



Partnering

for
progress

2021 sustainability performance highlights

Building on our successful track record, we continued to implement our Group Sustainability Strategy.

Sustainability in underwriting

USD 3.9bn

Natural catastrophe premiums across Swiss Re Group

186m

Life & Health policies in force

>8 870

Solar and wind farms for which re/insurance cover was written

>92 000

Number of transactions screened for ESG risk exposure

5%

Phased out 5% most carbon-intensive oil and gas companies for direct and facultative re/insurance

NZIA

Co-founded the Net-Zero Insurance Alliance to reach net-zero emissions in our insurance portfolio

Responsible investing

USD 3.9bn

Green, social and sustainability bonds

USD 1.0bn

Social and renewable energy infrastructure portfolio

–34%

Reduction of the carbon intensity of our corporate bond and listed equity portfolio, relative to base year 2018

66%

Share of our listed equity mandate holdings engaged on “Alignment of Business Model with 1.5°C Target”

Sustainable operations

USD 100/tonne

Internal Carbon Steering Levy introduced

100%

Share of our tier 1 and tier 2 suppliers that have completed their ESG assessment

35%

Share of carbon removal achieved in our emissions compensation mix

71%

“Leadership care” category remains at high levels in our employee surveys

Swiss Re Foundation

>11 300

Hours of support provided to our partners by 860 Swiss Re volunteers

~785 000

People benefitted from improved resilience between 2019 – 2021

Key sustainability ratings

AAA

MSCI ESG rating (as of July 2021)

90/100

2021 S&P Global Corporate Sustainability Assessment (DJSI)

B–

Prime status ISS ESG

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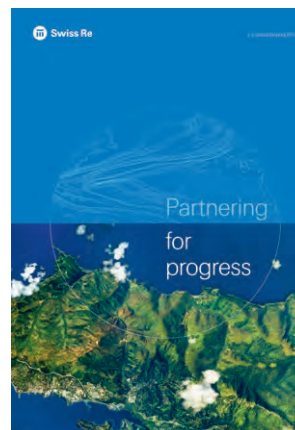
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Data-driven risk insights

Swiss Re's Annual Report cover images this year explore how Swiss Re is using a data-driven approach to solve the big risk management issues. The main image features the San Francisco Bay Area in Northern California. Swiss Re was instrumental in paying out claims following the Great 1906 San Francisco Earthquake. The event was important early proof of Swiss Re's ability to help communities absorb the costs of large risks.



The **Business Report** cover features data from Swiss Re's "Mind the risk" publication, which set the standard for quantifying risks faced by megacities. This example ranks cities most at risk from earthquakes around the Pacific Rim.



The **Financial Report** cover shows windstorm patterns in the North Atlantic from the last 20 years. Swiss Re's hurricane models are the backbone of its underwriting capabilities for this important risk pool.



The **Sustainability Report** cover illustrates the relationship between Swiss Re's Biodiversity and Ecosystem Services (BES) Index and the United Nations' Sustainable Development Goals. The BES Index, which analyses the economic impact of biodiversity loss on a given location, is incorporated into Swiss Re's CatNet® underwriting tool.

Accelerating towards net zero



Sergio P. Ermotti
Chairman of the Board of Directors



Christian Mumenthaler
Group Chief Executive Officer

Dear stakeholders,

Climate change was back in the spotlight in 2021 after being overshadowed by the global response to the COVID-19 pandemic.

As business and political leaders geared up to discuss the climate crisis at the United Nations Climate Change Conference (COP26) in Glasgow, the global community refocused its efforts on avoiding the worst impacts of climate change by limiting the global average temperature increase to well below 2°C, and preferably to 1.5°C, in line with the Paris Agreement. To reach this goal, businesses, governments and civil society must collectively halve global emissions by 2030, achieve net-zero emissions by 2050, and continue to produce net-negative emissions for the following 50 years.

This presents an enormous challenge for society and for Swiss Re. A significant portion of global carbon emissions can be reduced through investments in existing low-carbon solutions that enable energy efficiency gains — that's the easy part. The real challenge lies in decarbonising sectors such as steel, aluminium or fertiliser production. This will require investments and appropriate incentives to scale up technologies that will enable a massive restructuring of the economy. But to reach net-zero emissions, we will also need to capture and permanently store approximately 10 gigatonnes of carbon from the

atmosphere per year by 2050 to compensate for residual man-made emissions and Earth's own emissions generated by wildfires, for example. This will require building up a carbon removal industry roughly the same size as the oil and gas industry today. In support of a timely scale up, Swiss Re has entered a partnership and signed a ten-year purchase agreement with Climeworks, a leading specialist in carbon dioxide air capture technology.

Although reaching net-zero emissions may seem like a daunting task, we believe it can be achieved through industry and cross-industry alliances. But government policies such as limiting fossil fuel subsidies to encourage businesses to accelerate emissions reductions and scale up innovation, or introducing carbon pricing mechanisms to facilitate a just transition are also needed. At Swiss Re, we are fully committed to working with governments, clients and other stakeholders to reach net-zero emissions in our operations by 2030 and in our underwriting and asset management by 2050.

As a re/insurer, we are both impacted by climate change and play an important role in tackling it. True to our vision of making the world more resilient, one of our key lines of business is providing natural catastrophe re/insurance to help governments, corporates and individuals on the ground with reconstruction efforts in the wake of a natural disaster. In 2021, natural catastrophes caused estimated global insured losses of USD 111 billion, driven primarily by urbanisation, economic growth and wealth accumulation in disaster-prone areas. Climate clearly plays a role in natural catastrophe losses, over half of which were caused by secondary perils such as floods, drought, wildfires or winter storms.

In addition to supporting recovery efforts following climate-related natural disasters, we also help combat climate change by providing risk transfer solutions that help mitigate the associated risks and advance the energy transition. For example, one of our most recent re/insurance solutions supports the expansion of renewable energy in India, while another enables the transmission of offshore wind energy from the northern coast of Germany to consumers in the southern part of the country.

Throughout the year, we have also continued our efforts to decarbonise our underwriting business. In line with our Oil and Gas Policy, we no longer provide individual insurance cover to the most carbon-intensive companies and continue to implement the phase-out of thermal coal-related re/insurance in OECD countries by 2030, and in the rest of the world by 2040.

Executive statement

But measuring the carbon footprint of insurance contracts remains a challenge for the insurance industry. To address this, we co-founded the UN-convened Net-Zero Insurance Alliance (NZIA) in conjunction with several of our industry peers. Together, we are advancing a methodology to calculate carbon emissions associated with insurance portfolios, which will be essential in steering our underwriting business towards less carbon-intensive activities. By providing funding for the development of renewable energy infrastructure and financing green projects, our investments play a critical role in facilitating the transition to a net-zero emissions economy. For this reason, we have committed to holding at least USD 4 billion in green, social and sustainability bonds by the end of 2024. To meet our ambition of a net-zero emissions investment portfolio by 2050, we have set an ambitious intermediate target to reduce the carbon intensity of our corporate bond and listed equity portfolio by –35% by 2025. We have already reduced our carbon footprint by –34% relative to our base year of 2018. As part of our commitment, we intend to set new intermediate targets every five years and report on our progress in our climate-related financial disclosures (TCFD). Engaging with the real economy is also a key component of our Responsible Investing strategy, as reflected in our Engagement Framework. In 2021, 66% of our listed equity holdings were approached on our topic “Alignment of Business Model with 1.5°C Target”.

When it comes to our own operations, our footprint is less sizeable, but by setting a positive example we can inspire others to take action. For instance, we have tightened our business travel emissions reduction target from 30% in 2021 to 50% in 2022,

Lasting progress comes from striking the right balance between building upon past sustainability achievements and taking decisive action.

relative to 2018 levels. We have also introduced an internal levy of USD 100 for every tonne of CO₂ emitted and have committed to increasing it to USD 200 by 2030. This provides an incentive for everyone within our company to make carbon-conscious business decisions – from business trips to building leases. The funds raised via our new Carbon Steering Levy also allow us to purchase high-quality certificates to compensate the remaining emissions in line with our goal to achieve net-zero operational emissions by 2030.

But we must not ignore the social dimension of sustainability. We are now learning to live with the COVID-19 virus, but the devastating impact of the pandemic on families, businesses and the economy will be felt for years to come. We are extremely proud of how our employees have risen to the challenge. Since the very start of the pandemic, they have worked from home through multiple lockdowns, testing their personal resilience so that we could continue to offer our clients protection against the risks they face. We are grateful to our employees for their dedication and remain committed to providing them with a supportive work environment through initiatives such as our Personal Resilience Strategy and our revised Diversity, Equity & Inclusion Strategy.

At the societal level, however, the pandemic has exposed inequities in access to vaccine distribution and healthcare. To enable the roll-out of COVID-19 vaccines across the globe, Swiss Re is one of several leading insurers supporting Gavi's COVAX vaccine procurement facility by providing insurance cover for 21 self-paying countries participating in the programme. In Kenya, we are working with a consortium of local insurance providers to provide medical reimbursement cover to frontline health workers who have been disproportionately affected by the pandemic.

Beyond supporting the global COVID-19 response, we are building on various existing pilot projects that provide life and health solutions specifically designed to meet the needs of women, immigrant communities,

Our Sustainability Report continues to serve as the official disclosure document for two voluntary commitments we have made to the United Nations: the UN Global Compact and the UNEP FI Principles for Sustainable Insurance. You can view the fully linked reference tables in the online version of the report. We will continue to honour both commitments as part of our Group Sustainability Strategy and report on our activities to meet their principles.

ethnic minorities and informal workers, among others. To expand these programmes, in 2021 we launched the Swiss Re Life & Health Sustainability Initiative, which aims to improve access, affordability and availability of life and health insurance products to populations that have traditionally been underserved by our industry.

Our Group Sustainability Strategy and our net-zero commitments will continue to guide our efforts. We recognise that we must continuously be aware of the changing expectations of multiple stakeholders, including regulators and civil society. With this comes the added pressure for companies to disclose their sustainability accomplishments in a fair and transparent manner. We will be careful to communicate on our progress towards meeting our sustainability objectives as precisely as possible without overstating our achievements. While certain stakeholder groups may consider the pace of change to be too slow, we believe that lasting progress comes from striking the right balance between building upon past sustainability achievements and taking decisive action. At Swiss Re, we are convinced that we can continue to exert a positive influence by maintaining a dialogue with our clients and by building effective stakeholder partnerships to address our sustainability challenges – and we remain committed to doing so.

Zurich, 17 March 2022



Sergio P. Ermotti
Chairman of the Board of Directors



Christian Mumenthaler
Group Chief Executive Officer



Partnering for climate action

Since 2020, our Group CEO Christian Mumenthaler has been Co-Chair of the WEF Alliance of CEO Climate Leaders. He shares his thoughts on how corporate leaders can work together to combat climate change.

What is the WEF Alliance of CEO Climate Leaders?

The WEF Alliance of CEO Climate Leaders is made up of over 100 CEOs from the world's largest corporations who have committed to net-zero emissions in their own operations and across their value chains by 2050. This means that they will exert pressure on their suppliers to reduce emissions, having knock-on effects on thousands of companies across multiple value chains and industries.

How does the WEF Alliance drive climate action?

Although the combined CO₂ footprint of the members of the Alliance is equivalent to that of the world's third largest country, the private sector cannot do this alone. For this reason, we jointly issued an open letter calling on governments to take decisive action to bring emissions to net zero and pledging our support for a public-private effort.

In my capacity as Co-Chair of the WEF Alliance, I also had the opportunity to represent the Alliance at the COP26, where we met with various government delegations involved in the climate negotiations and reiterated the business community's willingness to support more ambitious government targets to tackle climate change.

What is your personal motivation for being a part of the Alliance?

We have a tendency to focus on our own industry, so it's fascinating to be a part of this group because it allows me the opportunity to understand the challenges other industries face in reducing emissions across their value chains, and to see how they tackle these challenges. For some of these companies, adapting to climate change is critical to their survival, so it's encouraging to see how much progress is being made in certain industries. We have plenty to learn from each other.



For some companies, adapting to climate change is critical to their survival, so it's encouraging to see how much progress is being made in certain industries.



Climate action – this is a mission possible

Read Christian Mumenthaler's article outlining how cooperation across a broad set of stakeholders can help decarbonise our economy.

 [swissre.com](https://www.swissre.com)

Who we are and what we do

Our vision: we make the world more resilient

Swiss Re is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer. Through our work with clients, we fulfil our vision of helping to make the world more resilient.

We have a distinct mission: together, we apply deep knowledge, intelligent data and capital strength to anticipate and manage risk. That's how Swiss Re powers progress for our clients, helping the world rebuild,

renew and move forward. Today 75% of risks – from natural catastrophes and climate change, to ageing populations and cybercrime – remain uninsured. We aim to change that. We intend to enable society to thrive and progress, creating new opportunities and solutions for clients.

Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of 82 offices around the globe.

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.

USD 21.9bn

Property & Casualty
net premiums earned

USD 14.9bn

Life & Health
net premiums earned
and fee income

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.

USD 5.3bn

Corporate Solutions
net premiums earned

Swiss Re at a glance

Net premiums earned and fee income in 2021
(USD billions)

42.7bn

USD 40.8 billions in 2020

Countries in which Swiss Re operates
(as of 31 December 2021)

29

29 in 2020

Group net/loss income
(USD billions)

1.4bn

USD –878 million in 2020

Number of office locations
(as of 31 December 2021)

82

81 in 2020

Number of employees (regular staff)
(as of 31 December 2021)

13 985

13 189 in 2020

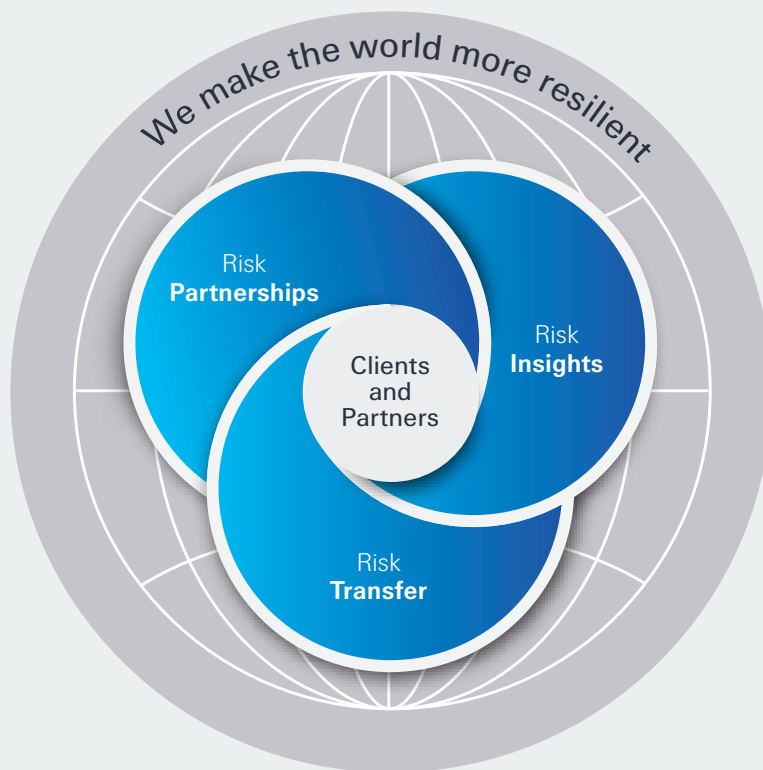
Additional data

See the "Sustainability data" section on page 101 for further information.

 Sustainability Report 2021

Who we are and what we do

What we do



Our business strategy

Our purpose is to make the world more resilient. We do this by placing our clients and partners at the centre of our business. We address risks across the global economy in three ways:

Risk transfer:

Reducing our clients' risk exposure and that of their customers.

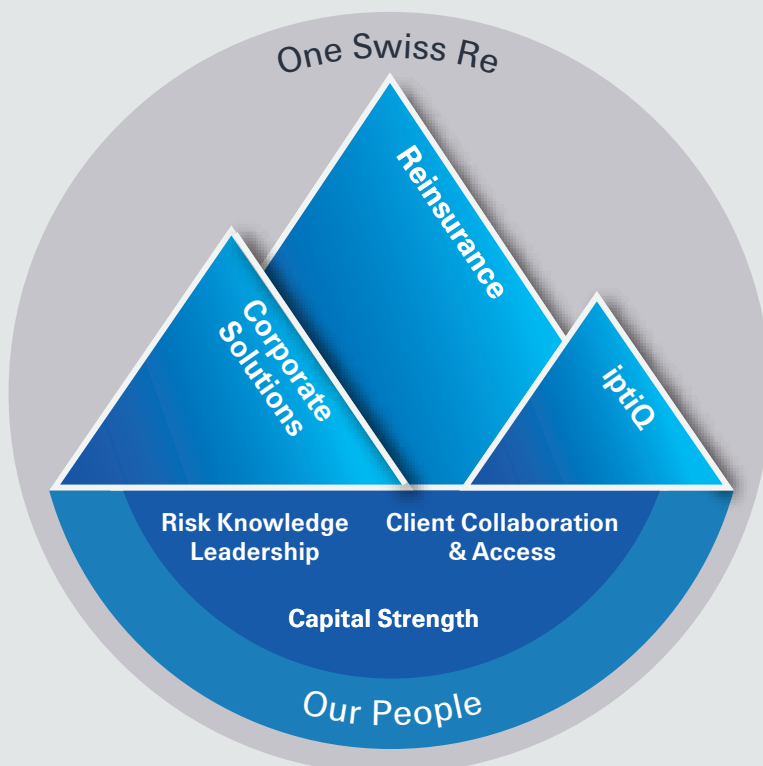
Risk partnerships:

Working with others to find new and innovative ways to process, transfer and distribute risk.

Risk insights:

Helping our clients better understand and take risks.

How we do it



We act as "One Swiss Re", leveraging strengths and capitalising on synergies across our businesses as we become a more integrated Group.

Reinsurance is in the centre as the core of our business, alongside Corporate Solutions, a specialised risk partner for corporate clients, and iptiQ, a digital B2B2C insurance platform.

Our strategy at a glance

 Business Report 2021

Our approach to sustainability

Through our Group Sustainability Strategy, we aim to reinforce our efforts to make the world more resilient and sustainable, thus helping to maintain our competitiveness today and in future.



Our Group Sustainability Strategy provides focus areas for our activities. In 2021, we continued to pay special attention to the link between the twin challenges of climate change and biodiversity degradation.

Our approach to sustainability

Swiss Re has a long-standing commitment to being a responsible company. For us, a guiding principle of acting responsibly is to take a long-term view and play our part in enabling sustainable progress, to the benefit of our stakeholders and society at large. This principle is integrated into our value framework and into our Code of Conduct.

Group Sustainability Strategy

Feedback from our stakeholders confirms that Swiss Re is widely regarded as a sustainability leader, reflecting our many achievements to date. Building on this successful track record, we introduced an enhanced Group Sustainability Strategy in 2019. As the momentum around sustainable development continues to accelerate, our strategy helps us take positive action, both to benefit from new opportunities and to address changing risks.

Our Group Sustainability Strategy defines sustainability as a strategic, long-term value driver and embeds this approach throughout our re/insurance value chain. At its core, it involves managing and monitoring risks and opportunities associated with environmental, social and governance (ESG) issues. In our understanding, the notion of sustainable re/insurance covers all business activities from the liability to the asset side of our balance sheet, our own operations and dialogue with our stakeholders. In our core business, the focus is on developing innovative solutions, improving business and investment performance on a risk-adjusted basis, thus contributing to environmental, social and economic sustainability.



Sustainability and resilience: the link

Swiss Re's vision is to make the world more resilient. Find out how our Group Sustainability Strategy contributes to achieving this vision.

 [swissre.com](https://www.swissre.com)

Key elements of our Group Sustainability Strategy

At its highest level, the strategy states our **Sustainability Mission**, derived from Swiss Re's vision of making the world more resilient, to the benefit of all our key stakeholders. It expresses what we do and what we aim for:



We insure, invest, operate and share our knowledge in a way that tackles sustainability challenges and creates long-term value.

Our 2030 **Sustainability Ambitions** provide this mission with topical focus areas. We have defined three overarching ambitions that describe how we can have a significant positive impact in terms of supporting sustainability and strengthening resilience, especially through our core re/insurance business solutions:

- **Mitigating climate risk and advancing the energy transition**

The effects of climate change and global warming are already evident and shaking up our risk landscape, eg through warmer average temperatures, rising sea levels, longer and more frequent heatwaves and more weather extremes. We continue to evolve our way of doing business towards a low-carbon economy in line with our net-zero commitments and the Paris Agreement.

- **Building societal resilience**

Technological and economic development, population growth, ageing populations and other societal trends are putting people and assets in jeopardy. With our re/insurance solutions and investments we help reduce societal vulnerabilities.

- **Driving affordable insurance with digital solutions**

Our customers are seeking quick, intuitive and streamlined digital experiences to make their lives safer and healthier. With our digital solutions we increase access to, and the availability and affordability of, re/insurance and risk knowledge worldwide, thus helping to close the protection gap.

To guide the practical implementation of the strategy, we have defined the following three **Principles**:

- **Embed** sustainability in all our business activities: We systematically consider ESG factors in all activities, ensure that sustainability is appropriately reflected in all roles and responsibilities and shift our existing business portfolio to make it more sustainable.
- **Lead** sustainability-linked solutions and embrace opportunities: We shape sustainability-linked innovations and advance the transition to more sustainable products and services. To do so, we cooperate with clients, partners and communities, and exploit the potential of new technologies.
- **Quantify** sustainability performance and impact: We set sustainability metrics and targets across the Group. This contributes to a systematic capital allocation to risk pools with long-term value, aligns us with external frameworks such as the Paris Agreement and allows us to measure our contributions to the UN Sustainable Development Goals.

Our Code of Conduct

 [swissre.com](https://www.swissre.com)

Our values

 [swissre.com](https://www.swissre.com)

Our approach to sustainability

The illustration below shows how the core elements of our Group Sustainability Strategy interact with each other:



In addition to the three Sustainability Ambitions that are closely tied to our core business and, more specifically, our re/insurance solutions, we continue to address six **Sustainability Topics**. These topics are relevant to our sustainability performance in other parts of our business (see pages 86 – 100).

2030 Sustainability Ambitions

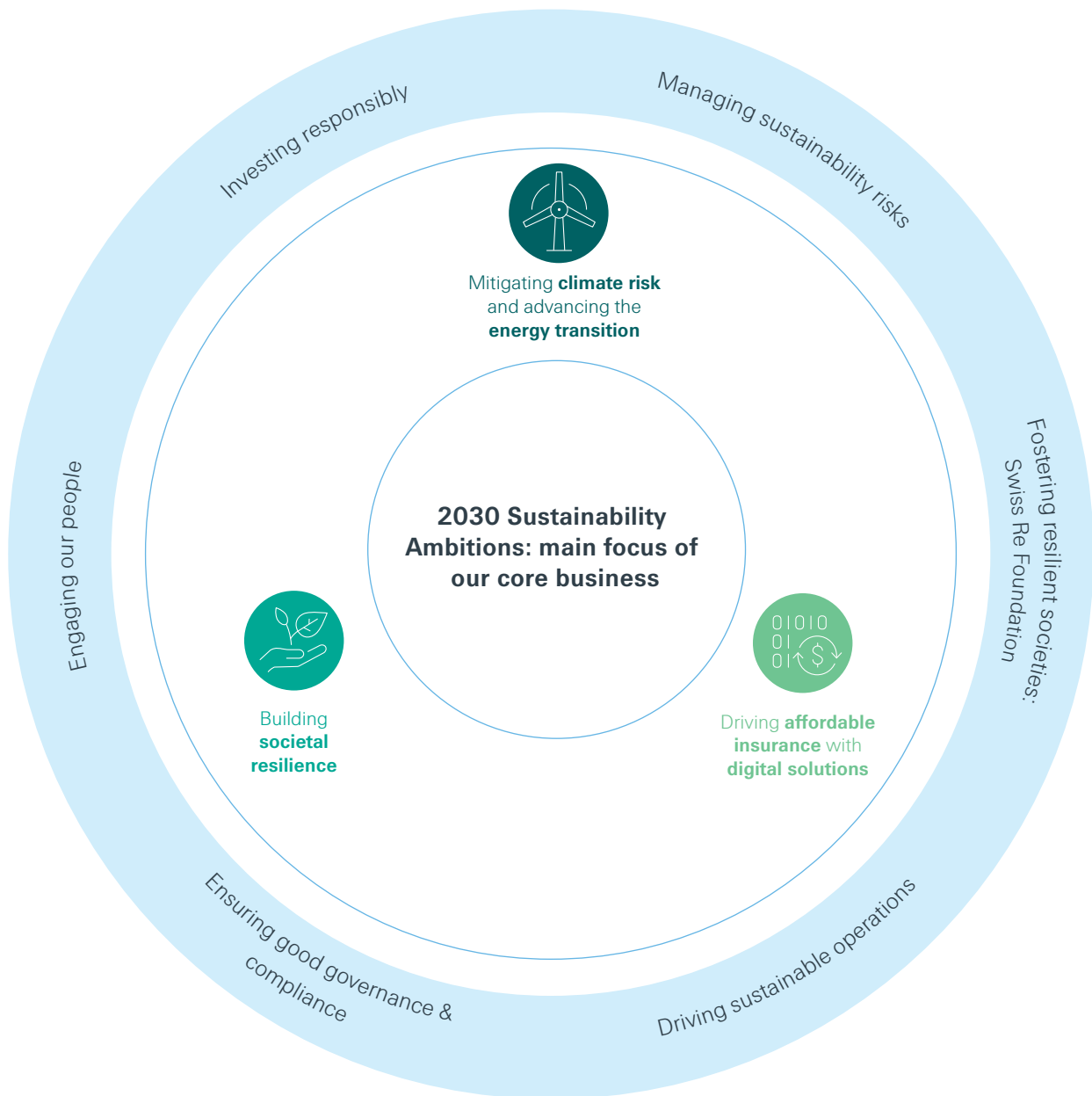
Learn more about our 2030 Sustainability Ambitions, the three focus areas for our core business.

