall relief North Atlantic hurricane[3]



[1] Notional outstanding
[2] Based on valuations as at 31 December 2018 and 1 July 2020
[3] Standalone shortfall

ACP acts as a significant extension of our capital structure

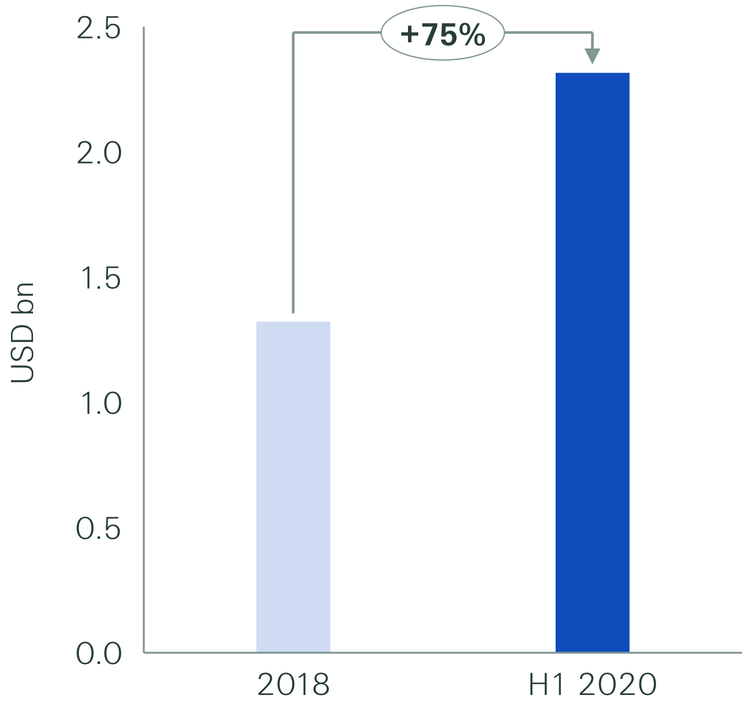
Capital efficiency

Find alternative sources of capital below our WACC and improve our overall portfolio diversification

- Assessing capital efficiency opportunities in all lines of business to **improve our economic capital usage**
- Executed **successful pilot** with issuance of a combined extreme mortality and North Atlantic hurricane cat bond

Supporting efficient capital structure

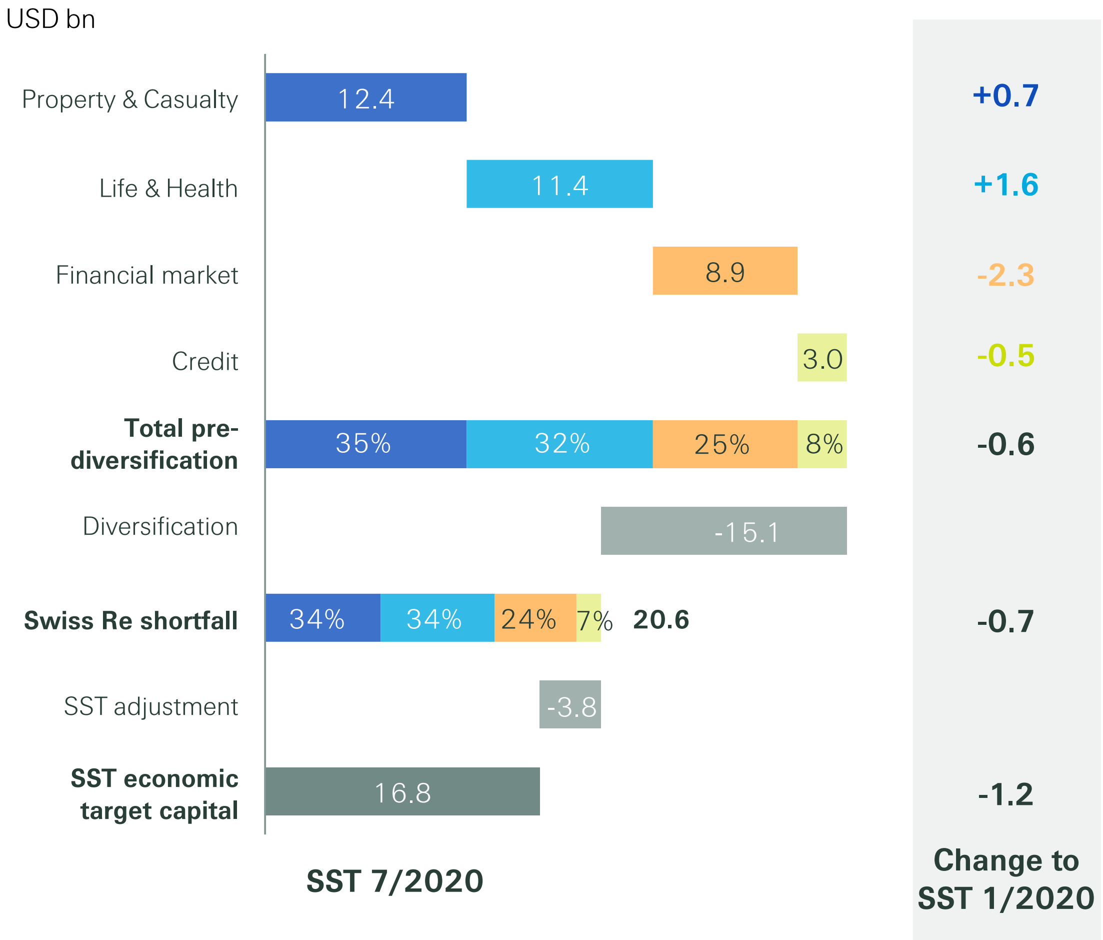
Total capital relief at target level[1]



[1] Capital relief at Group target level of 220% SST ratio

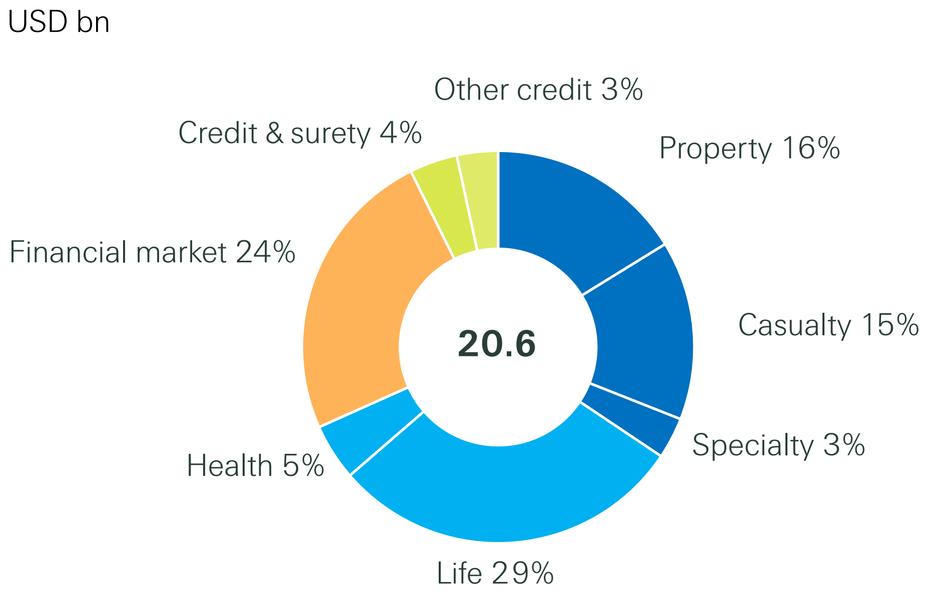
Substantial decrease in market and credit risk following the sale of ReAssure provides financial flexibility

Group SST economic target capital[1]



- Increase in P&C risk mainly driven by nat cat growth and reserves for COVID-19 losses
- L&H risk increase mainly reflects lower interest rates and new business in the US and Canada
- Financial market risk and credit risk decreases are mainly due to the sale of ReAssure

Swiss Re shortfall by line of business[1]



[1] as of 1 July 2020 post sale of ReAssure

Changes in reporting structure following Life Capital disbandment

Current (as of Q3 2020)

- P&C Re
- L&H Re
- Corporate Solutions
- Life Capital
  - Phoenix shares
  - iptiQ
  - elipsLife your insurance
  - Admin Re US
- Group items

Planned future (2021)

- P&C Re
- L&H Re
- Corporate Solutions
  - elipsLife your insurance
- Group items
  - Phoenix shares[1]
  - iptiQ
  - Admin Re US

Estimated key metrics[2]

USDm	Net premiums earned	Earnings before taxes[4]	Shareholders' equity
iptiQ	450	-200	700
elipsLife	1 000	0	300
Admin Re US[3]	150	25	700

1 Phoenix shares to be reported in Principal Investments portfolio in Group items already as of Q4 2020
2 Figures shown are high level near-term estimates based on current projections; Core business only for iptiQ
3 Admin Re US net premiums earned includes fee income; this block is in run-off and does not write new business
4 In addition to iptiQ and Admin Re US, Group items will also include Principal Investments (including Phoenix shares), income from trademark license fees and other Group expenses; earnings impact of these additional items expected to be broadly neutral, assuming normal volatility in Principal Investments returns

Our Group targets and capital management priorities remain unchanged

Group financial targets

Over-the-cycle targets

Rf + 700 bps

Return on equity[1]

10%

ENW per share growth[2]

Capital management priorities

Capital management priorities

Priority I
Ensure superior capitalisation at all times and maximise financial flexibility

Priority II
Grow the regular dividend with long-term earnings, and at a minimum maintain it

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

Priority IV
Repatriate further excess capital to shareholders

[1] 700bps above 10y US government bonds. Management to monitor a basket of rates reflecting Swiss Re´s business mix
[2] The 10% ENW per share growth is calculated as: (current-year closing ENW per share + current-year dividends per share) / (prior-year closing ENW per share + current-year opening balance sheet adjustments per share)

Asset Management

Guido Fürer, Group Chief Investment Officer

Asset Management demonstrated success on key metrics for 9M 2020

3.4% ROI	ROI remains solid, with investment portfolio providing **consistent returns**
USD 27m impairments	**Negligible net exposure to sensitive sectors** such as airlines, gaming or leisure
<50% exposure to fallen angels vs market	**Proactive portfolio management** including targeted reductions to vulnerable sectors as well as timely equity and credit hedging programme
0.3% ESG outperformance[1]	**Pioneering ESG approach** contributed to enhanced performance
2.4% Running yield	Running yield impacted by **historically low reinvestment yields** as well as impact of **de-risking actions**

Performance supported by our high-quality portfolio, consistent ESG approach and proactive steering mechanisms

[1] Outperformance of both credit and equity, weighted according to Swiss Re´s portfolio

Swiss Re's high-quality investment portfolio has performed consistently amid market volatility and the low interest rate environment

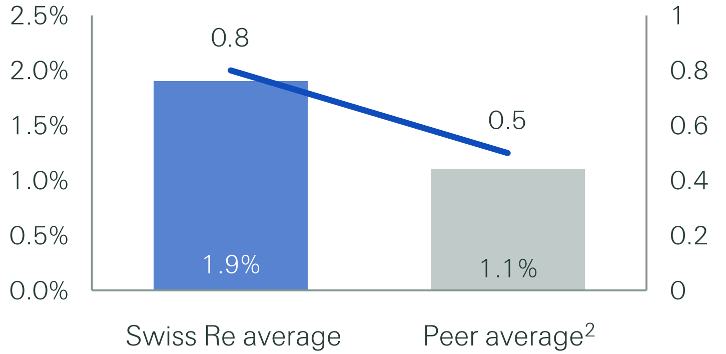
Key performance indicators over 5 years

Return on investment (ROI)[1]

3.6% Swiss Re average

3.0% Peer average[2]

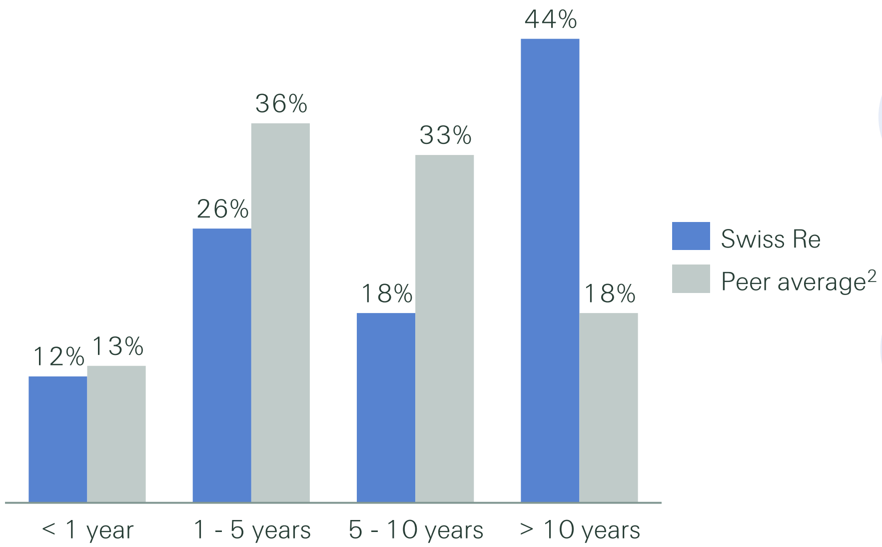
Excess return (LHS) and Sharpe ratio (RHS)[1]



- Outperformed peers over the last 5 years on both ROI and excess return (with higher Sharpe ratio)
- Fixed income impairment rate (average 1bp over last 5 years) lower than historical A-rated corporate bond defaults (14bps)

Fixed income maturities and unrealised gains

Duration split of fixed income maturities



72% unrealised gains with maturity >10 years End 9M 2020

USD **6.7bn** net unrealised gains End 9M 2020

- Long-maturity fixed income portfolio extends annual maturities well into the future
- Significant unrealised gains position on long-maturity fixed income supports our running yield's persistency

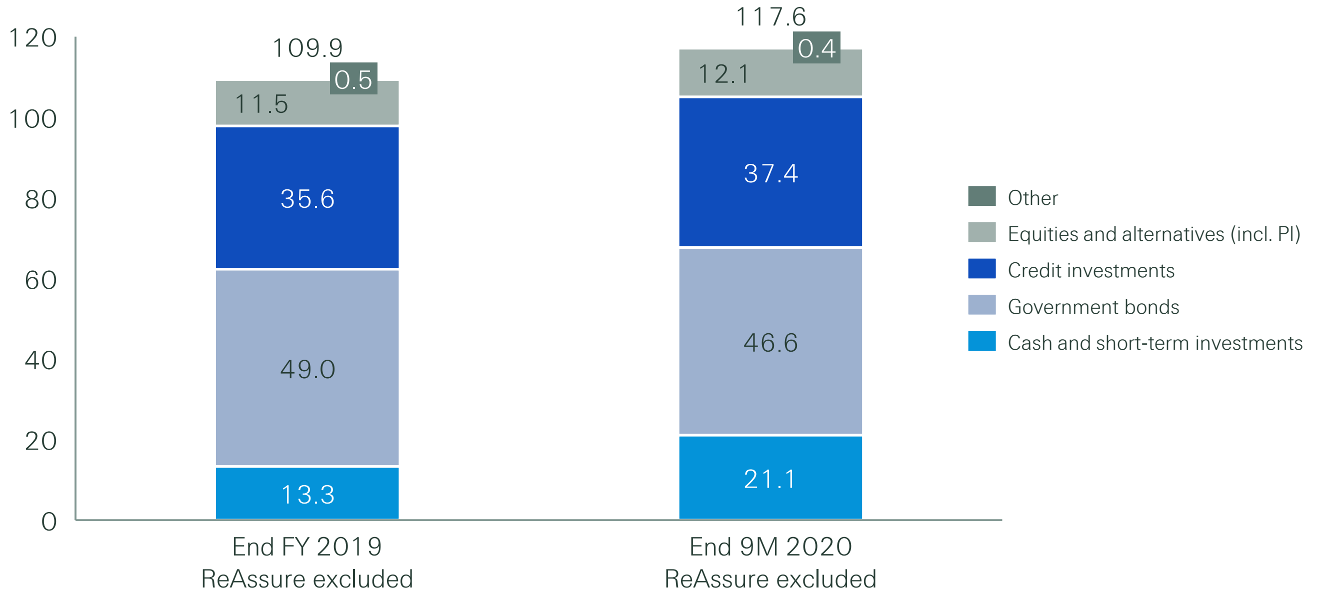
1 Average ROI, excess return and Sharpe ratio calculated over the period 2016 to 9M 2020; excess return is portfolio total return above performance of a risk-free benchmark, aligned with liability duration (excluding FX)

2 Peer group includes Hannover Re, Munich Re and SCOR

Investment portfolio positioned for opportunistic deployment within a fast-developing risk environment

Investment portfolio positioning

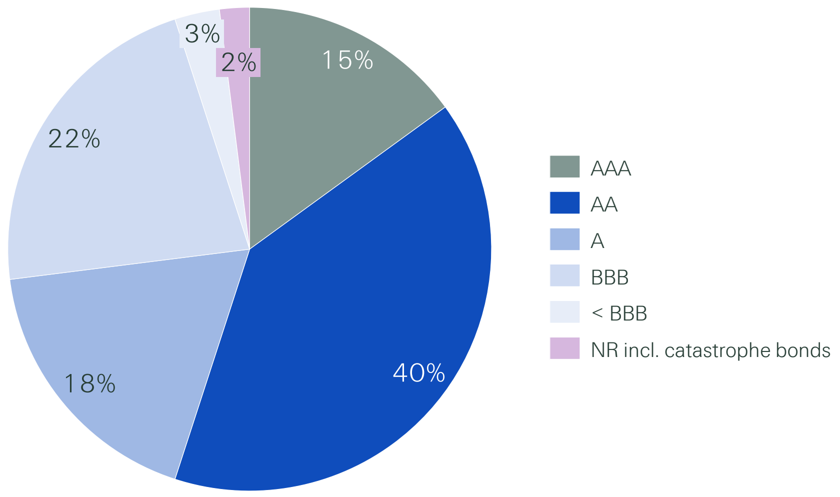
USD bn



- Defensive portfolio positioning through COVID-19 resulted in larger cash and short-term position, enabling deployment into yield enhancement opportunities across asset classes and regions
- Credit/equity overlay hedges implemented during the first half of 2020 partially maintained in anticipation of future volatility

