Swiss Re

Annual Report 2019

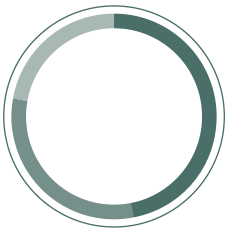
From risk to resilience
Letter to shareholders

Swiss Re at a glance

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient.

Diversified and global

Net premiums earned and fee income by region
(Total USD 38.6 billion)



- **47%** Americas
- **31%** EMEA
- **22%** Asia-Pacific

Financial strength

AA–
Standard&Poor's AA– stable

Our people

15401
employees
(2018: 14943)

Commitment to ESG

AAA
MSCI rating
(as of May 2018)

Reinsurance

Reinsurance provides clients and brokers with reinsurance products, insurance-based capital market instruments and risk management services. Reinsurance operates globally through two segments – Property&Casualty and Life&Health.

Property&Casualty

Net premiums earned
(USD billions)

2019	**19.3**
2018	16.1

Net income
(USD millions)

2019	**396**
2018	370

4.4%
Return on equity
(2018: 3.7%)

107.8%
Combined ratio
(2018: 104.0%)

Life&Health

Net premiums earned and fee income
(USD billions)

2019	**13.0**
2018	12.8

Net income
(USD millions)

2019	**899**
2018	761

12.4%
Return on equity
(2018: 11.1%)

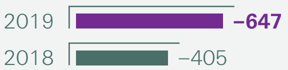
10.0%
Net operating margin
(2018: 9.4%)

Corporate Solutions

Corporate Solutions provides risk transfer solutions to large and mid-sized corporations around the world. Its innovative, highly customised products and standard insurance covers help to make businesses more resilient, while its industry-leading claims service provides additional peace of mind.

Net premiums earned
(USD billions)

Net income
(USD millions)



–34.1%
Return on equity
(2018: –19.4%)

127.9%
Combined ratio
(2018: 117.5%)

Life Capital

Life Capital supports and incubates entities in the B2B2C primary business, B2B corporate business as well as the closed book space.* As a key part of Swiss Re's strategic growth plan, Life Capital provides alternative access to new Life & Health and Property & Casualty risk pools. It creates simple and transparent digital propositions that make insurance products simpler and more accessible, helping boost the business of our partners.

* Following completion of the sale of ReAssure, pending the required regulatory and anti-trust approvals, Life Capital will focus on its open book businesses.

Net premiums earned and fee income
(USD billions)

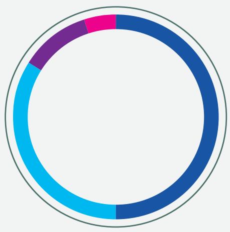
Net income
(USD millions)

–3.4%
Return on equity
(2018: 0.4%)

1138m
Gross cash generation
(2018: USD 818m)

Group
(After consolidation)

Net premiums earned and fee income by business segments
(Total USD 38.6 billion)



- **50%** P&C Reinsurance
- **34%** L&H Reinsurance
- **11%** Corporate Solutions
- **5%** Life Capital

2.5%
Return on equity
(2018: 1.4%)

3.4%
Net operating margin
(2018: 2.9%)

Risks are becoming less local and more global

> Swiss Re has the expertise and the network required to consistently assess the situation from all angles and to adapt capital allocation strategies accordingly.

Walter B. Kielholz
Chairman of the Board of Directors

Dear shareholders,
A year ago, I gave you a rather pessimistic outlook on developments in the global risk landscape – evidently I was not entirely wrong. Major shifts in security policy, the exceptional economic, trade and monetary policy situation as well as the reluctance of governments to face the challenges posed by climate change continue to give everyone cause for scepticism.

The coronavirus pandemic clearly demonstrates the vulnerability of our globally interconnected economies. While the containment and isolation measures taken by governments have painful consequences for the economy and for the everyday life of each of us, they are sensible and necessary. The virus is not only claiming human lives — it is putting the entire political and psychological immune system of globalisation to the most severe stress test yet. Prudence and capital strength will help us steer through the crisis. Resilience — the theme of this annual report and the guiding principle of all our actions at the company — is more relevant than ever to global society and will remain so for many years to come.

Be it coronavirus, the American-Chinese trade war, the unresolved issue of the UK's future integration in the European economy or the fight against the consequences of climate change, only one conclusion can be drawn: risks are becoming less local and more global. Responsibility must be taken for these enormous risks, and it is up to businesses and governments to do so.