 [swissre.com](https://www.swissre.com)

Our approach to sustainability

How we determine materiality

A key question for any company that seeks to advance sustainable development is what this means in the context of its own business and industry: Which topics are “material” to achieving this goal?



In order to identify these material Sustainability Topics, we follow a structured process that taps into our internal risk expertise and inputs gained through our ongoing dialogue with our stakeholders. It also takes into account the work of various standard-setters (eg reporting frameworks, sustainability definitions used by rating agencies, the UN Sustainable Development Goals, etc).

The illustration above shows all the Sustainability Topics we currently consider to be the most relevant, including our three 2030 Sustainability Ambitions tied to our re/insurance solutions. You can find descriptions of all the topics as well as an overview of related targets and key achievements in the section “Sustainability Topics: goals and progress” on pages 86 – 100.

Our materiality assessment

[Read a detailed description of the process we use to identify material Sustainability Topics.](#)

 [swissre.com](https://www.swissre.com)

Our approach to sustainability

Our approach to the UN Sustainable Development Goals

We fully endorse the UN Agenda 2030 and regard the UN Sustainable Development Goals (SDGs) as an important point of reference for determining our material Sustainability Topics and how to address them. Since the launch of the SDGs in 2015, we have continuously refined our approach to them and seek to understand how our business contributes to achieving the goals.

We started by mapping the SDGs to our 2030 Sustainability Ambitions and our Sustainability Topics, clearly showing where we contribute to the SDGs (see “Sustainability Topics: goals and progress”, pages 86 – 100).

We then explored how to use our Group Sustainability Strategy to further align our activities with the SDGs and understand related strengths, opportunities and risks.

Since 2019, we have been working with our business portfolio owners to assess our individual reinsurance underwriting portfolios using the SDGs as a sustainability lens, to better understand their contributions to the SDGs and identify areas where we can increase our positive impact. The SDGs allow us to better understand nuances within the broad and complex topic of sustainability.

Through an annual process, we look at each of the 17 goals and identify where our business has the biggest impact in terms of contributions as well as potential harm, estimate their materiality and define concrete measures. This is how we are building sustainability into portfolio management on the liability side of our business.

For our clients, we have sustainability-focused training where the SDGs feature in several modules. In 2021, we conducted three such training programmes, with each one running in modules over the course of several weeks (see Swiss Re Sustainability Client Programme on page 51 for further details). Furthermore, we created an inventory of re/insurance products with particularly strong contributions to the SDGs, making these links visible to our client managers and management.

To better understand the re/insurance industry's contribution to the SDGs, we work with the UNEP FI Principles for Sustainable Insurance to develop Insurance SDGs (iSDGs) for the liability side of our business. The iSDG initiative is an industry-led research and development effort to develop re/insurance-relevant SDG indicators and a quantification methodology to track progress towards the global goals.

As we have started measuring the carbon footprint of our direct insurance business, we have embarked on a similar journey to go beyond carbon and start exploring how to quantify our sustainability footprint across several dimensions.

On the asset side, we identify and analyse the contribution of our investments to the SDGs under the Inclusion cornerstone of our Responsible Investing strategy, and we measure the real-world impact against pre-defined and standardised KPIs, applying the SDI Asset Owner Platform's “Sustainable Development Investments (SDIs) Taxonomy & Guidance”¹ and the “SDG Impact Indicators Guide for Investors and Companies”² developed by the SDG Impact Assessment Working Group.

The overview below presents the most relevant SDGs for the three ambitions of our Group Sustainability Strategy. In addition, you can learn more about which SDGs we address through our activities in the “Sustainability Topics: goals and progress” section, on pages 86 – 100.



¹ <https://www.sdi-aop.org/files/sdi-taxonomies-and-guidance-june2020.pdf>

² [sdg-impact-measurement-final-draft_tcm46-363128.pdf \(dnb.nl\)](#)

Our Group Sustainability Strategy and related SDGs

Mitigating climate risk and advancing the energy transition



Building societal resilience



Driving affordable insurance with digital solutions



Focus topic

Enhancing our approach to biodiversity and ecosystem services

Countries around the world depend on a range of vital natural services – known as biodiversity and ecosystem services (BES) – to help maintain the health and stability of their communities and economies. These include services such as water provision, food security and the regulation of air quality. In fact, 55% of global GDP is moderately to highly dependent on intact ecosystems, as a study by Swiss Re Institute has shown. However, BES are in serious decline in many countries around the world.

The twin challenges of climate change and biodiversity degradation

Nature has proven its ability to self-heal over time, to capture carbon and to reduce the impact of weather-related and other disasters. In turn, man-made solutions that mimic nature or rely on its support can help societies prevent, mitigate and recover from the impacts of climate change and natural disasters. As a re/insurer, we believe that preserving nature's effectiveness is the key to a more resilient and prosperous future. Re/insurance can play an important role in identifying and assessing nature-related risks. Furthermore, it can help protect natural assets through thematic investments, by excluding activities that cause harm to nature, and by enabling the development of

so-called "nature-based solutions". We started to address biodiversity over a decade ago and have continuously expanded our approach since then. In 2021, we made the link between the twin challenges of climate change and biodiversity degradation more explicit through increased collaboration and focused risk transfer solutions.

Partnering for nature-positive models

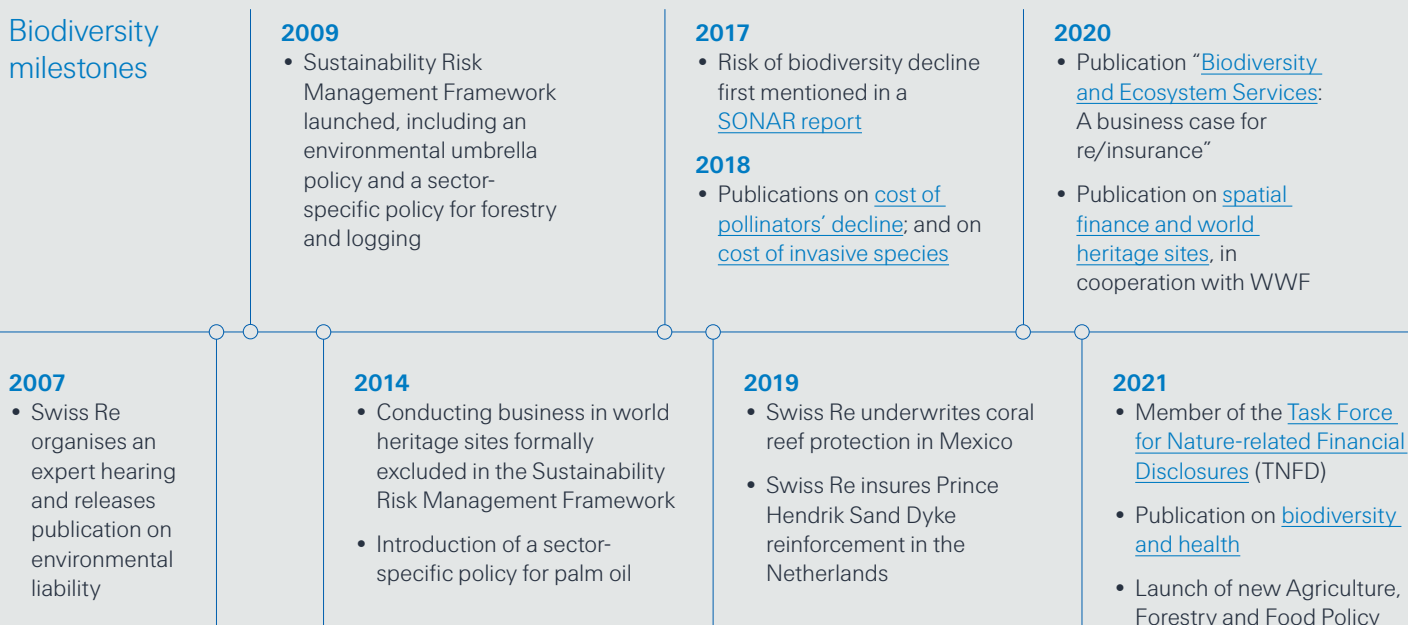
In 2021, there was a marked acceleration in global policy developments to mitigate nature loss, culminating in several commitments by the G7 and the G20 to continue and increase their efforts to address these challenges. At the UN Biodiversity Conference (COP15) in China, more than 100 countries pledged to make habitat protection and biodiversity considerations central to their economic decision-making. In addition, the Task Force on Nature-related Financial Disclosures (TNFD) was launched, with the goal of developing a risk management and financial disclosure framework to support a shift in global financial flows away from nature-negative outcomes towards nature-positive outcomes. Swiss Re is active in many such forums, eg supporting the work on the Global Biodiversity Framework and collaborating with the World Economic

Forum and the World Business Council for Sustainable Development on nature action initiatives. We are also a member of the TNFD (see page 117). In addition to our work with these institutions, we have also presented our assessments in many interactions with various stakeholders.

Integrating biodiversity considerations into our business

In 2021, we made further progress in integrating biodiversity considerations into our business. We have, for example, strengthened our approach to biodiversity risk in our ESG Risk Framework (see page 35) and hosted a SONAR "Dialogue on Biodiversity" series to help deepen the debate on the topic (see page 54). Furthermore, Swiss Re's BES Index has been integrated into several in-house tools including CatNet® and the Swiss Re Risk Resilience Centre. This supports our clients and partners in business and government in understanding their exposure to risks emanating from biodiversity and ecosystem services decline and enables them to factor biodiversity into their economic decisions.

Biodiversity milestones



Key external sustainability commitments

In line with our strategic approach to sustainability, we have signed up to a number of external charters and initiatives, and made specific commitments. The most important ones are shown below. A detailed overview of our memberships and commitments can be found on pages 117 – 118.

2007



Our approach to sustainability



The COVID-19 pandemic

Since 2020, our role in helping to make the world more resilient has become critical. Responding to the COVID-19 pandemic, we have provided support to societies through our financial strength, innovative solutions and risk knowledge. Our financial strength, combined with our powerful research and data capabilities, has put us in a position to be able to support our partners during these difficult times.

Our Sustainability Report also contains information about how we have helped address the pandemic and its consequences. You can find this information in the following chapters:

- “Creating solutions for sustainability”, pages 28 – 31
- “Engaging in dialogue with our stakeholders”, page 55
- “Engaging our people”, pages 70 – 71

About the organisation of this report

We address our nine Sustainability Topics across the different areas of our business where they are relevant. These “implementation areas” are listed below and provide the basic chapter structure for our Sustainability Report 2021:

Re/insurance solutions

Within our core business of re/insurance, we strive to develop innovative solutions that help tackle sustainability challenges. To achieve this, we work with our clients and partners in both the private and public sectors.

Risk intelligence

We develop and apply tailor-made tools to extend the scope of our risk management. This enables us to identify and appropriately address sustainability-related and emerging risks and opportunities in our core business.

Investments

We integrate ESG criteria across our investment portfolio. Our approach is based on the three strategic cornerstones Enhancement, Inclusion and Exclusion.

Stakeholder dialogue

Through regular dialogue with our clients, investors and other stakeholders, we help develop effective responses to sustainability and other key issues by raising awareness of both the risks and opportunities arising from them.

Operations

We apply best-practice standards of resource management to our properties and operations, including business travel, as well as guidelines to our sourcing activities. In doing so, we aim to minimise Swiss Re’s direct environmental impact.

Our people

Drawing on the know-how and experience of a diverse, multigenerational group of people, we want to ensure our employees can contribute to an organisation that is constantly looking for new ways to improve the wellbeing of society – where *how* we achieve results is as important as *what* we achieve.

Corporate governance and compliance

By adhering to the highest standards of governance and compliance, we seek to maintain effective checks and balances between the top corporate bodies, and to ensure the application of laws, rules and regulations, and ethical standards in our business. Swiss Re’s commitment to sustainability is fully integrated into our Code of Conduct.

Swiss Re Foundation

Playing an active role in society beyond our core business is important to us. Globally, we empower vulnerable communities to become more resilient to risk and, in locations where we have offices, we encourage volunteering activities and support local institutions.

The content of these core chapters primarily reflects our three 2030 Sustainability Ambitions and further Sustainability Topics, as shown and described on pages 86 – 100. The activities of the Swiss Re Foundation to foster resilient societies are described in detail in its activity report. Our climate-related activities are described in detail in our climate-related financial disclosures (TCFD) in the Financial Report, pages 150 – 194.

Data and performance

The report concludes with an overview of all goals and targets for our Sustainability Topics, as well as of our sustainability data. Grouped on a per-chapter basis, the disclosed figures aim to offer a transparent view of Swiss Re’s sustainability performance.

Our approach to sustainability

Reporting profile and reporting frameworks

Our Sustainability Report forms an essential part of Swiss Re's commitment to sustainability: Together with our climate-related financial disclosures (TCFD) in the Financial Report (see box on the right), it is our primary means of reporting progress on the implementation of our Group Sustainability Strategy. To get the full view of how we provide accountability to all our stakeholders, the Sustainability Report should be read in conjunction with the Business Report, the Financial Report, the report published by the Swiss Re Foundation and additional information available on our website.

The Sustainability Report 2021 covers the entire Swiss Re Group as it was organised on 31 December 2021, ie the publicly listed holding company Swiss Re Ltd, its two Business Units Reinsurance and Corporate Solutions, and all directly or indirectly held subsidiaries. The report covers the calendar year 2021 and follows the 2020 edition. We plan to maintain our yearly disclosure rhythm and will next report on our sustainability performance in the first quarter of 2023.

The core chapters of our Sustainability Report and selected disclosures in our climate-related financial disclosures (TCFD) have received independent assurance from KPMG AG. The Independent Assurance Report on pages 119 – 122 specifies which information and data points in the pdf of the Sustainability Report as well as the TCFD have received assurance.

Our Sustainability Report incorporates our 2021 Communication on Progress (CoP) for the UN Global Compact. You can view the full list of references to the Compact's ten principles in the online version of the report.

Furthermore, we continue to report against the Principles for Sustainable Insurance (PSI). Our Public Disclosure of Progress is also available in the online version of the report.

In the online version you can also find two reference tables showing where content relevant to two reporting standards can be found: the Sustainability Reporting Standards as defined by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standard for the insurance industry as defined by the Sustainability Accounting Standards Board (SASB).

With respect to the EU Taxonomy Regulation on the establishment of a framework to facilitate sustainable investment (Regulation 2020/852/EU), we will publish specific disclosures in separate documents on the Group's website by 30 June 2022. These documents, inter alia, will cover environmental information about eligible assets and underwriting activities for our European entities in scope as of year-end 2021.

Climate-related financial disclosures (TCFD)

Our climate-related financial disclosures help stakeholders to properly assess Swiss Re's climate-related risks and opportunities. These disclosures demonstrate how we plan to deliver on our commitments to achieving net-zero greenhouse gas emissions for our own underwriting activities, investment portfolio and operations.

We have played an active role in the Task Force on Climate-related Financial Disclosures (TCFD) since its creation by the Financial Stability Board and began to implement the TCFD recommendations in our 2016 Financial Report.

Our disclosures are fully integrated into the Financial Report 2021, on pages 150 – 194. They comprise the following elements, as recommended by the TCFD:

- Climate-related governance
- Climate strategy
- Climate-related risks and opportunities
- Climate-related metrics and targets, including carbon footprint of investment portfolio



UN Global Compact Communication on Progress (CoP)

online report

UNEP FI Principles for Sustainable Insurance (PSI) Disclosure of Progress

online report

Global Reporting Initiative (GRI) reference table

online report

Sustainability Accounting Standards Board (SASB) reference table

online report

Climate-related financial disclosures (TCFD)

Financial Report 2021

Creating solutions for sustainability

Our re/insurance solutions help address key environmental and social challenges. We focus on mitigating climate risk and advancing the energy transition, building societal resilience and driving affordable insurance with digital solutions to provide broader access to insurance.



By offering life and health insurance solutions to frontline healthcare workers during the COVID-19 pandemic, we are working towards our vision of making the world more resilient.

2021 highlights:

USD 3.9 billion

Natural catastrophe premiums across Swiss Re Group

>8 870

Wind and solar farms for which re/insurance cover was written in 2021

186 million

Life & Health policies in force

Life & Health

Sustainability Initiative

Launched the Swiss Re Life & Health Sustainability Initiative in Reinsurance to improve access, availability and affordability of life and health insurance products for underserved groups

>397 700

Beneficiaries benefitting from life and health insurance cover through the Women's World Banking microinsurance programme

By managing risks and covering losses, re/insurance creates stability and enables economic growth. However, some environmental and social challenges may undermine sustainable progress if left unaddressed. Helping our clients and society tackle such risks is a key part of our commitment to sustainability and our vision to make the world more resilient.

Building on our efforts in recent years, our focus is on the three overarching 2030 Sustainability Ambitions we have defined in our Group Sustainability Strategy (see pages 10–11).

We develop our solutions as part of our established risk modelling and underwriting activities or by creating innovative new products in close cooperation with our clients and partners. Our solutions frequently include:

- Index-based insurance products: We are a pioneer in creating innovative insurance solutions that use an index to determine payments.

- Climate-related risk analytics, models and tools: Our sustainability solutions for insurance clients improve their current and future performance and provide a basis for the development of new products.
- Public-sector partners: Besides serving direct insurers and corporate clients, we also develop risk transfer solutions for, and in cooperation with, governments and various public-sector organisations.
- Insurance-linked securities (ILS) or catastrophe bonds: We are a leading developer of these products, which enable cedents to transfer large risks to the capital markets.

Our solutions support our clients in their journey towards sustainability. They rely on our models and tools for underwriting, which consider sustainability-related aspects, eg the impact of climate change on floods. Equally, our clients benefit from our digital platforms for the launch of new products, eg parametric earthquake insurance.

Our 2030 Sustainability Ambitions

Throughout this chapter, the following icons indicate which Sustainability Ambitions are addressed by each of the sustainability solutions featured.



Mitigating climate risk and advancing the energy transition



Building societal resilience



Driving affordable insurance with digital solutions

We seek to develop solutions that improve access to insurance protection, especially in emerging markets. If governments and communities are financially protected against risks such as windstorms, earthquakes, drought and flooding, they can better cope with the immediate consequences of a disaster.

Equally, our solutions help create the conditions for sustained social and economic development by protecting investments, allowing governments to stabilise budgets and giving people the financial stability required to build and maintain businesses. Finally, our solutions also help individuals and families recover financially after a medical setback or following the loss of income due to the death or disability of a primary breadwinner (see page 21 for further information).

186m

Life & Health policies in force



In 2021, more than half of climate-related global insured losses were caused by events such as wildfires, extreme flooding and winter storms.

Natural catastrophes and climate change

Swiss Re first detected the potential long-term challenges posed by climate change around 30 years ago. As a re/insurer, we see climate change as a key issue because it leads to an increase in severity and a change in the patterns of natural catastrophes such as windstorms, floods, excessive rainfall, heatwaves and drought. The combination of climate change with growing asset concentrations in exposed areas will cause a steady rise in losses.

Providing effective re/insurance protection against large natural catastrophes creates significant benefits for our clients and for society at large. In 2021, premiums for natural catastrophe covers exceeding losses of USD 20 million amounted to USD 3.9 billion¹, which is equivalent to approximately 22% of Property & Casualty reinsurance premiums.

Climate change not only creates risks; it also presents new opportunities. Developing re/insurance products and services that address climate change is one of the core ambitions of our Group Sustainability Strategy. Through our offering, we pursue two different but complementary objectives: adapting to the effects of climate change and supporting the transition to a low-carbon economy.

To find out more about how Swiss Re assesses the impact of climate change risks and opportunities on our business, see our chapter on climate-related financial disclosures in our Financial Report 2021, pages 150–194.

USD 3.9bn

Natural catastrophe premiums across Swiss Re Group¹

Climate-related financial disclosures



Financial Report 2021

¹ For losses exceeding USD 20 million. Net of external expenses such as brokerage and commissions. In previous years, premiums including external expenses were reported, but this is now aligned with the methodology used in the Financial Report 2021.

Introducing Our Life & Health Sustainability Initiative in Reinsurance

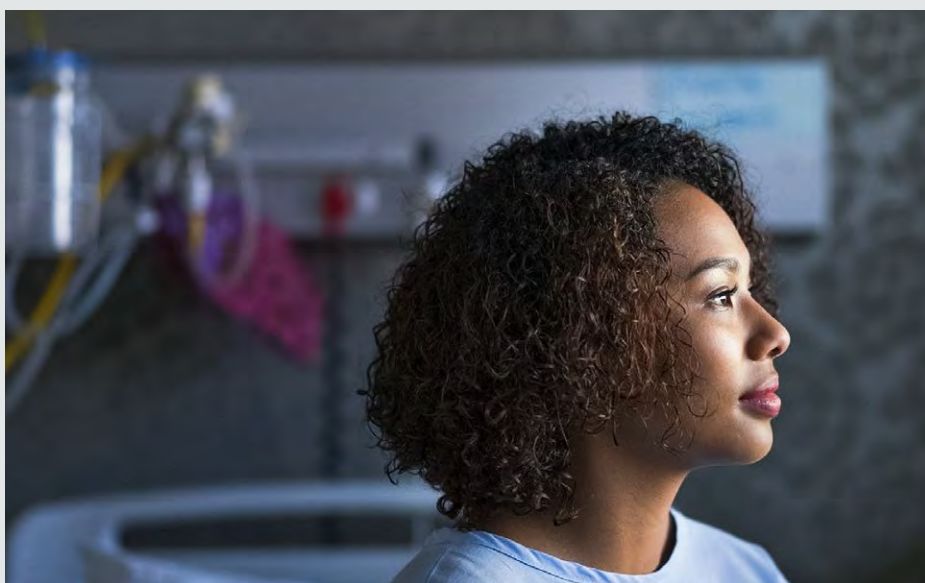
Life and health insurance plays a key role in Swiss Re's vision of making the world more resilient. In 2021, Swiss Re had 186 million life and health policies in force and paid out USD 14 billion in claims and annuity payments. This means that 237 million family members were supported by life and health reinsurance policies. We are committed to developing the most innovative solutions for our clients and partners along the entire value chain.

However, the pandemic has stressed healthcare systems around the world. According to a recent *sigma* report published by Swiss Re Institute, mortality and health insurance protection gaps have widened since the start of the pandemic. More specifically, the global health protection gap grew by 8.1% to USD 747 billion in 2020. With lower health resilience, a less robust health infrastructure and high levels of out-of-pocket spending on healthcare, developing countries are especially vulnerable to crisis situations such as those created by COVID-19. Affordable health insurance can play a central role in enhancing protection and reducing the financial risks associated with healthcare crises.

Driving availability, accessibility and affordability of insurance products

With this in mind, we have reinforced our efforts to bring life and health insurance solutions to the millions of people that our industry does not yet adequately serve. Launched in early 2021, our new Swiss Re Life & Health Sustainability Initiative focuses on partnering with our clients to make life and health insurance more affordable, available and accessible to underserved populations, who represent a huge, untapped market for our business and our industry.

Addressing the specific needs of a community is essential. For this reason, we have decided to focus on groups that have generally been left out or left behind by the insurance industry. They include immigrants, women, LGBTQ+, ethnic and racial minorities, gig workers and the informal economy, people with chronic health issues and rural communities.