Fixed income portfolio rating split

End 9M 2020

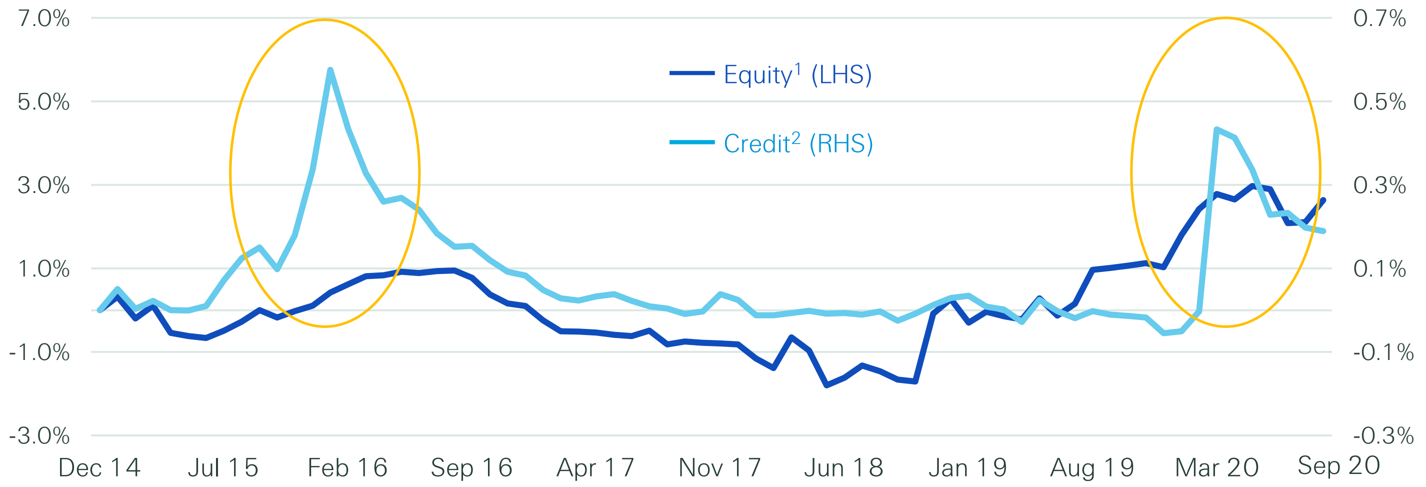


- 95% of the fixed income portfolio is investment grade
- Stable rating mix maintained throughout the crisis
- Downgrades mitigated through targeted reductions

Pioneering ESG approach delivers better risk-adjusted returns while providing downside protection

ESG investments outperform during key periods of high volatility

Cumulative excess return of ESG-based indices vs traditional indices



Sharpe ratios since benchmark transition[3]	**Equity[1]**	**Credit[2]**
A) ESG-based indices	0.43	0.20
B) Traditional indices	0.38	0.18
Difference **A) - B)**	**0.05 (+12%)**	**0.02 (+10%)**

Swiss Re's YTD ESG outperformance

Equity[1]

+1.1%

during 9M 2020

Credit[2]

+0.2%

during 9M 2020

[1] ESG index 'MSCI ACWI ESG Leaders' vs traditional index 'MSCI ACWI Index'
[2] ESG index 'Bloomberg Barclays MSCI US Corp Sustainability BB and Better Int.' vs traditional index 'US Corp Int.'
[3] Data based on annualised Sharpe ratios over risk-free benchmark; Swiss Re transitioned to ESG benchmarks in 2017; June 2017 - September 2020

We target outperformance through a set of key initiatives

Further build-up in private markets

- Selective growth in private debt and private equity, focusing on price and quality
- Expansion of infrastructure mandate and opportunities such as mid-market loans

Geographic diversification

- Balanced portfolio shift towards global GDP, including increase in High Growth Markets
- Global portfolio to conform to ESG and net-zero ambitions

Increased focus on thematic investing

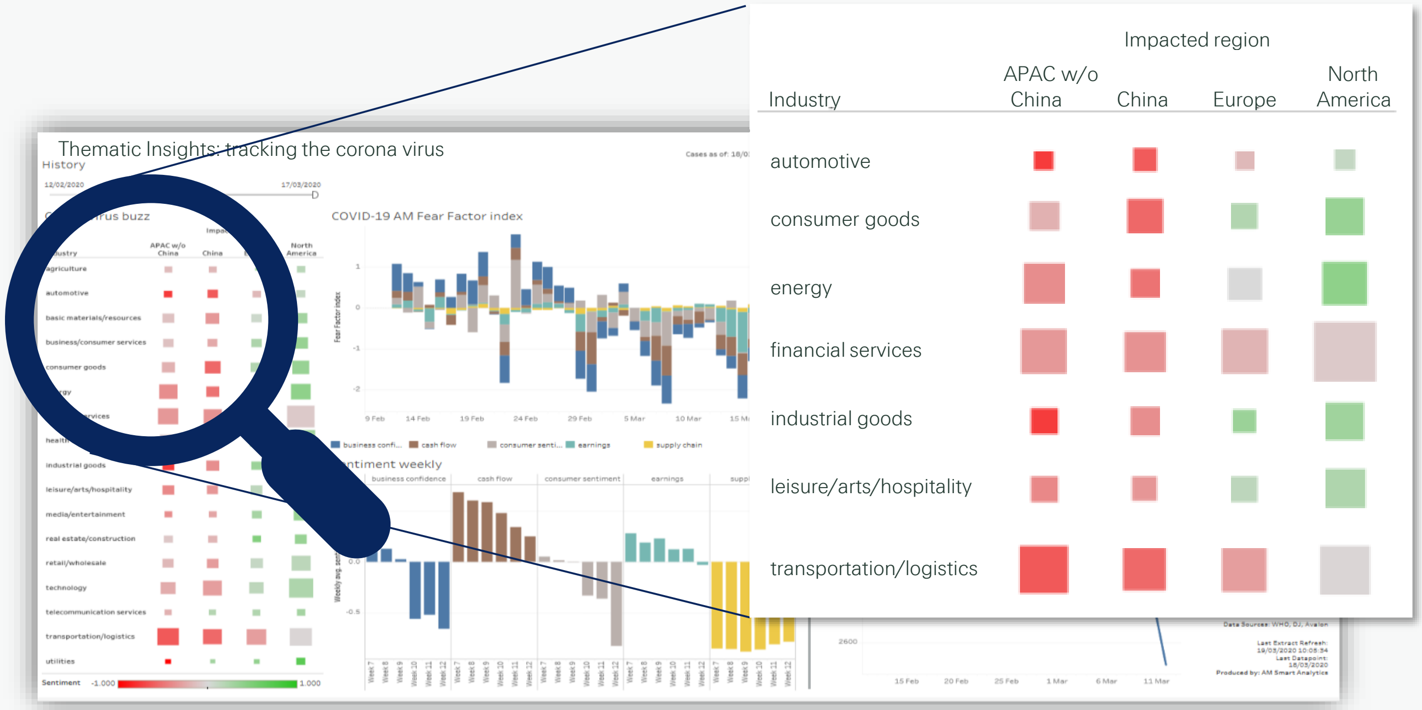
- Build on successful implementation of ESG approach along new, high-potential themes
- Leverage proprietary data to invest around select themes, e.g. Healthcare, Digital Infrastructure

Technology enabling outperformance

- Leverage advancements in big data and smart analytics across the investment process
- Deploy real-time analysis and proprietary tools/data to enable differentiated decision-making

Our smart analytics tools help us generate actionable portfolio insights

In February 2020, smart analytics methods applied to big data enabled us to capture the real-time impact of COVID-19 on financial markets



Swiss Re's COVID-19 Tracker supported us in the timely and focused de-risking of our portfolio across vulnerable sectors such as automotive, energy, financial services, leisure, industrial & consumer goods, across most impacted regions

- We leverage Swiss Re's proprietary re/insurance knowledge and build smart analytics tools to derive insights from vast amounts of data
- Similar approaches are used to identify trends and opportunities, supporting our thematic investing initiatives

Strong value drivers will help us thrive in uncertain markets

Investment outlook

- Economic recovery underway, while high uncertainty persists
- Monetary and fiscal policies remain very accommodative
- Constructive outlook for financial markets amid strong central bank backstop
- COVID-19 accelerating key trends including digitisation, deglobalisation, ESG
- Increased need to focus on quality and differentiation across regions, sectors, companies

✓ Portfolio quality and positioning:
we continue to deliver stable returns amid a low-yield and highly volatile market environment

✓ Constructive investment outlook:
we are cautiously optimistic and poised to take advantage of attractive opportunities

✓ Enabled by differentiated value drivers:
our approach to thematic investing and smart analytics helps capture outperformance while mitigating downside risk

Swiss Re

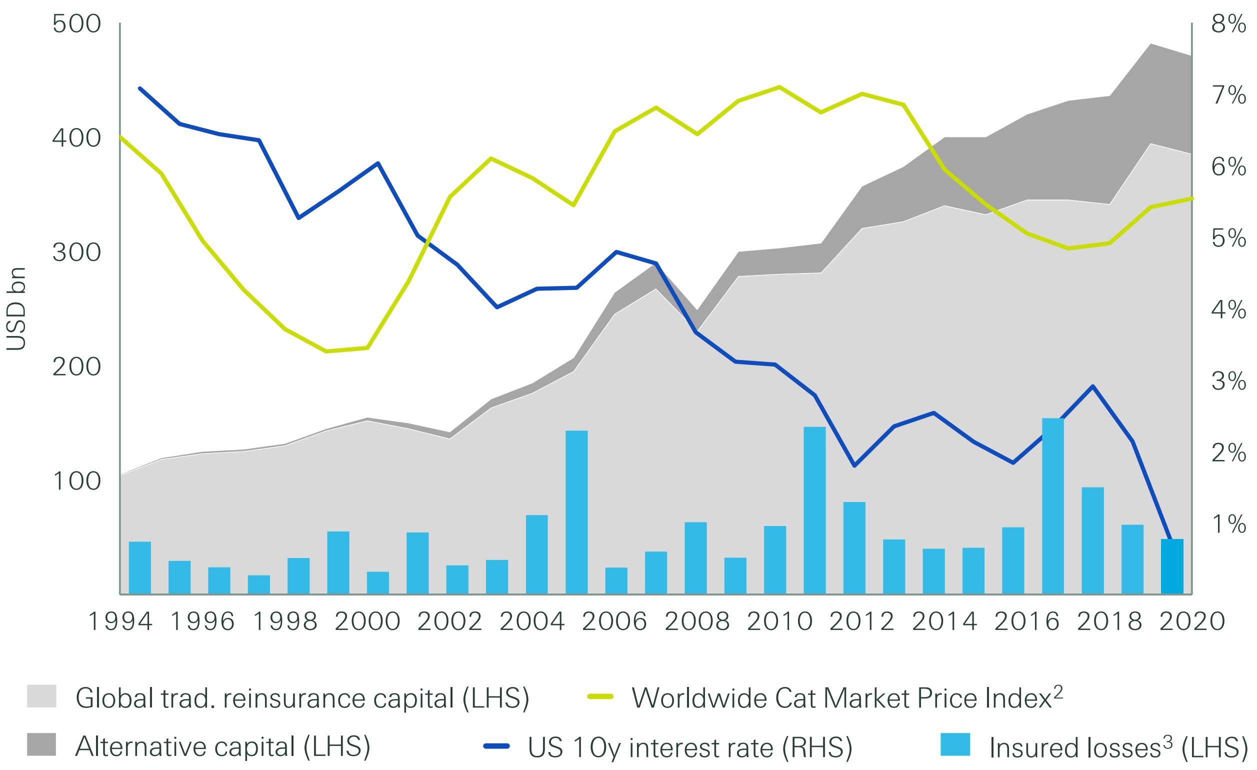
Group Underwriting

Thierry Léger, Group Chief Underwriting Officer

Swiss Re

In the current market environment, underwriting excellence is key to success

Reinsurance industry development and interest rate evolution[1]



Current environment

- Ongoing COVID-19 pandemic
- Increase in secondary perils related to climate change
- Growth of capital expected to continue
- Interest rates to remain very low

Industry change due to

- Growing protection gap
- Technology advancement and digitisation
- More cost-conscious buyers

Future outperformance requires

- Increasing scale and efficiency
- Leveraging technology
- Pushing innovation and services for clients to the edge
- Underwriting and capital allocation discipline

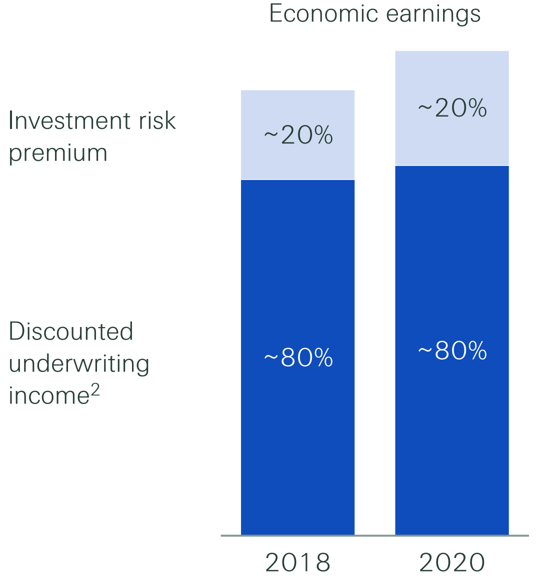
Re/insurers must navigate the current market environment carefully, with increased focus on underwriting margins

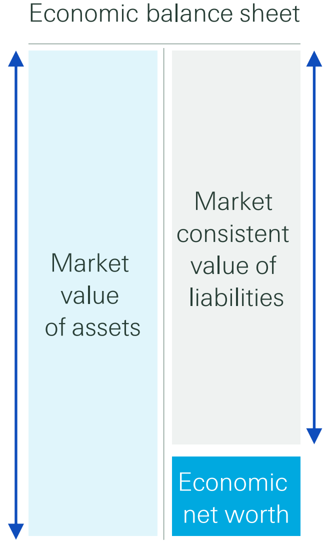
1 Source: Swiss Re Institute; 2020 9M provisional figures for insured losses
2 Swiss Re pricing index; indicative for 2019
3 Nat cat and man-made losses (excl. COVID-19)

Our economic costing approach supports shareholder value generation in a low yield environment

Economic view: composition of economic earnings stays unchanged

Illustrative example for P&C Re based on a 150bps decline in interest rates[1]

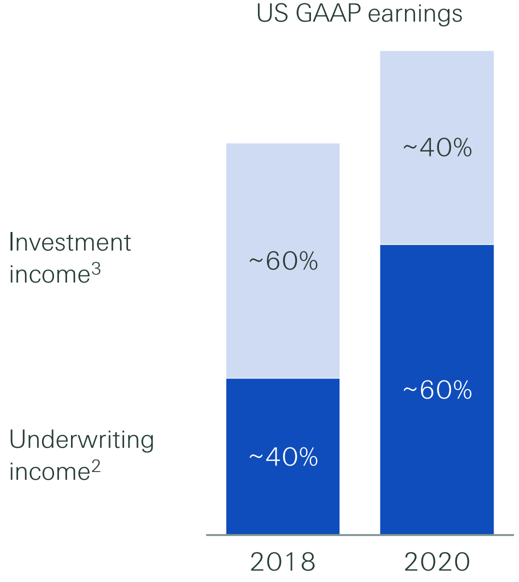


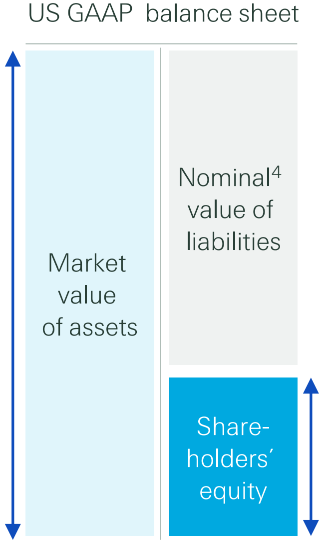


- New business is discounted with current risk-free interest rates, requiring a higher nominal price to meet return hurdles
- Economic balance sheet is asset-liability matched, protecting economic net worth (ENW)

US GAAP earnings: shift from investment to underwriting income

Illustrative example for P&C Re based on a 150bps decline in interest rates[1]





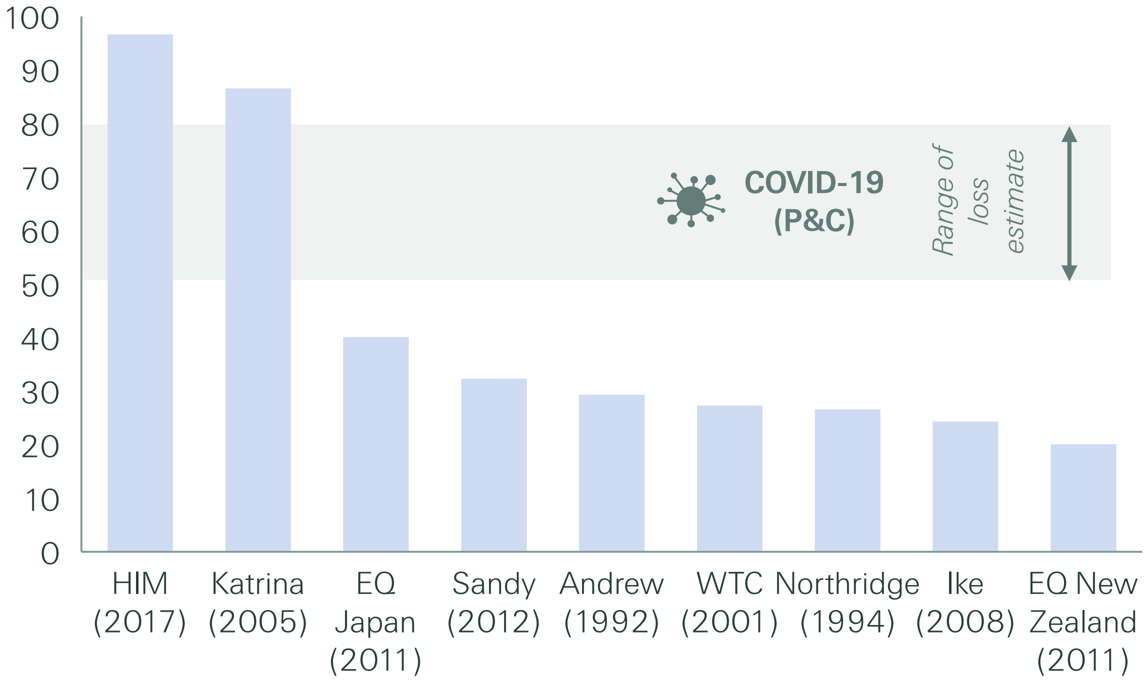
- Higher nominal prices lead to increased US GAAP underwriting income as business is earned (within ~2 years in P&C)
- Asset duration of ~6 years for P&C Re and 7-8 years for L&H Re results in gradual decline in investment income to current yields

[1] 10y US government bond
[2] Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact
[3] Adjusted for fixed income and FX realised gains/losses and replaced equity (un)realised gains/losses with equity risk premium
[4] Undiscounted US GAAP liabilities

COVID-19 is a major loss event which is driving changes in the underwriting landscape

USD 27bn[1] of reported COVID-19 losses so far, with more to come…

Largest recorded catastrophe losses for the P&C insurance industry[2] (USD bn)



… triggering various reactions

P&C risks

- Unambiguous coverage within policy wordings
- Aggressive review of cumulative risk exposures

L&H risks

- Temporary drop in new business production
- Adjustments of terms and conditions for new policies

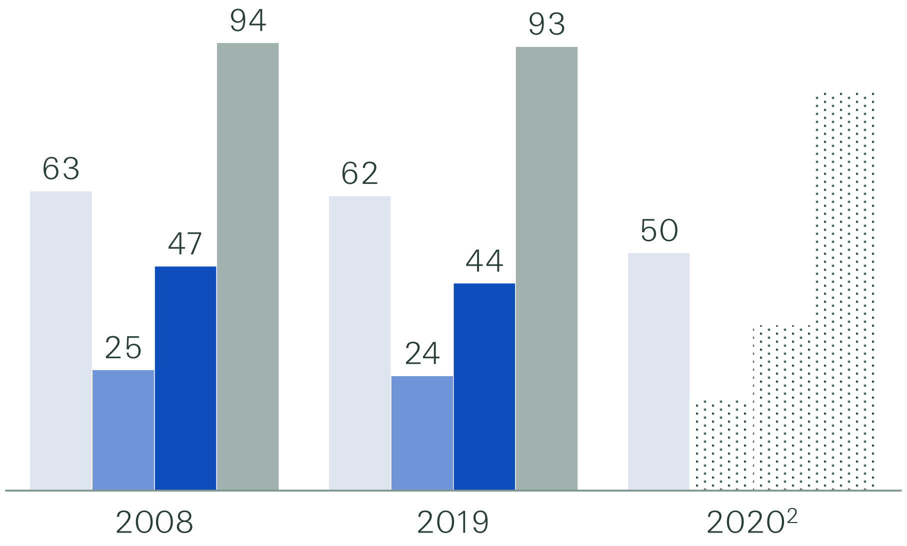
COVID-19 is supporting a more protracted market hardening, with increased focus on terms and conditions

[1] Source: Swiss Re/HSBC; total P&C and L&H impact for selected insurers and reinsurers; Note: mutuals do not report on a quarterly basis and P&C market estimate is on a gross basis whereas most re/insurers report on a net basis (incl. frequency benefits)
[2] Numbers in USD bn at 2020 prices; Source: Swiss Re Institute – estimate based on information and projections available as of November 2020

Insurers are focused on restoring overall resilience and financial stability

Amid globally reduced macro resilience...