Even those who do not take responsibility are responsible – for unresolved problems

Given the many pressing problems faced by and affecting society as a whole, we must acknowledge that there is a glaring lack of responsibility and political leadership at an international level. This situation can be seen reflected in a number of countries. Instead of championing joint solutions, politicians – whether democratically elected or not – are excelling at pursuing selfish, nationalist objectives. How is the world meant to move forward with this mindset? I remain firmly convinced that the big challenges can only be resolved with a multilateral approach based on global cooperation.

So who is poised to take the lead? Who will guide the world back onto the path of multilateralism? There are very few people on whom to pin our hopes, and some bizarre incidents at the recent World Economic Forum in Davos have only reinforced my concerns.

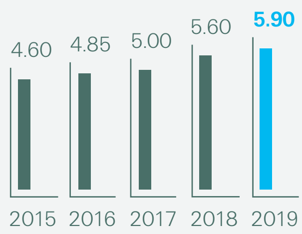
If there is no political consensus on how to manage major risks and ensure global prosperity, large global companies like Swiss Re will increasingly have to fend for themselves. This does not make our task of assessing insurable risks and making them economically manageable any easier. Risk management is the joint responsibility of both business and governments!

Dividend policy

Swiss Re's dividend policy is a central element of Swiss Re's capital management priorities.

The Group aims to grow the regular dividend with long-term earnings or, at a minimum, maintain it.

Dividend per share (CHF)



Cooperation requires interaction, and dialogue requires contacts. But it is becoming increasingly difficult to identify the points of contact for the business world, even in some established democracies. Tendencies towards populism, polarisation and – the third "P" – the handling of facts known as "post-truth" are also putting existential pressure on political parties that so far have advocated rational dialogue with businesses.

Given this development, the business world must become more involved in society and make its voice heard not only as the voice of economic reason, but increasingly also that of social reason. Businesses must shoulder their responsibility and take a leading role, for example in the fight against climate change. If they respond to the plea for climate protection with effective contributions of their own, they will also win back the people's trust. Not only does Swiss Re intend to reduce its own CO_2 emissions to net zero by the end of the decade, it is also driving change through its underwriting policy and in its activities as an investor. Innovation and technology are the key to ultimately making climate protection an attractive business. As we do this, it is important to manage the high initial investment costs – a task in which not just our company but the entire financial sector has an important role to play.

Long-term capital allocation in a volatile context – our task

For the time being, however, the following applies to the overall context in which the company operates: without a reliable political framework, the range of possible scenarios will grow further, and careful handling of our capital will become even more essential. Our core task is now more demanding than it was a decade or two ago: specifically, to profitably allocate the capital that you provide to us to the various risk portfolios and to profitably reinvest or return to the shareholders the capital we receive from the cash flow from our insurance activities.

So why do we remain confident? Because Swiss Re has the expertise and the network required to consistently assess the situation from all angles and to adapt capital allocation strategies accordingly. We use our proprietary Economic Value Management (EVM) method to assess the performance of various risk portfolios, along with the factors derived from research by Swiss Re Institute. We acquire information through our cooperation with clients, be it insurance companies in every corner of the world, large industrial companies and service providers or the world's best asset managers, as well as from our work with our high-level strategic advisory body, the Swiss Re Strategic Council.

I therefore believe that the company is well equipped to make decisions based on all relevant changes to the risk landscape and, if we consider it necessary, to shift capital very quickly.

Let me briefly explain at this point which of our decisions regarding capital allocation in 2019 and the previous years can from today's perspective be judged as successful, and which were less so.

I am mindful that we operate in a very long-term business and are navigating an ever-changing environment. So, here is my assessment from today's perspective.

Financial investments enjoyed a boost in 2019

Let's start with a positive aspect: 2019 provided exceptionally favourable conditions for those invested in financial assets. Our asset managers did an excellent job and achieved a very strong result. And let's not forget that this was achieved without taking excessive risks.

At the beginning of 2019, we expected to see interest rate increases during the course of the year. The US Federal Reserve's policy U-turn on interest rates therefore came as somewhat of a surprise. However, we anticipated the opportunities in the credit and equity markets early on and were able to benefit accordingly. It was clear already in 2019 that these conditions would not last forever. We have therefore started to reallocate capital, reduce risk and realise gains.