Including these underserved populations will also help us realise the second ambition of Swiss Re's Group Sustainability Strategy: building societal resilience.

Bringing more innovative insurance products to our clients

Even before officially launching this initiative, we had already created a number of new products focused on making protection more widely available, accessible and affordable for previously underserved groups and markets. We did this by looking for coverage gaps in existing policies or by identifying gaps in the availability of insurance.

Examples include a first-in-the-market diabetes product to provide support for impaired lives in Ecuador, or a Mexican product that covers the most common ailments among people aged 65 and over, supplementing existing public coverage. In Brazil, we helped develop a product covering tropical diseases that had previously been excluded from the market. In Eastern Europe, our new, flexible cancer insurance policies tailored to the individual needs of patients and their families can improve access to insurance. Finally, we recently launched a new type of disability insurance in Germany aimed specifically at protecting blue-collar workers – and we are now expanding the product to Eastern Europe.

Optimising the insurance value chain through automation

We are also leveraging technology to make insurance more accessible and affordable. By optimising every step of the insurance value chain, innovative digital tools help make processes more cost efficient and enable us to deliver on our promise to pay out claims promptly. One such example is Magnum, Swiss Re's automated life insurance underwriting engine, which supports life insurers of all sizes to cut application times from weeks to minutes, no matter which stage they have reached on their digital journey. The tool uses cutting-edge cloud technology and powerful base rules from Life Guide, our life and health underwriting guide.

At the other end of the value chain, we are dedicated to making the claims process efficient and worry free for beneficiaries. Our in-house Claims Automated Rules Engine (CARE) simplifies this process from start to finish by providing automated risk assessments, claims triage, guidance for claim managers in their assessments and automated payment of claims.

Solutions for sustainability: life and health

Find examples of sustainability solutions related to life and health on pages 29–31.

 Sustainability Report 2021

Strengthening risk resilience: 2021 highlights

The following pages feature a selection of transactions and initiatives we developed during 2021 to help strengthen risk resilience and advance our sustainability objectives. Due to the innovative nature of these solutions, they do not necessarily represent Swiss Re's largest transactions or business lines. However, the solutions shown here help meet one or more of the three 2030 Sustainability Ambitions defined in our Group Sustainability Strategy and will continue to do so as they are scaled up. These transactions help our clients and their communities become more resilient to the risks they face by ensuring that adequate funding is in place when it is needed.

Natural catastrophe Narrowing the flood protection gap in the US



Floods are the most common natural disaster in the US, with all 50 states having experienced flooding since May 2018. Yet, less than 10% of US homeowners have flood insurance, representing a protection gap of USD 36 billion. One of the main barriers to closing the flood protection gap in the US is a fragmented regulatory framework. Before insurers can introduce new flood insurance products, local state regulators must approve the flood modelling and risk scoring methodologies used, resulting in delays, regulatory risk and increased costs for the insurers.

To ease the regulatory burden faced by Swiss Re's insurance clients, we worked with actuarial consulting firm Milliman and its insurance advisory and rating organisation,

Appleseed. Leveraging our proprietary flood models, we worked together to launch QuickFlood – a web-based, simplified flood insurance product for lower-risk flood zones. While Swiss Re provides reinsurance backing, Appleseed handles the state by state regulatory filings. Once approved by state regulators, insurers can quickly implement QuickFlood by referring to Appleseed's documentation in their rate filings. QuickFlood has been approved for use in 13 US states, with 11 more state filings pending approval in 2022.

In addition to reducing regulatory uncertainty and speeding up implementation, such an approach allows insurers to focus on educating everyone on the value chain – from mortgage lenders and realtors to insurance agents and property owners – about the importance of flood risk protection. This helps insurers grow their business and narrow the flood protection gap. To date, our overall flood solution supports up to 220 000 flood policies, helping to mitigate climate risk and strengthening societal resilience.



Natural catastrophe

Strengthening Jamaica's resilience to natural disasters while financing development projects

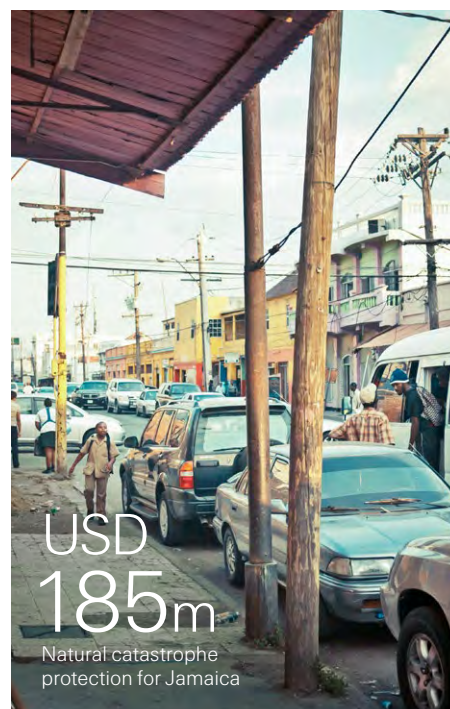


Jamaica is the largest and most populous island in the English-speaking Caribbean, with 2.93 million inhabitants. To protect the island against the impact of natural disasters, Jamaica has developed a Disaster Risk Financing (DRF) framework, supported by fiscal and public financial management reforms. The DRF strategy aims to reduce the fiscal burden associated with the growing impact of climate change, to increase social safety nets and to enhance infrastructure resilience.

In 2021, the government of Jamaica became the first government in the Caribbean region, and the first of any small island state, to independently sponsor a catastrophe bond. The bond would provide the island nation of Jamaica with accelerated economic relief of up to USD 185 million if Jamaica were to be impacted by a tropical cyclone that met certain minimum central pressure thresholds.

The transaction includes an innovative reporting feature, resulting in an expedited event calculation and payout, reducing to several weeks a process that could otherwise span several months. It is also the first tropical cyclone-triggered catastrophe bond to use a cumulative "cat-in-a-grid" structure, which measures the cumulative impact of an event over the island.

Swiss Re Capital Markets acted as structuring agent and bookrunner on the transaction, and it advised the World Bank on the issuance process of the Capital at Risk Notes under the World Bank's Global Debt Issuance Facility. The International Bank for Reconstruction and Development, which holds the collateral, specialises in financing sustainable development projects in member countries. For the duration of its cover, the bond's collateral will be invested in projects specifically designed to achieve positive social and environmental impacts. The Jamaica catastrophe bond therefore serves the dual role of providing protection and facilitating sustainable development.



Natural catastrophe

Creating value from risk insights



Major natural disasters put claims departments under enormous pressure to deploy loss adjusters and handle the sudden large number of claims efficiently and accurately. Swiss Re's Rapid Damage Assessment (RDA) enables claims managers to take faster and more accurate decisions in events such as tropical cyclones and floods. RDA uses a combination of event data, natural catastrophe models, data enrichment and AI algorithms on high resolution aerial and synthetic aperture radar (SAR) satellite imagery to derive property-level damage insights, ultimately improving the loss adjustment process.

We continuously enrich our existing datasets through partnerships. One such partnership made in 2021 is with ICEYE, whose radar-based technology satellites can peer through cloud cover, volcanic ash and hurricanes to measure how floods and other natural catastrophes are impacting specific regions as they occur.

In 2021, we applied our RDA capabilities using satellite images of large-scale flooding in eastern Australia to provide clients with a damage assessment of the emergency. This work combined a satellite data analysis of the depth of the flood water with an in-depth portfolio analysis of the insured risks in the affected area.

Without needing to access the flooded region, our experts used the RDA enriched with ICEYE data to calculate the impact of the flooding across clients' portfolios within days. Previously, the process would have taken weeks to months, with experts needing to first gain access to the region before conducting lengthy assessment processes. This enables faster claims handling and payouts, whereby funds can be deployed to beneficiaries in the affected areas when they need them most.

Floods are heavily impacted by climate change, and with flood losses having increased in the last decade, the protection gap has also widened. By establishing new partnerships, Swiss Re is enabling more efficient and transparent loss assessment, contributing to reconstruction efforts and strengthening societal resilience.


Helping corporate clients quantify their physical climate risks

Many of Swiss Re's corporate clients need to assess their exposure to physical climate risks in order to safeguard their long-term business interests and address the questions and concerns of investors, customers, regulators and other stakeholders. Combining our forward-looking climate models for precipitation and sea level rise with flood and storm surge zones, Swiss Re Corporate Solutions launched our Climate Risk Solutions offering in 2021 to help clients quantify their exposure to physical climate risks, supporting their long-term planning and decision-making. This offering includes an in-depth analysis of a customer's identified peril scenarios, as well as mitigation and risk transfer options.

We recently carried out an in-depth climate change impact analysis for a global manufacturer's flood exposure in the UK. A similar analysis was done for a global food and retail group to inform their required TCFD reporting.

Learn more about our Climate Risk Solutions for corporates on our website.

Climate Risk Solutions

 [swissre.com](https://www.swissre.com)

Renewables and energy transition Insuring offshore wind farms

We offer a range of re/insurance solutions to manage the risks associated with different kinds of renewable energy projects, in line with our 2030 Sustainability Ambition to advance the energy transition. As of the end of 2021, Swiss Re had written re/insurance for more than 8 870 wind and solar farms. Once these renewable energy plants are fully operational, they will help avoid over 29 million tonnes of CO₂ emissions.

Offshore wind is considered a promising renewable energy source. Swiss Re Corporate Solutions has both the capacity and the technical expertise needed to help manage the complex risks associated with offshore wind farms. We continuously enhance our understanding of these risks, engage with numerous stakeholders in this industry segment and share our insights with our clients. As an initiator and co-founder of the European Wind Turbine Committee established in 2011, we were instrumental in developing the Offshore Code of Practice (OCOP), a best-practice guide for risk management in this sector. Mirroring these efforts, we are now considered a market leader for offshore wind risks. In recent years, Swiss Re Corporate Solutions has participated in a number of offshore wind power projects, including stand-alone offshore substations and export cables.

In 2021, we were involved in a number of new offshore wind farm projects. An example is provided on the right.

Renewables and energy transition Enabling the construction of a wind farm in the Baltic Sea



Swiss Re Corporate Solutions wrote the lead share for the construction of the Baltic Eagle wind farm, located 30 kilometres off the island of Rügen in Germany. The arrangement covers losses of revenue due to specific construction delays, as well as property damage during the first year of operation.

Swiss Re Reinsurance is also participating in the project through several cedents. Manufacturing of the foundations is set to begin in 2022, with the wind farm due to be commissioned in 2024. The 50 monopile foundations will be set into the seabed more than 40 metres below the surface. Each of the turbines will have a capacity of close to 10 megawatts, resulting in a total capacity of 476 gigawatts. Once operational, the infrastructure will provide enough electricity to the German grid to power almost half a million households.

Renewables and energy transition Improving bankability of solar and wind farms in Vietnam



In 2021, we provided several parametric reinsurance programmes that compensate the owners of solar and wind farms in Vietnam – and their investors – in the event of revenue shortfalls due to the variability of solar irradiation and wind conditions. The reinsurance programme covers the same time period as the external financing provided by banks or other investors. By ensuring that the owners have stable revenues to meet their financing obligations, the cover enables them to execute the planned expansion of their solar and wind

farms while addressing lenders' concerns over the impact of variations in solar irradiation and wind conditions on revenues.

The parametric covers trigger a payment when solar irradiation or wind conditions fall below a predefined level. This solution is an effective tool to mitigate the owners' and investors' risk exposure to volatility of solar irradiation and wind, which has not been insurable by conventional insurance products to date. This, in turn, can unlock financing for the planned additional 41 gigawatts of solar and wind capacity by 2030, as drafted in Vietnam's latest power development plan to support the country's economic development. Once complete, these reinsured solar and wind power plants will provide enough electricity to power more than 200 000 average households in Vietnam and help to avoid more than 300 000 tonnes of CO₂ emissions each year.



Renewables and energy transition

Advancing renewable energy in India



India is the world's third-largest consumer of electricity and the world's fourth-largest renewable energy producer with 40% (156.3 gigawatts out of 390.8 gigawatts) of total installed energy capacity coming from renewable sources. To combat climate change, the country has committed to build an additional 400 gigawatts of renewable energy capacity, ensuring that half of its energy mix comes from renewable sources by 2030.

In 2021, one of our insurance brokers approached us on behalf of a renewable energy provider with a portfolio consisting

of grid-connected solar photovoltaic plants, solar parks and wind farms located across various states in India, with around 11.5 gigawatts of planned project capacity. To reduce the high premium costs and the administrative burden of insuring each plant individually, the company was seeking to consolidate the insurance cover for its entire portfolio.

Swiss Re was able to develop a comprehensive solution that provides up to 36 months of operational cover (Property Damage and Business Interruption) for the client's entire solar and wind power portfolio, including automatic coverage for newly installed or acquired plants. Such an approach supports the client's ambition to generate 25 gigawatts of renewable energy by 2025, powering approximately 35 million households and contributing to the energy transition.



Infrastructure

Insuring clean water infrastructure



According to the World Health Organization, 2.2 billion people lack access to safely managed drinking water, putting them at risk for disease. One example can be found in Hemmathagama, Sri Lanka, where families from seven towns drink untreated, raw water from the Auphinella River. But a new intake and water treatment plant promises to change that. Each of the villages will have its own water reservoir, which will connect to the main water treatment plant via a newly laid out pipeline network.

The Dutch construction and development company Ballast Nedam is responsible for the entire project from its design and construction to its connection to 17 000 homes. And Swiss Re Corporate Solutions is one of two co-insurers providing Contractors' All Risks Insurance, including cover for the construction phase as well as maintenance cover for up to 12 months after completion of the project.

Hemmathagama's mountainous terrain offers one key advantage: due to the differences in height, the water supply can use gravity to aid distribution. This eliminates the need for water pumps, minimising the impact on the environment. Because the pipes run partly underground and partly



above ground across many of the residents' properties, local consent and community enthusiasm is key to the success of the project. For this reason, Ballast Nedam relies on a Sri Lankan community engagement manager to handle all agreements made in each village. In addition, local Sri Lankan contractors will install the pipes connecting the houses to the main water distribution network. Finally, Ballast Nedam is also

training the Sri Lankan team that will be responsible for the continued maintenance and operation of the water treatment plant.

Once the project is completed (scheduled for September 2022), the clean drinking water delivered to Hemmathagama's residents will contribute to reducing disease, easing the pressure on the region's healthcare system.

Infrastructure

Building an electrical superhighway



As part of its plan to transition to a low-carbon economy, Germany has pledged to generate 80% of its power from renewables in 2030. While electricity from offshore wind is produced in the north, such as the North Sea and the Baltic Sea, southern Germany is heavily populated and is a hub for the manufacturing industry. Hence, transmission lines with huge capacities are needed to transport electricity to consumers.

New transmission lines are a key component of the envisaged energy transition. Approximately one third of Europe's energy grids are already over 40 years old. This figure is likely to exceed 50% by 2030. Older grids are unlikely to meet modern energy requirements: they lack capacity and are more inefficient, losing a higher proportion of energy during transmission. It is estimated that European power distribution grids will require EUR 375 – 425 billion of investments by 2030.

Swiss Re provides construction insurance to the SüdLink, the largest renewable energy infrastructure project in Germany. As an electrical superhighway, also known as a high-voltage direct current (HVDC) transmission system, it runs completely underground over a distance of 700 kilometres. HVDC is more efficient than traditional AC (alternating current) grids,



losing less energy during transmission. With a capacity of 4 gigawatts, SüdLink brings electricity from 10 major offshore wind farms to ten million households. The project updates existing infrastructure and advances the energy transition.

Agriculture

Using a digital platform to develop new agricultural insurance products



With over 125 million inhabitants, Guangdong is the most highly populated province in China and boasts its highest GDP. Located in the south of the country, it is heavily exposed to excess rainfall and typhoons. In the face of growing climate perils and increasing urbanisation, the province is seeking to reinforce food security. With this in mind, the government aims to triple agricultural insurance penetration from 0.43% in early 2020 to 1.2% in 2022. A stable income for farmers less impacted by weather hazards would encourage rural revitalisation, agricultural modernisation and ultimately narrow the wealth gap between urban and rural populations.

Guangdong cultivates a large variety of local agricultural products. Unlike other provinces, it has limited cereal crops, while aquaculture, vegetables and fruits are dominant. Underwriting such crops is technically challenging due to a lack of data and expertise. For this reason, there is a strong demand for insurance product innovation.



Our Agriculture Insurance Risk Monitoring Platform (AIRMP) provides product design, actuarial analysis, payout calculations and product management. Our platform enables local insurers, including the leading primary insurer in Guangdong, to leverage big data and machine learning. As of the end of 2021, approximately 20 insurance products have been developed via this platform, covering

various species and multiple perils – such as typhoons, extreme temperatures, strong winds and droughts. Finally, Swiss Re also provides reinsurance capacity for products developed via the platform, further helping to close the protection gap and drive the development of high-quality agricultural insurance in Guangdong.

Agriculture

Insuring over six million farmers in West Bengal



More than six million farmers in West Bengal, India, can now look forward to having better coverage for their crops after the state launched its first fully subsidised technology-driven crop insurance scheme. Since the product is fully subsidised, it is free for the farmers. This, in turn drives high penetration among the farming community and throughout the state. It is estimated that around 85% of the 7.2 million farmers within West Bengal are insured through the scheme. Their insured crops are primarily rice paddies, but also include potatoes, mustard, wheat, lentils and sesame.

The Bangla Shasya Bima scheme is unique in that it uses the Crop Health Factor as the underlying parameter: it uses remote sensing technology to measure and combine various indicators such as vegetation and rain to assess the health of the crop. While most states in India continue to rely on manual data gathering in area yield index models, which have been running since the 1970s, the Crop Health Factor-based insurance signals a paradigm shift in the efficiency of



crop insurance models. The National Remote Sensing Centre (NRSC) within India's Department of Space will compute the Crop Health Factor parameters.

The scheme was co-developed by the state government of West Bengal, the NSRC, and the Agriculture Insurance Company of India (AICI). Swiss Re helped review the product design and is also the lead reinsurer of the

scheme. As part of the product development journey, Swiss Re and AICI have paved the way for the replication of similar successes to close the protection gap in the Indian crop insurance sector. Such strategic collaborations support our ambition to develop affordable, technology-based innovative products in agriculture and other associated sectors.

Creating solutions for sustainability: past milestones

The following selected milestones have marked Swiss Re's journey to provide sustainability solutions for our clients:

Public Sector Solutions (PSS)

Established in 2007 (originally named Global Partnerships) to help governments at all levels to strengthen their resilience strategies

2014 Pledge to the United Nations

By 2020, advised 130 sovereigns and sub-sovereigns on climate risk resilience and offered a total of USD 10.7 billion in re/insurance protection, exceeding our original pledge by USD 0.7 billion and 80 (sub-)sovereigns advised

Centre of Competence for Wind Power

Established by Swiss Re Corporate Solutions in 2015 to build and refine the technical expertise needed to understand and manage offshore wind risks

Biodiversity and Ecosystem Services (BES) Index

Launched in 2020 to identify sectors and countries most exposed to biodiversity decline and fully integrated into Swiss Re's online natural hazard information and mapping system, CatNet®

Our commitments

Women's World Banking

In 2018, Swiss Re partnered with Women's World Banking to provide microinsurance to women in Egypt. Distributed via local financial institutions such as banks and credit unions, microinsurance is offered to women in the informal sector who have taken out loans to support their businesses. The scheme was designed to allow women and their families to shoulder the financial burden associated with illness or childbirth, without defaulting on their loan payments.

If the client or one of her immediate family members is admitted to the hospital due to illness or childbirth, she receives a fixed sum depending on the length of the stay. Not only does the lump sum protect women from loss of income during their hospitalisation, it also helps cover some of the associated costs, such as transportation to the hospital, or certain medical expenses not covered by the public health system. The woman's family also receives a lump sum in the event of death.

As we entered the second year of the COVID-19 pandemic, many of the logistical challenges from 2020 persisted into 2021, hindering business expansion and the replication of the microinsurance programme

in other countries. On-site visits had to be replaced by phone calls, making it difficult to build relationships with potential distribution partners in regions where face-to-face contact is highly valued. Microfinance institutions on the ground also struggled with business continuity as many of their own employees were unable to work from home. Reaching new customers therefore became challenging. The difficulties that local employees faced while attempting to work remotely also meant that claims – which are typically settled within one to two days – took longer to process during the pandemic.

Priorities also changed for women in the informal sector. They often needed to prioritise basic needs and household expenses over insurance. Many either avoided hospital treatment out of fear of becoming infected or were turned away from overburdened hospitals that were already at capacity due to the pandemic.

Even though the pandemic continued into 2021 and many of the same challenges remained, Women's World Banking has now reached 397 792 customers in Egypt.

Additionally, Women's World Banking and Swiss Re are still working to expand the scheme to other countries and to improve its distribution process. Internal analysis and workshops revealed that the initial contract length of two years was daunting for many distribution partners who did not want to commit to long timeframes and uncertain outcomes. As a result, Women's World Banking is now working with a more modular approach to designing and launching new products. After an initial market analysis focusing on how lower income populations access health services and the types of insurance and distribution options available, Women's World Banking and the distribution partner design a pilot project to test a new microinsurance product. Following the test period, the product is evaluated and adjustments are made before being launched. Not only does the pilot approach reveal the feasibility of the project early on, it also allows the partner to shape and appreciate the value proposition of microinsurance first hand.

Swiss Re and Women's World Banking remain committed to reaching 2 million customers by 2023. Additionally, the Swiss Re Foundation has supported Women's World Banking by providing funding for the hiring of full-time employees who work on product development.



>397 700

Customers and their family members benefitting from insurance cover by the end of 2021

Women's World Banking customer Mona Ahmed Abbas runs her own business making chandeliers in Cairo.

Our commitments

Insurance Development Forum

The Insurance Development Forum (IDF) is a public-private partnership led by the insurance industry and is supported by international organisations. It aims to optimise and extend the use of insurance and its related risk management capabilities to build greater resilience and protection for people, communities, businesses and public institutions that are vulnerable to disasters and their associated economic shocks.

In 2019, the UN Development Programme (UNDP), the German government and members of the IDF entered into a Tripartite Agreement in which they collectively committed to increase insurance protection in climate-vulnerable countries. As part of their commitment, industry members pledged to offer USD 5 billion of risk capacity for climate risk insurance, benefitting up to 500 million people in 20 climate-vulnerable countries by 2025. The commitment aims to accelerate the implementation of risk

management and risk financing solutions as a means to strengthen adaptation measures and resilience to climate risks in exposed countries. As a member of the IDF, Swiss Re has endorsed this commitment along with several of its industry peers.

To achieve this commitment, Germany's KfW Development Bank has provided funding via the InsuResilience Solutions Fund (ISF) and project teams for 16 of the climate-vulnerable countries have been established. Swiss Re currently co-leads six of these country project teams (Ghana, Bangladesh, Nigeria, Uzbekistan, Pakistan and Colombia) and contributes to an additional five country project teams by providing risk and modelling insights.

Over the course of the year, more than 90 experts from 11 re/insurance companies and more than 50 UNDP representatives from 16 UNDP Country Offices continued to

engage in Tripartite work. At the end of 2021, two country projects led by other IDF members were being implemented and two additional projects had been approved by the ISF for grant funding. One project currently being implemented in Peru aims to provide the government with options to cover all or a subset of its more than 50 000 public schools against the impacts of natural disasters. In Colombia, a programme was launched in 2021 to develop a parametric flood and earthquake product, as well as indemnity landslide protection in the city of Medellín.

To meet the commitments of the Tripartite Agreement, Swiss Re and members of the IDF intend to continue to collaborate with climate vulnerable countries by providing risk modelling expertise and working to expand the project pipeline in the respective countries.

Life and health

Protecting Kenya's frontline health workers



In the early days of the COVID-19 pandemic in Kenya, a shortage of personal protective equipment meant that frontline health workers were particularly vulnerable to contracting the virus. Many of these workers had either no health insurance or had inadequate cover when they became infected themselves. As a result, a consortium of insurers decided to create a solution to support the healthcare professionals who were already coping with the long shifts and the emotional strain of treating COVID patients.

We worked with this consortium to design a basic medical reimbursement cover for inpatient and outpatient treatment, including, but not limited to COVID-19 cover, for approximately 130 000 frontline workers. Under this arrangement, Swiss Re will be the lead reinsurer, while Swiss Re Public Sector



Solutions engages with key government stakeholders for alignment and to ensure minimal interference in insurance pricing as well as support for the initiative in line with the key government objective of universal healthcare.

Such a solution aims to strengthen resilience among frontline workers who have borne most of the burden for the COVID-19 response, while supporting our ambition to provide affordable access to healthcare for underserved populations.