Swiss Re Institute Global Resilience Indices (%)[1]



... we continue to support our clients throughout COVID-19

... reduce **earnings volatility**	e.g. nat cat covers, quota shares
... reinforce **balance sheet strength**	e.g. structured transactions
... achieve **optimal portfolio composition**	e.g. legacy solutions and portfolio reviews, prospective covers

We see increased demand for tailored and capital-related solutions

[1] Insurance resilience measured as protection available as a percentage of protection needed; macro resilience derived considering multiple economic and structural factors incl. economic complexity, low carbon economy, human capital and insurance penetration
[2] 2020 values for SRI nat cat, mortality and health Resilience Indices are illustrative only

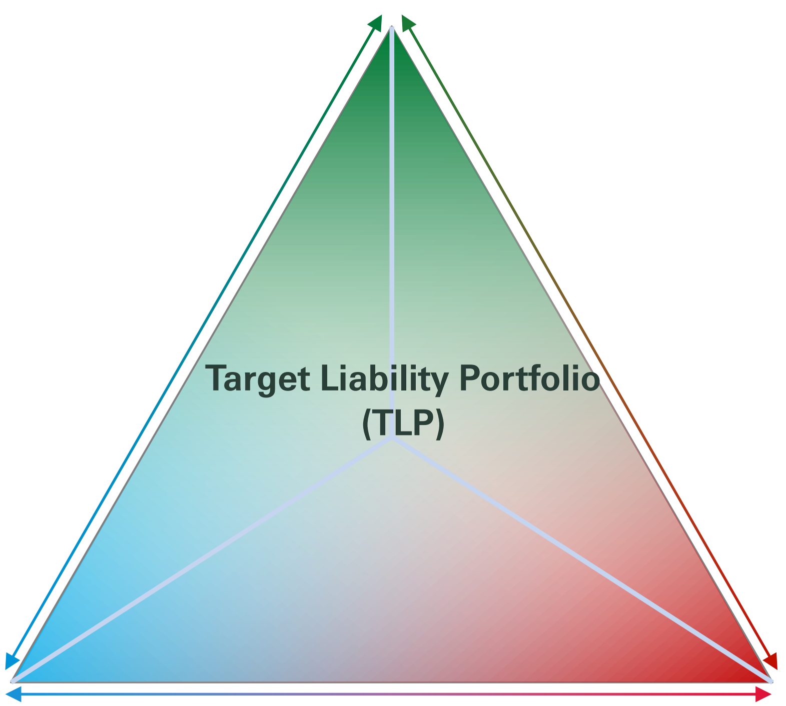
We have taken a number of actions to improve the quality of our P&C underwriting

Key actions taken

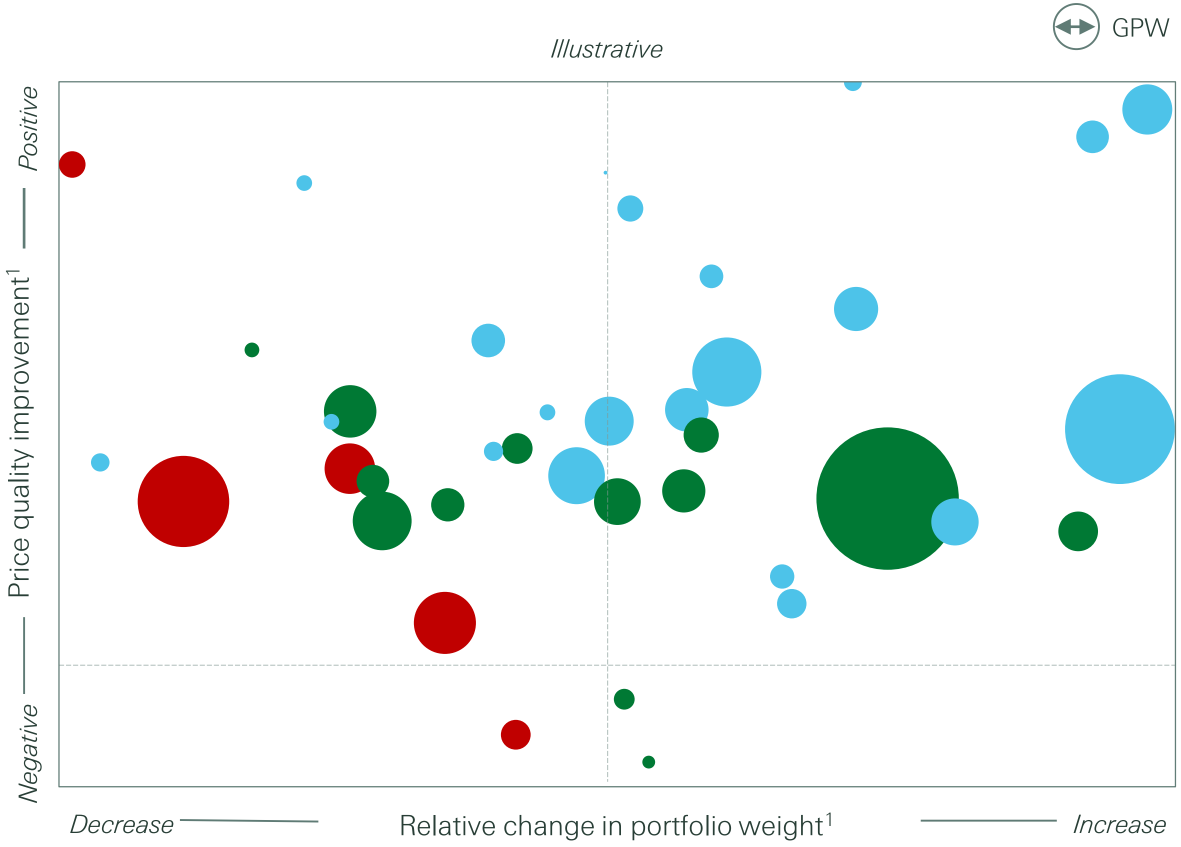
1. **Portfolio mix:** increasingly attractive risk-return profile of total portfolio
2. **Nat cat:** continuously updating risk models to reflect recent events
3. **US casualty de-risking:** reduction of exposures in Corporate Solutions and P&C Re
4. **US casualty new business:** focus on improving profitability

1 We have actively shifted our underwriting portfolio mix over the last 18 months in line with our Target Liability Portfolio

We steer our business based on a defined TLP...



... driving recent changes in our relative portfolio mix



Our TLP ensures focus and rigour in portfolio steering, aiming to achieve long-term underwriting outperformance

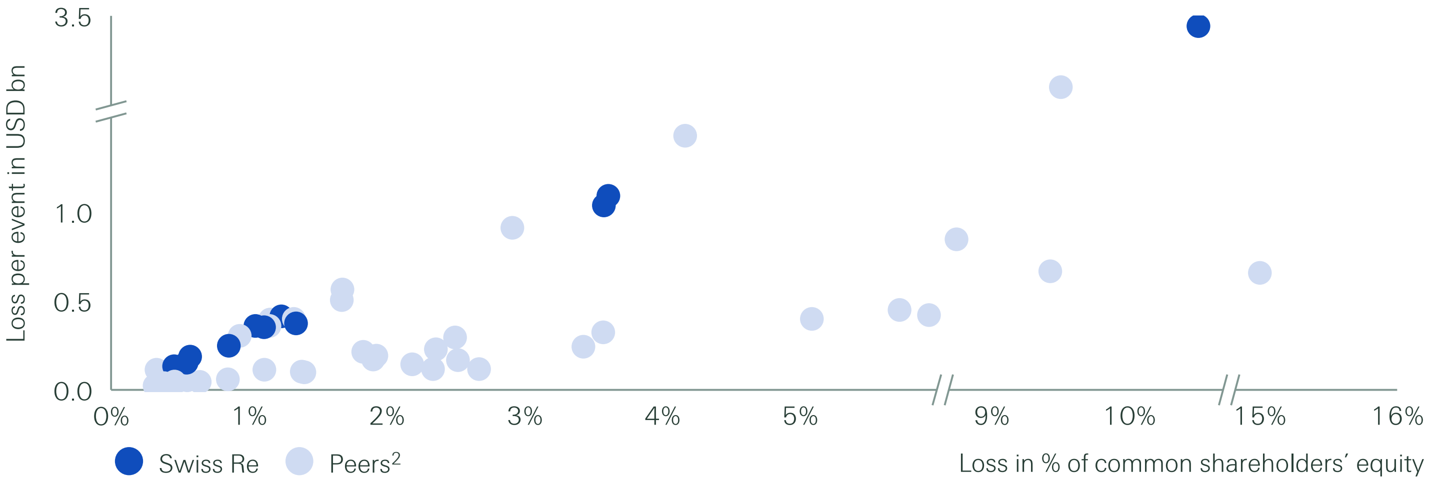
Swiss Re

[1] H1 2020 vs 2018

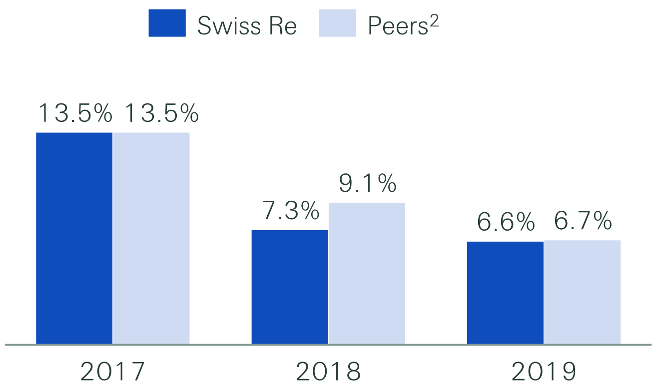
2 We have incorporated learnings from recent nat cat events to reinforce our strong track record in this line of business

Swiss Re's leading market position in Nat Cat is based on underwriting expertise and balance sheet advantages

Absolute and relative loss burden of major Nat Cat events, 2017-2019[1]



Total nat cat losses relative to shareholders' equity



We have adjusted our risk models for certain perils and continue to refine our views where appropriate, particularly on secondary perils

+30-70%
weather events in Australia with AUD >1bn insured market loss

+50-80%
recent elevated Japan typhoon activity

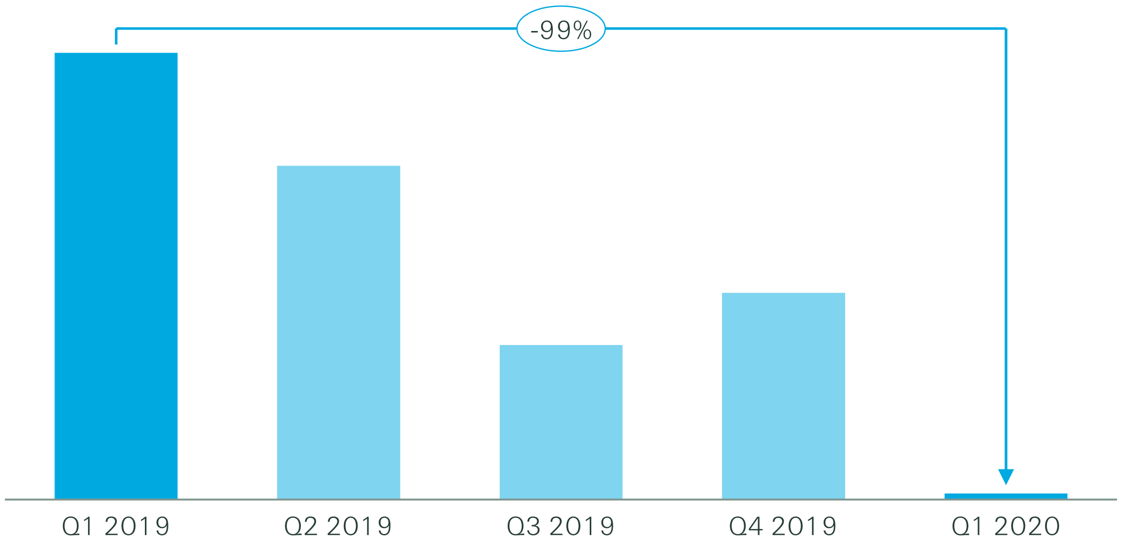
+70-110%
increased frequency of high-severity California wildfires

[1] Based on current accident year losses (net of external retrocession, before tax); includes reserve increases for loss creep in 2019 on Typhoon Jebi and Trami.
[2] Peers include Munich Re, Hannover Re, SCOR, Renaissance Re and Everest Re
Source: Company reports

3 We have meaningfully de-risked our US casualty portfolio and continue to focus on managing our exposures

Corporate Solutions de-risking progressing according to plan

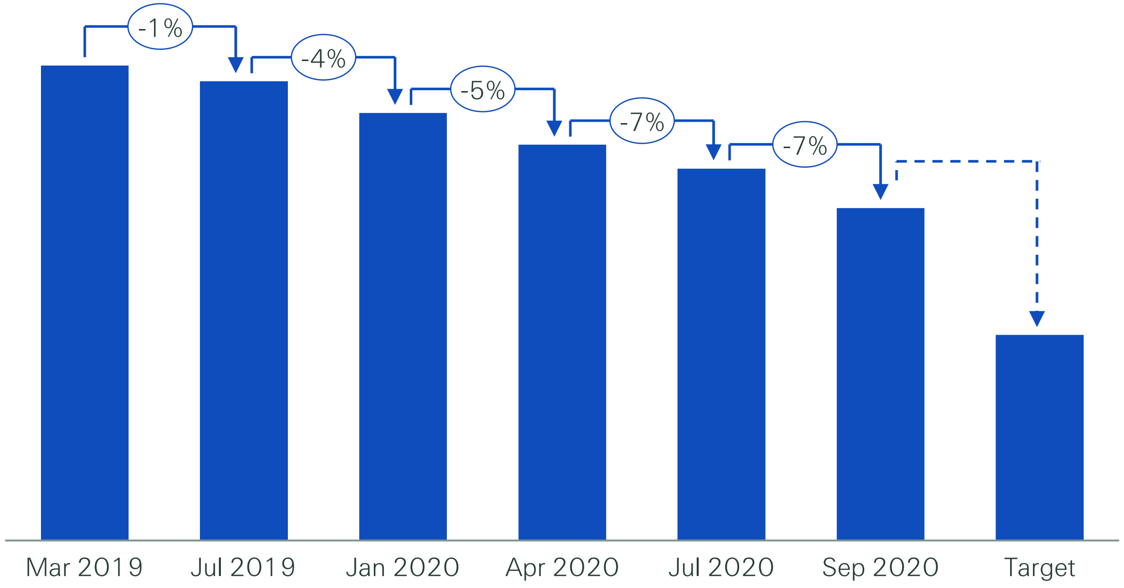
Corporate Solutions US general liability portfolio – gross premiums written



- In 2019, we decided to exit our US general liability portfolio
- Exit essentially complete as of the first quarter 2020 with a 99% reduction compared to the same period of 2019
- Introduction of new tighter guidelines for liability outside the US

P&C Re has reduced exposure to LCRs in liability lines by ~25%

P&C Re US liability portfolio – exposure to Large Corporate Risks (LCRs)



- LCR exposure reduction expected to accelerate in 2021
- In the past Swiss Re had a high share on the most exposed treaties but we have reduced our share towards a market weight position
- Over the next 12-24 months, we will further reduce this

[1] Includes the net effect of changes in premium mix (e.g. reduced liability), structuring actions (e.g. limits, corridors) and other underwriting actions

4 Underwriting of new US casualty business has been adjusted to help achieve significant profitability improvements

P&C Re put through significant price increases in the recent renewals

+11%
nominal rate increase Americas casualty reinsurance[1]

+20%
nominal rate increase US liability reinsurance[1]

Up to
5%pts
lower commissions for proportional US liability reinsurance[2]

- Technical combined ratio has improved across regions
- US casualty book has seen strong original rate increases and tightening of conditions
- We have applied higher loss picks, in some cases significantly above those of our cedants
- Social inflation accounts for >50% of the increased loss picks

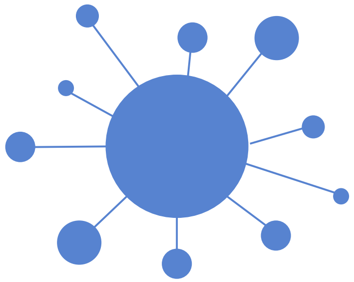
Concrete remediation actions are in place to ensure stronger margins in US casualty going forward

1 Based on July 1st renewals.
2 Over the course of 2020

L&H underwriting reflects both near-term COVID-19 considerations and longer-term trends