In terms of our investments, we have used the momentum in capital markets to sell or reduce some commitments. For example, we sold a stake in the Brazilian insurance company SulAmérica – for a very good profit. That was an attractive opportunity. We continue to hold significant positions in the Latin American market, although political developments in some of the countries most relevant to the region's economy, such as Argentina, Venezuela, Mexico and, more recently, Chile, indicate that caution is needed.

Growth in the reinsurance business for natural catastrophes

Our decision to invest more capital in the dynamic growth of the non-life reinsurance business has proved to be the right move. After little opportunity to expand this business on acceptable terms in recent years, we changed our underwriting policy at the end of 2018 amid improved market conditions. Although we were still dealing with late claims at the beginning of 2019 (eg the impact from Typhoon Jebi in Japan in September 2018), by the end of the year we had achieved a positive result: in the natural catastrophe business, claims and profits from previous years were balanced. The business achieved profitability in 2019. And it is clear from the renewals on 1 January 2020 that prices are continuing to rise in certain segments.

Vigilance in the US casualty business

The big disappointment of 2019 was the casualty business in the US. Yet again, you might say, since this is a sector that regularly causes headaches for reinsurers. However, it was a very profitable area in the years prior to 2015, thanks in no small part to the reform of liability legislation during George W. Bush's presidency. There had also not been any significant inflation in the US for years, something that usually has a negative impact on this business. And so we gradually expanded this business from 2015 onwards – not massively, but consistently. That was a mistake.

In light of the dynamically increasing problem of a public that has a critical attitude towards businesses as well as US case law – known as the "social inflation" phenomenon – the number of medium and larger claims, which we as reinsurers deal with, has risen sharply. We are doing our utmost to react responsibly in the face of this development and to respond as quickly as possible to structural changes. Among other things, this also required subsequent reserving in 2019, though these reserves are quite modest compared to our total non-life reserves.

Separation from the closed-book business initiated in the UK; Corporate Solutions turnaround

At the beginning of 2019, we announced that we would separate from ReAssure as part of an IPO. An IPO that, as you know, we had to suspend in the summer of 2019 due to the political uncertainty in the UK. However, the separation from the closed-book business in the UK has now been set in motion thanks to an agreement to sell ReAssure to Phoenix Group Holdings plc. And at a price that is at the upper end of the range we were hoping to achieve through the IPO. I am also confident that the shares in the Phoenix Group that we are receiving as part of this deal will prove to be an attractive investment.

However, we also had to invest in the Corporate Solutions business unit in 2019. The insurance of major corporate risks is cyclical and volatile due to the capacity used. However, it is and will remain an important component of our business portfolio. We are adhering to our strategy and returning this Business Unit, which achieved solid results up to 2016, back to profitability.

Thanks to sharply increasing market rates, the Business Unit maintained its premium volume in the past year despite the restructuring measures. These measures are being implemented consistently: key members of the Corporate Solutions management team have been replaced, the underwriting policy has been tightened, the portfolio has been comprehensively adjusted and costs have been reduced. The right course has been set. "Stay tuned", as the Americans would say.

Complete reliability in the equity base

A year ago, I wrote that we wanted to stand our ground where necessary. For me, that means our capital position. I am confident that our client, the regulators – our own and those of our clients – and ultimately also our shareholders want Swiss Re's capital strength to be beyond any doubt. So this is one area where we are standing our ground.

For this reason, we took into account that we have enjoyed strong organic growth, that the development of the US casualty business would affect annual profit, that the persistently low US interest rates cost capital and that the ReAssure IPO did not take place in 2019 – and cancelled the second tranche of the share buyback programme last year. At the same time, we continue to ensure highly attractive conditions for our investors through a dividend that is once again being increased. We will evaluate the appropriateness of launching another share buyback programme in the second half of 2020. All of this is consistent with our policy.

Succession

We are very pleased to also announce an orderly succession plan for the role of Chairman. Sergio P. Ermotti, who has been the Group CEO of UBS since 2011, will be nominated for election to our Board of Directors at the upcoming Annual General Meeting of shareholders on 17 April 2020. After one year on the Board, Sergio P. Ermotti will then be nominated for election as the next Chairman upon my retirement. His wealth of experience and impressive leadership track record will be important assets for Swiss Re, and his appointment will ensure a smooth leadership transition.

Looking back, 2019 was not an easy year – and the challenges are getting bigger, not smaller. But we know that we can count on the experience and commitment of more than 15 000 employees worldwide. I would also like to thank you as shareholders for your trust and support, which were invaluable in 2019.