Life and health

Partnering for improved access to vaccines



The need for global collaboration to develop responses to COVID-19 became apparent very quickly as the pandemic spread around the world. Partnerships between the public and private sectors as well as the unprecedented sharing of research data during the development of the vaccines succeeded in producing multiple vaccines at record speed. Ensuring that all countries have access to these vaccines was and remains a crucial next step in overcoming the pandemic. In 2021, an innovative partnership between Gavi, the vaccine alliance, and the insurance industry helped

secure this access for many countries that would otherwise have faced substantial challenges in their national procurement plans.

Gavi was founded as a partnership of public and private-sector actors who are committed to improving access to vaccines for millions of people around the world. Following the development of the COVID-19 vaccines, the Geneva-based organisation co-created a vaccine procurement facility called COVAX. The facility bundles demand to purchase vaccines in bulk from manufacturers.

However, only lower- and lower-middle income countries can benefit from donor support for their vaccines under the COVAX scheme, while middle-income countries must pay for their doses themselves. This is where our partnership supports COVAX: Swiss Re Corporate Solutions, together with

other leading insurers, participated in an innovative risk mitigation program arranged by Marsh, a leading insurance broker and risk advisor, to provide protection against the risk of non-payment by 21 self-paying countries across Africa, the Americas, Asia and Continental Europe. The insurance coverage allowed those countries to access vaccines and gave Gavi greater confidence to negotiate preferential prices with manufacturers.

This innovative public-private partnership contributes to increased vaccination rates in developing countries, which will have a significant impact in helping them reach their national vaccination targets in 2022.

21

Countries given improved access to COVID-19 vaccines

Life and health

Collaborating to provide digital access to health services



Swiss Re's white-label digital insurance company iptiQ entered into a collaboration with Square Health, one of the largest networks of medical professionals in the UK. Since 2021, iptiQ's clients and their customers in the UK have received digital health benefits such as virtual 24/7 general practitioner (GP) consultations, e-prescriptions, mental health support, bereavement counselling, wellness checks and dietician services.

By providing relevant services throughout a person's lifetime, our iptiQ division aims to increase customer engagement. We also intend to reduce the amount of time needed to diagnose health conditions and offer customers a way to be more proactive in staying fit and well.

Through the lens of COVID-19, we have seen Square Health play a pivotal role in digitalising GP services. As a result of the pandemic, obtaining routine doctor's appointments became more challenging. Delivered through an intuitive mobile app, Square Health complements traditional health services by providing additional digital access. The app lessens dependencies on



face-to-face consultations, thus protecting some of the most vulnerable.

Furthermore, depression and anxiety were a leading cause of disease burden even prior to COVID-19, with mental healthcare systems often being under-resourced. The pandemic has been associated with an even higher rate of major depressive disorders and

anxiety, making the mental health support provided via Square Health especially meaningful.

We are looking to embed the Square Health service across multiple distribution partners, and to launch additional health services depending on the unique needs of our partners and customers.

Life and health

Foodpanda: protecting gig economy workers



Many online food delivery platforms rely on a fleet of freelance bike couriers and drivers, many of whom are uninsured. As people stayed in or shifted to working from home during the pandemic, demand for food delivery services boomed in many cities across the globe. As the frequency and volume of deliveries intensified, delivery workers became increasingly exposed to potential accidents, resulting in costly medical bills and lost wages.

To provide affordable accident and health protection for workers in the gig economy, Swiss Re worked with insurtech firm Igloo and MSIG Singapore to develop a pilot project on behalf of Foodpanda, a popular

food delivery service with operations in over 400 cities across 12 countries. Known as PandaCare, the insurance solution covers a range of benefits including accidental medical expenses, cash for hospital stays, permanent or temporary disability and smartphone damage. The policies are underwritten by MSIG Singapore, with reinsurance backing provided by Swiss Re.

PandaCare is fully embedded into the Foodpanda platform using Igloo's technology, making it easy to use. After completing an online questionnaire, riders registered with Foodpanda can opt in to one of three monthly plans starting from as little as SGD 9 per month. Riders also have the option to extend coverage to their immediate family members. Submitting claims through the online portal is equally simple.

Such convenient and affordable digital solutions are an effective means to provide peace of mind for workers who enjoy the flexibility of the gig economy, but who might



otherwise go uninsured. Although the product is currently only available in Singapore, the partnership with MSIG Singapore and Foodpanda serves as a model for other consumer brands looking to provide protection for their freelance workers.

Life and health

Protecting US immigrants and their families abroad



Over 44 million immigrants live in the US. Each year, they send more than USD 148 billion to their home countries. Many immigrants carry the financial burden of supporting family members back home, especially in the event of an emergency such as a family funeral. Faced with such circumstances, immigrant families and their communities often end up pooling their resources to fund these emergencies out of pocket.

To address these underserved communities, Swiss Re is working with US-based carriers to provide life insurance to documented immigrants in the US and their loved ones abroad. This innovative solution leverages the US carrier's existing base product to cover the life of the immigrant policyholder and adds an innovative rider to cover lives of family members in the US and in approved home countries. If an insured loved one back home passes away, the policyholder receives a payout that can be used to cover funeral and related travel costs. If the policyholder dies, the financially dependent family members in the US or abroad are covered.

To tackle the regulatory complexity of developing a product in more than one jurisdiction, this solution relies on a new business model that leverages Swiss Re expertise in approved immigrant home countries. Our approach reduces the complexity of providing life insurance coverage to customers with family ties stretching across more than one country.

We have initially launched the product as a pilot focusing on Ghanaian immigrants. To market and promote the product, our distribution partner is prioritising culturally appropriate marketing messages and recruiting agents who are themselves members of the Ghanaian immigrant community, helping to establish trust among potential customers. For this project, Swiss Re also funded market research conducted by cultural anthropologists who focused on understanding target immigrant communities' cultural behaviour around family funerals and integrating relevant insights into the solution design.

As the immigrant population in the US continues to grow, this solution can be scaled and replicated to serve other immigrant community/home country pairs, making affordable and accessible insurance available to underserved immigrant groups and meeting our sustainability ambition to build societal resilience.

Diversity enables innovative solutions

Our Immigrant Family Solution was inspired by the personal experiences of US-based employees who are immigrants themselves. They, in turn, worked closely with Swiss Re colleagues across the globe to ensure local best practices to verify claims in the corresponding home countries.

This is a testament to how the diversity of experiences and cultural backgrounds of our employees enable us to develop products tailored to the needs of customers who are underserved by the insurance industry.

Diversity, Equity & Inclusion

Read how Swiss Re encourages a diverse and inclusive work environment on page 75.

 Sustainability Report 2021

Extending our risk intelligence

As part of our comprehensive risk management, we address ESG and emerging risks. We have developed specific tools and know-how to this end.



Our ESG Risk Framework comprises a sector policy for oil and gas. We have recently enhanced this policy to gradually align our oil and gas underwriting with Swiss Re's commitment to net-zero emissions by 2050.

2021 highlights:

Reviewed and relaunched our Sustainable Business Risk Framework as **ESG Risk Framework**, formally expressing its governance dimension

Introduced the framework's **revised and expanded Agriculture, Forestry and Food Policy**

Completed **integration of the framework's ESG Risk Service** into single-risk underwriting processes, resulting in **92000 transactions screened for ESG risks**

5% Phased out 5% most carbon-intensive oil and gas companies in direct and facultative re/insurance by the end of 2021

Co-founded the **Net-Zero Insurance Alliance** and took the chair of its working group on emission metrics

Published our **ninth annual SONAR report** on key emerging risk themes

Risk management is an integral part of Swiss Re's business model and key to the controlled risk-taking that underpins our financial strength. It is embedded throughout our business and ensures that the Group and the three Business Units have the necessary expertise, frameworks and infrastructure to support good risk-taking. This allows us to be a reliable partner for our clients and supports our vision to make the world more resilient. You can find out more about the core categories of Swiss Re's risk landscape in the Financial Report 2021, pages 68 – 69.

As a company committed to sustainability, we also place emphasis on specific risks that may undermine long-term value creation. We consider ESG and emerging risks to be of particular relevance in this respect and have developed instruments to identify, assess and address them. This allows us to determine those risks we think we should avoid – because of their environmental and social impacts as well as their potential to increase losses. Furthermore, we have policies and tools in place to ensure data protection and address political risks. You can find information about these on our website.

The carbon risks embedded in our core re/insurance business (ie the "liability side") have become a major priority. To achieve the net-zero emissions target we have set for ourselves for 2050, we are developing a

comprehensive carbon steering mechanism and are sharpening relevant policies of our ESG Risk Framework.

Decarbonising our business model

Swiss Re supports the worldwide reduction of greenhouse gas emissions and contributes to the goal of limiting global warming to 1.5°C above pre-industrial levels. We continuously review measures to assist the transition to a low-carbon economy and, formalising our commitment, in 2015 signed the Paris Pledge for Action to affirm our support for the Paris Agreement. In addition to our risk management, our efforts to fulfil the Paris Pledge for Action include the development of suitable re/insurance solutions for our clients (pages 22 – 31), our Responsible Investing strategy (pages 41 – 46) and our own operations (pages 60 – 65).

Our commitment to reach net-zero emissions

In 2019, we made a public commitment to reach net-zero emissions by 2050 across our whole business by signing the UN Global Compact Business Ambition for 1.5°C. To accelerate progress towards this ambitious goal in our underwriting, we co-founded the UN-convened Net-Zero Insurance Alliance (NZIA) in 2021 (see page 34).

Data protection and privacy compliance at Swiss Re

 [swissre.com](https://www.swissre.com)

Political risks

 [swissre.com](https://www.swissre.com)

The UN-convened Net-Zero Insurance Alliance (NZIA)

brings together over 20 (as of March 2022) of the world's leading re/insurers who are all committed to transitioning their underwriting portfolios to net-zero greenhouse gas emissions by 2050. This is consistent with the target set by the Paris Agreement to limit global warming to well below 2°C, preferably to 1.5°C.

The NZIA is building on the pioneering work the founding signatories have already begun as investors through their membership of the Net-Zero Asset Owner Alliance (see page 48). For example, all eight NZIA founding members are individually setting science-based 2025 decarbonisation targets for their investment portfolios. Swiss Re has helped establish both of these major industry initiatives as a founding member.

Our Thermal Coal Policy

Based on our Thermal Coal Policy introduced in mid-2018, we do not provide re/insurance to businesses with more than 30% exposure to thermal coal utilities or mining. For transactions located in low- and middle-income countries that derive more than 70% of electricity from coal, existing power plants (ie operational before 2018) may continue to be covered until 2025 if there is evidence that the insured is implementing an effective emission reduction strategy.

In 2020, we developed an exit strategy for thermal coal in our treaty business (through which we reinsure whole portfolios of direct insurers). It sets specific coal exposure thresholds for treaties across our property, engineering, casualty, credit and surety, and marine cargo lines of business, effective from 2023. These thresholds will then be gradually reduced until our thermal coal-related business has been fully phased out – by 2030 in OECD countries and by 2040 in the rest of the world.

Enhanced Oil and Gas Policy

Through our Oil and Gas Policy we have committed to shifting away from the most carbon-intensive oil and gas production.

In 2021, we stopped providing individual insurance covers for those oil and gas companies that are responsible for the world's 5% most carbon-intensive oil and gas production. From July 2023, we will no longer provide individual insurance covers for those oil and gas companies that are responsible for the world's 10% most carbon-intensive oil and gas production.

We recently further strengthened our Oil and Gas Policy based on our own net-zero commitments and in response to new scientific findings published by the International Energy Agency (IEA). We will no longer re/insure or directly invest in new oil and gas field projects that will receive the go-ahead (in the form of a final investment decision) from their parent companies after 2022. Exceptions will apply to projects of companies aligned with net-zero emissions by 2050, as defined by the Science Based Targets initiative (SBTi) or a comparable third-party assessment.

As most of the global expansion of oil and gas exploration and production is insured via company-wide property insurance policies, we have taken measures to align these portfolios (in both direct insurance and facultative reinsurance) with our commitment to net-zero emissions by 2050.

We will partner with our oil and gas clients (up-, mid- and downstream) on the transition to net-zero emissions and will align our re/insurance support to companies according to the below ambitions. These ambitions will be translated into net-zero alignment targets once guidance based on science-based target setting becomes available.

- By 2025, half of our overall oil and gas premiums are to come from companies that are aligned with net zero by 2050, as per SBTi or a comparable, credible third-party assessment.
- By 2030, Swiss Re's oil and gas re/insurance portfolios are to contain only companies that are aligned with net zero by 2050, also as per SBTi or a comparable, credible third-party assessment.

Furthermore, from July 2022 Swiss Re will no longer re/insure or invest in companies and projects with more than 10% of their production located in the Arctic AMAP region (Norwegian production is exempt).

We are also developing an approach for oil and gas in treaty reinsurance, to be finalised by 2023.

Carbon steering mechanism

Our Thermal Coal Policy and enhanced Oil and Gas Policy are initial steps towards the development of a comprehensive carbon risk steering mechanism. This is needed to

Risk intelligence: past milestones

The following selected milestones have marked Swiss Re's sustainability journey to extend our risk intelligence:

Managing sustainability/ESG risks

In 2009, introduced our first dedicated framework to manage sustainability/ESG risks in our core business.

Revised and issued new sector policies

Have continuously upgraded the sector policies of our Sustainability/ESG Risk framework, eg on agriculture, forestry and food (2021, expanded), oil and gas (2020, revised) and thermal coal (2018, new)

Integrated ESG risk assessments

Since 2015, have gradually integrated fully automated ESG risk assessments into our underwriting processes

SONAR framework

Introduced a dedicated framework to manage emerging risks in 2005

SONAR report

Since 2013, have published our yearly report on new emerging risk trends

Extending our risk intelligence

measure our carbon intensity and associated risks embedded in our re/insurance business. In 2020, we helped complete a project with peers via the CRO Forum to develop a carbon footprinting methodology for the quantification of these exposures.

In 2021, we sought to further refine the assessment of the carbon footprint of our direct insurance business by applying the methodology developed through the project with the CRO Forum. This effort once again brought to light that there are significant limitations to data availability at present and that carbon footprint estimates for re/insurance underwriting are thus marked by considerable uncertainty.

Keeping these uncertainties in mind, we have estimated the weighted average carbon intensity of our direct insurance portfolio for 2021 at 120 tonnes of CO₂ equivalents per million USD of revenue, unchanged from the previous year. We do not regard the fluctuations observed as statistically significant.

We consider it important that the challenges and significant uncertainties currently hampering the measurement of underwriting carbon footprints are adequately addressed. This is why as a co-founder of the NZIA, we took the chair of its working group tasked with developing an Insured Emissions Standard. The working group has joined the Partnership for Carbon Accounting Financials (PCAF), a global initiative with over 230 member organisations at the time of writing (March 2022).

We expect that the adoption of the PCAF emissions standard will improve the data quality underlying the measurement of carbon footprints and facilitate benchmarking – for Swiss Re and the entire re/insurance industry.

Our ESG Risk Framework

We first introduced a dedicated framework to manage sustainability risks in our core re/insurance business more than ten years ago. It was designed to address an issue facing many businesses, including our own: Some business transactions may be economically beneficial and perfectly legal, yet may still have adverse environmental or social impacts. We believed, and continue to believe, that it is important to recognise the existence of such dilemmas and address them responsibly throughout our business.


Our ESG Risk Framework is therefore an advanced risk management instrument that enables us to identify, assess and address environmental, social and human rights, and governance-related risks potentially associated with our transactions. This framework applies to our entire business, including all our re/insurance transactions and investments, to the extent that we can influence their various aspects.

After a major review completed in 2021, we have changed the name of our framework from Sustainable Business Risk Framework to ESG Risk Framework to reflect its broader scope and intent.



Guidelines and policies of our ESG Risk Framework

[Learn more about the main concerns we seek to address through the umbrella guidelines and sector-specific policies of our ESG Risk Framework.](#)

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The ESG Risk Framework consists of:

- Three umbrella guidelines on the environment, social aspects and human rights, and governance, as well as specific policies on sensitive sectors or issues
- The ESG Risk Process, comprising an ESG risk rating in a semi-automated assessment (ESG Risk Service), the ESG Referral Tool and an appeals process
- Company exclusions
- Sector exclusions in specific countries beyond mere compliance with international trade controls (ITCs)

Umbrella guidelines and sector-specific policies

Our ESG Risk Framework is based on the overarching principles of protecting the environment, respecting human rights and promoting good corporate governance, encapsulated in three umbrella guidelines that are valid for all our transactions. In addition, specific policies apply these overarching principles to seven sectors or issues in which we perceive major sustainability risks: the defence industry; oil and gas; mining; dams; agriculture, forestry and food; nuclear weapons proliferation; and thermal coal.

We regularly review the guidelines and policies of our ESG Risk Framework to ensure they are in step with new risk developments and changing stakeholder expectations. In 2021, we introduced a revised and expanded Agriculture, Forestry and Food Policy, thus further strengthening our approach to managing nature- and biodiversity-related risks in our core business (see page 36).

In 2021, we also introduced the Umbrella Guideline on Corporate Governance, which represents the “G” pillar of our ESG Risk Framework. The new umbrella guideline aligns our business conduct with the principles set forth in the UN Global Compact and focuses on issues related to corporate governance as well as corporate behaviour.

However, it should be noted that the name change is only formal in nature, since our former Sustainable Business Risk Framework already covered business transactions involving human rights violations and environmental damage resulting from poor corporate governance and behaviour.



Managing nature- and biodiversity-related risks through our ESG Risk Framework

Biodiversity and ecosystems are in serious decline in many places around the world. We have been addressing such risks through several policies of our ESG Risk Framework and, in 2021, issued an expanded Agriculture, Forestry and Food Policy.

A pioneering study published by Swiss Re Institute in 2020 found that over half of global economic activities depend on intact biodiversity and ecosystem services (BES). However, these services are in serious decline in many regions around the world. Swiss Re regards nature and biodiversity loss, and climate change as twin challenges to be addressed with high priority.

We have been addressing nature- and biodiversity-related risks through our ESG Risk Framework and its precursors for many years. For example, since 2014 we have been excluding entities or projects that operate in UNESCO World Heritage sites and/or protected areas, including High Conservation Value forests, High Carbon Stock forests, wetlands protected by the

Ramsar Convention and IUCN list of protected areas and habitats for the species on the IUCN Red List.

In our former Forestry, Pulp & Paper and Oil Palm Policy, we set sustainability certification requirements for timber and oil palm plantations and processing facilities with a particularly high risk exposure.

In 2021, we revised this sector policy and reissued it as our expanded Agriculture, Forestry and Food Policy. The policy provides the basis for systematically identifying and managing entities that potentially have a strong negative impact on nature and biodiversity. Furthermore, we have expanded the policy's scope to cover the full agriculture and food value chain.

Extending our risk intelligence

The ESG Risk Process

We implement the framework's policies through a due diligence process consisting of three elements: the ESG Risk Service, the ESG Risk Referral Tool for potentially high-risk transactions and an appeals procedure. This process is firmly embedded in the Group's underwriting guidelines and processes.

In the course of 2020, we fully embedded the ESG Risk Service in the underwriting processes for direct and facultative transactions. It gives our underwriters an indication of the ESG risk exposures of their transactions, provides them with clear guidance on what to assess in further detail and signals which highly sensitive transactions need to be referred to our ESG Risk team. The data foundation of our ESG Risk Service is provided by an ESG risk watchlist of companies and projects that are flagged as high-risk to our business practitioners. Currently, the watchlist spans 2 358 sensitive companies and 300 projects.

As 2021 was the first full reporting year in which the ESG Risk Service was integrated in most of our underwriting teams' tools and processes, we witnessed a significant increase in the number of ESG risk assessments to approximately 92 000. At the same time, the number of ESG risk referrals remained comparatively stable, which indicates that the identification of high-risk transactions was already effective before the ESG Risk Service was fully integrated.

The transactions identified as potentially high-risk are transferred through the ESG Risk Referral Tool to our in-house team of ESG risk experts, who analyse them in detail and issue binding recommendations: to go ahead, to go ahead with certain conditions attached or to abstain. In the event of disagreements, these recommendations can be appealed and escalated.

The number of ESG risk referrals declined from 258 to 185 in 2021. In total, we issued negative recommendations in 18 cases and positive recommendations with conditions in 38 cases (see graph on the right). Two

185

ESG risk transactions referred to our team of ESG risk experts (258 in 2020)



Exclusion policies

Learn more about the ESG Risk Framework's company exclusions and sector exclusions in specific countries beyond mere compliance with international trade controls (ITCs).

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recommendations were escalated through the appeals process. The decline in referrals was caused by a more rigorous update process in the data underlying the ESG Risk Service and a clear distinction between low and medium/high-risk industries.

Training

We offer our employees regular in-house training on the ESG Risk Framework. It is compulsory for all our employees who work in underwriting and with our clients as well as for all our new staff. In 2021, a total of approximately 2 100 employees completed the mandatory training.

Client and industry interaction

Over the year, we had approximately 80 external engagements on sustainability risks with clients, brokers, investors, industry peers and civil society groups such as environmental and humanitarian NGOs. We held meetings with clients operating in sensitive sectors such as agriculture, forestry and mining to discuss potential measures they could take to address their ESG risks.

In partnership with other re/insurers, we promote industry initiatives aimed at strengthening ESG risk management in underwriting portfolios. One example of such a collaboration is our engagement in the CRO Forum. In 2021, we contributed to the publication "Mind the Sustainability Gap", which has attracted considerable attention since its launch. It provides guidance on how to integrate sustainability considerations into re/insurance risk management and presents Swiss Re's ESG Risk Framework as a best-practice case study.

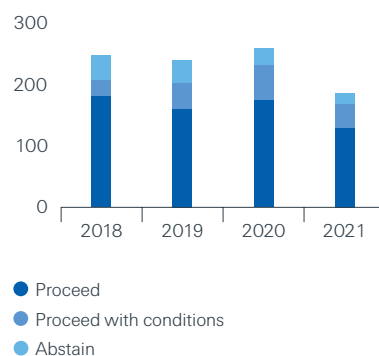
ESG risks referred to our expert team in 2021, by sector/issue*



- 2% Animal testing
- 21% Dams
- 5% Defence
- 6% Forestry, pulp & paper, and oil palm
- 22% Mining (excl. thermal coal)
- 16% Oil and gas conventional
- 1% Oil and gas offshore
- 9% Other environmental issues
- 7% Other human rights issues
- 11% Thermal coal

* The ESG risk referral statistics shown here reflect our former Sustainable Business Risk Framework, which has recently been reviewed and relaunched as our ESG Risk Framework.

Number of ESG risk referrals and recommendations issued



Extending our risk intelligence

Emerging risks

To navigate today's rapidly changing and increasingly complex risk landscape, re/insurers need to adopt a forward-looking approach that enables them to identify "emerging risk" – newly developing or changing risks that are not yet entirely understood and managed. Such risks are difficult to quantify, and their potential impact on society and the re/insurance industry is not yet sufficiently accounted for.

Emerging risks may arise from demographic, economic, technological, socio-political, regulatory or environmental trends. In addition, growing interdependencies between these developments can lead to accumulations of risk and create significant knock-on effects. People's risk perceptions are shifting, liability and regulatory regimes continue to evolve and stakeholder expectations are growing.

Detecting and investigating emerging risks early on forms an important part of our comprehensive approach to risk management. In analysing how risks are evolving and related to each other, we seek to assess their potential impact on Swiss Re. This is vital to reduce uncertainty and prevent unforeseen losses, raising awareness within the Group and across our industry.

Our SONAR framework

SONAR (Systematic Observation of Notions Associated with Risk) is our Group-wide framework specifically designed to manage and communicate emerging risks. Firmly embedded in the Group's risk management organisation, SONAR allows us to identify, assess and report these risks in a timely manner and to factor them into our strategic business decisions.

The SONAR process involves several integrated layers. The first is an internal social media channel which enables our employees to share and discuss risk notions based on trends and developments in the re/insurance landscape. Our emerging risk specialists periodically cluster and further assess these risk notions for their potential impact on our business. Further "early signals" are harvested from external sources. Finally, our specialists carry out in-depth investigations and internal reviews on selected topics.

To share our key insights on emerging risks with external audiences, we publish our yearly SONAR report (see box at the top of the page).

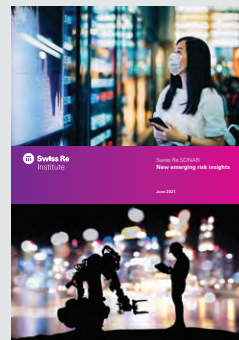
SONAR 2021: New emerging risk insights

Through our annual SONAR report, Swiss Re shares emerging risk insights with re/insurance audiences and the broader public. The featured topics derive from our SONAR process and have been assessed by our experts regarding relevance and potential impacts on re/insurers.