L&H UW focus areas

Near-term focus on COVID-19

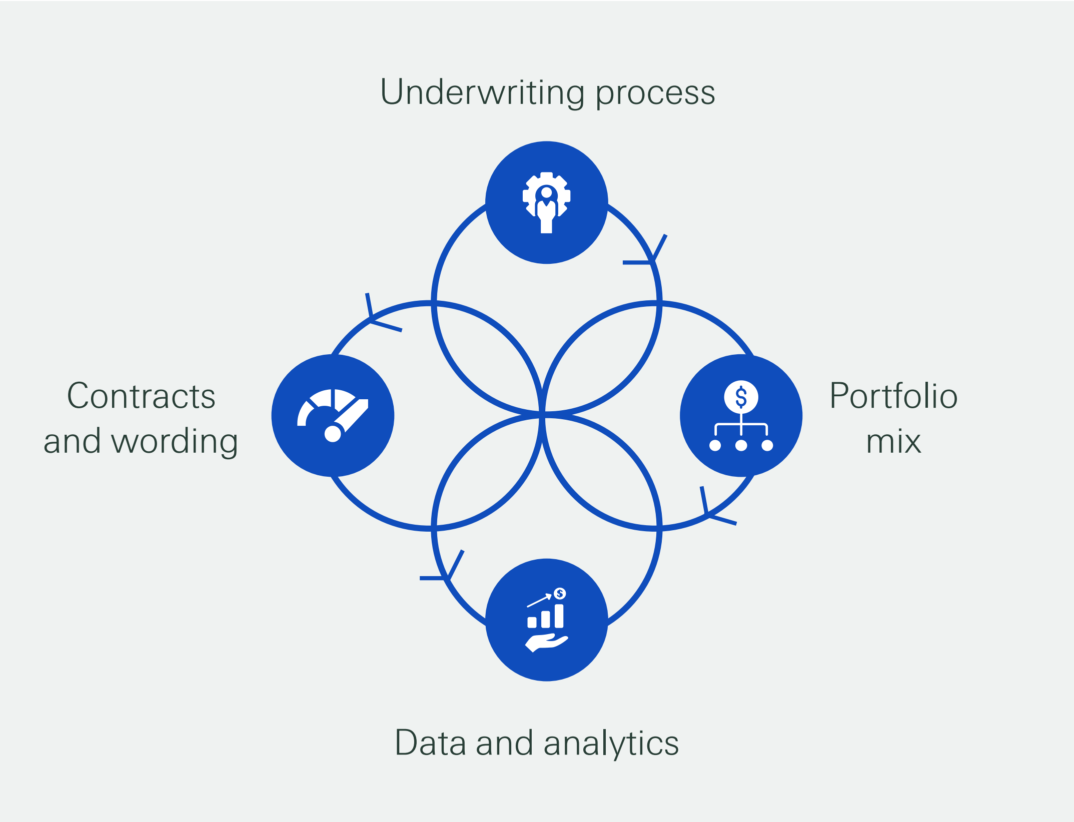


- Temporary changes to **underwriting guidelines** during pandemic
- **Soft** rather than hard **guarantees** for long-term critical illness

Long-term focus on R&D

- Robust **duration and margin management**
- Monitoring and R&D work on **disability and cancer trends**

Swiss Re is focused on underwriting of the future to ensure we can compete in an evolving insurance landscape



- State of the art **data-driven workflow tools**
- **Real-time underwriting** decisions with strengthened costing assumptions

- Data-driven TLP model, incorporating **advanced scenario modelling**
- Optimal reflection of **forward-looking views and capital modelling**

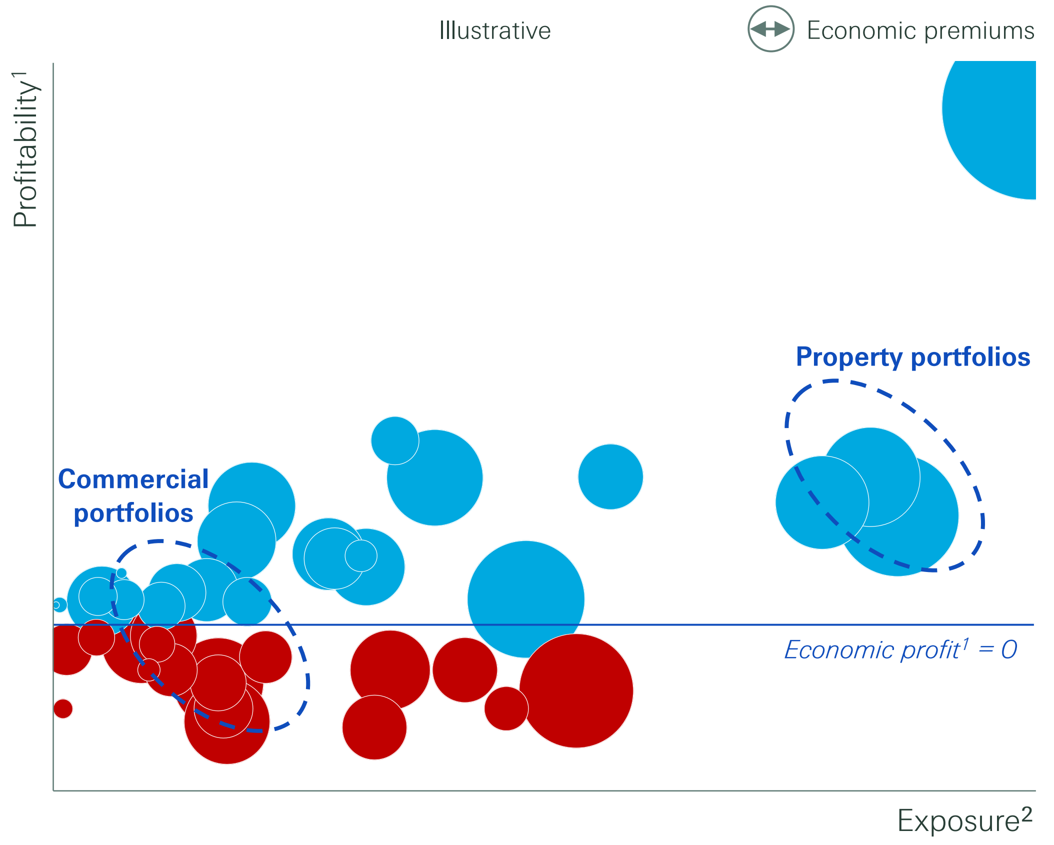
- Underwriting data at individual contract level with **live monitoring**
- Risk **insights for individual location, risk and policy**

- End-to-end **digitisation of contracts**
- Application of **machine learning** to track exposures and review wordings

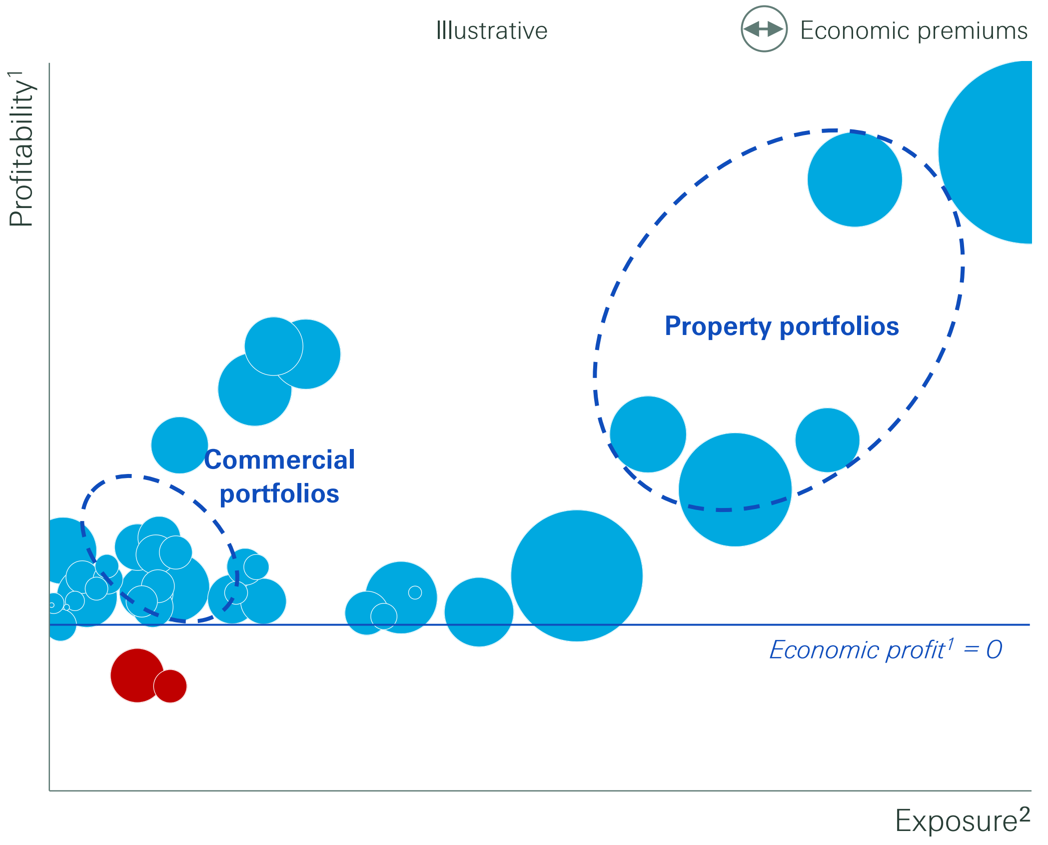
We focus on applying data, analytics and technology to tangibly improve our day-to-day underwriting

Our current profitability outlook is positive across our P&C and L&H underwriting portfolios

Underwriting portfolios at low point of soft market (for 2017)



Current underwriting portfolio outlook (for 2021)



>95% of our underwriting portfolios are expected to return more than cost of capital

Swiss Re

1 New business underwriting profit above capital costs, assuming normal loss experience in line with costed assumptions, excluding centralised and unallocated items.
2 Based on standalone shortfall

Swiss Re

Reinsurance

Moses Ojeisekhoba, Chief Executive Officer Reinsurance

We are focused on increasing the earnings power of Reinsurance

Key assets to capture profitable growth

- Global scale and presence
- Strong franchise, evidenced by client and broker rankings
- Significant diversification benefit within Reinsurance
- Technology, innovation and R&D

Key messages

- ✓ Focus on differentiation through Core, Transactions and Solutions
- ✓ Benefit from positive reinsurance market pricing developments
- ✓ Capture profitable P&C opportunities in nat cat and Regional & National segment
- ✓ Continue L&H track record with attractive new business and in-force management
- ✓ Scale Solutions to accelerate achievement of clients´ business ambitions
- ✓ Continue to optimise portfolio mix

Differentiation drives our Reinsurance business and enables growth in Core, Transactions and Solutions

	Core Traditional reinsurance offerings	**Transactions** Tailored and structured reinsurance	**Solutions** Additional value-adding services
How we win	Brand and reputation Scale and presence	Ability to execute Balance sheet strength	Joint risk sharing Tech, innovation and R&D
Putting strategy into action	Increase support to Regional & National clients with traditional covers	Balance Transactions between small, mid-sized and large deals	Solutions support differentiation in Core and Transactions
	4-5% p.a. mid-term premium growth outlook in Core market[1]	Diversified book of Transactions with **~200** deals across regions	**>40%** of our clients utilise one or more of our Solutions

[1] Swiss Re Institute forecast of global ceded premium CAGR, 2020-2030

Our business benefits from diversification across client segments, lines of business and regions

We continue to grow our book...

Economic premiums (USD bn)

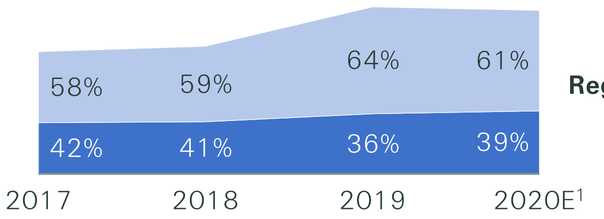
Economic profit[2] (USD bn)

... and aim to maintain our diversified earnings profile

P&C Re

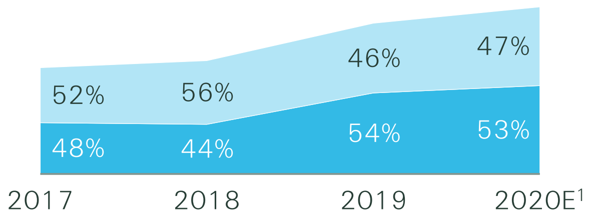
L&H Re

By client segment[3]

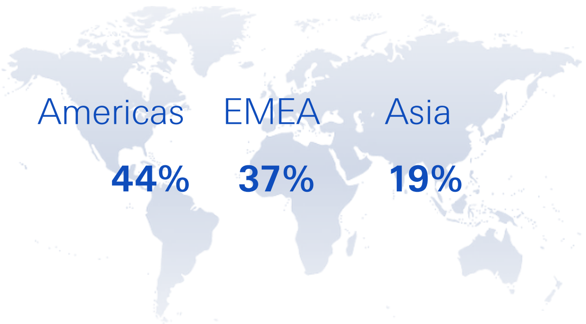


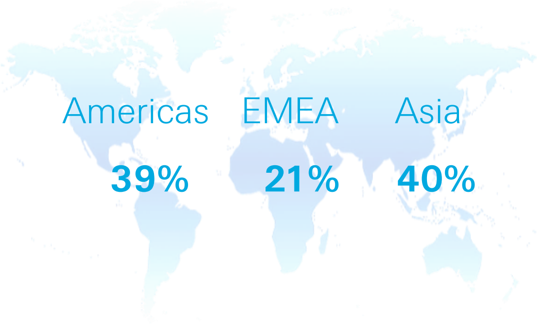
Regional & National[4]

Globals



By geography[3]





[1] FY 2020 extrapolation based on 6M 2020
[2] New business underwriting profit above capital costs, assuming normal loss experience in line with costed assumptions, excluding centralised and unallocated items
[3] Based on economic premiums
[4] Regional & National clients includes Large client segment

We have a strong client franchise but are not resting on our laurels

Close relationships built over time are one of our key assets, leading to...

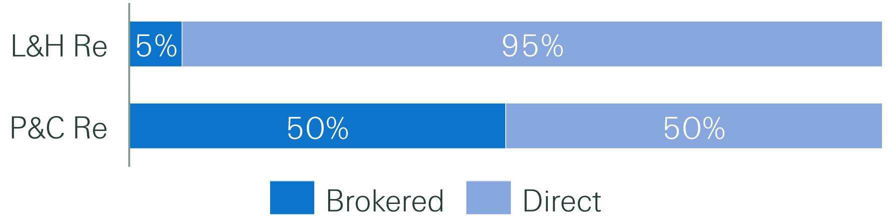
2 315 active reinsurance clients

'Right service for right client' using client needs and buying segmentation

Low touch client

High touch client

Clients served both through broker channels and direct relationships



... top rankings with our clients

NMG study Business Capability Index[1], 2020

P&C Re

#1	#1	#1
Brokers	Target market[2]	Total market

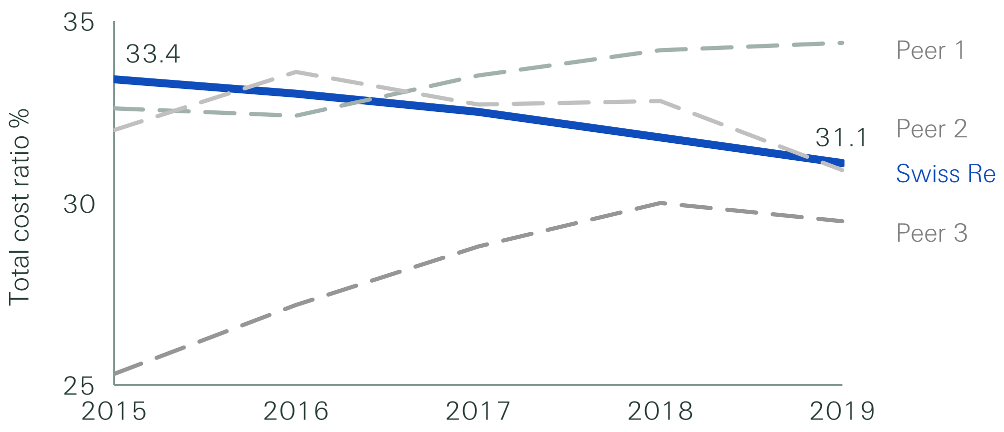
L&H Re

#1	#2
Target market[2]	Total market

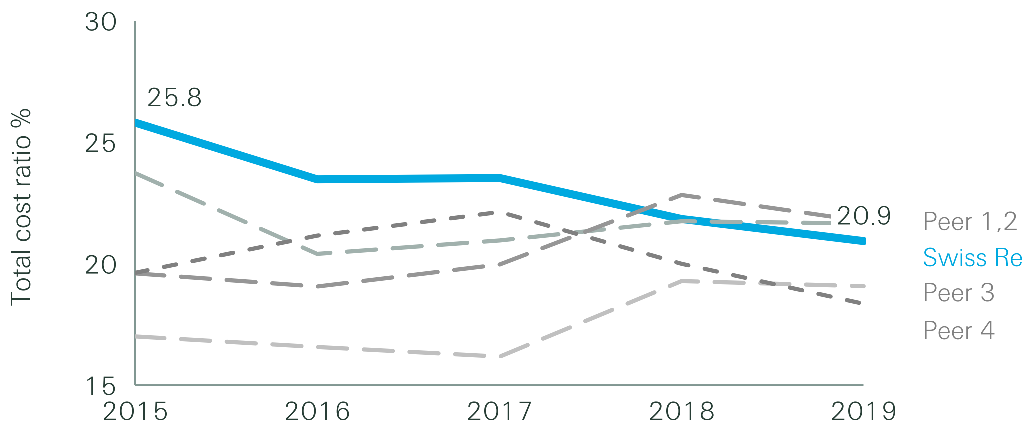
[1] NMG consulting 2020 global study of the reinsurance market; Business Capability Index ranks reinsurers delivering highest value to clients/brokers
[2] Swiss Re defined target insurers/clients

We have increased our operating efficiency by fully leveraging our global platform

P&C Re cost ratio[1] has reduced, now in line with peers[2]



L&H Re has moved to a more competitive cost ratio[1,2]



Efficiency drivers

Smart growth

Reallocation of resources to key growth areas

Diversification

Capital efficiency driven by geographic and product mix

Right service for right client

Services aligned to client needs

Improve efficiency

Smart and lean processes, leveraging technology and footprint

1 Cost ratio: GAAP/IFRS operating expenses plus acquisitions costs
2 Peers include Hannover Re, Munich Re, SCOR and RGA (for L&H Re)

Our Solutions are designed to accelerate our clients' business ambitions

Solutions enable our clients to achieve their business goals across the value chain

Product development	Underwriting & pricing	Sales & distribution	Claims & in-force management
Customer engagement and risk assessment	Enhancement with predictive models	Lapse, retention, propensity to buy models / strategies	Data insights to improve profitability