Zurich, 19 March 2020

Walter B. Kielholz
Chairman of the Board of Directors

Positioning Swiss Re for continued long-term success in a challenging environment

"Fast-paced change creates both challenges and opportunities for our industry. This is why our strategy is centred around diversifying our access to risk pools by leveraging our risk knowledge, unique client access and capital strength.

Christian Mumenthaler
Group Chief Executive Officer

Dear shareholders,
2019 was a year of important steps to position Swiss Re for continued long-term success in a challenging macroeconomic and re/insurance industry environment. We reached an agreement to sell ReAssure, which should maximise the value of this asset for the Group and ultimately for you, our shareholders. We initiated a far-reaching transformation of Corporate Solutions to return this business to profitability. And we made good progress on our targeted growth strategy in Reinsurance, with an emphasis on our capabilities in underwriting large transactions and providing innovative solutions. Finally, we further reinforced our commitment to sustainability by setting new ambitious goals for achieving net-zero carbon emissions in our underwriting, investing and operations.

Four big trends affecting the re/insurance industry stood out in 2019: declining interest rates; rising costs attributable to climate-related disasters, such as heatwaves and wildfires; higher insurance claims due to societal trends, such as changing perceptions by an injured party of what they are owed and their willingness to pursue claims via the legal system; and hardening rates in some lines of business.

As global economic growth weakened due to trade tensions and geopolitical polarisation, more than half the central banks around the world cut interest rates in 2019 – the biggest number to do so since the aftermath of the global financial crisis. Interest rates are forecast to stay low for longer, and this has a two-fold effect on our business. This environment has led to an influx of capital into the re/insurance market over the past years, damping prices and suppressing investment yields. These conditions also negatively affect global economic resilience. The world economy currently has less capacity to absorb a shock than it did in 2007, according to the latest research by Swiss Re Institute. And this means that re/insurance is needed more than ever to help close a record-high USD 1.2 trillion protection gap in the three main risk areas – natural catastrophes, mortality and healthcare spending.

Natural catastrophes are estimated to have caused more than USD 130 billion in economic damage in 2019. While this is lower than we have seen in some recent years, we again saw a high number of smaller and mid-sized loss-generating disaster events, most likely as a result of climate change. Together, climate-related perils such as heatwaves, droughts, wildfires and floods caused more than 50% of the global insured losses from natural catastrophes in 2019, demonstrating once again the very significant impact these events can inflict on communities and societies.

Another trend that has been gaining momentum in recent years is the phenomenon of so-called social inflation, or rising insurance claims due to increased litigation, higher jury awards and broader contract interpretations. With roots in the general anti-corporate sentiment since the global financial crisis, social inflation is particularly visible in US liability claims.

These adverse developments are somewhat balanced by hardening rates in loss-affected reinsurance lines, such as the natural catastrophe business. We also see strong pricing momentum in Corporate Solutions, which achieved a 12% price increase in its portfolio in 2019. However, to ensure a re/insurance market that is sustainable in the long-term, further rate increases are needed to reflect changing market conditions.

Our response to market developments
As stewards of this Group, we have to adapt our business constantly to stay at the forefront of the latest developments. We cannot control our environment, but we can make sure that our response is informed, timely and effective. Fast-paced change creates both challenges and opportunities for our industry, which is also facing growing and ever-more complex risks, an exponentially increasing wealth of data as well as new competitors. This is why our strategy is centred around diversifying our access to risk pools by leveraging our risk knowledge, unique client access and capital strength. Diversification creates a natural hedge within our business model as different lines of business go through diverging economic cycles. Our ability to adapt at speed is what makes our business model sustainable over the long term.

Reinsurance remains our core engine of profitability, delivering a market-leading combination of shareholder returns and capital repatriation to the Group. To address the recent trends, we employ robust portfolio steering to inform our strategy of targeted growth. Based on expected loss trends, pricing outlook and risk management, Property & Casualty Reinsurance (P&C Re) is expanding its natural catastrophe franchise in attractive segments, while managing exposure and strengthening reserves in the casualty business. Our Life & Health Reinsurance segment continues to deliver solid performance. Transactions and solutions are becoming ever more important to our offering and demonstrate significant further growth potential. Demand for transactions, which contributed approximately 23% to the economic profit of the Reinsurance Business Unit in 2019, continues to increase because they have the potential to meet a range of client needs, such as greater capital efficiency or reduced earnings volatility. Economic profit from solutions, where Swiss Re helps clients to deliver on their strategic priorities, such as improving profitability or developing new products, rose 12% in 2019 from the prior year.