In 2021, we published our SONAR report in mainly digital format for the first time, and in the future only a limited number of hard copies will be printed upon request. In parallel, we have strengthened digital emphasis and outreach.

SONAR 2021 features nine emerging risk themes and six emerging trend spotlights addressing a range of long-term effects of the COVID-19 pandemic on the one hand and a number of ESG-related topics on the other. Social and economic impacts as well as health and accident risk implications are discussed in the context

of the pandemic. The ESG-related topics include heightened scrutiny of modern slavery in supply chains, re/insurers' take on biodiversity and net-zero commitments, as well as sustainable digital consumer interaction.



SONAR 2021: New emerging risk insights

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Strategic foresight

Identifying and addressing emerging risks can be challenging. Their novelty and interconnectedness make it difficult to determine when a particular risk notion must be considered an emerging risk. Timing is of crucial importance. If measures to price and, eventually, exclude a particular risk are taken too early, we may not be able to offer our clients adequate re/insurance protection; if measures are taken too late, we may end up with increased loss potential.



Strategic foresight

Read more about our strategic initiatives on emerging risks and the partners we collaborate with.

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Given these challenges, we believe it is essential to foster a risk dialogue with various partners. By sharing perceptions and assessments, all parties can gain a better understanding of potential emerging risks.

Emerging risks particularly important for our business

We have identified some emerging risks which we consider to be particularly important for Swiss Re's business in the long run.



Emerging risks particularly important for our business

Learn more about three such risks: mental health; climate change – moving to a low-carbon future; the reliability of energy supplies.

 Financial Report 2021



Emerging risk case study: Urban mobility – innovation in short distance travel

New technologies, decarbonisation needs and social change are among the drivers for short-distance mobility innovations. To realise their full potential, related emerging risks such as new accident patterns and cyber risks need to be carefully identified, assessed and managed.

Our SONAR process enabled us to identify new forms of mobility as a potential source of emerging risks early on. It was the topic of the emerging risk case study in our 2013 Corporate Responsibility Report, which specifically examined the outlook for autonomous vehicles and self-driving technology. Eight years later, autonomous air taxis and cars are still at the prototype stage: Only slow-moving vehicles like postal delivery carts and shuttle buses are operated without drivers, and on a limited scale. The autonomy revolution is still waiting to happen.

However, numerous innovations have emerged in short-distance travel in recent years, and there are more to come in the near future. An important trend, which is having a profound effect on our cities, is the rise of small electric vehicles like the e-scooter. Large rental fleets of such vehicles are becoming parts of new, modular mobility ecosystems, whose usage can be orchestrated through smartphones and digital platforms.

Shared mobility, electrified and other forms of non-fossil-powered transport are all contributing positively to decarbonisation targets. Convenience and improved urban air quality are among the further benefits of mobility innovation, which re/insurers would want to support. To fully harvest these benefits, however, related emerging risks need to be carefully identified, assessed and managed.

New urban mobility comes with new patterns of traffic and related accidents. The digitalisation of services also creates cyber risks, and the interconnectedness of mobility services adds complexity, eg regarding service interruptions and resulting loss accumulation potentials. To help realise the full potential of innovations in urban mobility, re/insurers need to find ways to adequately pool and price such risks.

SONAR trend spotlight
Urban mobility: innovation in
short-distance travel

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Being a responsible investor

We are convinced that integrating environmental, social and governance (ESG) considerations into our investment portfolio makes economic sense. Our Responsible Investing strategy is based on the three cornerstones Enhancement, Inclusion and Exclusion while integrating climate action.

Investments in renewable energy infrastructure are vital to achieve a net-zero emissions economy. They form a focus area within the Inclusion cornerstone of our Responsible Investing strategy.

2021 highlights:

USD 3.9bn

Amount of green, social and sustainability bonds held at the end of 2021, which is more than 96% of our 2024 target of USD 4bn

–34%

Reduction of the carbon intensity¹ of our corporate bond and listed equity portfolio in 2021, relative to base year 2018

66%

Share of our listed equity mandate holdings engaged on “Alignment of Business Model with 1.5°C Target”

Launched the **“Responsible Investments – Our roadmap to net zero”** publication to show how we are addressing climate change in our investment portfolio

For a full overview of **highlights per asset class**, see page 43

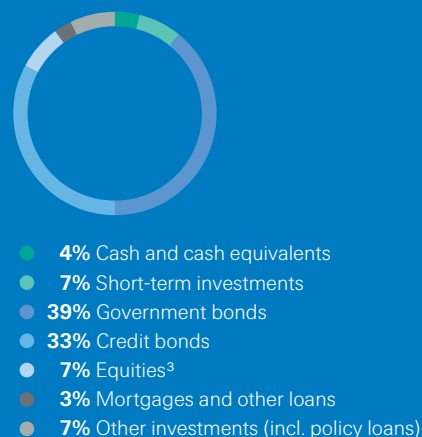
“We make the world more resilient” is Swiss Re’s vision. More than ten years ago, our Asset Management unit embarked on a journey to not only generate stable, risk-adjusted long-term returns, but to also consider environmental, social and governance (ESG) aspects in our investment decisions. With this approach, our Asset Management has been steadily contributing to the Group’s vision of making the world more resilient.

For some of the milestones we have reached in recent years, please see page 46.

Our Responsible Investing strategy

Asset-liability management (ALM) continues to be the foundation of our investment philosophy: to meet future claims and benefits, we invest the premiums generated by our underwriting activities in assets whose cash flows match the durations and currencies of our re/insurance liabilities. Therefore, we generally invest the majority of our portfolio in higher-quality fixed income securities with stable long-term returns. At the end of 2021, such investments accounted for 75% of our total assets under management² (see graph below).

Overall investment portfolio
USD 121.2bn, as of 31 December 2021

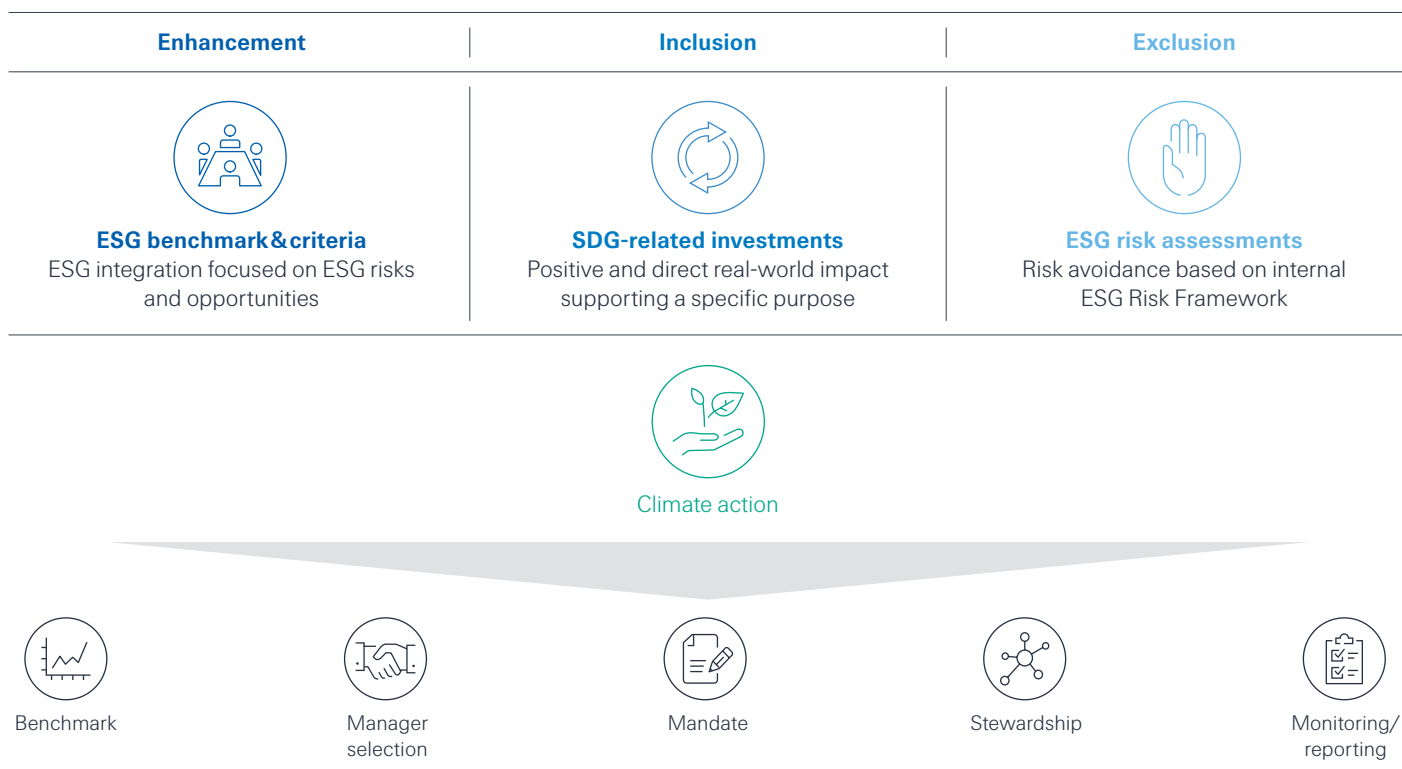


¹ Greenhouse gas (GHG) emissions relative to revenues, expressed in tonnes CO₂e/USDm sales, covering Scope 1 and 2

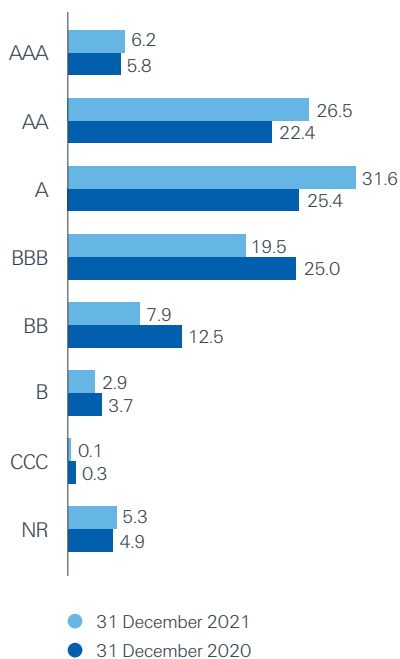
² Asset classes considered are government bonds, credit bonds, and mortgages and other loans

³ Includes equity securities, private equity, hedge funds and Principal Investments

Swiss Re's approach to responsible investing



ESG rating distribution across our corporate bond and listed equity portfolio in %



Our Responsible Investing strategy relies on the three cornerstones Enhancement, Inclusion and Exclusion, of which Enhancement is the most meaningful for Swiss Re. Managing the risks and opportunities arising from climate change complements our strategy, and comprises setting targets, taking actions, measuring and reporting.

Enhancement

Enhancement refers to the systematic integration of ESG criteria along the entire investment process, from Strategic Asset Allocation (SAA) to monitoring and reporting. Today, close to 100% of our SAA considers ESG aspects.

Based on our experience, including ESG criteria along the investment process makes economic sense, as it improves risk-adjusted return profiles and reduces downside risks, especially over the long term.

Swiss Re Asset Management invests in companies that are well-prepared for future sustainability challenges and opportunities, by taking into account their exposure and ability to manage underlying ESG risks.

We have been applying a minimum ESG rating threshold to sovereign, supranational and agency bonds for several years, where available. Any possible exception would be driven by ALM considerations, which are outlined on page 41. In 2017, ESG benchmarks were implemented for our actively managed listed equity and corporate bond portfolios, with limited leeway given for deviations. If benchmarks are not applicable, a minimum ESG rating threshold is applied to our mandates, such as the buy-and-maintain corporate bond mandates (see overview on page 43 and, for more details, the link below to our website).

By consistently applying these prerequisites, we were able to further improve the ESG profile of our investment portfolio throughout the year, as shown in the graph on the left.

For our real estate portfolio, we benchmark our US investments against GRESB, an industry-driven organisation sharpening the way capital markets assess the ESG performance of real assets. In 2021, our US portfolio outperformed the GRESB average of 73/100 with a score of 85/100.

ESG considerations in our Enhancement approach

Being a responsible investor

Overview of ESG considerations in Swiss Re's investment portfolio

			Enhancement	Inclusion	Exclusion	Highlights
Government bonds	→	<ul style="list-style-type: none">Investment universe requiring ESG ratings BB and better, taking ALM considerations into accountGreen, social and sustainability bonds required to meet ICMA Principles and/or Guidelines for the set investment target	 ● ● ●	 ● ● ●	 ● ● ●	<ul style="list-style-type: none">USD 2.0bn of government bonds invested in green, social and sustainability bonds¹
Credit	→	<ul style="list-style-type: none">Active mandates benchmarked against ESG BB and better index with limited leeway to deviate from the benchmarkReinvestment universe of buy-and-maintain mandates restricted to ESG rating BB and betterGreen, social and sustainability bonds required to meet ICMA Principles and/or Guidelines for the set investment targetProprietary ESG assessment framework for infrastructure loansAllocation to renewable energy and social infrastructure loans with specific investment target	 ● ● ●	 ● ● ●	 ● ● ●	<ul style="list-style-type: none">USD 1.9bn of corporate bonds invested in green, social and sustainability bonds¹USD 1.0bn of infrastructure loans invested in social and renewable energy infrastructure¹Infrastructure loans and private placements: fossil fuel guidelines further strengthened¹
Listed equity	→	<ul style="list-style-type: none">Active mandates benchmarked against MSCI ESG Leaders Indexes and restricted to ESG rating BB and better, with limited leeway for deviationsEngagement and voting approach across active mandates applied	 ● ● ●		 ● ● ●	<ul style="list-style-type: none">Engaged with 66% of our portfolio holdings on “Alignment of Business Model with 1.5°C Target” and with 60% on “Enhancement of Transparency: Disclosure of ESG Key Metrics”
Private equity	→	<ul style="list-style-type: none">New investments only made in private equity funds that adhere to internal ESG guidelinesESG performance and compliance reviewed for each potential investmentSystematic tracking of customised ESG ratingDedicated private equity impact funds for which impact and SDG contribution are measured and reported	 ● ● ●	 ●	 ● ● ●	<ul style="list-style-type: none">USD 85m invested in dedicated private equity impact funds
Real estate	→	<ul style="list-style-type: none">Sustainability considerations incorporated throughout the entire operating modelBenchmarked against different sustainability standards (GRESB) and certificates (MINERGIE® standard, LEED certification, BREEAM certification) depending on the location of the property	 ● ● ●	 ●	 ● ● ●	<ul style="list-style-type: none">85/100 GRESB Score achieved with our US real estate portfolio¹25% of real estate portfolio invested in certified buildings¹

¹ For further information see Financial Report 2021, "Climate-related financial disclosures", pages 169–194.

● ● ● Level of ESG integration per asset class

At the end of 2021, approximately 40% of our investment portfolio was managed externally, and 97% of those assets were managed by signatories to the Principles for Responsible Investment (PRI).

An important part of our Enhancement cornerstone is our approach as an active shareholder, which we describe in the "How we engage" section on pages 46–48.

Inclusion

Investments related to the UN Sustainable Development Goals (SDGs) are an ideal way to address specific sustainability topics, such as climate change mitigation and the transition to a net-zero emissions economy as well as social improvements.

In this context, we measure the real-world impact of our investments and align them to the SDGs. We currently focus on the seven SDGs shown in the graph on page 45.



Green, social and sustainability bonds also play an important role in financing the transition to a net-zero economy. In 2021, we reached 96% of our 2024 target of USD 4 billion for such bonds.

We review our green, social and sustainability bonds annually against the Green Bond Principles (GBP) and Social Bond Principles (SBP) issued by the International Capital Market Association (ICMA). We only include bonds in our target reporting that fulfil all four components of the ICMA GBP and SBP, respectively. In total, we held USD 3.9 billion in green, social and sustainability bonds issued in accordance with ICMA's GBP and SBP at the end of 2021, which is more than 96% of our target of USD 4 billion, to be achieved by the end of 2024. In 2021, less than 5% of the bonds reviewed did not meet the criteria of ICMA's two sets of principles.

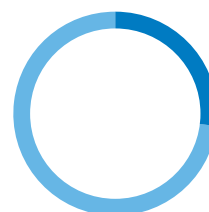
In 2020, we set a target to increase our social and renewable energy infrastructure portfolio, which also includes energy

efficiency, by USD 750 million by the end of 2024. As per the end of 2021, we held USD 1.0 billion of such loans, up by close to USD 100 million from 2020:

- 21% of our infrastructure investments were allocated to renewable energy, such as wind farms and solar farms.
- 2% of our infrastructure investments were allocated to energy efficiency.
- 21% of our infrastructure investments were allocated to social infrastructure such as hospitals, student dorms and affordable housing projects.

In our real estate portfolio, we focus on certified buildings, such as those adhering to the MINERGIE® standard in Switzerland. By the end of 2021, the value of our MINERGIE®-certified buildings reached USD 0.6 billion or 27% of our Swiss portfolio.















Swiss real estate portfolio



- **27%** MINERGIE®-certified
- **73%** Not certified

Being a responsible investor

Our investments support the SDGs¹

Renewable and social infrastructure loans			Certified real estate	Impact private equity ²			Green, social and sustainability bonds
							
≈2900 hospital beds	≈121 000 students provided with school infrastructure	≈1900 student dorm rooms	≈262 000m ² certified real estate floor space	≈110m low-income individuals benefitting from access to financial services	≈28 000 life-saving medical deliveries	≈11.9m students educated	
							
≈5400MW of installed renewable energy capacity	≈1.2m households with access to modern energy services	≈63 000 affordable housing units		≈18.1m metric tons of CO ₂ averted	≈6m acres of land under conservation	≈3.1m low-income individuals provided with health insurance and products acting as safety nets for health-related risks	
USD 1.0bn			USD 1.4bn	USD 85m			USD 3.9bn

Supported SDGs



¹ Selected metrics reflecting overall project or company impact.

² Private equity impact KPIs generated by selected portfolio companies relating to 2020.

Furthermore, through our externally managed portfolio, we predominantly invest in the UK and US real estate markets, reaching a total size of USD 2.1 billion by the end of 2021. In both countries, our investment managers' approach to sustainability includes striving for leading local certifications. For more information, please refer to our Financial Report 2021, "Climate-related financial disclosures", page 173.

Exclusion

Swiss Re's approach to exclusion is based on our Group-wide ESG Risk Framework, which sets criteria for what Swiss Re considers acceptable business and may lead to exclusions of companies or countries from


our investment universe. Further information is available in this report in the "Extending our risk intelligence" chapter, pages 35 – 37. Additionally, we consider the way companies conduct their business by screening their alignment with the ten principles of the UN Global Compact.

Our long-term objective for 2030 is to fully exit coal mining and coal-based power generation for our listed equity and corporate bond portfolio via normal portfolio reallocations. Furthermore, in our infrastructure loan and private placement portfolios we are excluding any coal-related assets and limiting oil- and gas-related investments to maturities not longer than 2030 and 2035, respectively.



Fossil fuel-related thresholds

Find out more about our detailed exclusion thresholds for thermal coal as well as oil and gas.

 [swissre.com](https://www.swissre.com)

Being a responsible investor

Climate action

Our integrated Responsible Investing strategy includes our climate actions, reflected in our commitment to transition Swiss Re's investment portfolio to net-zero greenhouse gas (GHG) emissions by 2050.

Climate-related financial disclosures (TCFD)

Swiss Re has been reporting climate-related information in line with TCFD recommendations and providing insights into these risks and opportunities in its investment portfolio since 2016. The 2021 section, which is fully integrated into our Financial Report 2021, includes further information on the following topics:

- Enhanced reporting on carbon emissions for the investment portfolio
- Intermediate emission reduction targets aiming to achieve a net-zero investment portfolio by 2050
- Measurement and monitoring of the trajectory to net zero and increasingly active management of potential stranded asset risks

Climate-related financial disclosures (TCFD)

Financial Report 2021

How we engage

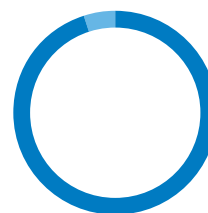
Stewardship

In 2021, 97% of our voting rights of our listed equity assets were exercised. Our external managers voted on 5 366 voting items on our behalf. They voted in line with the respective management resolution recommendation in 4 721 cases (88%) and against it in 535 cases (10%). In 107 cases (2%), they abstained from voting. The remaining votes were withheld.

In addition to shares in listed companies, investments in our equity portfolio include equity exchange-traded funds (ETFs). The fund managers cast votes on these ETFs in line with their own voting policies and processes.

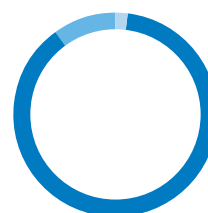
We believe that engagement with the real economy is an integral part of our contribution to limiting global warming to 1.5°C. In line with our commitment to achieve a net-zero investment portfolio, we therefore implemented our own Engagement Framework in 2020. It is designed to support our investee companies in strengthening their business performance and achieving shared long-term responsible investing goals. We work closely with the investment managers of our active listed equity mandates to execute this framework for our portfolio companies in order to further integrate sustainability and, in particular, climate change considerations into investment portfolios.

Our voting activities in 2021



- 97% Votes cast
- 3% No votes cast

Our voting behaviour in 2021



- 88% Voted with management
- 10% Voted against management
- 0% Votes withheld
- 2% Abstained

Responsible investing: past milestones

The following selected milestones have marked Swiss Re's journey to act as a responsible investor:

Cutting our carbon footprint

Achieved a significant reduction of the carbon footprint of our corporate bond and listed equities portfolio since the start of measurement in 2015

ESG benchmarks

In 2017, switched to ESG benchmarks consisting of better ESG-rated companies for our actively managed listed equity and corporate bond portfolios; to date, ESG benchmarks have outperformed traditional benchmarks¹

PRI Leaders' Group

Validated for the PRI Leaders' Group on "asset owners' selection, appointment and monitoring of external managers in listed equity and/or private equity" in 2019

Net-zero commitment

In 2019, made commitment to achieve a net-zero investment portfolio by 2050 as a founding member of the UN-convened Net-Zero Asset Owner Alliance

Engagement Framework

Implemented our proprietary Engagement Framework in collaboration with our listed equity managers in 2020

¹ On a 3-year rolling basis, based on risk-adjusted returns

Our engagement topics



Alignment of Business Model with 1.5°C Target

- | | | |
|--|--|--|
| 1. Development of a strategy to manage climate-related risks (physical and transitional) and align the business model with 1.5°C target to achieve a net-zero GHG emissions economy by 2050 latest | 2. Development of an approach to reduce GHG emissions (Scope 1, 2 and 3) | 3. Publication of climate-related financial risk disclosures |
|--|--|--|



Enhancement of Transparency: Disclosure of ESG Key Metrics

- | | | |
|--|--|--|
| 1. Identification of business and financially relevant ESG key metrics | 2. Regular reporting on ESG key metrics and sustainability reporting | 3. Target setting for the improvement of ESG key metrics |
|--|--|--|

We have set targets for engagement frequency and desired outcomes. To monitor the real-world impact of our Engagement Framework in a structured way, our investment managers need to report the level of progress as well as highlights of their engagement activities back to us. The framework also takes into account regulatory requirements such as the Shareholder Rights Directive 2017/828 (SRD II).

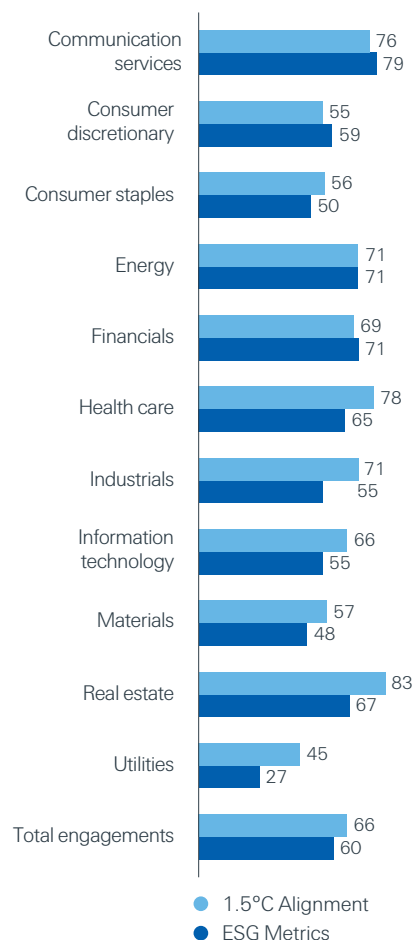
The framework comprises two engagement topics, "Alignment of Business Model with 1.5°C Target" and "Enhancement of Transparency: Disclosure of ESG Key Metrics", each covering three specific focus areas as shown in the illustration above.