Product innovation
Agile (co-)creation of next-generation propositions

# of new launches	Premiums generated
>210	USD 5bn

Magnum
Automated L&H underwriting and dynamic risk ratings

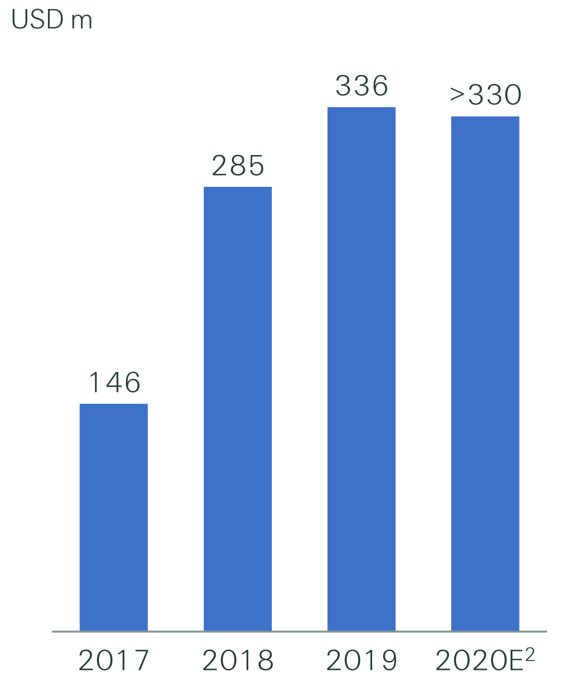
Applications processed	Efficiency uplift
13m	+80-100%

SwiftRe®
P&C risk placement and management platform

Quote response time	Reduced UW time
5min	90%

Client benefits

Economic profit[1]



>750
P&C Re clients supported

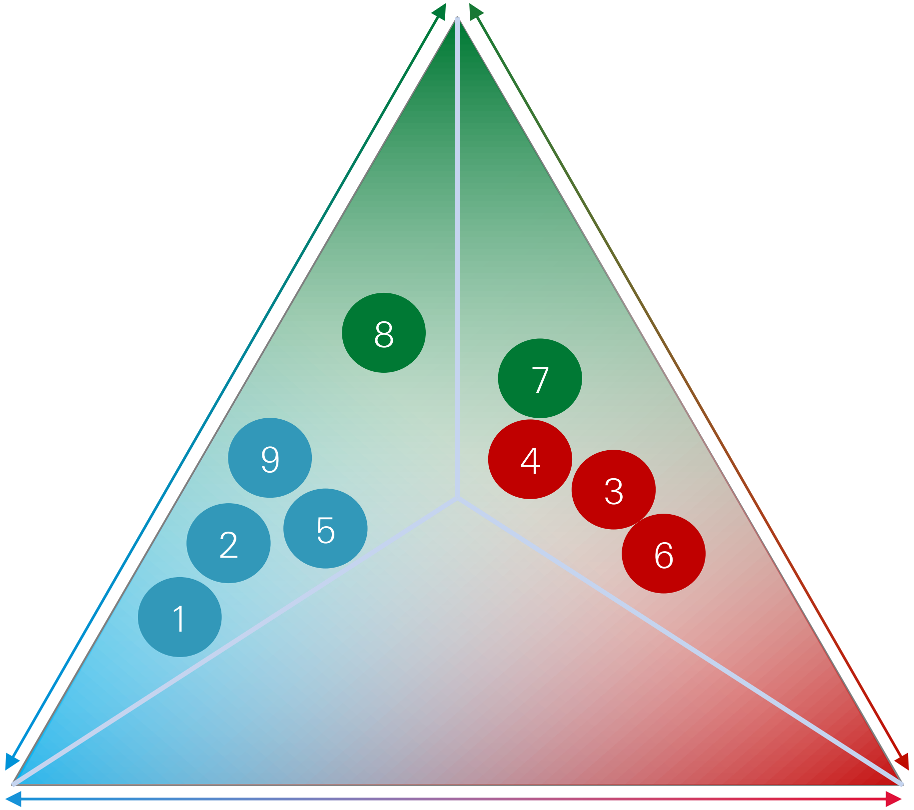
>230
L&H Re clients supported

[1] New business underwriting profit above capital costs, assuming normal loss experience in line with costed assumptions, excluding centralised and unallocated items
[2] FY 2020 extrapolation based on 6M 2020

We are rebalancing our portfolio in line with our Target Liability Portfolio and our core strengths

We actively steer our portfolio…

Enhanced profitability



Sustainable growth

Exposure management

… based on pricing outlook and market trends

	Pricing[1]	X	Exposure[2]	=	Premium
1 Property cat	↗		↗		↗
2 Property non-cat	→		↗		↗
3 Liability	↗		↘		→
4 Motor	↗		↘		→
5 Marine and engineering	↗		↗		↗
6 Credit & surety	↗		↘		→
7 Health	↗		→		↗
8 Mortality	→		↗		↗
9 Longevity	→		↗		↗

[1] Based on price adequacy estimate from Target Liability Portfolio
[2] Based on market share target from Target Liability Portfolio

P&C Re: focus areas to selectively expand the portfolio and increase margins

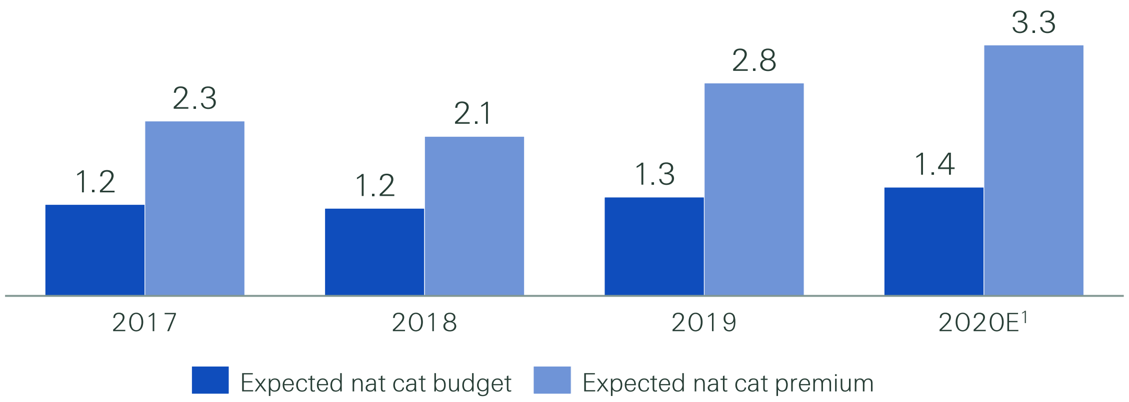
P&C Re

1. **Nat cat:** continue to develop our book at attractive rates
2. **Specialty:** capture profitable opportunities
3. **Regional & Nationals:** expand our client base
4. **Actual vs expected earnings:** address areas of recent underperformance

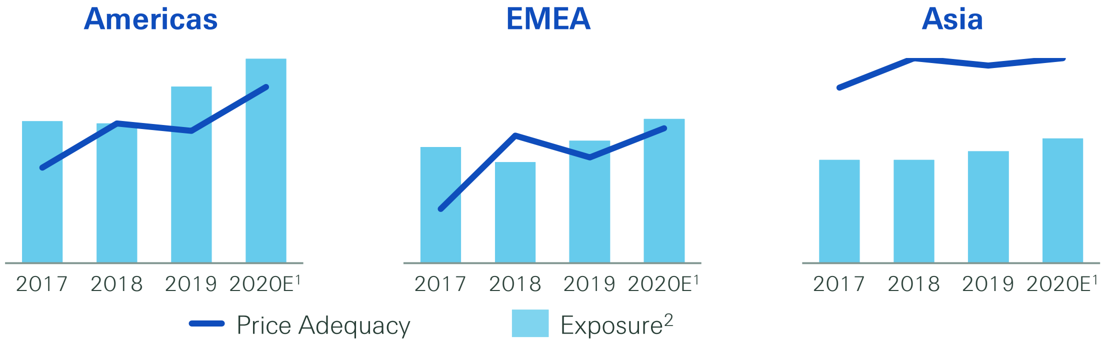
1 We will continue to grow our nat cat book at attractive rates

Strong growth in US GAAP nat cat premiums and expected margins…

USD bn



… focused on areas with the highest risk-adjusted price increases



Significant increase in sustainable earnings power

USD >0.4bn

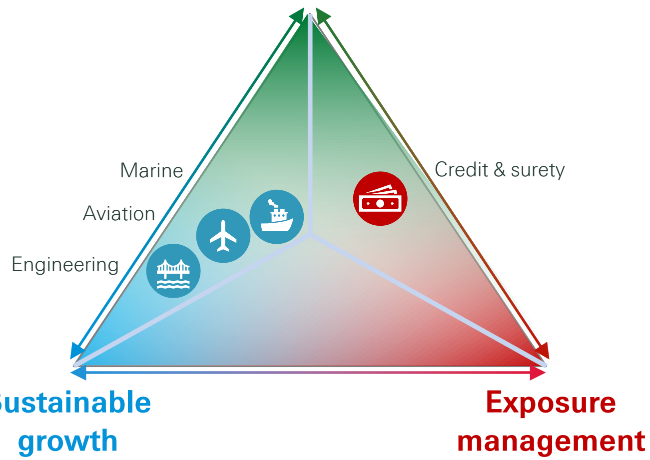
increased annual pre-tax US GAAP earnings since 2017

Growth has been more focused on peak scenarios, supported by successful expansion of Alternative Capital Partners

[1] FY 2020 extrapolation based on 9M 2020
[2] Based on gross expected losses

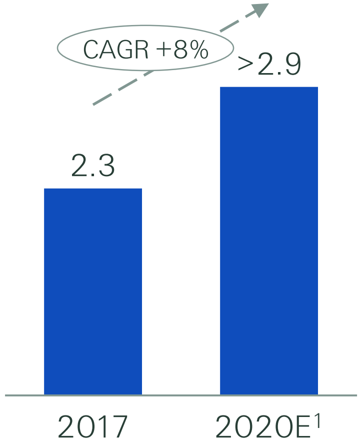
2 We run a disciplined specialty book, with targeted growth opportunities

We have a positive outlook for our specialty book...



... reflecting profitable opportunities across the portfolios...

Economic premiums (USD bn)



USD >0.3bn

average pre-tax US GAAP earnings[2]

+30%

increase in economic profit[3] in the last 3 years

... supported by a global team with strong underwriting and innovation capabilities

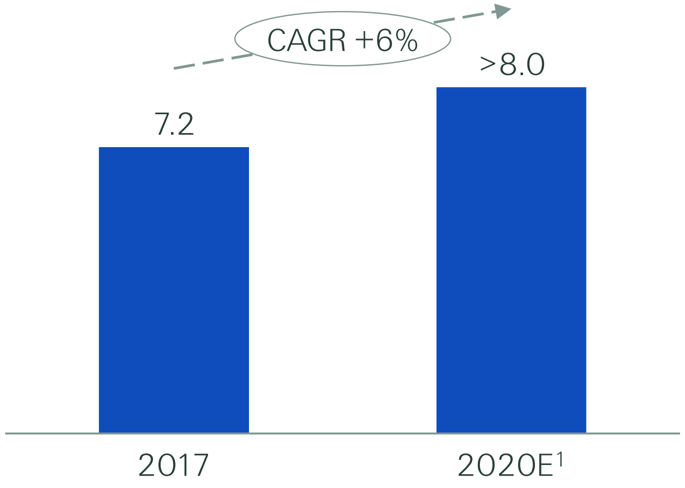
- Very strong underwriting capabilities and portfolio steering to address divergent trends across portfolios
- Solid mid-term growth outlook particularly in engineering and marine
- Differentiation vis-à-vis clients with adapted digitisation solutions in response to more tech-savvy markets

[1] FY 2020 extrapolation based on 6M 2020
[2] Since 2014
[3] New business underwriting profit above capital costs, assuming normal loss experience in line with costed assumptions, excluding centralised and unallocated items

3 Opportunity to grow with Regional & National clients, building on our successful foundation

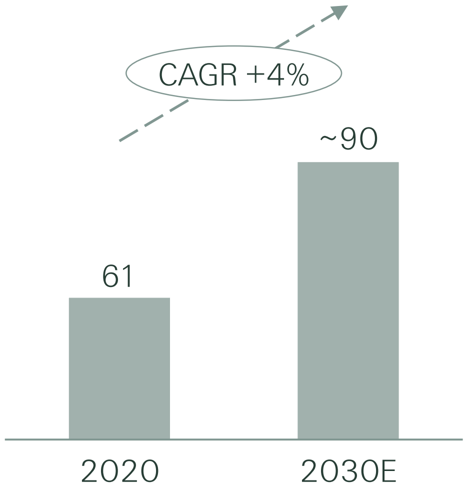
Swiss Re has grown premiums steadily since 2017…

Economic premiums for Regional & National segment, USD bn



… with further potential to expand

Forecast premiums in US market[2], USD bn



12%

Globals market share[3]

9%

Regional & National market share[3]

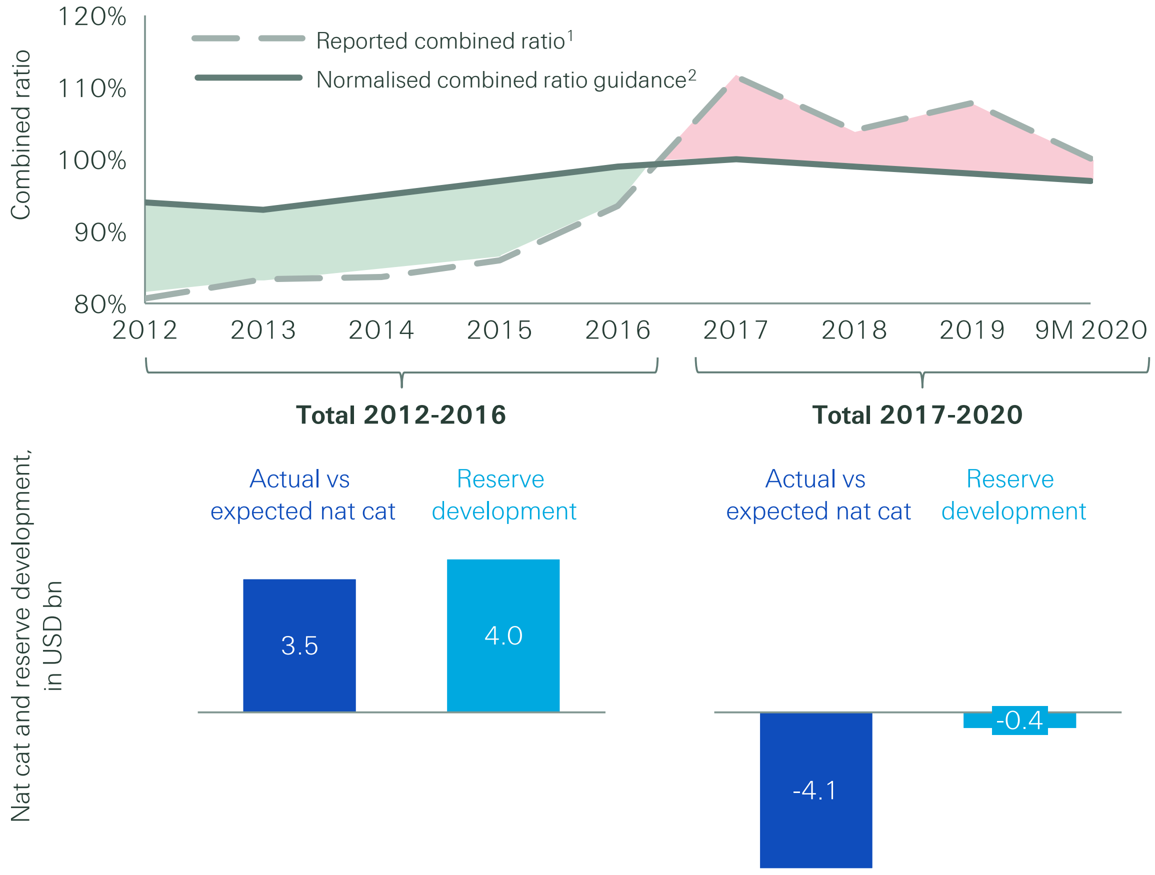
Ambition to expand Core reinsurance to our Regional & National clients

- Opportunities in all regions
- Increase capacity for selected lines of business
- Leverage technology to simplify and automate processes
- Extensive distribution network to access business

1 FY 2020 extrapolation based on 6M 2020
2 Source: Swiss Re Institute
3 Share in total market (not only US), by segment as of FY 2018

4 Nat cat losses remain largely in line with long term expectations while we are addressing recent underperformance in US casualty

Positive normalised GAAP combined ratio trend expected to continue...



... supported by targeted portfolio actions

Large nat cat losses

- Profitable property portfolio, even in exceptional 2017-2020 period, with nat cat losses in line with market
- We have reviewed shares and exposures and revised models where necessary (e.g. Australia, Japan)

US casualty

- Actions taken to substantially reduce exposures to Large Corporate Risks
- Significant price increases and improved terms and conditions, with higher initial loss picks

[1] 9M 2020 excludes COVID-19 impact
[2] Assumes an average large natural catastrophe loss burden and excludes prior-year reserve developments

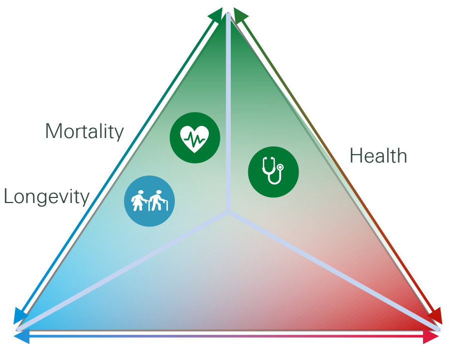
L&H Re: continuation of profitable growth and margin management

L&H Re

1. **Portfolio steering:** develop mortality book and seize opportunities in health and longevity
2. **Growth:** continue expansion in Asia and further portfolio diversification
3. **In-force margins:** active management of in-force business

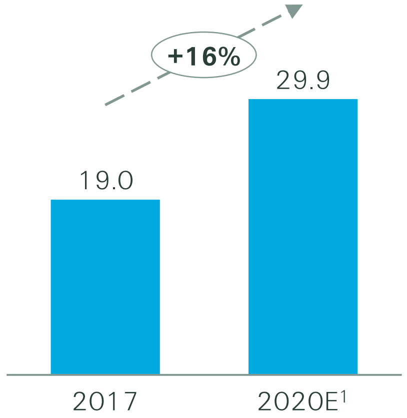
1 Our strategic positioning and broad range of opportunities in L&H Re support profitable new business growth

Our focus in L&H Re is on margins...