In Corporate Solutions, we took decisive actions to adapt to the unfavourable claims trends and a soft market environment. These measures included cutting costs, reserve strengthening, the establishment of an Adverse Development Cover with P&C Re, as well as a reduction in risk exposures in specific lines of business. Portfolio repositioning will allow Corporate Solutions to focus on selected profitable segments where we are seeing an improving price environment. The next steps in business transformation will focus on de-commoditisation of its core portfolio, selective growth with differentiating capabilities such as innovative risk solutions, and expansion through tech-driven initiatives. Portfolio repositioning, together with efficiency gains and the accelerating momentum in insurance rates should help Corporate Solutions return to underwriting profitability with a target normalised combined ratio of 98% in 2021.

Life Capital is successfully transitioning to a dynamically growing, digital B2B2C business. Our goal has been to deconsolidate our UK closed-book subsidiary ReAssure because of the high capital requirements for this business under the Swiss solvency rules. Although our attempt to do an initial public offering of ReAssure was thwarted by unfavourable conditions in the UK primary equity market in the first half of 2019, we are very pleased to have found a strong buyer for this business in Phoenix Group Holdings plc. The rationale for this transaction is compelling, and once completed, we believe it will maximise long-term value for Swiss Re shareholders. In the meantime, our open-book businesses are continuing to attract new partners and expand. In particular, our white-label digital platform iptiQ is developing dynamically and selling more than 4 000 policies per week across both the Life & Health and Property & Casualty businesses, with significant opportunities for geographic expansion. Partnerships, such as the recent agreement with IKEA to offer transparent, affordable and easily accessible home insurance, demonstrates the great potential for this business in the future as well as the strategic role it plays when it comes to accessing attractive new risk pools for Swiss Re.

Our commitment to sustainability

Despite the low-yield environment, our asset management team again demonstrated their ability to consistently generate very strong returns, achieving a return on investments of 4.7% in 2019. They do this while taking an industry-leading approach focused on environmental, social and governance (ESG) criteria, which underscores that putting sustainability at the heart of the business makes economic sense. In 2019, Swiss Re demonstrated yet again its strong commitment to sustainable investing by being one of the founding partners of the UN-convened Net-Zero Asset Owner Alliance, pledging to transition our investment portfolios to net-zero carbon emissions by 2050. We have already reduced the carbon intensity of our listed equity and corporate bond portfolios by an average of 50% since the end of 2015.

We have also made the same strong commitment on our underwriting side by signing the "UN Business Ambition for 1.5°C" pledge. In 2018, we stopped providing re/insurance to businesses with more than 30% thermal coal exposure. In a next step, Swiss Re will gradually stop supporting the top 10% of the world's most carbon-intensive oil and gas companies by the end of 2023. With these measures, we aim to provide incentives for carbon-intensive businesses to transition towards more sustainable business models. And it is important that we as a society focus on setting the right incentives rather than simply punishing the businesses that powered the industrial revolution and progress over the past two centuries. After all, these companies still offer jobs to millions of people worldwide. This is why actively engaging with clients on sustainability matters is very important to us at Swiss Re.

In our own operations, we have been carbon neutral since 2003. We have achieved this by continuously reducing our emissions and purchasing high-quality emission reduction credits. As a next step, we have committed to start removing our carbon emissions from the atmosphere, with the goal of reaching net-zero emissions by 2030. I am encouraged by many other companies making similar pledges to fight global warming. Swiss Re has been warning about the effects of climate change for the past 40 years, and finally the tide seems to be shifting towards concrete actions. I sincerely hope that an ever-growing number of companies will take responsibility for their actions that will affect our planet's future. Businesses have the power of capital to take significant steps in addressing the climate crisis, and we should not wait for national governments to agree on how to tackle this global problem. Seeing the corporate actions taken over the past 12 months makes me optimistic that we can make the shift. I envision a strong alliance of stakeholders and capital markets – bound together by mutual interest in fostering long-term business success.

Starting 2020 with an improved portfolio
We at Swiss Re will continue to do our part in fighting the climate crisis and making the world more resilient. Our very strong capital position allows us to continue to support our clients and capture growth opportunities as they arise, while maintaining attractive shareholder returns.