The second year of applying the framework showed encouraging results. In 2021, our investment managers engaged with 66% of our mandate holdings (around 390) on the first topic and with 60% on the second topic. Additionally, according to our investment managers' reporting, on average 29% of our portfolio companies had already implemented at least one of the focus areas under the first topic. On average, 47% take into account at least one of the focus areas outlined under the second topic.

Through our dedicated climate action, we are working to achieve a net-zero emissions investment portfolio by 2050, setting intermediate targets every five years and regularly reporting on progress. As part of that, we set a carbon intensity reduction target of -35% ¹ for our corporate bond and listed equity portfolio to be met by 2025, with base year 2018.

One of the ways in which we aim to achieve this target is by putting specific emphasis on engaging with companies that have a carbon footprint above the aspired intensity level. Additionally, 65% of the top 20 emitters in our listed equity portfolio were engaged throughout the year.

Engagement activities per sector in %



¹ Covering Scope 1 and 2 emissions.

Being a responsible investor

To promote sustainable value creation, consistent and relevant company-level consideration of and reporting on financially relevant ESG matters is vital. It enhances transparency, thus enabling investors to perform a comprehensive assessment of potential underlying sustainability risks. We therefore encourage engagement with investee companies on this matter through our second topic "Enhancement of Transparency: Disclosure of ESG Key Metrics". In 2021, the investment managers engaged with more than 70% of our investee companies with an MSCI ESG rating of BB and lower. With our restrictions to ESG BB and better, with limited leeway for deviations for active listed equity mandates, such companies only account for a small share of our portfolio.

Promoting responsible investing

Further shifting the large institutional asset base of USD 80+ trillion towards sustainable investments would have an amplifying effect on making the world more resilient. We therefore not only collaborate with our investee companies but also with other key stakeholders to advance this process.

As a founding member of the UN-convened Net-Zero Asset Owner Alliance (AOA), Swiss Re was represented by our Chief Investment Officer in the inaugural Alliance's Steering Group. Additionally, we co-led the development of the AOA's first Target Setting Protocol, which was released in 2021 and supports the setting of targets to be achieved by 2025. We also co-led the development of the AOA's first progress report. It summarises the actions, activities and achievements of the AOA and its members since the organisation's establishment in September 2019 and was released shortly before COP26.

In 2021, we launched the publication "Responsible Investments – Our roadmap to net zero", to illustrate how we address climate change in our investment process, and outline the key lessons learned and challenges faced. By sharing insights from our journey of reducing GHG emissions and financing the transition to a low-carbon economy, we want to help strengthen the collaboration needed to achieve a 1.5°C world.

In this context, Swiss Re has actively promoted the transition to net-zero emissions by participating in several COP26 side events, such as a panel on Driving Net Zero Finance Integrity, hosted by the Climate Policy Initiative, UNEP FI and the 2° Investing Initiative. This complemented our other activities throughout the year, which included speaking on several panels.

As part of relevant industry organisations such as the Swiss Insurance Association and Swiss Sustainable Finance, we advise on sustainable financial market developments in Switzerland. We are also in an ongoing dialogue with other industry participants to foster greater appreciation of responsible investing as an investment approach.

We first formalised our commitment to responsible investing in 2007 by signing the Principles for Responsible Investment (PRI). Due to a further reassessment of the questionnaire by PRI, the assessment results for 2021 will not be published before the second quarter of 2022.

To share knowledge on responsible investing within Swiss Re, we offer all employees various ESG training opportunities that support consistent know-how across the Group. In addition, we provide regular updates on key developments in Responsible Investing to our senior leadership, for example through the Asset Management Investment Committee, and to our Board of Directors Investment Committee.

Responsible investing governance framework

Our well-defined governance framework is key to having responsible investing consistently integrated along the entire investment process in a structured and controlled way.



Responsible investing governance framework

Read more about the clear principles, procedures and responsibilities which underly the implementation of our Responsible Investing strategy.

 [swissre.com](https://www.swissre.com)

Engaging in dialogue with our stakeholders

We engage in regular dialogue with our stakeholders. By co-creating knowledge and sharing expertise, we help society advance effective responses to key risks and challenges.



Direct engagement through live events (both offline and online) plays an important role in Swiss Re's stakeholder dialogue. Further elements are our publications (eg Expertise Publications and the sigma series) and our partnerships.

2021 highlights:

Launched the **Swiss Re Sustainability Client Programme**, holding it three times during the year

Published two flagship **Expertise Publications on climate change**

Actively contributed to the **global dialogue on climate change** with our partners

Conducted an extensive **global consumer investigation into mental wellbeing**, with a focus on seven markets

Continued to provide information and insights on the **COVID-19 pandemic** through our dedicated portal at [swissre.com](https://www.swissre.com)

Our re/insurance solutions help our clients and partners manage the risks they face. This in turn supports economic stability and helps create growth potential. However, many of today's risks are complex and may threaten sustainable progress. To find effective, long-term responses to such risks, partners from the public and the private sectors must work together. We therefore attach great importance to engaging in an active dialogue with our principal stakeholders, which include:

- Clients: cedents, brokers, corporates, government entities, multilateral organisations, non-governmental organisations (NGOs)
- Financial community: investors/ shareholders, rating agencies, shareholder associations, stock exchanges
- Employees
- Political and legal entities: multilateral organisations, governments, regulators, standard-setting boards
- Civil society: the general public, NGOs, academia

Our role as a risk knowledge company and ultimate risk-taker in society means that we have an intrinsic interest in pursuing productive dialogues with our stakeholders. Drawing on the expertise from our core business, we identify key risks and take an active role in discussions about them.

We share, exchange and co-create knowledge through many channels, eg our publications, international dialogue platforms, and client and partner events, as well as cooperation with governments, NGOs and academic institutions. Swiss Re Institute plays a key role in our dialogue with stakeholders.

Our focused efforts generate valuable feedback and new insights for risk management and product development, sharpening our understanding of key perils and sustainability issues. The three 2030 Sustainability Ambitions of our Group Sustainability Strategy (see "Our approach to sustainability" chapter, page 10) provide an important focal point for these efforts.

Swiss Re Institute

 [swissre.com](https://www.swissre.com)

Our 2030 Sustainability Ambitions

Throughout this chapter, the following icons indicate which Sustainability Ambitions are addressed by each of the stakeholder dialogue activities featured here.



Mitigating climate risk and advancing the energy transition



Building societal resilience



Driving affordable insurance with digital solutions

Engaging in dialogue with our stakeholders

Swiss Re Sustainability Client Programme



As part of our stakeholder dialogue, Swiss Re Institute runs a well-established Client Programme, which offers training opportunities for qualified professionals from the re/insurance industry, including underwriters, actuaries, accountants, risk managers, claims administrators etc.

In early 2021, we launched the Swiss Re Sustainability Client Programme. Focusing on “the business case for sustainability”, three virtual editions spanning seven half-days had been held by the end of the year. The courses are based on the premise that a commitment to sustainability is increasingly expected by clients and investors and represents a crucial driver for long-term value creation, but that this is not easy to achieve. Not only does implementing sustainability in business practices require special know-how and careful management, it applies across the entire spectrum of an organisation’s activities.

Focusing on these practical aspects, the courses are led by external as well as Swiss Re experts who can draw on many years of experience and specialisation. They discuss how they have overcome challenges and taken advantage of opportunities. Building on this, course participants then have the opportunity to develop their own business cases in groups, with a focus on underwriting, product development, investing and operations.



Discover more

Events

The business case for sustainability:
Actionable insights for the risk industry

[swissre.com](https://www.swissre.com)

Engaging in partnership on climate change



In connection with the target of the Paris Agreement to limit global warming to well below 2°C, and preferably to 1.5°C, Swiss Re has signed two voluntary emissions-cutting commitments developed by private sector companies: the Paris Pledge for Action and the UN Global Compact Business Ambition for 1.5°C. We have followed up on this by making the following internal net-zero commitments:

- In our underwriting by 2050 (see “Extending our risk intelligence” chapter, page 33)
- In our investment portfolio also by 2050, in connection with co-founding the UN-convened Net-Zero Asset Owners Alliance (see “Being a responsible investor” chapter, pages 46 – 48)
- In our own operations by 2030 (see “Driving sustainable operations” chapter, page 60)

In 2021, we further stepped up our collaborative efforts by co-founding the UN-convened Net-Zero Insurance Alliance, (NZIA) (see “Extending our risk intelligence” chapter, page 34). The main focus of this alliance lies on decarbonising underwriting portfolios. It has been agreed that members will individually set science-based intermediate targets every five years and publicly report on their progress on an annual basis.

In the run-up to COP26 in Glasgow, we leveraged NZIA’s efforts by organising COP26 – Insurance leadership in the #racetozero, a high-level dialogue telecast live from our Centre for Global Dialogue.

As a member of the Alliance of CEO Climate Leaders, which is currently co-chaired by our Group CEO, we also signed an open letter to world leaders present at COP26. In the letter a total of over 90 CEOs of large multinational companies called on governments to take decisive action on bringing emissions to net zero and pledged their full support for a comprehensive public-private effort.

Discover more



Article

Launch of UN-convened Net-Zero Insurance Alliance – Swiss Re as a founding member

[swissre.com](https://www.swissre.com)

Joint letter

CEO Climate Alliance to world leaders: we support you in taking decisive climate steps at COP26

[swissre.com](https://www.swissre.com)

Event

COP26 – Insurance leadership in the #racetozero

[swissre.com](https://www.swissre.com)

Web portal

Route 26: On the road to Glasgow

[swissre.com](https://www.swissre.com)

Video recording

WEF Alliance of CEO Climate Leaders

[swissre.com](https://www.swissre.com)

Expertise Publications on climate change



In 2021, Swiss Re Institute published two Expertise Publications on climate change: “The economics of climate change: no action not an option” and “The insurance rationale for carbon removal solutions”.

The first of these, published in April, assesses the expected impact of rising global temperatures on GDP across the world. Recent scientific research indicates that the current trajectory of temperature increases – accounting for existing mitigation pledges – is pointing to global warming of 2.0 – 2.6°C by mid-century. Our study has taken this as its baseline to simulate climate change impacts over time but, uniquely, has also modelled for uncertainties around possible physical outcomes. Applying this method, it presents expected outcomes for three different climate change scenarios:

- In the baseline 2.0 – 2.6°C scenario, by mid-century global GDP will likely be 11 – 14% lower than it would be in a world without climate change (0°C change).
- If, however, the Paris Agreement target of limiting global warming to well below 2°C, preferably to 1.5°C is met, global GDP loss by mid-century is expected to be much lower, at 4.2%.
- Finally, in a severe no-action scenario of a 3.2°C temperature increase, global GDP loss could amount to 18%.

To assess the implications for individual countries, the study uses a Climate Economics Index that incorporates the economic impact from gradual climate change, vulnerability to extreme weather events and current adaptive capacity. This analysis shows that many emerging markets, but especially those in Southeast Asia, are particularly vulnerable because they are heavily exposed to climate change risks but lack the resources to adapt.

The study concludes by stressing that taking no action is not an option and that achieving the targets under the Paris Agreement remains the most desirable outcome. Coordinated global policy action is required, in particular to ensure equitable progress across diversely affected countries. Key challenges include more policy action on carbon pricing, incentivising nature-based and carbon-offsetting solutions (see the second

publication described below), and international convergence on definitions of what counts as green and sustainable investments.

The second of these Expertise Publications appeared in July and focused on the role re/insurers can play in advancing carbon removal solutions. To limit the rise of global warming to well below 2°C and preferably to 1.5°C, in line with the Paris Agreement, the world’s greenhouse gas emissions must fall to net zero by 2050 and remain net negative through the second half of the century. This means that huge amounts of emissions will need to be removed from the atmosphere.

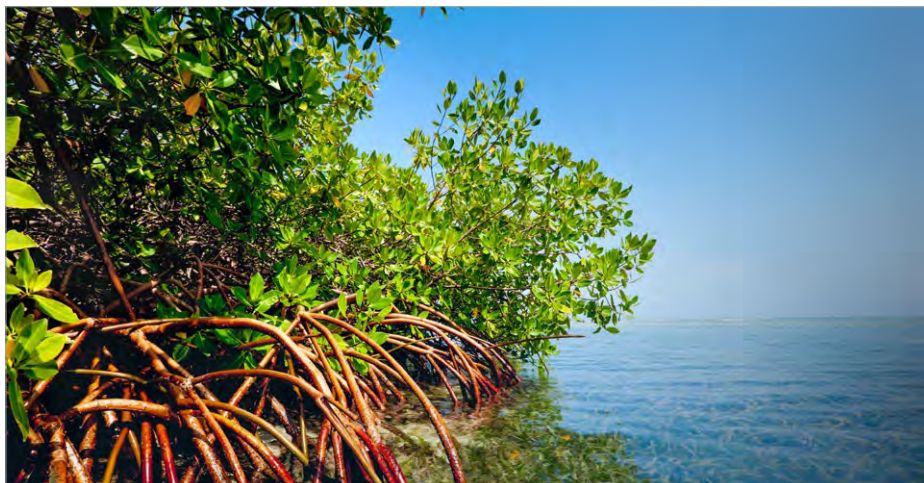
At present, however, the carbon removal industry is still in its infancy and is facing barriers to its growth along the entire value chain. On the supply side, there is no economic incentive due to the absence of universal carbon pricing, but there are also practical constraints such as high costs and a lack of the expertise required. Furthermore, the marketplace is as yet undefined and unregulated. And on the demand side, the high costs are resulting in a first-mover problem.

Such issues are typical of a market in its early stages of growth, and stringent climate policies will be needed to overcome them. However, the publication argues that the private sector can do a lot to help accelerate the development of the carbon removal industry.

The re/insurance industry, in particular, is ideally placed to make a tangible contribution. It can do so in three ways: by de-risking carbon removal services; by providing financing to developers and projects through their asset management activities; and by purchasing carbon removal certificates to balance their own operational footprints, thus creating early demand. The publication goes on to explore how re/insurers can best use these three levers to have a positive impact.

Swiss Re Institute also organised two events in connection with the topics addressed in the two publications.

Discover more



Publication

The economics of climate change:
no action not an option

 online PDF

Event

The economics of climate change
(Executive Dialogue Series)

 swissre.com

Publication

The insurance rationale for carbon
removal solutions

 online PDF

Event

Carbon removal and nature-based solutions:
Innovative responses in Australia and
Southeast Asia

 swissre.com

Poseidon Principles for Marine Insurance (PPMI)



Swiss Re is one of the co-founders of the Net-Zero Insurance Alliance (NZIA) (see page 51 and “Extending our risk intelligence” chapter, page 34), a group of global re/insurers who are all committed to achieve net-zero emissions in their underwriting portfolios by 2050.

We are also one of six leading marine insurers who have helped develop the Poseidon Principles for Marine Insurance (PPMI). Swiss Re Corporate Solutions acted as a co-leading strategic partner, providing the chair of the PPMI Association's drafting committee, and is now heading its steering committee. Launched in late 2021, the PPMI provide a framework for marine insurers to quantitatively assess and disclose the climate alignment of their underwriting portfolios. It thus makes marine insurance the first line of business to establish a sector-specific methodology to support the ambition of the NZIA.

The shipping industry is not part of the Paris Agreement and is considered a “hard-to-abate” sector, accounting for 3% of global greenhouse gas emissions. The disclosure framework introduced by the PPMI will enable the sector to create transparency on its emissions and credibly measure progress towards decarbonisation targets.

Currently, signatories to the PPMI commit to one of two trajectories: cutting the emissions of their marine underwriting portfolios by 50% compared to 2008, or by 100%. A third trajectory that is fully aligned with the NZIA's net-zero ambition will be introduced when the necessary data is available (eg from the Science Based Targets initiative).

Discover more

Poseidon Principles for Marine Insurance, PPMI

 external website

PPMI press release

 external website

Climate change impacts on life and health re/insurance



After pandemic disease, there is no greater or more dynamic threat to human health than climate change. It will cause more extreme heatwaves, challenging health systems in countries prone to hot weather. Warmer weather in combination with increased humidity will likely cause tropical pathogens to migrate to currently more temperate areas. And severe drought conditions can lead to more frequent wildfires that cause air pollution, even in far-away regions.

These trends will have considerable impacts on re/insurers' life & health business, but will also extend to workplace-related illnesses triggered by extreme heat and infectious diseases.

In 2021, Swiss Re Institute hosted three events with over 30 senior leaders from the global life & health insurance sector. The engagements clearly showed the need to develop forecasting models for health impacts under different climate change scenarios for the coming decades. The case was found to be strong and compelling, also on the need for awareness raising and partnering more effectively with all affected stakeholders.

Swiss Re therefore launched a research collaboration with the Lancet Countdown on health and climate change to develop such models. The first one is for air pollution and dengue fever.

Discover more



Event

Climate change and its effects on Life & Health

 swissre.com

Event

Feeling the heat: The effects of climate change on life and health (EMEA and Americas friendly time zones)

 swissre.com

Event

Feeling the heat: The effects of climate change on life and health (Asia and EMEA friendly time zones)

 swissre.com

Engaging in dialogue with our stakeholders

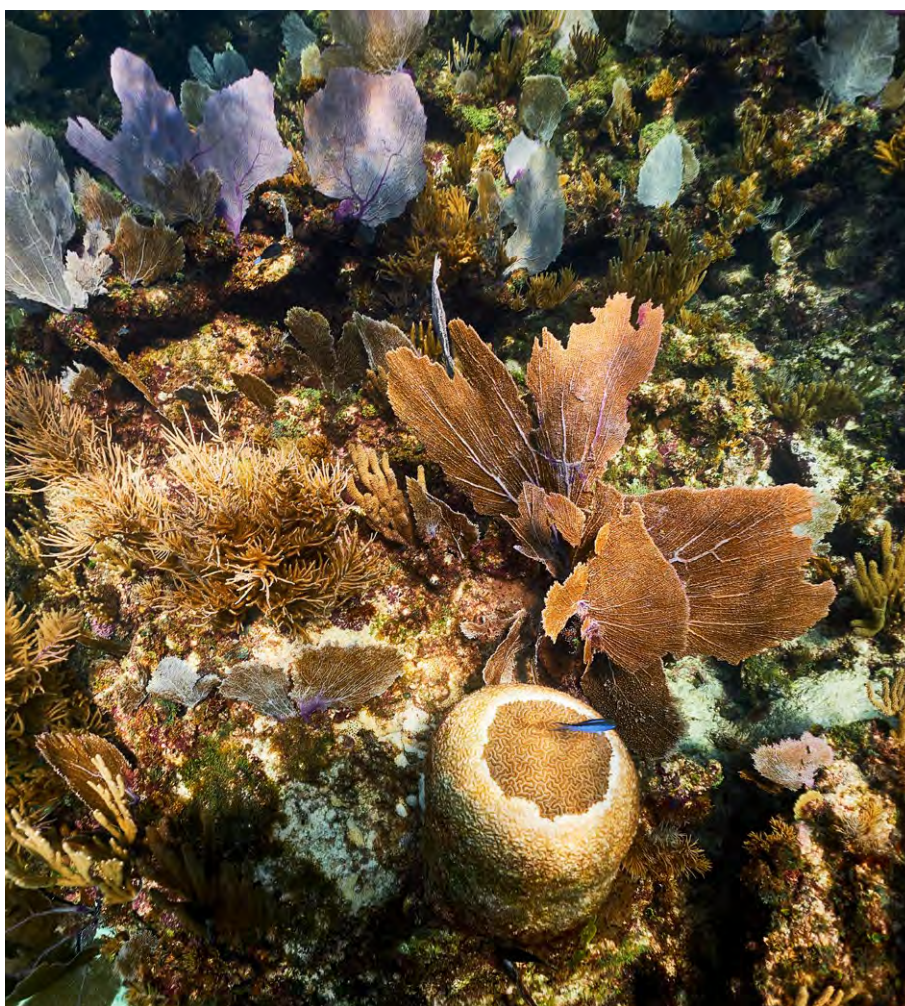
Biodiversity



Biodiversity and intact ecosystems do not just have an intrinsic value, they also underpin societal and economic wellbeing through the services they provide to humankind. In many regions around the world, however, they are in serious decline. While the world has recently made considerable progress in understanding the impacts of climate change, this is less true

for biodiversity and ecosystems. At Swiss Re we believe that it is vital to recognise the implications of this decline and to start taking action.

In 2020, we launched a pioneering Biodiversity and Ecosystem Services (BES) Index which serves to measure the state of these services in individual locations and enables decision-makers to factor in the associated risks. The BES Index received international attention in 2021 and has been hailed as a “significant ESG catalyst and enabler” by the World Bank.



Discover more

Event

The importance of biodiversity to avoid an ecosystem collapse

 [swissre.com](https://www.swissre.com)

Event

Environmental Risks and the Insurance Industry: Stepping up actions

 [swissre.com](https://www.swissre.com)

Event

SONAR dialogue on biodiversity: From COP-15 to TNFD: a new framework to value nature

 [swissre.com](https://www.swissre.com)

Event

SONAR dialogue on biodiversity: Investing in nature protection and restoration in Europe

 [swissre.com](https://www.swissre.com)

Publication

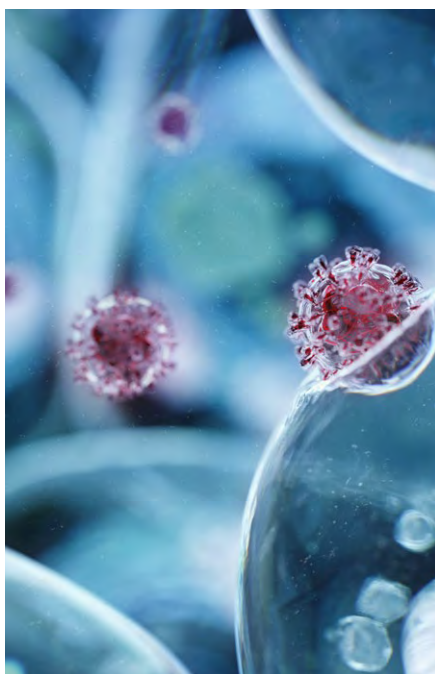
Biodiversity and the benefits for human health

 [online PDF](#)

The COVID-19 pandemic



The COVID-19 pandemic has proved an enduring foe, as viral variants have spread amid uneven vaccination and mitigation efforts. We have continued to support clients and partners, paying covered losses and deploying our risk knowledge to help them navigate this ongoing uncertainty. As we help the global community manage this crisis, we are sharing what we have learned to prepare for the next one. This is how we fulfil our vision of helping make the world more resilient.



Discover more

Web portal

COVID-19: An evolving challenge for the world

 [swissre.com](https://www.swissre.com)

Global consumer investigation into mental health insurance



Enabling people to maintain a high degree of mental wellbeing throughout their lives brings benefits for individuals, employers and society. Until recently, however, there has been a certain reluctance in society to speak openly about mental health issues and suitable responses. Re/insurance can play a vital role in improving individuals' resilience against mental health issues by offering them effective risk protection and solutions.

With this in mind, Swiss Re recently conducted a global consumer investigation into mental wellbeing, covering seven important markets. We wanted to find out whether consumers are interested in any kind of mental health protection, how re/insurers could meet such needs and what the main challenges are. On an overarching level, the investigation revealed that there is a substantial consumer segment that sees value in insurance products covering mental wellbeing. Millennials living in urban areas,

especially those with young children, constitute the largest group.

However, we found that a large proportion of interested consumers (71%) are not aware of the mental health protection available in existing products and that many of those who are aware have had negative experiences when contacting their insurer (impersonal service, having to reiterate their case, lack of trust). We have identified the key demands that consumers have for best-practice insurance solutions for mental health issues, including a supportive claims process.

We also analysed the implications of COVID-19 and found that almost half of all surveyed consumers are more concerned about mental wellbeing due to the pandemic and that many have said they will take the topic more seriously in the future.

We have summarised the main insights gained through our investigation and specifics on six markets in one publication. In addition, we have published five separate reports that describe the situation in the following Asian markets: South Korea, Singapore, Thailand, Japan and (in 2020) Hong Kong.

Discover more



Publication

Head first: supporting consumers' mental wellbeing through insurance

 online PDF

Publication

Mental health in Singapore: insurance can help bridge the protection gap

 online PDF

Publication

Mental health in Thailand: insurance can help bridge the protection gap

 online PDF

Publication

Mental health in South Korea: an evolving insurance market

 online PDF

Publication

Mental health in Japan: an opportunity for insurance to help close the protection gap

 online PDF

Remote sensing innovation: progressing sustainability goals and expanding insurability



Remote sensing, which includes both space and earth observation (EO), is the science of collecting and interpreting visual intelligence about objects from afar using sensors mounted on satellites, aircraft and drones. Applications of such data have been expanding rapidly, as a result of advances in satellite design (ie miniaturisation) and the availability of cheaper commercial launching services. While governments and the military have so far been the main users of remote sensing, these supply-side developments are democratising usage of granular physical insights.