... reinforcing position as the Group's largest economic profit contributor

Economic premiums (USD bn)



USD 1bn+
average economic profits 2017-2020E[1,2]

12.1%
average US GAAP return on equity 2017-9M 2020[3]

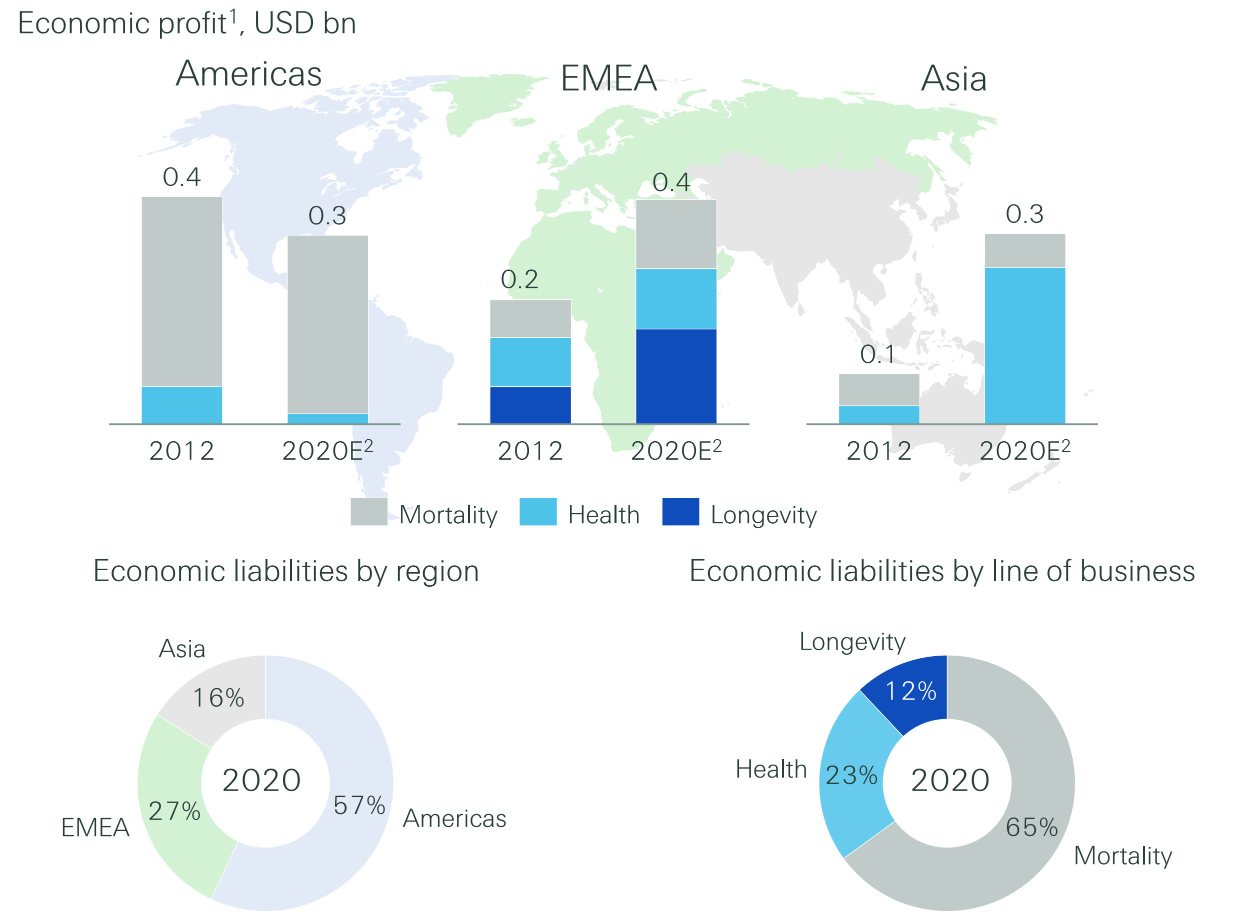
We continue to develop our mortality portfolio and also see opportunities in health and longevity

- Expanding mortality across all regions, in line with expected gradual recovery in sales from COVID-19 crisis
- Maintaining diversification and profitability of disability, critical illness and large transactions within health portfolio
- Selectively growing longevity in line with risk capacity, while maintaining stable pricing

[1] FY 2020 extrapolation based on 6M 2020
[2] New business underwriting profit above capital costs
[3] 9M 2020 excludes impact of COVID-19

2 Strong new business generation has further increased the attractiveness and diversification of the in-force portfolio

L&H Re has grown into a truly global business, fuelled by Asia



- L&H Re has significantly grown overall
- Share of health and longevity increased, driven by Asia and EMEA
- Higher geographical diversification of in-force book; Asia represents 16% of economic liabilities
- Pre-2004 US book decreased to <20% of economic liabilities (from >50% in 2012). Current Post Level Term US GAAP ROE drag significantly decreases from 2023 onwards

[1] New business underwriting profit above capital costs
[2] FY 2020 extrapolation based on 6M 2020

3 We actively manage our in-force business to maintain margins

In-force management is an effective tool to create value for both Swiss Re and our clients

Client benefits

Portfolio rebalancing	Optimisation after strategic reviews or M&A
Balance sheet mgmt	Improving regulatory and risk capital
Earnings recognition	Creating flexibility on timing of earnings generation

Swiss Re benefits[1]

~USD 1.3bn
recaptured economic liabilities by >25 clients

USD 150m
incremental US GAAP earnings

Selected examples

Legacy treaty recapture with global client in EMEA

- Enabled client to improve capital position and react to changing regulatory landscape
- Swiss Re reduced operational complexity, removed investment drag on operating income and crystalised future earnings

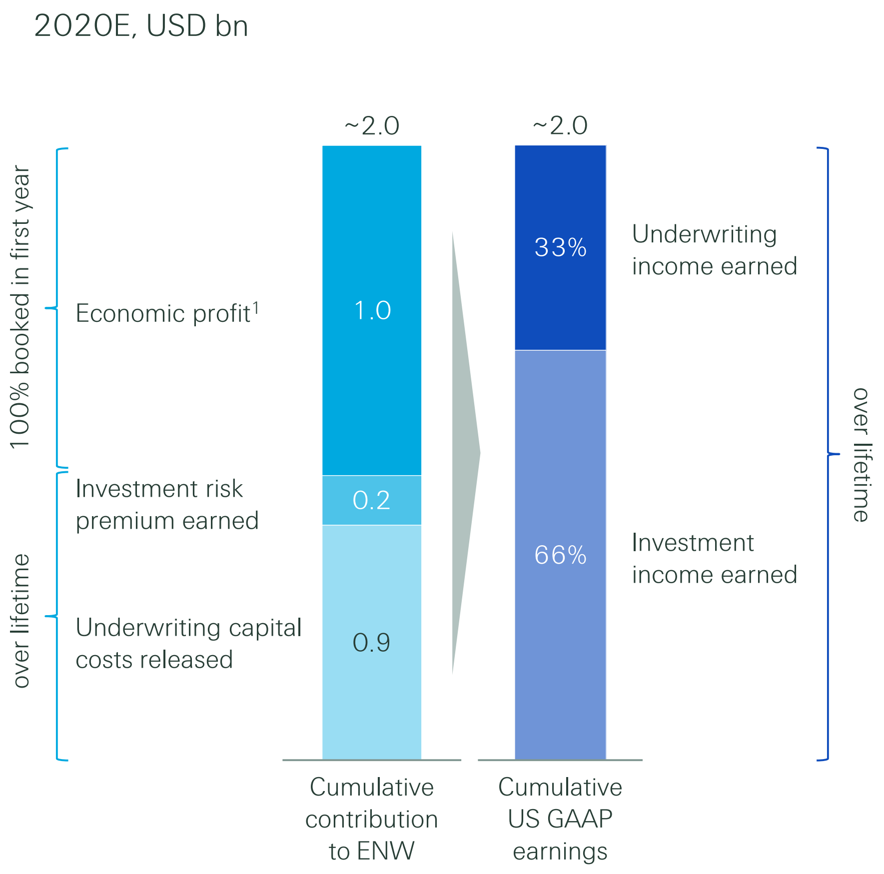
Conversion of an existing treaty in Asia

- Reduced administration costs for client, while Swiss Re unlocked capital which could be redeployed in more attractive areas
- Reinforced relationship with strong level of trust

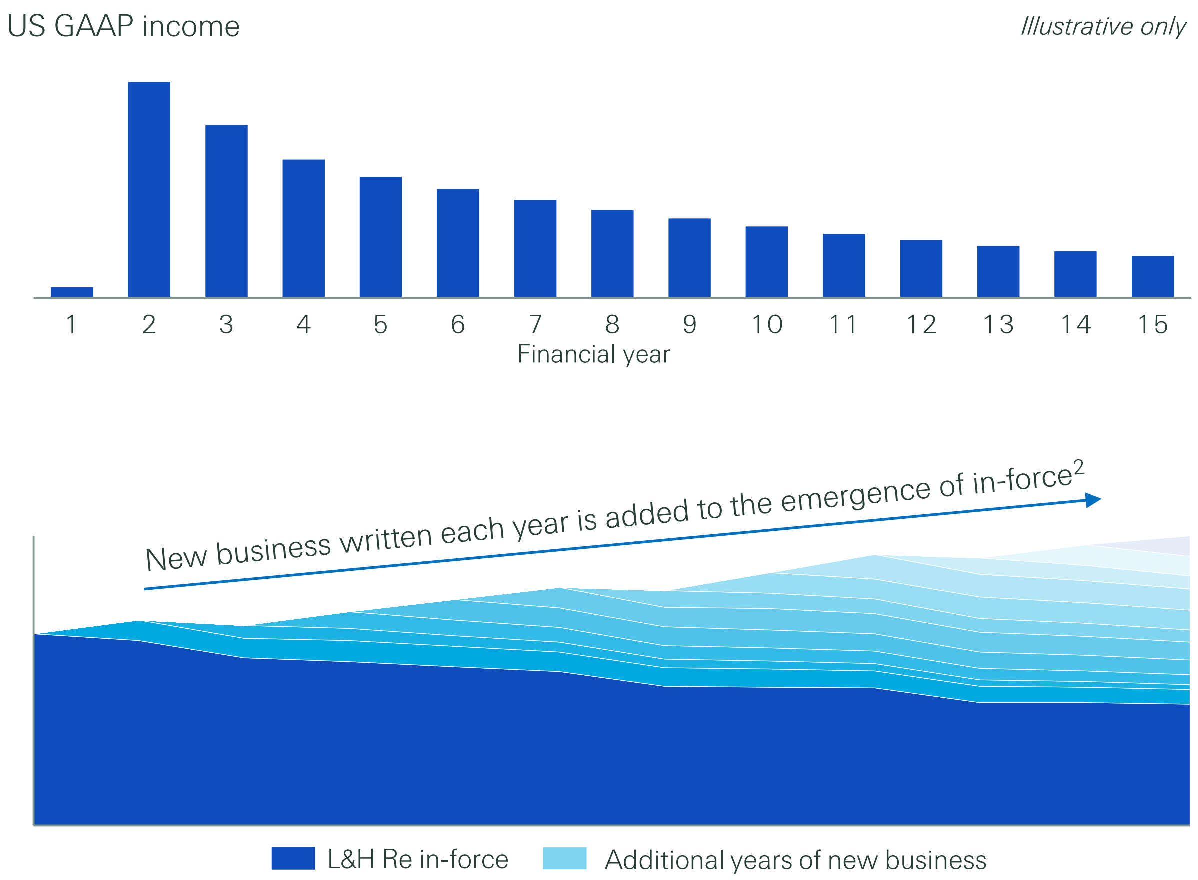
[1] Benefits in Q4 2018-Q3 2020

3 In-force and new business lay the foundation for future underlying earnings growth

Economic profits generated each year…



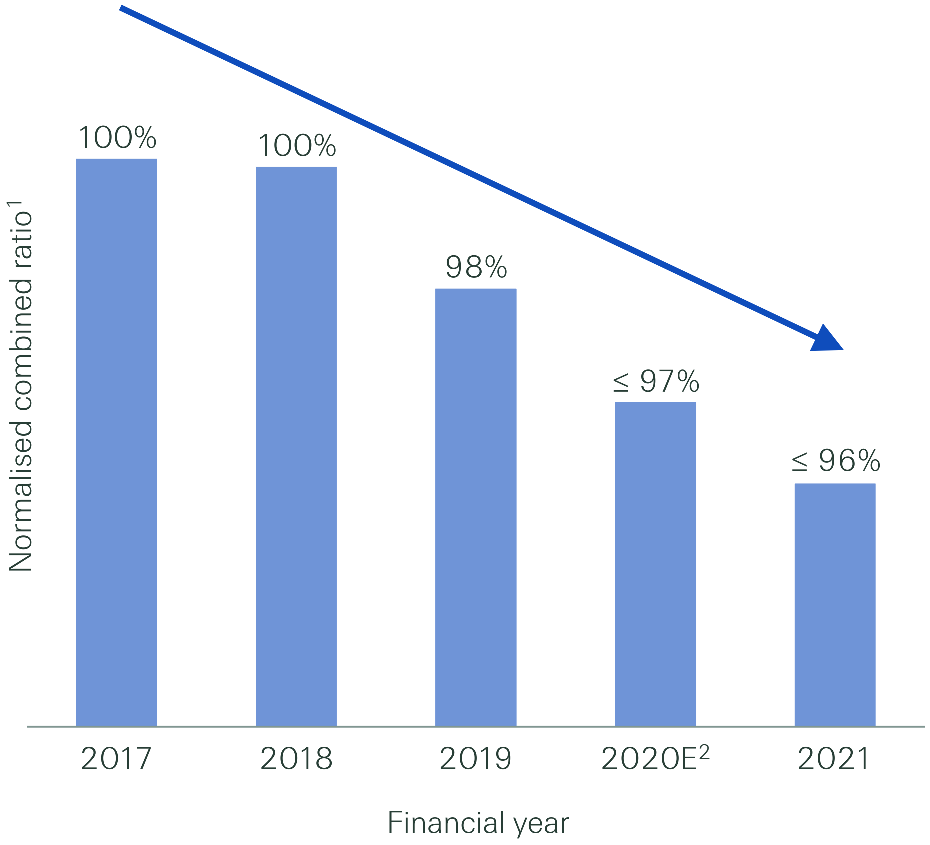
… emerge in US GAAP over the lifetime of the exposure



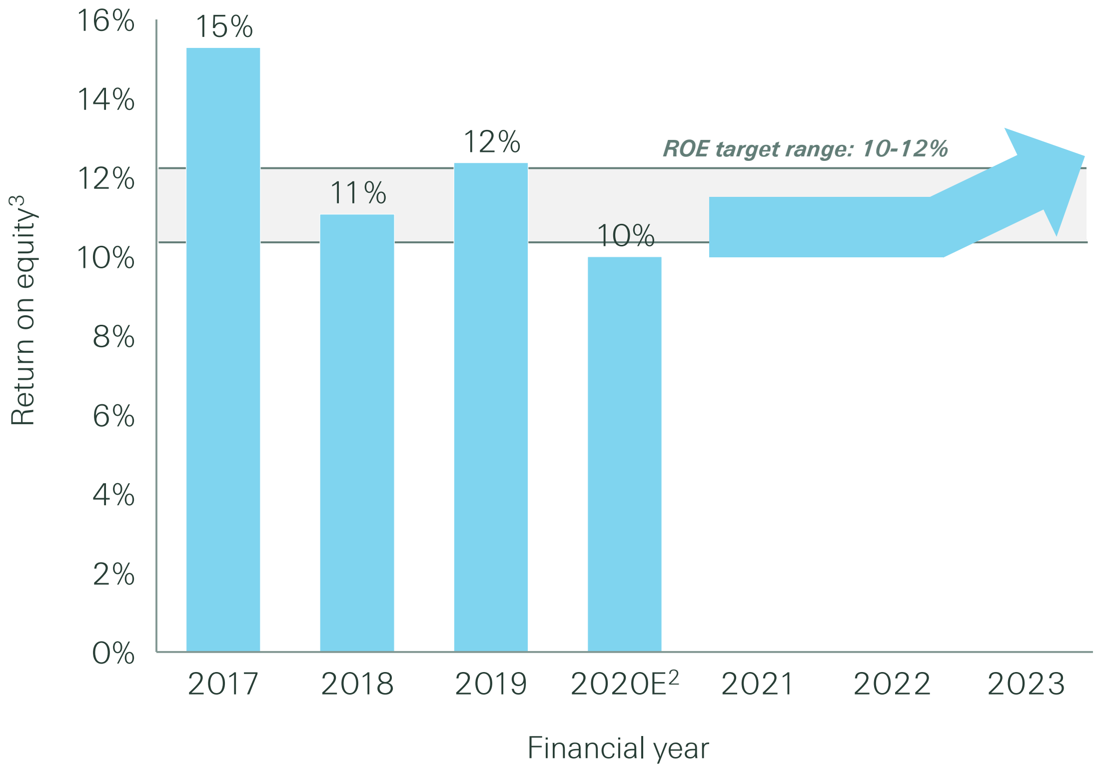
[1] New business underwriting profit above capital costs
[2] As long as new business is larger than old business running off

We have a positive financial outlook for both P&C Re and L&H Re

P&C Re: combined ratio improvement expected to continue



L&H Re: expected ROE uplift from 2023 onwards



[1] Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact
[2] Based on 9M 2020
[3] Excluding COVID-19 impact

Our over-the-cycle financial targets remain unchanged

- ✓ Focus on differentiation through Core, Transactions and Solutions
- ✓ Benefit from positive reinsurance market pricing developments
- ✓ Capture profitable P&C opportunities in nat cat and Regional & National segment
- ✓ Continue L&H track record via attractive new business and in-force management
- ✓ Scale Solutions to accelerate clients' achievement of their business ambitions
- ✓ Continue to optimise the portfolio mix

Financial targets

≤96%
2021 combined ratio[1]

10-15%
ROE over-the-cycle P&C Re

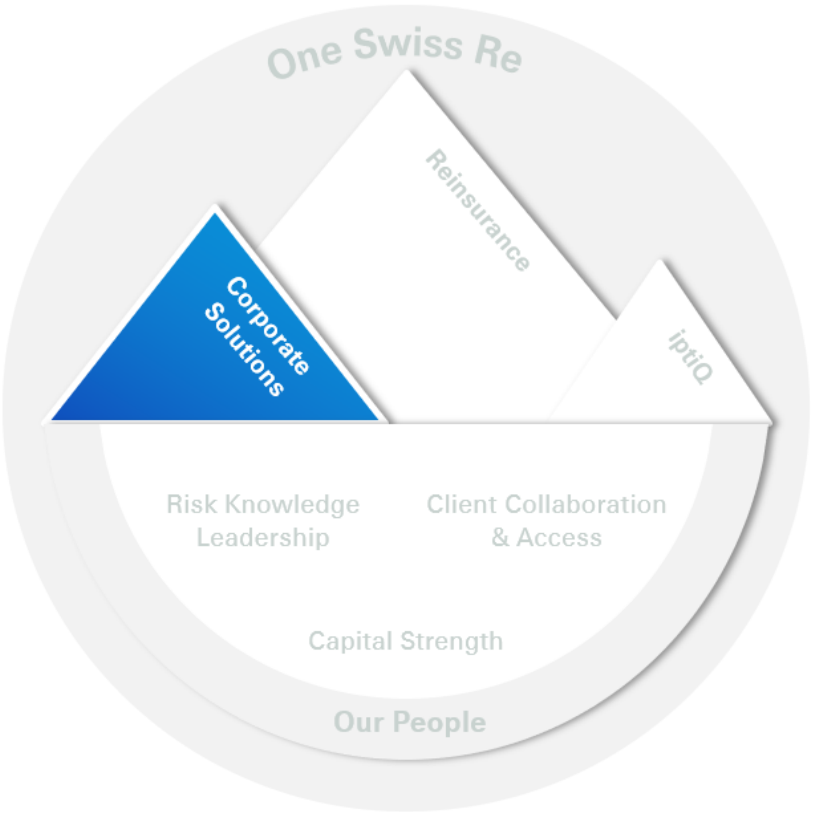
10-12%
ROE over-the-cycle L&H Re

[1] Combined ratio estimate, assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact

Corporate Solutions

Andreas Berger, Chief Executive Officer Corporate Solutions

Corporate Solutions is core to Swiss Re's Group strategy



Key assets to capture profitable growth

- Access to and strategic engagement with corporates
- Refocused, differentiated core business
- Technology and data infrastructure
- Talent and people capabilities

Key messages

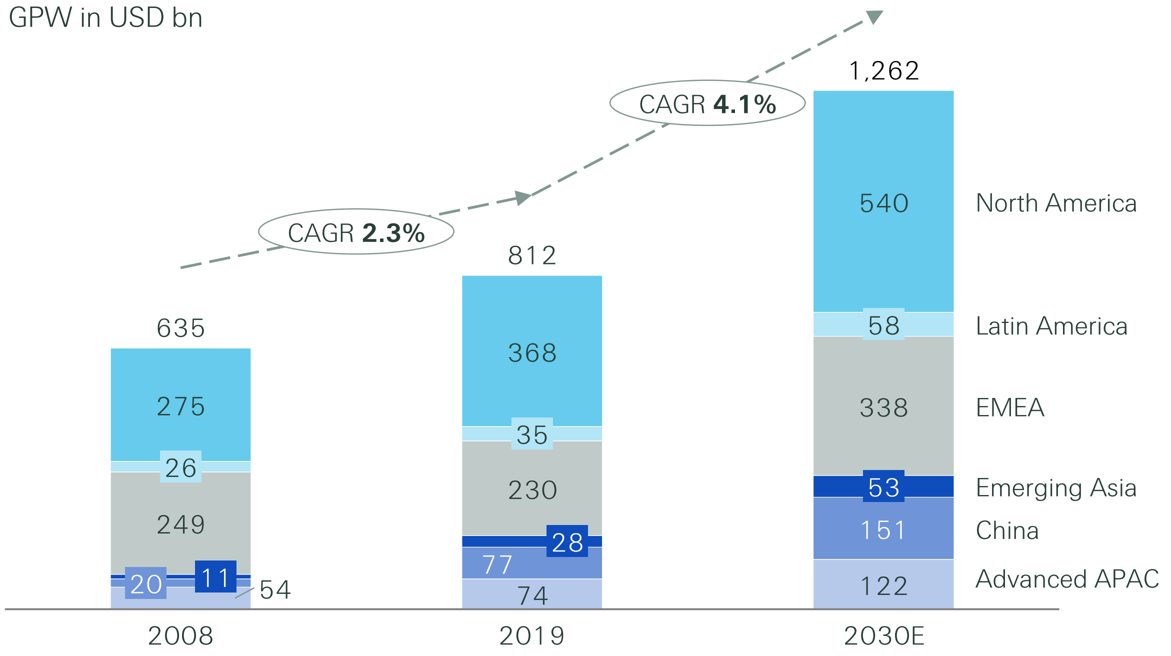
✓ Corporate Solutions is an integral part of Swiss Re's Group strategy and provides complementary access to a strategically and financially attractive commercial insurance market

✓ Corporate Solutions turnaround is well on track and we are confident to achieve our 2021 combined ratio target of ≤98%

✓ With our mid-term strategic priorities we are moving towards a more customer focused, better diversified and more cycle resilient commercial insurance model

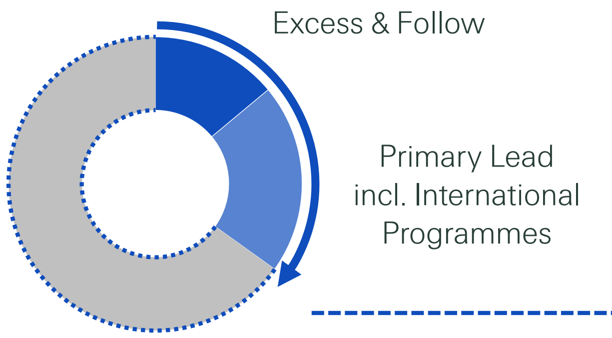
Corporate Solutions provides access to a USD 800bn underlying direct insurance market

Commercial lines remain an attractive and growing risk pool



The global commercial insurance market is expected to grow to USD 1.2+ trillion over the next decade but is highly fragmented

Corporate Solutions addressable market



Core segments[1]

~30%

Large and mid-sized corporates targeted via bespoke propositions

Other market segments

e.g. SME, mid corporates[2]

~70%

Targeted selectively via standard underwriting proposition, JVs and partnerships

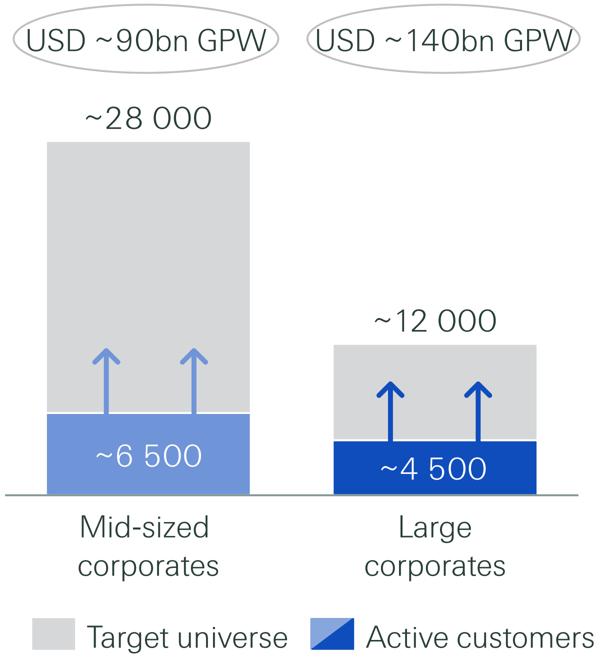
Expansion of our addressable market provides diversifying access to risk pools with lower reinsurance cessions

Corporate Solutions provides complementary access to a large and strategically important market

[1] Addressable core market based on targeted priority markets. Large corporates turnover > USD 500m, mid-sized corporate turnover > USD 100m
[2] Turnover < USD 100m

Our direct access to corporate customers is a strategic asset

Core target customer universe



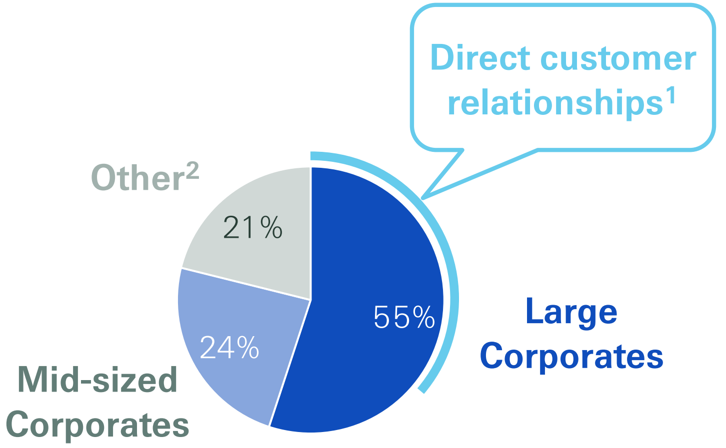
Target universe:

~40 000 large and mid-sized corporates,

USD ~230bn GPW

Target customer universe provides significant room for long-term growth

GPW by customer segment



> 35% of GPW sourced via direct relationships, incl. 123 strategically managed Key Accounts

Leading franchise as a specialised risk partner for corporates

Close direct access and long-term relationships with many industry sector leaders

Provides entry point for Group-wide strategic engagement

[1] Includes non-brokered business as well as tripartite relationships with broker involvement in placement
[2] Customer segment not specified – includes US A&H and E&S property, LatAm JVs and business written through MGAs

Building on our technical excellence to pursue focused opportunities

Excel with the basics

Portfolio oversight and underwriting discipline

Operational excellence and productivity

Capture market opportunities within our de-commoditised core

- Focus on selected lines and segments where we have a proven competitive advantage
- Leverage strong and continuing rate momentum

Grow with our differentiated Primary Lead propositions

- Drive profitable growth and further improve business mix
- Pursue distinct strategic initiatives, supported by proven technology

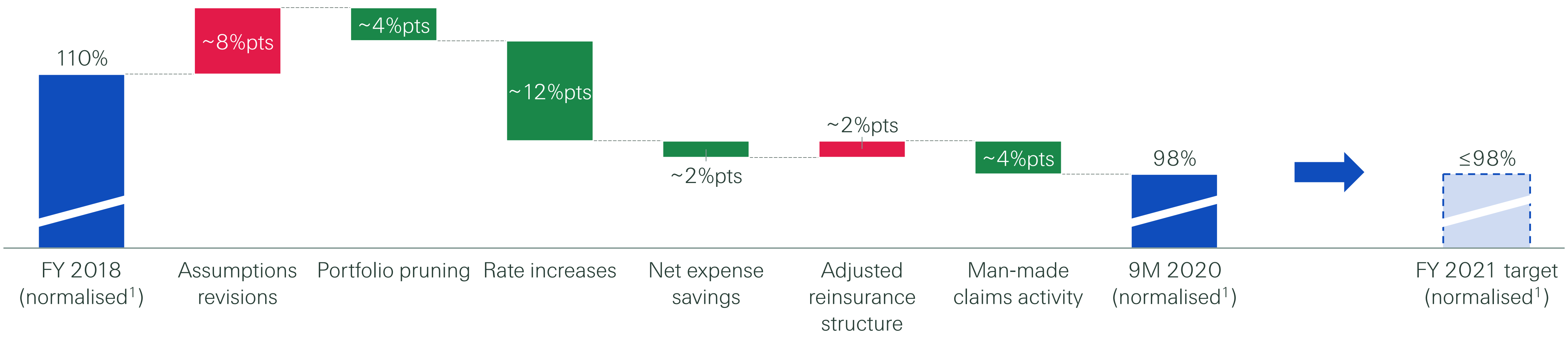
Advance our business model beyond risk transfer

- Leverage risk knowledge, technology and data capabilities to offer adjacent services
- Diversify our revenues through fee-based propositions

Enabling foundation	Access to corporates	Tech and data infrastructure	Talent and people capabilities

The implementation of our management actions is ahead of plan

Normalised combined ratio development



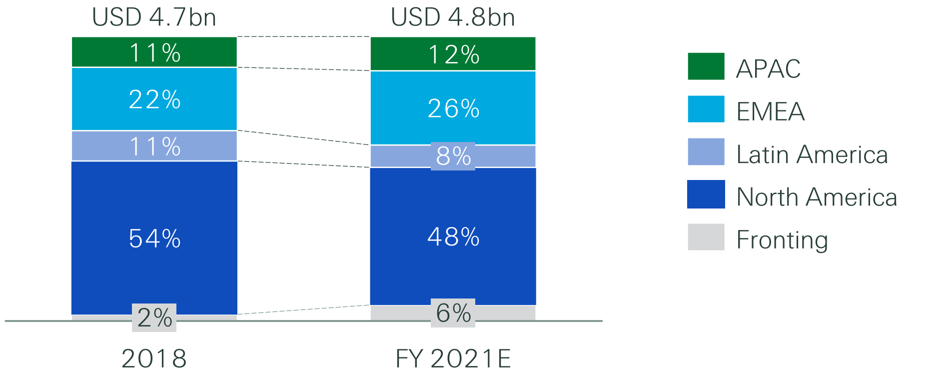
Actions taken	Assumptions revisions	Portfolio pruning	Rate increases	Net expense savings	Adjusted reinsurance structure	Man-made claims activity	FY 2021 target
	Increased initial loss picks to address loss inflation trends	~85% of pruning to be executed by end of 2020, P&L impact partially delayed	Strong risk-adjusted price quality increases gradually earning through	On track to achieve targeted savings in 2020	Significantly reduced net retentions	Impact from large man-made claims lower than expected in 9M 2020	Further underlying portfolio improvements driven by higher rates and pruning actions, to be offset by: – Man-made claims activity back at expectation – Impact of economic downturn on credit & surety – Strategic investment in growth – Additional reinsurance protection

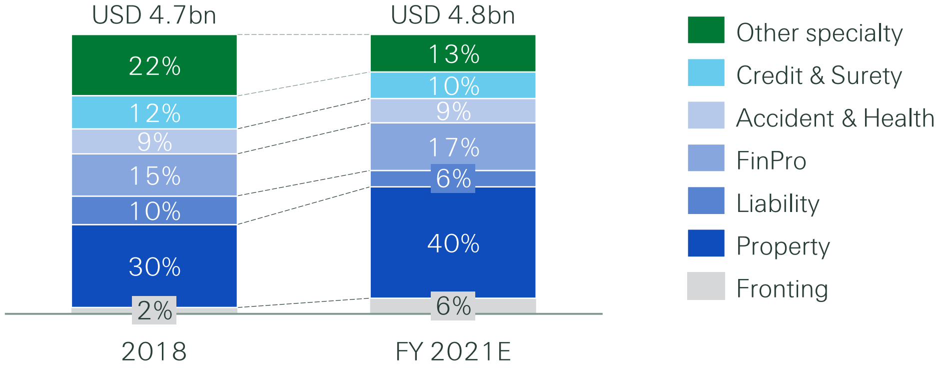
[1] Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact

Shifting our capital allocation towards a rebalanced, less volatile portfolio

Portfolio split by region and sub-line

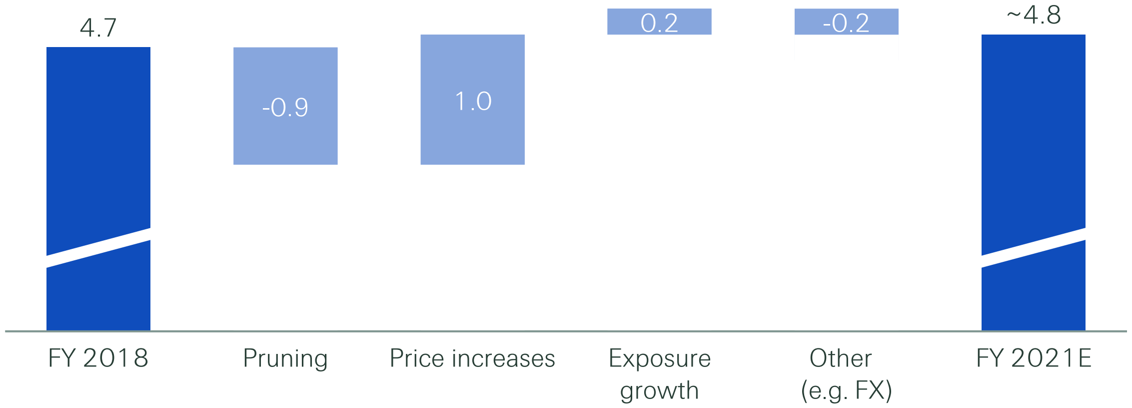
% of gross premiums written





Portfolio development

Gross premiums written, USD bn



Portfolio protection

- Increased reinsurance protection implemented in 2019
- Significantly reduced retentions, e.g.:
  - Cat XL (1st event): USD 200m (from USD 300m)
  - Property XL: USD 35m (from USD 75m)
  - Casualty XL: USD 25m (from USD 50m)
  - Credit & surety XL: USD 35m (from USD 50m)

We have sharpened our focus on areas where we can deploy our competitive strengths and differentiated risk knowledge

Strong foundation built on technical and operational excellence

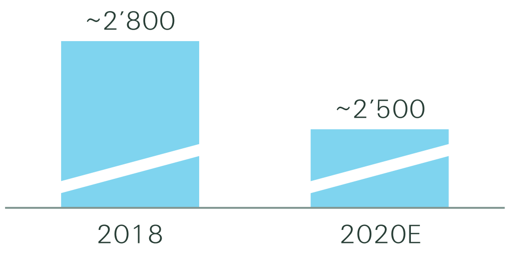
Data-driven underwriting performance culture

- Systematic steering and performance management framework across costing, underwriting, reserving and claims
- Clear mandates and single analytical data model across functions to take informed portfolio steering actions
- Tight monitoring of price and reserving confidence with early warning indicators to detect and address deteriorating trends

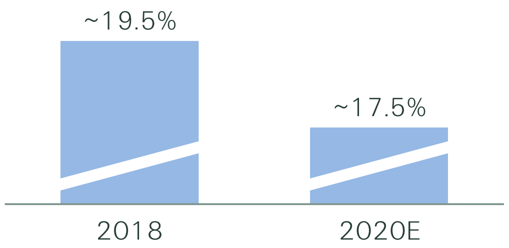
Reserving adequacy restored with comprehensive actions taken in 2019 – no further actions required in 2020

Improved cost discipline

Global headcount[1]



Operating expense ratio



- Fit-for-purpose organisational structure and footprint
- State-of-the-art operating infrastructure for bespoke business, e.g. global underwriting and claims workbench
- Distinct operating model for small-ticket standard products with high degree of process automation

USD >120m gross savings achieved with transformation, providing room for strategic investments

[1] Swiss Re Corporate Solutions employees only, excludes elipsLife employees

Market conditions offer profitable growth opportunities within our de-commoditised core

Corporate Solutions is seeing ongoing strong pricing trends

Compound price quality increase (%)

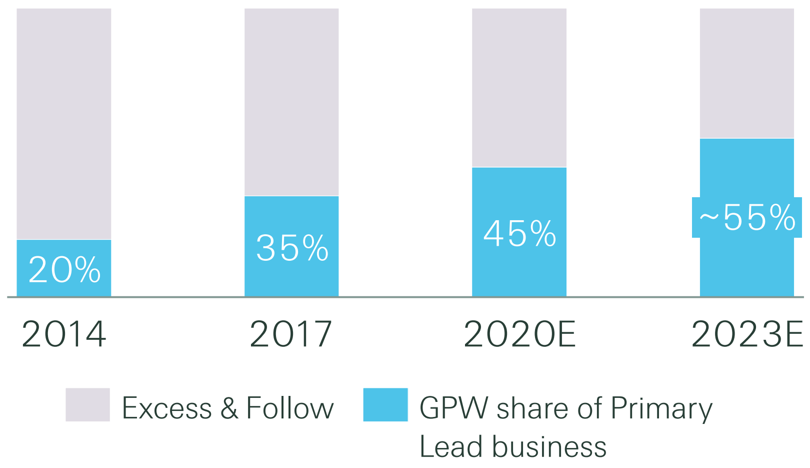
- Corporate Solutions is experiencing rate increases above industry average given overweight position in large accounts which exhibit strongest market correction
- Systematic steering of renewal outcomes based on clearly defined rate targets by line of business and market
- Opportunity for selective exposure expansion predominantly in property, engineering & construction and FinPro lines
- Upward pressure on rates expected to continue
  - Loss inflation trends partially offsetting rate increases
  - Persistent low yield environment
  - COVID-19 as a market-dislocating event