In January 2020, we achieved a 2% increase in premium volume of renewed reinsurance contracts and a nominal price increase of 5%, as growth in our property business, and particularly in the natural catastrophe book, was offset by our decision to reduce casualty exposure. The risk-adjusted price quality was unchanged, reflecting both the lower interest rate environment and our more conservative loss assumptions. We are therefore starting the year with an improved portfolio, and we aim to maintain this trend in the upcoming renewals later in the year. We will also focus on completing the sale of ReAssure and improving the performance of Corporate Solutions through active portfolio pruning and rate increases.

In these challenging, transformative times, we are fortunate to be able to rely on the dedication and hard work of our employees, whom I would like to thank for their engagement. I would also like to thank you, our shareholders, for your continued support.

Zurich, 19 March 2020

Christian Mumenthaler
Group Chief Executive Officer

Financial highlights

Financial highlights

For the years ended 31 December

USD millions, unless otherwise stated	2018	2019	Change in %
Group			
Net income attributable to common shareholders	421	727	73
Gross premiums written	36 406	42 228	16
Premiums earned and fee income	34 461	38 594	12
Earnings per share in CHF	1.34	2.46	84
Shareholders' equity	27 930	29 251	5
Return on equity in %[1]	1.4	2.5	
Return on investments in %	2.8	4.7	
Net operating margin in %[2]	2.9	3.4	
Number of employees[3]	14 943	15 401	3
Property & Casualty Reinsurance			
Net income attributable to common shareholders	370	396	7
Gross premiums written	16 545	21 562	30
Premiums earned	16 095	19 275	20
Combined ratio in %	104.0	107.8	
Net operating margin in %[2]	4.3	3.8	
Return on equity in %[1]	3.7	4.4	
Life & Health Reinsurance			
Net income attributable to common shareholders	761	899	18
Gross premiums written	14 527	14 452	–1
Premiums earned and fee income	12 835	13 004	1
Net operating margin in %[2]	9.4	10.0	
Return on equity in %[1]	11.1	12.4	
Corporate Solutions			
Net loss attributable to common shareholders	–405	–647	60
Gross premiums written	4 694	4 974	6
Premiums earned	3 925	4 166	6
Combined ratio in %	117.5	127.9	
Net operating margin in %[2]	–11.1	–16.7	
Return on equity in %[1]	–19.4	–34.1	
Life Capital			
Net income/loss attributable to common shareholders	23	–177	–
Gross premiums written	2 739	2 831	3
Premiums earned and fee income	1 606	2 149	34
Gross cash generation[4]	818	1 138	39
Net operating margin in %[2]	3.9	2.4	
Return on equity in %[1]	0.4	–3.4	

[1] Return on equity is calculated by dividing net income/loss attributable to common shareholders by average common shareholders' equity.
[2] Net operating margin is calculated as "Income before interest and income tax expense" divided by "Total revenues" excluding "Net investment result – unit-linked and with-profit business".
[3] Regular staff.
[4] Gross cash generation is the estimated net cash arising from business activity within the Life Capital Business Unit during the reporting period taking into account both surplus development and certain capital actions. It is calculated gross across both Swiss Re's and MS&AD's interest in ReAssure.

Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements typically are identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase", "may fluctuate" and similar expressions, or by future or conditional verbs such as "will", "should", "would" and "could". These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Group's actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism or acts of war;
- mortality, morbidity and longevity experience;
- the cyclicality of the reinsurance sector;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- increased volatility of, and/or disruption in, global capital and credit markets;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realise amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation, or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions;
- 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;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities;
- changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management and other internal procedures in anticipating and managing the foregoing risks.

These factors are not exhaustive. The Group operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities in any jurisdiction, including the United States. Any such offer will only be made by means of a prospectus or offering memorandum, and in compliance with applicable securities laws.

Corporate calendar

2020

17 April 2020
156th Annual General Meeting

30 April 2020
First quarter 2020 key financial data

31 July 2020
Half-year 2020 results

30 October 2020
Nine months 2020 key financial data

2019 Annual Report

In this report, we present our business performance, strategy and economic position. We also show how we leverage our risk knowledge to make the world more resilient.

Read more online:
reports.swissre.com

To order a print version of the annual report, contact:
publications@swissre.com

Swiss Re Ltd
Mythenquai 50/60
P.O. Box
8022 Zurich
Switzerland

Telephone +41 43 285 2121
www.swissre.com

SRE004E