In a new Expertise Publication launched in 2021, Swiss Re Institute examined the implications of this for advancing sustainability and expanding the bounds of insurability. In an analysis of the 17 UN Sustainable Development Goals (SDGs) and their 231 associated indicators, it found that using high-resolution EO data can help track at least 17% of these indicators and optimise the allocation of resources. Many of them are also relevant for insurability and areas of risk modelling.



Recent innovations in remote sensing are also expanding the boundaries of insurability. They can help make existing insurance processes more efficient and have the potential to create new markets and risk pools. Examples of insurance processes that can already benefit from these developments are granular indices for parametric products, rapid claims assessments and early warning alerts for customers. These advances can benefit a number of SDGs, either directly or indirectly.

The publication concludes by looking ahead to the potential for enterprise-scale deployment of remote sensing EO data and some of the key challenges to be overcome.

These include, for example, selecting the right use cases compatible with local requirements, meeting privacy and regulatory concerns, integrating data from diverse in-situ sources and appropriately curating them. Long-term partnerships with data vendors are considered essential to customise data as required and to create viable insurance products.

[Discover more](#)

Publication

[Remote sensing innovation: progressing sustainability goals and expanding insurability](#)

[online PDF](#)

Stakeholder dialogue: past milestones

The following selected milestones have marked Swiss Re's sustainability journey to engage in dialogue with our stakeholders:

Swiss Re Institute

Established in 2017, Swiss Re Institute harnesses Swiss Re's risk knowledge to produce data-driven research across the company and with partner organisations.

Centre for Global Dialogue

First opened in 2000, the Centre for Global Dialogue is Swiss Re's state-of-the-art dialogue resort in Rüschlikon, near our headquarters in Zurich.

Expertise Publications

Our Expertise Publications offer expert analysis of risk topics in regional markets and the global re/insurance industry.

sigma series

For more than 50 years, our *sigma* publications have been a trusted source of market information for managers and specialists in the re/insurance industry.

Client Programmes

For more than 60 years, Swiss Re has been offering training to professionals from the re/insurance industry. Our courses range from basic to advanced and from broad to specialist.

Algorithms for hope



Humans have used their intelligence to cultivate plants, tame animals, cut trees, divert rivers, mine stones and minerals, and create machinery. The last two generations have seen the shift from human intelligence to augmented or artificial intelligence: Data can be fed to machines and machines can learn from these data.

Artificial intelligence is already enhancing our daily lives. That is not to say that algorithms – the building blocks of artificial intelligence and machine learning – are not without faults. They can be gamed, sustain past prejudice and create a biased vision of the world. They therefore require careful management and ethical accountability. If this is achieved, however, they can be used for a wide range of purposes.

Partnering with the Gottlieb Duttweiler Institute (GDI) and IBM Research, Swiss Re Institute held the virtually staged “Algorithms for hope” conference at our Centre for Global Dialogue. Bringing together three organisations that are all seeking to use the best forms of artificial intelligence, the event focused on the many positive aspects of artificial intelligence. In five case studies, experienced researchers and entrepreneurs presented applications that can have a positive global impact. The case studies have been summarised in separate articles available on our website.

Discover more 



Conference

Algorithms for hope

 [swissre.com](#)

Article

[The new breed: What our history with animals reveals about our future with machines](#)

 [swissre.com](#)

Article

[Using artificial intelligence to help restore the natural world](#)

 [swissre.com](#)

Article

[Using artificial intelligence to reduce bias in recruitment](#)

 [swissre.com](#)

Article

[Using AI to develop medicines with a higher probability of success](#)

 [swissre.com](#)

Article

[Algorithmic accountability will lead to a better world](#)

 [swissre.com](#)

Driving sustainable operations

We strive to minimise the environmental impact of our operations. Bringing operational CO₂ emissions to net zero by 2030 is our key target.



The solar plant at our Swiss Re Next building in Zurich has been in operation since 2017. Direct investment in such plants at our offices has been a key measure in our commitment to obtain 100% of our power from renewable sources. We met that goal in 2020.

2021 highlights:

Introduced our **Carbon Steering Levy**, setting an initial internal carbon price of USD 100 per tonne of CO₂

Entered into a **partnership with Climeworks**, signing a ten-year purchase agreement for direct air capture and storage of CO₂

35%

Share of carbon removals achieved in our emissions compensation mix

100%

Proportion of our Tier 1 and Tier 2 suppliers that have completed their ESG assessment

Launched our **NetZeroYou2 Programme**, resulting in more than 126 000 climate actions by our employees

As a knowledge company in the financial services sector, we do not cause significant environmental or social impacts through our own operations. Nonetheless, we believe that as a company committed to sustainability, we should minimise our operational footprint and lead by example through ambitious targets and measures.

For our core re/insurance business, climate change represents a key topic. For around 20 years, we have therefore focused on reducing our own CO₂ emissions and energy consumption.

We recently made a commitment to achieve net-zero emissions in our operations by 2030. Through our CO₂NetZero Programme, we are taking continuous action both on emission reductions and carbon removal.

Furthermore, we apply sustainability guidelines to our supply chain activities and involve our employees in the Group's net-zero efforts.

Management system and certification

 [swissre.com](https://www.swissre.com)

2000-Watt certification for our Campus Mythenquai

 [swissre.com](https://www.swissre.com)

Partner initiative: Swiss Climate Foundation

 [swissre.com](https://www.swissre.com)


Our CO2NetZero Programme

In 2019, we committed to reaching net-zero emissions in our own operations by 2030. In making this new commitment, we are building on the initiatives and achievements of our Greenhouse Neutral Programme and, at the same time, taking our efforts to a new level of ambition.



Greenhouse Neutral Programme

Between 2003 and 2020, we ran our Greenhouse Neutral Programme, combining major commitments to cut CO₂ emissions, reduce energy intensity, use renewable power and compensate the remaining emissions. You can view our main achievements below and find more details on our website.

 [swissre.com](https://www.swissre.com)

Net-zero emissions is a challenging concept. It means that at a certain point in time, the net amount of emissions entering the atmosphere must reach zero. In other words, for every tonne of CO₂ that cannot yet be avoided, another tonne needs to be removed from the atmosphere and stored durably through carbon removal solutions. To limit global warming to well below 2°C, and preferably to 1.5°C, as stated in the Paris Agreement, the world needs to: 1) halve emissions by 2030, 2) reach net-zero emissions by mid-century and 3) stay at net-negative emissions throughout the second half of the century. Current climate models predict that the second and third requirements will take billions of tonnes of

negative emissions per year, which are generated through carbon removal activities, ie the capture of CO₂ back from the atmosphere, followed by its durable storage.

It is important to note that the term “net-zero emissions” is not the same as what companies have traditionally referred to when using the term “climate neutrality”. The former marks a clear – and necessary – step up in climate change mitigation efforts. Here’s the difference in a nutshell:

- **Climate neutrality:** Emitters pay third parties to **avoid** equivalent amounts of emissions to those the emitters cannot yet avoid themselves, often via the purchase of carbon avoidance certificates (commonly known as “carbon offsets”).
- **Net-zero emissions:** Emitters pay third parties to **remove** equivalent amounts of emissions to those they cannot yet avoid, by purchasing carbon removal certificates (also known as “removals”).

In agreement with the Science Based Target initiative’s Corporate Net-Zero Standard, we believe that for a credible transition path to net-zero operational emissions, companies need to focus first and foremost on reducing their value chain emissions wherever possible as fast as possible. In parallel, they should boost the demand for removals, thus

Sustainable operations: past milestones

The following selected milestones have marked Swiss Re’s journey to drive sustainable operations:

Achievements of our Greenhouse Neutral Programme:

- **Cutting CO₂ emissions**
Reduced our per-capita CO₂ emissions (Scope 1, Scope 2 and parts of upstream Scope 3) by more than half between 2003 and 2019 (ie pre-COVID level)
- **Carbon neutrality**
Compensated all remaining CO₂ emissions from Scope 1, Scope 2 and parts of upstream Scope 3 (in particular business travel) since 2003
- **Reducing energy intensity**
Reduced our energy intensity by almost 70% between 2003 and 2019 (ie pre-COVID level)

- **Full switch to renewable power**

Were using 100% renewable power by 2020

Carbon-cutting subsidies for our employees

Through our COyou2 Programme, which ran from 2007 to 2020, granted more than 33 000 subsidies to our employees for emissions-cutting investments

Driving sustainability in our supply chain

Completed an ESG assessment of all our Tier 1 and Tier 2 vendors and started an improvement dialogue

Driving sustainable operations

preparing to balance all residual emissions in the target year. In addition, companies should also help other emitters beyond their own value chain to reduce their emissions (the three steps are illustrated below).

These steps inform Swiss Re's overall approach to net-zero emissions in our operations, which is encapsulated in our motto "Do our best, remove the rest":

- **Do our best, ...:** We are reinforcing our efforts to reduce the CO₂ emissions caused by our own operations.
- **... remove the rest:** We are moving from high-quality carbon avoidance certificates to carbon removal certificates to compensate any remaining emissions. As the carbon removal market is still in its infancy, we are keen to catalyse its development through our early engagement.

The measures we have recently taken to implement the programme are listed and described below.

Introducing our Carbon Steering Levy

The UN Global Compact has long called on companies to price carbon at a minimum of USD 100 per tonne of CO₂. In September 2020, Swiss Re became the first multinational company to announce such a

Do our best, remove the rest
<ul style="list-style-type: none"> • Introducing our Carbon Steering Levy 	
<ul style="list-style-type: none"> • Reducing business travel • Using 100% green power • Reducing energy consumption • Minimising office consumables and waste • Advancing sustainability in our gastronomy services • Facilitating healthier and greener commuting 	<ul style="list-style-type: none"> • Moving from carbon offsetting to carbon removal • Partnering with Climeworks • Helping to reduce emissions beyond our value chain • Sharing our carbon removal knowledge

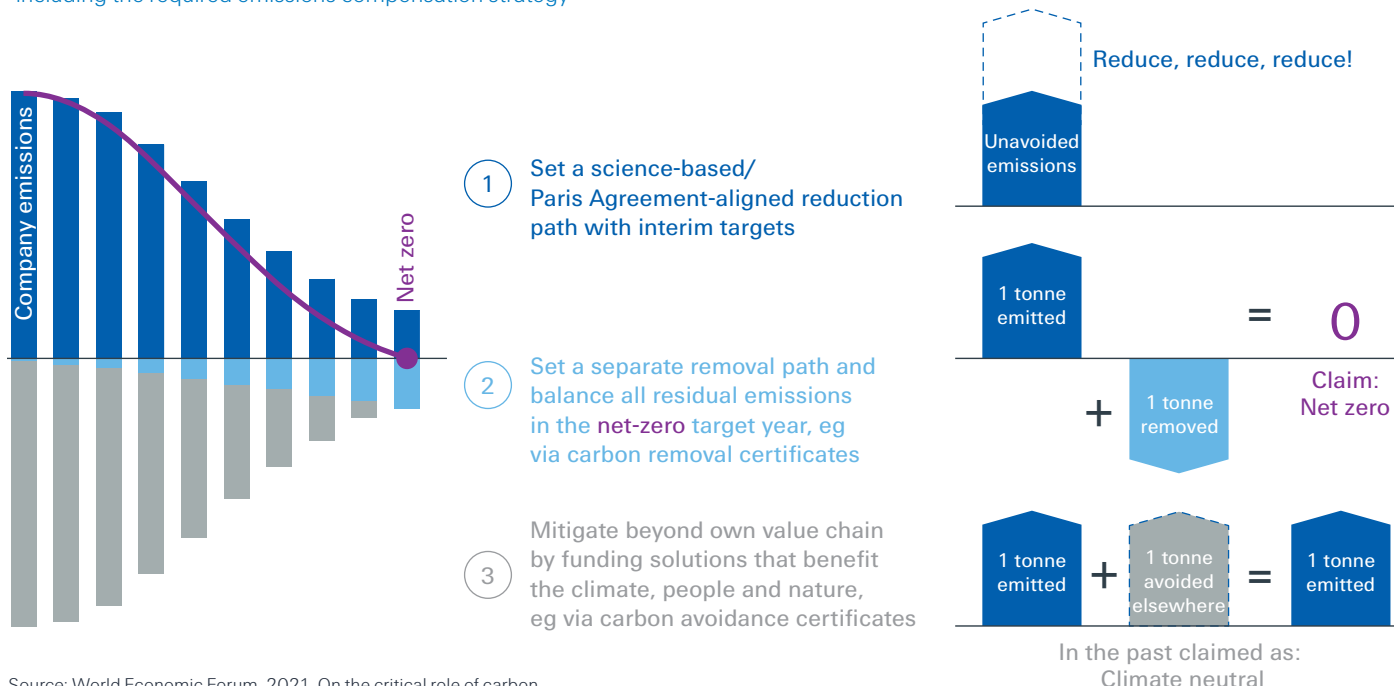
triple-digit real internal carbon price on both direct and indirect operational greenhouse gas emissions, ie on all Scope 1, all Scope 2 and a significant part of our upstream Scope 3 emissions (business travel, energy transmission/distribution, paper, water and waste) across all Business Units and countries of operations.

When we introduced our Carbon Steering Levy in January 2021, our previous carbon tax was pushed up from USD 8 to USD 100 per tonne of CO₂. By 2030, the levy will gradually increase to USD 200 per tonne of CO₂. This corresponds to the market price we expect for high-quality removals at that point in time, based on cost projections in scientific literature and current market intelligence.

The levy is the overarching element of our CO₂NetZero Programme, as it helps us meet both the "Do our best, ..." and "... remove the rest" objectives simultaneously.

We expect that placing a stringent price on carbon and increasing it on an annual basis will help us achieve further emission cuts by incentivising concrete reduction measures and low-carbon behaviour – hence the name Carbon Steering Levy. To this end, we are making sure that the levy is displayed at all times and at all levels of decision-making, for instance in the travel booking tool when different flight options are compared.

Evolution of a company's operational emissions towards net zero, including the required emissions compensation strategy



Source: World Economic Forum, 2021, On the critical role of carbon removal and how companies can use it smartly.

Driving sustainable operations

At the same time, the levy will secure the funds required to compensate the remaining emissions in line with our net zero by 2030 target by gradually moving from conventional carbon offsetting to supporting high-quality, ie durable and scalable, carbon removal projects (see illustration on page 61 for the difference). This gradual transition means that we will be able to uphold the climate neutrality claim of our former Greenhouse Neutral Programme, while preparing to balance all remaining emissions through carbon removal by 2030, our net-zero target year (see illustration below).

Since the carbon removal industry is still in its infancy, this new way of compensating emissions comes at a price. Costs will decrease over time as technologies and markets mature, but prices for high-quality removals will likely remain above the level of our Carbon Steering Levy until the end of the decade. Conventional carbon offsets – including the high-quality offsets we have bought in the past and will continue to buy – are expected to remain available at prices well below our levy. Mixing cheaper offsets with higher-cost removals will enable us to control the average carbon certificate price, so it never exceeds the level of the Carbon Steering Levy in any given year.

Finally, the use of a ten-year carbon pricing policy to secure sufficient funding for the right carbon certificates helps eliminate planning uncertainty. In particular, it allows

us to source certificates through long-term purchase agreements, thus sending a strong signal to the market. More information is available on our website (see link below).

Do our best, ... further measures

Reducing business travel

For a financial services company, business travel represents a major part of upstream Scope 3 CO₂ emissions. Over the years, we have taken several measures to reduce the need for business travel.

In 2014, we created a financial incentive to reduce unnecessary air travel by introducing a carbon levy. It was designed to allocate the costs of compensating flight emissions via high-quality carbon avoidance certificates to our Business Units and Group Functions in proportion to their respective share of air travel ("polluter pays" principle). That price signal was reinforced by using the same distribution key to allocate the compensation costs for non-travel-related emissions (from heating, power etc).

We continuously monitor and collect all travel data centrally. It is displayed to line managers through a dedicated travel dashboard and to individual travellers via the expense dashboard.

All our employees across the Group have access to a dense network of state-of-the-art video conferencing equipment. In 2020, we also introduced an interoperability solution that allows us to connect our video

conferencing facilities with workplace-based collaboration software, which has been highly beneficial in the context of the COVID-19 pandemic.

Despite these measures, Swiss Re's air travel per employee increased between 2008 and the onset of the COVID-19 pandemic, mainly driven by our continued expansion in high growth markets. In 2019, we thus set a 15% reduction target for CO₂ emissions from air travel in 2020, compared to the 2018 level. Taking into account the strong increase in alternative collaboration methods resulting from the pandemic, we have increased this reduction target to 30% for 2021 and to at least 50% for 2022 (both compared to the 2018 level).

These CO₂ targets are supported by our Carbon Steering Levy introduced in 2021 (see page 61). At a triple-digit value in US dollars per tonne of CO₂, the new levy impacts travel budgets much more strongly than the old single-digit flight tax. Furthermore, the levy is now transparently displayed as an additional cost in the Group's travel tool – creating an incentive to reconsider whether a particular business trip is really necessary.

In 2021, CO₂ emissions from air travel decreased by 93% compared to the 2018 level. However, this was largely due to travel restrictions related to the COVID-19 pandemic.

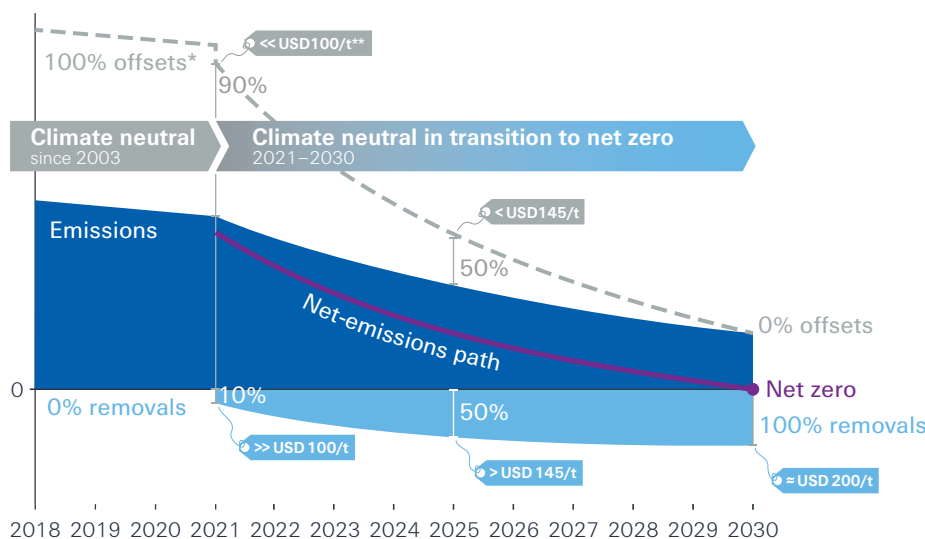
Using 100% green power

In 2020, Swiss Re sourced 100% of its power use from renewable sources for the first time. We thus achieved the commitment we made under the Climate Group's RE100 initiative, which we co-founded together with IKEA in 2014.

Applying our internal standard for green power sourcing, we are constantly looking for opportunities to bring new renewable assets onto the grid (known as "additionality"), preferably through:

- Direct investments in our own solar plants – past investments include Armonk (US), Swiss Re Next in Zurich (Switzerland), Bangalore (India) and Folkestone (UK)
- Indirect investments via long-term virtual power purchase agreements from newly built plants

Swiss Re's operational emissions (stylised), including share and price tag of offsets and removals



* Offsets are shown as a dashed line to illustrate the amount of emissions they prevent from being emitted elsewhere.
 ** The price tags show the price of offsets and removals relative to the level of the Carbon Steering Levy in that year.

Carbon Steering Levy:
our ten-year funding plan

swissre.com

Driving sustainable operations

Where neither option is feasible, we source high-quality renewable energy certificates (eg naturemade star in Switzerland).

In 2021, we had in place:

- Solar photovoltaic installations at our offices in Armonk, Folkestone and Zurich
- A power purchase agreement with the landlord at our Bangalore office to obtain power from the solar photovoltaic installation on the roof of the building
- A virtual power purchase agreement with the Green River wind farm in Illinois (US) covering our entire power consumption in the US and Canada

Reducing energy consumption

In parallel with our gradual switch to renewable power, we have made continuous efforts to lower the actual amount of energy consumed per employee, ie to reduce our energy intensity (measured as kWh/FTE). Our target is to reduce our energy intensity by 2% per year throughout the decade, with 2018 serving as the baseline.

Key measures have included moving to more energy-efficient buildings (both leased and owned, with an increasing proportion of green building labels, eg LEED) and improving office utilisation by creating more flexible and modern office environments. In 2021, we consolidated workplaces at our headquarters in Zurich and introduced various energy-efficiency measure such as smart LED lighting systems during the renovation of our offices in Folkestone (UK) and Madrid (Spain).

Between 2018 and 2021, we achieved a 40% reduction in energy use, although this figure was obviously distorted by the COVID-19 pandemic. The total reduction we achieved between 2003 (the start of our Greenhouse Neutral Programme) and 2019 (the last year before the pandemic) was 69%.

Minimising office consumables and waste

While they are less relevant for our business than other environmental impacts, we measure and strive to minimise the use of office consumables (mainly paper and water) and waste generation.

Some of the measures we have taken include: introducing reusable dishes and cutlery at major locations (also see next paragraph), "pull printing" (eliminating

uncollected printouts and helping us reduce emissions from paper use by approximately 80% since 2013), Cloud-based collaboration and document management platforms.

Advancing sustainability in our gastronomy services

Food systems account for a quarter of global greenhouse gas emissions. Within Swiss Re's own supply chain, our staff restaurants, pantry zones and related guest services contribute significantly to our total carbon footprint. In view of this, we have launched an initiative to further reduce emissions from our global gastronomy services and enhance the sourcing of sustainable food items.

In 2020, we carried out a review in 37 of our locations around the world and then formed a vision based on three pillars: zero waste, CO₂ emissions reductions and resilient food systems, all to be achieved by 2030.

In 2021, we started to implement the initiative by holding several internal awareness campaigns and training courses, and our locations achieved their first qualitative targets. We are currently developing a global emission measurement methodology for Swiss Re's food consumption, which will enable us to set quantitative goals. In doing so, we are working closely with our suppliers and employees. Sustainable gastronomy was

also the first climate action we focused on after the launch of Swiss Re's new employee engagement programme NetZeroYou2 (see page 66).

Facilitating healthier and greener commuting

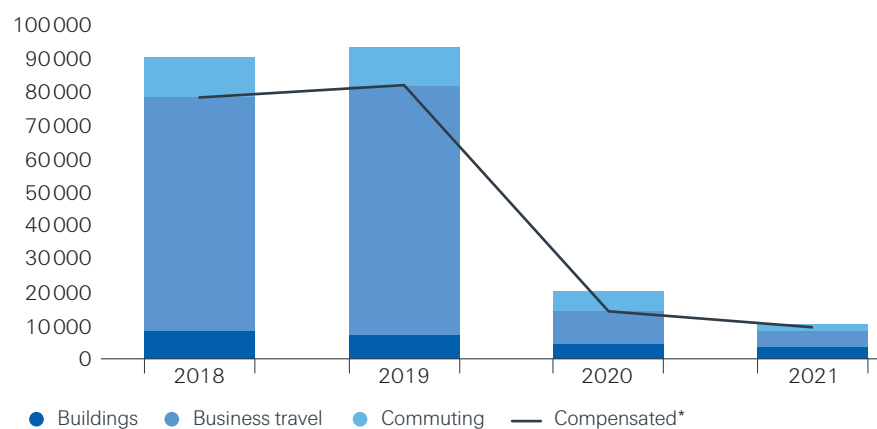
We promote low-carbon options for our employees' daily commutes through mobility concepts at major office locations. Typically, they involve bicycle parking, shower facilities with lockers, subscriptions for public bike rental services, public transportation subsidies, last-mile shuttle services etc. Due to the COVID-19 pandemic, commuting decreased significantly during the last two years.

"... remove the rest": further measures Moving from carbon offsetting to carbon removal

Under the new CO₂NetZero Programme, funded through our Carbon Steering Levy (see pages 61 – 62), we will gradually phase out the purchase of high-quality carbon offsets and, in parallel, increase our support for high-quality carbon removal projects.