Corporate Solutions is well-positioned to capture strong technical margins from ongoing market correction

[1] Risk-adjusted price quality change for total portfolio, i.e., change in discounted premiums net of commissions / (discounted expected claims + expenses + capital charges and profit margin)

Growing with differentiated Primary Lead propositions

Evolution of Primary Lead capabilities



- Historical focus on Excess & Follow lines with isolated Primary Lead capabilities in the US
- Systematic capabilities build since 2014 to become an established player
- Today business as usual as part of our core, strategic focus shifting towards differentiation

Generating more Lead business with our differentiated propositions

International Programmes

Capture opportunities in international programme lead business leveraging leading proprietary technology platform

Offer superior customer experience where few others excel

Captive Solutions

Combined Innovative Risk Solutions (IRS) expertise and international programme assets to drive best-in-class solutions

Meet strong demand of captives in hard market environment

Standard Proposition

Offer standard covers to customers, providing a more efficient and better priced experience

Extend our franchise into less volatile mid corporate segment

Primary Lead expansion initiatives will drive profitable growth and further business mix improvements over the coming years

We are developing our business model beyond risk transfer

Expand into risk-related services

- Build on existing Primary Lead capabilities to offer adjacent services
- Address market need for risk insights and analytics in areas of high frictional risk transfer costs or limited insurability

Example: International Programme Platform-as-a-Service

Offer: *distinctive, technology-enabled International Programme platform*

Customers: *insurance carriers, brokers*

Revenue model: *fee-based access to software and network*

Partners: Brokerslink, LÄHITAPIOLA, württembergische

Example: IIoT enabled parametric insurance

Offer: *warranty insurance embedded in predictive maintenance software*

Customers: *machine manufacturing OEMs*

Indemnification: *machine breakdown in the event of wrong prediction*

Partners: HITACHI

Expansion into risk-related services will further diversify Corporate Solutions' risk-return profile

Corporate Solutions' strategic engagement with corporates extends across Swiss Re Group

Long-term relationships with corporate customers have fostered the possibility for strategic engagements across Swiss Re Group

Daimler

Swiss Re commercial insurance customer since 2001

Creation of Movinx, a joint provider of mobility insurance services that offers a fully embedded customer journey, making insurance an integrated part of vehicle purchase

- Partnership established in 2020
- Managing General Agent with 50/50 ownership
- Other Swiss Re units engaged: iptiQ, P&C Re

Microsoft

Swiss Re commercial insurance customer since 1997

Development of next generation tools and platforms to transform the prediction and management of risk in areas such as mobility, Industrial IoT and natural catastrophe resilience

- Partnership established in 2020
- B2B2B proposition
- Other Swiss Re units engaged: P&C Re, Group Operations, iptiQ

verily

Swiss Re commercial insurance customer since 2006 (parent Alphabet Inc.)

Co-investment in a Verily venture in the US healthcare space offering data-driven risk management solutions for improved employer stop-loss insurance

- Partnership established in 2020[1]
- B2B2B proposition
- Other Swiss Re units engaged: Principal Investments & Acquisitions

Corporate Solutions is a key entry point for strategic engagement with leading corporates across Swiss Re Group

[1] Closing is expected by year-end, subject to satisfaction of customary closing conditions including the receipt of required regulatory approvals

Becoming a specialised risk partner with deep capabilities in selective lines and segments

- Corporate Solutions is an integral part of Swiss Re's Group strategy and provides complementary access to a strategically and financially attractive market
- Corporate Solutions turnaround is well on track and we are confident to achieve our 2021 targets
- With our mid-term strategic priorities we are moving towards a more customer focused, better diversified and more cycle resilient commercial insurance model

Financial targets

Combined ratio target[1]

≤98%

in 2021 and further improvement expected thereafter

Unchanged ROE target of

10-15%

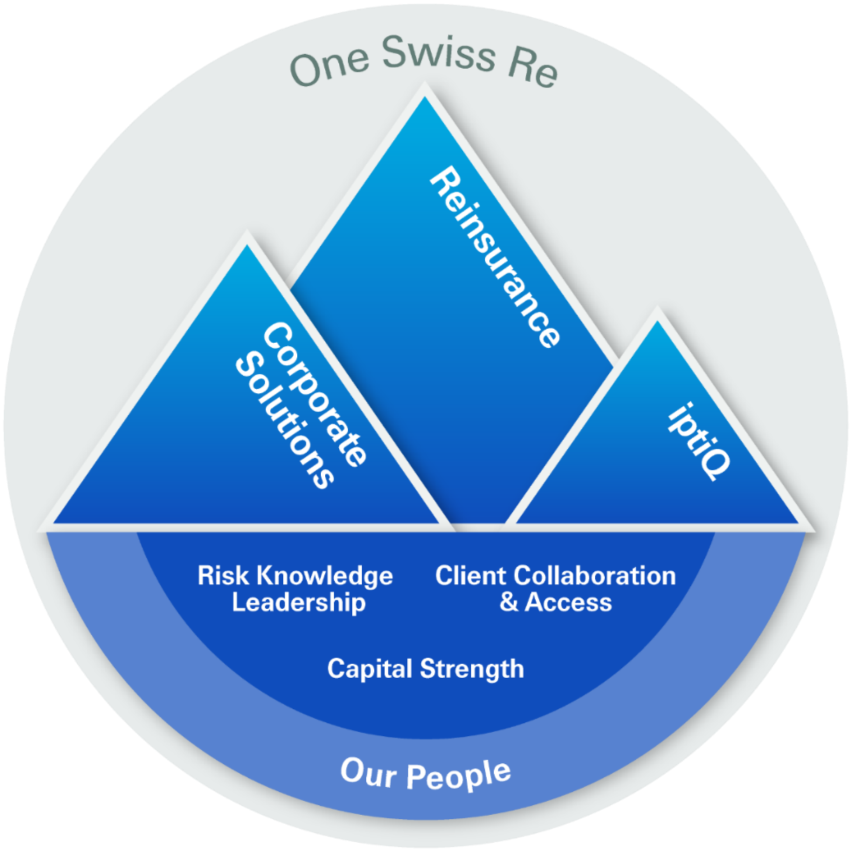
over-the-cycle

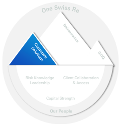
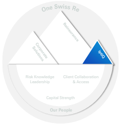
[1] Assuming an average large nat cat loss burden and excluding (i) prior-year reserve development and (ii) the COVID-19 impact

Wrap-up

Christian Mumenthaler, Group Chief Executive Officer

We aim to operate as 'One Swiss Re'



	**Reinsurance**	A leading global reinsurer
	**Corporate Solutions**	A specialised risk partner with direct access to corporate customers
	**iptiQ**	A globally leading digital B2B2C insurance platform
	**Group foundation**	A balanced approach to accountability, shared values and strengths

Key messages for today

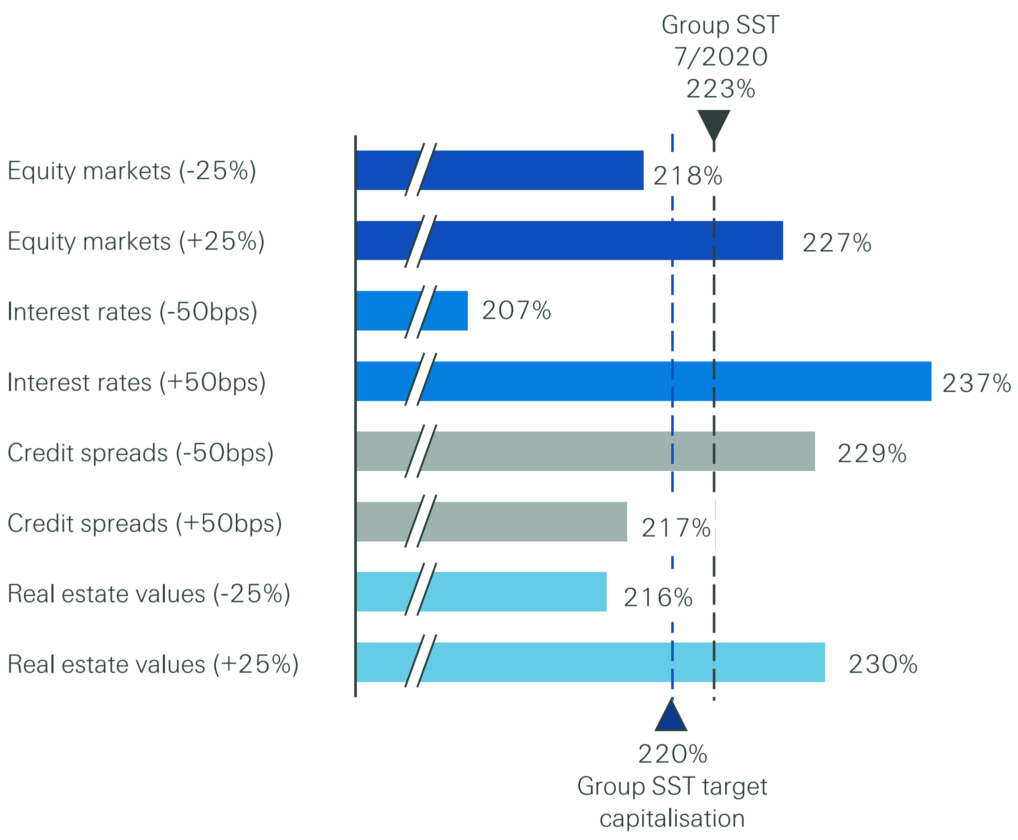
- Very strong balance sheet and proactive approach to COVID-19 reserving allow for **targeted growth**
- We see positive rate momentum in P&C Re and expect a **normalised combined ratio of ≤96% in 2021**
- We continue to **focus on profitable growth** across regions in L&H Re and to manage in-force margins
- Corporate Solutions is well on track to achieve a **normalised combined ratio of ≤98% in 2021**
- iptiQ's **strong growth trajectory** continues with a market-implied valuation of USD ~2bn
- Swiss Re's **investment portfolio is well-positioned** to mitigate the current low interest rate environment
- We remain committed to our capital management priorities, focusing on **superior capitalisation** and a **stable or increasing dividend**
- Our risk insights and successful partnership approach complement our risk transfer proposition and position Swiss Re for **long-term success**

Appendix

Our capital strength is resilient to market moves and insurance events

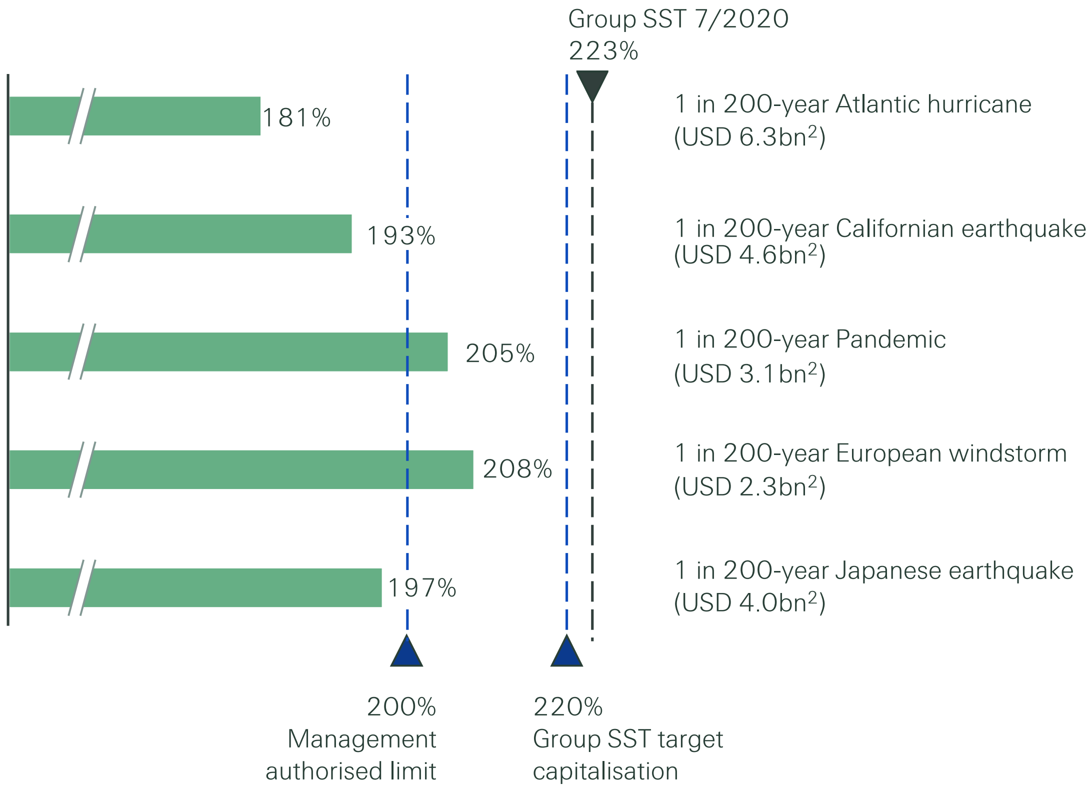
Financial market sensitivities

Resulting estimated Group SST ratio 7/2020



Insurance stresses

Resulting estimated Group SST ratio 7/2020[1]



[1] Excluding the impact of earned premiums for the business written and reinstatement premiums that could be triggered as a result of the event
[2] Based on 99.5% VaR annualised unexpected loss

Drivers of US social inflation are likely here to stay for foreseeable future

Driver	Current trend	Expectation for the future	Driver relevance	Impact	
				ST[1]	LT[2]
Propensity to sue	• Tort case filings in state courts trending upwards • Multi-district litigation is decreasing but the number of claimants in large product liability cases are increasing • Moderate increases in the number of awards, albeit at a low historic level	• The closing of courts due to COVID-19 is driving a temporary decrease in court filings • In the medium term, we expect a reversion to the upwards trend	Weak	↘	↗
Plaintiff / defendant bar tactics	• Plaintiff bar strategies prompt emotional as opposed to factual jury decision making • The well funded plaintiff bar also leverages technology and analytics to approach trials • Plaintiff bar successfully exploits general mistrust in society and changing jury attitudes • Defense bar has been slow to adapt to the changed tactics of the plaintiff bar and mostly continues to employ traditional, reactive strategies	• Given their success, plaintiff bar's psychological tactics may spread further as more law firms adapt them • Defense lawyers will slowly adapt their strategies to employ similar tactics as the plaintiff bar • Defense bar may regain some control but catching up will take time and undoing the effects of applied psychology will be challenging	Strong	↑	↗
Litigation funding	• Litigation funding has grown significantly in recent years (number of litigation funders and capital deployed to the industry) • Demand has also grown, since it allows law firms to pursue larger cases for longer	• Litigation funding is expected to continue to grow over the next 5-10 years as more players are entering the space and awareness among lawyers is increasing • A counterforce could come from regulation, e.g. requiring disclosure of litigation funding or capping rates	Strong	↑	↗
Social attitudes	• Trust in institutions and individuals overall has eroded over the last decade • In particular, attitudes towards large corporations remain negative • Jury attitudes have turned more plaintiff-friendly and beliefs often trump facts in jurors' decision making	• Mismanagement of the COVID-19 crisis is likely to further erode trust and exacerbate general frustration, anger and stress levels • (Social) media continue to swiftly broadcast negative news • Mid and long term changes are less clear	Strong	↗	Unclear
Inequality	• Rising inequality has been a long term trend since 1980, continuing in recent years • In addition, wealth has shifted to the top 1% and from individuals to corporations	• There is no indication that the long term trend will change direction • The COVID-19 caused recession will put further strain on the lower income classes	Weak	↗	↗
Tort reform	• Recent years have seen little momentum on new tort reforms • To the contrary, several states have rolled back reforms that cap punitive damages	• No significant legislative developments in tort reform are expected in the next few years • A heavily divided congress and reforms not being considered a pressing issue by either party makes reform unlikely on the federal level • On a state level there is no clear trend. Potential reforms include damage caps or increased evidentiary burden on plaintiffs	Strong	→	→
Court leaning	• A record number of judges have been appointed by the Trump administration, turning federal courts more conservative (generally considered defendant friendly) • The impact would mostly be felt in mass tort and product liability cases	• A more conservative (defendant friendly) federal court bench will impact decision making over the next decade • However, a majority of cases (97%) is treated in state courts where no clear trend is apparent	Weak	↘	↘
COVID-19 backlog	• COVID-19 forced the closing of courts and postponing of trials, creating large backlogs • Defendant attorneys report an increased willingness to settle cases for amounts that would previously have been rejected	• The backlog of cases is expected to keep increasing in the short term, potentially reducing court filings and driving quicker out of court settlements • We do not expect this trend to have a longer term impact	Strong	↓	N/A

Overall expectation: ↗ ↗

[1] Short term impact on losses: 1-2 years
[2] Long term impact on losses: 3-5 years

Corporate Solutions continues to invest in technology and data infrastructure, as well as talent

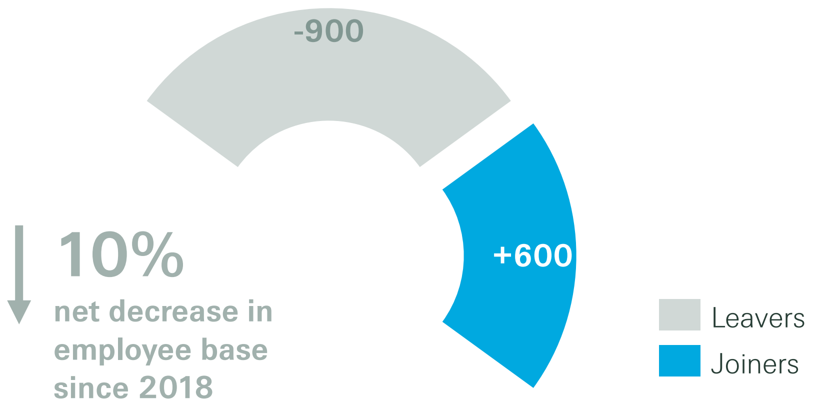
Advanced use of technology and data and analytics

Data and analytics to support underwriting excellence
- Analytical data model creating single version of truth for business steering
- Supported by Group data analytics infrastructure (Stargate)

Technology platforms to improve productivity
- Global underwriting workbench
- Global claims workbench
- Global risk engineering platform

Technology platforms to advance the core business
- Leading international programme administration platform
- Innovative parametric risk capability

Enriched talent mix



- Almost a quarter of current employees joined from externally over the last 2 years
- Broader talent mix from multi-skilled and diverse industry backgrounds
- Capability uplifts in areas critical to the long-term transformation of our business model

Corporate calendar and contacts

Corporate calendar

2021

19 February	**Annual Results 2020**	Conference call
18 March	**Publication of Annual Report 2020**	
16 April	**157th Annual General Meeting**	Zurich

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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 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;
- 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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Legal notice