In 2021, our total operational emissions were strongly reduced by the impact of the COVID-19-pandemic for a second year in a row, leaving us with a total of 8 400 tonnes of CO₂e to be compensated. This low amount of operational emissions in scope for compensation allowed us to achieve a higher

Swiss Re's operational emissions in current reporting scope, in tonnes CO₂e



* See above for operational emissions currently covered in our compensation scope. Note that we have consciously decided not to include commuting, to avoid discouraging the trend towards less carbon-intensive means of transport.

Driving sustainable operations

percentage (35%) of carbon removal certificates in our emissions compensation mix, thus overachieving our minimum target of 10%. We sourced these certificates from a variety of suppliers and two project types.

All carbon avoidance certificates are of the “displace wood consumption” type and stem from a Gold Standard project in Rwanda where new water boreholes are financed to prevent wood burning for the purpose of purifying drinking water. All carbon removal certificates are of the “biochar” type and stem from various suppliers in Europe and the US (contracted durability = 50 – 100 years).

Biochar results from heating biomass in the absence of oxygen (“pyrolysis”). It consists of carbon black, which decomposes very slowly under natural conditions, rendering biochar a more durable form of carbon storage than the original biomass. It is usually added to degraded topsoil to improve soil fertility.

Partnering with Climeworks

See adjacent box.

Helping to reduce emissions beyond our value chain

Helping others to reduce their emissions was an integral part of our previous Greenhouse Neutral Programme. Since 2003, we have been compensating 100% of our direct emissions (Scope 1), 100% of our indirect emissions (Scope 2) and our business travel emissions (part of upstream Scope 3) by supporting high-quality carbon avoidance projects. Since 2014, we have included further upstream Scope 3 emission categories in our compensation efforts: energy transmission and distribution, paper, water and waste.

Between 2014 and 2020, we helped avoid close to half a million tonnes of CO₂e emissions, purchasing carbon offsets exclusively from Gold Standard projects. Learn more about this on our website (see link below).

Purchasing high-quality carbon offsets

 [swissre.com](https://www.swissre.com)



Partnering with Climeworks

In our quest to “... remove the rest”, in 2021 we entered into a partnership with Climeworks, a leading specialist in direct air capture and storage of carbon dioxide (CO₂).

Reducing global carbon emissions to net zero by 2050 and then making sure they remain net-negative throughout the second half of the century will require massive emission reductions, complemented by the rapid build-up of the carbon removal industry, which is still in its infancy, to reach the size of today’s oil and gas industry.

Carbon dioxide can be removed from the atmosphere through nature-based solutions like afforestation, which also have substantial co-benefits such as improved biodiversity. However, they are limited by other important types of land use and are vulnerable to the risk of stored carbon escaping (“storage reversal”). This is why technological carbon removal solutions like direct air capture are needed to limit global warming to well below 2°C, and preferably to 1.5°C, over the long term. They are more durable and scalable than nature-based solutions, but currently much more expensive, mainly due to their large energy requirements and early stage of development.

The technology offered by Climeworks captures CO₂ from ambient air using geothermal power before injecting it into nearby layers of volcanic rock where it is converted naturally into stable minerals. This is considered the safest and most

durable form of all carbon removal solutions that are commercially available at present.

With only a handful of pilots in operation to date, it is, however, also one of the costliest options. Larger, more economic air-capture facilities can only be realised if they are considered bankable by investors. Buyers can contribute to this by committing themselves to long-term purchasing agreements that secure future revenue streams for developers.

In response to this challenge, Swiss Re and Climeworks signed a ten-year carbon removal purchase agreement worth USD 10 million. It is thought to be the first of its kind in the voluntary carbon market for this type of high-quality carbon removal, and thus sends an important demand signal to developers, investors and other buyers.

But bringing climate solutions to scale not only requires the right demand signals, it also creates a need for de-risking and financing. As a recent Expertise Publication launched by Swiss Re Institute argues, the insurance sector is uniquely positioned to offer support on all three fronts (see “Engaging in dialogue with our stakeholders” chapter, page 52).

This is why we have also agreed with Climeworks to collaborate on developing risk management knowledge and risk transfer solutions, as well as to explore future investment and project finance opportunities.

Driving sustainable operations

Sharing our carbon removal knowledge

Carbon removal is still in its infancy. After providing a high-level overview on the topic in our SONAR 2020 report on emerging risks, Swiss Re Institute released an Expertise Publication entitled “The insurance rationale for carbon removal solutions” in 2021. For more information, see “Engaging in dialogue with our stakeholders” chapter, page 52.

Furthermore, the World Economic Forum’s Alliance of CEO Climate Leaders co-chaired by our Group CEO, formed a climate action group on carbon removal in spring 2021. Under Swiss Re’s leadership, the action group contributed to the white paper “Net-Zero to Net-Negative: A Guide for Leaders on Carbon Removal” and produced an educational slide deck from CEOs to CEOs: “On the critical role of carbon removal and how companies can use it smartly”.

Environmental data disclosure

Since launching our Greenhouse Neutral Programme in 2003, we have disclosed our operational environmental performance indicators, including greenhouse gas emissions and their relative performance over time, and we expanded our reporting scope with effect from 2013.

In 2021, at the onset of the ten-year reporting cycle within our CO2NetZero Programme (2021 – 2030), we undertook a full re-baselining exercise to update the greenhouse gas emission factors and improve our calculation methodology, aligning it with the latest climate science and relevant frameworks. The methodology we use to calculate our emissions is based on the guidelines of the Greenhouse Gas (GHG) Protocol – Corporate Standard, the most widely used emissions accounting and reporting standard.

The baseline year for this reporting cycle is set to 2018. You can see the full disclosure of the Group’s operational emissions and underlying environmental data in the “Sustainability data” section on pages 106 – 108. The restatements of the previous years’ figures resulting from the re-baselining process are explained in the same section on pages 109 – 110.

While we strive to continuously improve the calculation methodology for the emissions in our current reporting boundary, we also acknowledge the existence of a large portion of upstream Scope 3 operational emissions that remains unmeasured and is therefore currently not reported. These emissions, mostly stemming from the activities in our supply chain, are roughly estimated to be five to ten times higher than our reported emissions. This ratio has increased significantly in the past two years due to the sharp reduction in emissions reported for business travel, as a result of the COVID-19 pandemic.*

The unreported emissions are hard to quantify accurately because their sources are beyond our direct operational control, and the methods and tools to collect the underlying activity data are not readily available yet. In line with our ambition to reduce our operational footprint and achieve the target of net-zero emissions in our operations by 2030, our next challenge will be to work in close collaboration with our main suppliers to identify, quantify and develop synergies to address the most material emission hotspots in our supply chain.

Before our environmental data are published, KPMG AG checks them to verify our calculations. Their complete Independent Assurance Report for the Sustainability Report as well as selected disclosures in our climate-related financial disclosures (TCFD) are included on pages 119 – 122.

Sustainability in our supply chain

In the course of our operations, we procure a wide range of goods and services. In line with our overarching Group Sourcing Standard, we aim to select suppliers that offer the best value for money, deliver high quality and adhere to Swiss Re’s Code of Conduct.

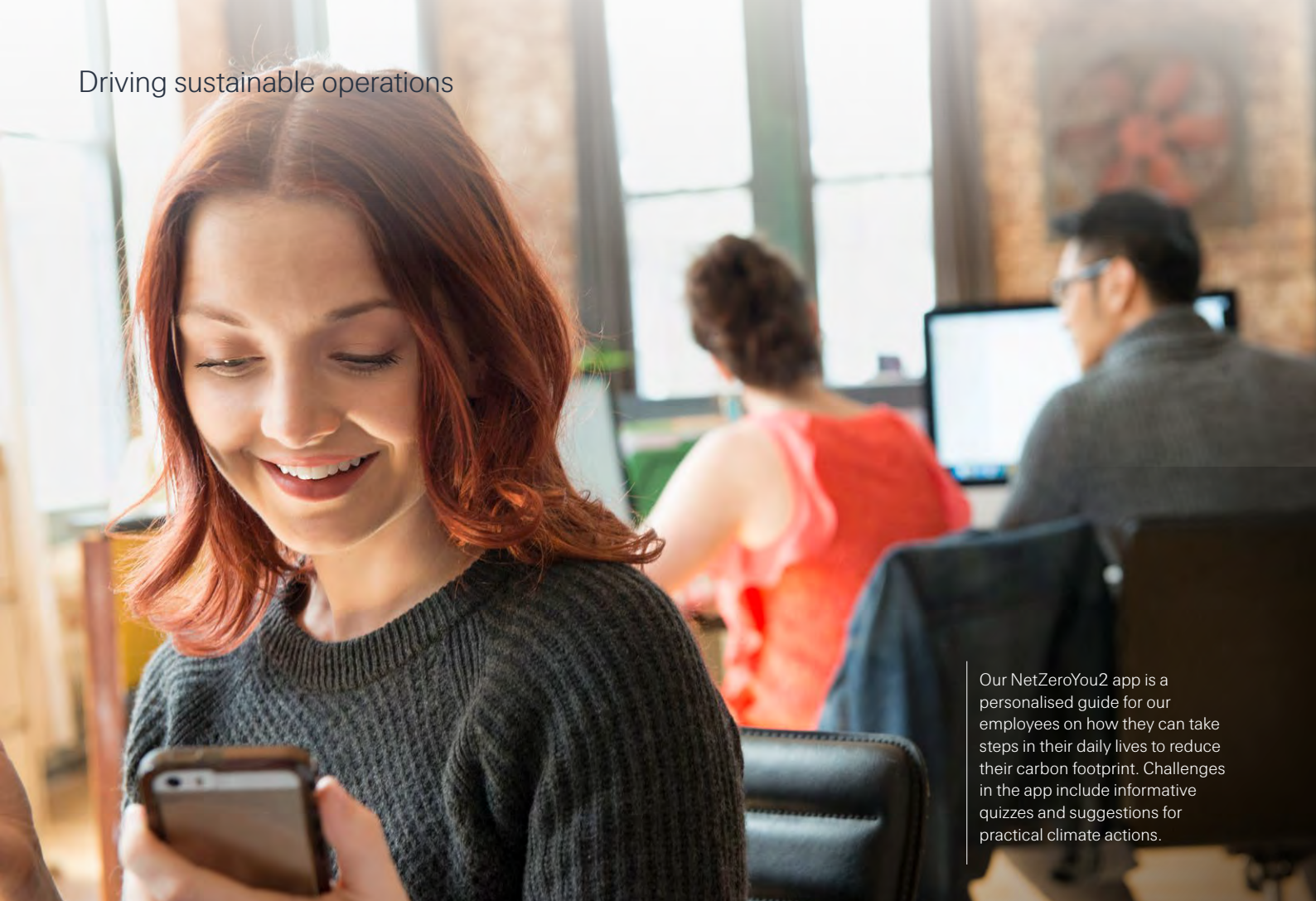
Furthermore, as a signatory to the UN Global Compact, we are committed to observing all of its ten principles. Amongst other things, the principles prohibit any form of discrimination or the use of child or forced labour, and they require that the freedom of association and the right to collective bargaining be upheld. These principles of the UN Global Compact are referenced in our Code of Conduct and specifically cover our relationships with external service providers in the areas of human rights, labour conditions, environmental impacts and anti-corruption.

The procurement of all goods and services from external vendors is conducted in accordance with our Group Sourcing Standard, which also refers to the headings from the UN Global Compact. When selecting new products and suppliers, we examine whether they comply with these requirements as part of the overall evaluation process. We re-examine at existing strategic suppliers in our periodic contract reviews and visit individual suppliers to inspect them on site. In the context of the COVID-19 pandemic, we have partnered with our vendors to collaborate virtually. Internally, we hold awareness training sessions with our sourcing staff.

Since 2016, we have sought to further promote sustainability throughout our supply chain by taking a more proactive role. First, we needed to gain more transparency on our critical vendors’ performance regarding our standards for sustainability.

To achieve this, we started to collaborate with two external ESG assessment companies, IntegrityNext and EcoVadis. They both provide platforms covering a wide range of screening criteria across the topics of environmental impacts, human rights, labour practices, ethics and sustainable procurement. The use of key performance indicators such as these enables us to assess the sustainability performance of our vendors more systematically and to engage them in an ongoing dialogue to achieve meaningful improvements. The assessments also help us reduce and manage potential sustainability risks in our supply chain.

* In the past, unreported emissions were roughly estimated to be three to five times higher than reported emissions. However, the absolute volume of reported emissions has decreased significantly in recent years thanks to our emissions reduction initiatives described on the previous pages and, in the past two years, as a result of the COVID-19 pandemic. However, the overall magnitude of unreported emissions is estimated to be relatively stable and not strongly affected by the COVID-19 pandemic.



Our NetZeroYou2 app is a personalised guide for our employees on how they can take steps in their daily lives to reduce their carbon footprint. Challenges in the app include informative quizzes and suggestions for practical climate actions.

By the end of 2020, all our existing Tier I and Tier II vendors had completed their ESG assessment (representing 65% of an annual spend of more than USD 1 billion). As of 2021, all our newly onboarded vendors need to complete this ESG assessment during the due-diligence process. The insights we are gaining into our vendors' sustainability performance in turn set the stage for our ESG Vendor Development Programme (VDP), a key sustainability initiative in our supply chain management that at the outset will seek to improve ESG scorecard performance.

Working closely with our suppliers is critical to achieve the targeted ESG VDP performance indicators, which is why we launched the ESG VDP as a pilot for our in-scope Legal & Compliance vendors in 2021. We plan to extend the ESG VDP to a target subset of our Tier I vendors in 2022.

Our NetZeroYou2 Programme

As part of our commitment to tackle climate change, we also seek to give our employees opportunities to take action themselves. In 2021, we launched our NetZeroYou2 Programme, which was created in close cooperation with our people. In line with Swiss Re's net-zero ambitions, the programme aims to inspire our employees to adopt our motto: "Do our best, remove the rest".

The "Do our best, ..." component is based on a dedicated mobile app. It enables our employees to calculate their carbon footprint and offers quarterly "sprints" with various challenges, including informative quizzes and suggestions for practical climate actions. In just six months, a quarter of our global workforce calculated their carbon footprint and collectively recorded more than 126 000 climate actions.

To involve them in our efforts to "... remove the rest", we offer our employees access to Swiss Re's carbon certificate purchasing campaign, which includes impactful new carbon removal technologies (see pages 60 – 61 and 63 – 64). Employees can buy their own certificates directly through an internal platform or by completing a challenge in the app. In both cases, Swiss Re contributes additional certificates. In 2021, the programme generated a total of 1 022 tonnes of carbon certificates in this way.

Finally, we hosted our first-ever NetZero Day while the COP26 conference in Glasgow was taking place. Our event featured inspirational guest speakers and shared practical ideas for a less carbon-intensive lifestyle.

Before launching the NetZeroYou2 Programme in 2021, we had run our CO_{You2} Programme for 14 years, paying out a total of over 33 000 subsidies to our employees for investments that helped them reduce their personal carbon footprints.

100%

Proportion of our Tier 1 and Tier 2 vendors that had completed their ESG assessment by the end of 2021 (95% by the end of 2020)

126 000

Climate actions by our employees in 2021

Engaging our people

Our clients and partners are at the heart of our People Strategy. We achieve our common goals through our human capital: our people. Delivering on the Group People Strategy is a key value driver for the financial performance of Swiss Re's Group Strategy.



The COVID-19 pandemic continues to have far-reaching consequences for our personal and professional lives. Our Swiss Re vision and culture help us stay connected, support each other and remain resilient - enabling us to deliver our best for our clients and colleagues.

2021 highlights:

71%

"Leadership care" was rated highly again in our employee survey

82%

High Group-wide participation in Group Strategy hacks and "must-wins" sessions have helped employees understand how they contribute to Swiss Re's success

1.7%

The global Swiss Re adjusted gender pay gap between men and women, showing our dedication to equal pay

6

Measures committed to through the Leadership Pledge for Mental Health, which aims to make good mental health in the workplace a priority globally

Our HR vision

Our HR vision is to ensure our employees find meaning in their work and have a deep sense of purpose. We also aim to provide an attractive, flexible and inclusive work environment. Drawing on the expertise and experience of our diverse employees, we constantly look for new ways to improve engagement among our people and prepare for the changing needs of the future. We collaborate in the spirit of "partnering for success", as we believe doing so will help us realise our full potential. We are passionate about building an environment of trust, respect and accountability - an environment in which the way we work is every bit as important as the results we achieve.

At Swiss Re, we want to ensure that all members of our diverse global workforce feel heard, respected and included, regardless of their background, gender, age, race/ethnicity, sexual orientation, or other categorisation. We leverage our diversity to understand our clients and markets, develop smarter solutions together and help communities to rebuild, renew and move forward. In this way, we are working towards our vision to make the world more resilient.



To drive a successful people strategy, you need to cultivate a performance-led culture enabled by inspired and engaged people who continue to grow and develop."

Cathy Desquesses

Group Chief Human Resources Officer

Interview

Read the full interview with Cathy Desquesses in the 2021 Business Report.

 Business Report 2021

External recognition

We are committed to creating a workplace where everyone can thrive, and we are proud to receive external recognition for our efforts. Examples include being certified as a "Top Employer in Switzerland" by the Top Employers Institute and being named Switzerland's most attractive employer in insurance by Universum, a renowned employer branding agency. We were also awarded the HR Excellence Award 2021 in Singapore.



Our Group People Strategy: One Swiss Re

Since 2020, we have been implementing people solutions based on our Group People Strategy to build a sustainable workforce. Our clients and partners are at the heart of our People Strategy. We achieve our common goals through our human capital – in other words, our people. Delivering on the Group People Strategy is a key value driver for the financial performance of the Swiss Re Group Strategy.

Our strategic ambitions are built on **three pillars and one desired outcome**:

- **Lead:** We are accountable for our own performance and development and help others to be the best they can. We create excitement for the future and connect on a personal and emotional level.
- **Build:** We understand, develop and build the capabilities we require in the future. We embrace continuous learning and growth to make each one of us more resilient. We have a strong employer brand and can attract and retain the talent we need.
- **Perform:** We all take responsibility and hold each other accountable for our financial performance, behaviour and integrity. We invest and spend money with an “owner” mind-set. We challenge complexity and work in adaptable and cross-functional networks of teams that allow decision-making at all levels.

One Swiss Re

Our desired outcome:

We work together with our clients’ best interests at heart. We create an inclusive environment where people feel respected for who they are. We have a growth mind-set, put client needs at the heart of our decisions, embrace digital opportunities, and focus on sustainable, commercial, and financial outcomes. We aim to bring our entire organisation closer together as One Swiss Re and to leverage strengths across the Group to be a strong partner for our clients.

Swiss Re Group Strategy

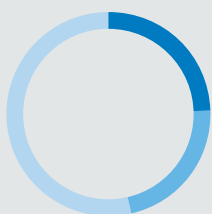
 Business Report 2021

Swiss Re Group People Strategy

 [swissre.com](https://www.swissre.com)

Employee facts and figures 2021

- 14 344¹ people representing 125 nationalities, 12 804 full-time equivalents (as of 31 December 2021)



- **24.7%** Americas
- **21.8%** Asia-Pacific (APAC)
- **53.5%** Europe, Middle East and Africa (EMEA)

¹ Figure includes regular and temporary employees.

- 6.1% increase in regular and temporary employees compared to 2020, mainly in the APAC regions. This is in line with the evolution of our business and our focus on growth in new markets.
- The fastest growing locations are our Business Solutions Centres in Bratislava, Slovakia, and Bangalore, India, which provide us with access to new talent pools.
- Voluntary attrition increased in 2021, with numbers resembling those from before the pandemic.
- Average tenure of Swiss Re employees remains high at over seven years.
- The internal hire rate increased slightly in 2021 to 31.9% (2020: 27%) and is by coincidence exactly the same for men and women at 15.95%.

Additional information

Find detailed information on our employee data in the annex to this report, as well as on our website.

 Sustainability Report 2021

 [swissre.com](https://www.swissre.com)

Engaging our people

Navigating another year of the pandemic

In 2021, our pulse survey – a short employee survey to check the “pulse” of our employees during the pandemic – showed that COVID-19 has continued to place immense pressure on our employees, in particular in terms of their workload. The ongoing effects of the crisis have also, in many cases, tested our personal resilience. With 83% of employees reporting a positive assessment of how Swiss Re is safe-guarding the well-being of its employees (2020: 79%), we are pleased our efforts to help our employees stay safe and healthy are valued by our people. We believe that strong leadership response was key in supporting these efforts.

In January 2021, we held a special “Swiss ReSilience Day” in recognition of the challenges that our employees have faced due to their increased workload. All employees¹ were given the day off in addition to their annual leave and received a one-time award of approximately USD 200 towards an activity or an item of their choice to help them relax and recuperate.

Adapting to a new normal

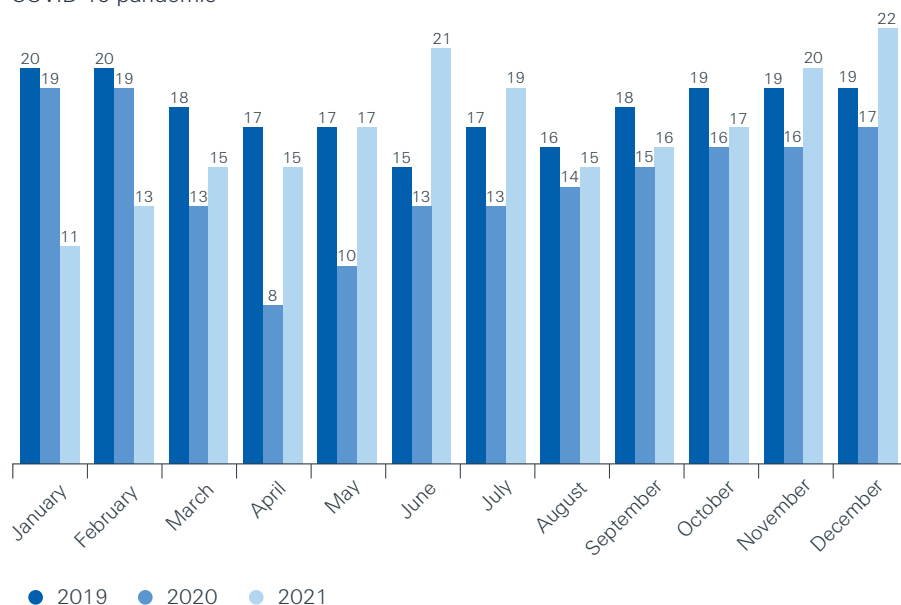
We do not believe that we will return to how things were before the pandemic, meaning we must embrace a “new normal”. To define the future of work at Swiss Re, we are seeking to strike a balance between employee needs, our desired corporate culture, the need for in-person collaboration and innovation, engagement, our ability to attract talent, productivity and performance. We see the future as a hybrid model between the workplace and the home and want to remain at the forefront of those changes, as demonstrated by our updated Own The Way You Work™ principles. You can find out more about these principles on page 72.

Employee health

When monitoring our sick leave data in 2020, we found that fewer sick days were being recorded by employees compared to previous years (see graph below). In 2021, we recorded a slight increase in the number of sick days compared to 2020, but below those of 2019 (considered a “normal” year). We are committed to boosting our employees’ personal resilience and are therefore investing in additional activities to support employees and our company. These include our mental health initiatives, which are discussed in more detail on pages 71 and 77.

Absences due to sick leave (% of employees)

The percentage of employees who were sick increased in 2021 due to the COVID-19 pandemic



¹ With the exception of elipsLife and Confianza employees.

Numbers excluding countries and entities where data is not available (mainly Americas and iptiQ) as well as ReAssure employees.

Engaging our people: past milestones

Selected milestones from Swiss Re’s sustainability journey in Human Resources include:

CO_{you2} Programme

Our internal engagement programme CO_{you2} was launched in 2007 with the aim of helping employees reduce their personal carbon footprints. The programme was replaced by its successor, NetZeroYou2, in 2021

Flexible working

Our flexible working scheme Own The Way You Work™ (OTWYW) was introduced in 2011

Graduates programme

Our graduates@swissre programme, which was launched in 2007, has won a Job Crowd Award five times in a row since 2015

Gender Equality

Swiss Re has been included in the Bloomberg Gender Equality Index since 2019

Performance Management

Swiss Re’s approach to performance management went “ratings-free” in 2020. Our new approach is based on regular feedback, with a clear focus on development and outcomes rather than focusing solely on year-end results

Personal resilience

Swiss Re's personal resilience journey

Over the last two years, the pandemic has changed our lives and had far-reaching consequences for the communities in which we live. It forced us to work from home before being allowed back to the offices on a part-time basis. It put a stop to many social activities and subsequently changed how we socialise with another. The pandemic continues to challenge our daily habits in many ways.

Our Swiss Re vision and culture help us stay connected, support each other, and remain resilient – enabling us to deliver our best for our clients and colleagues while adapting to the “new normal”.

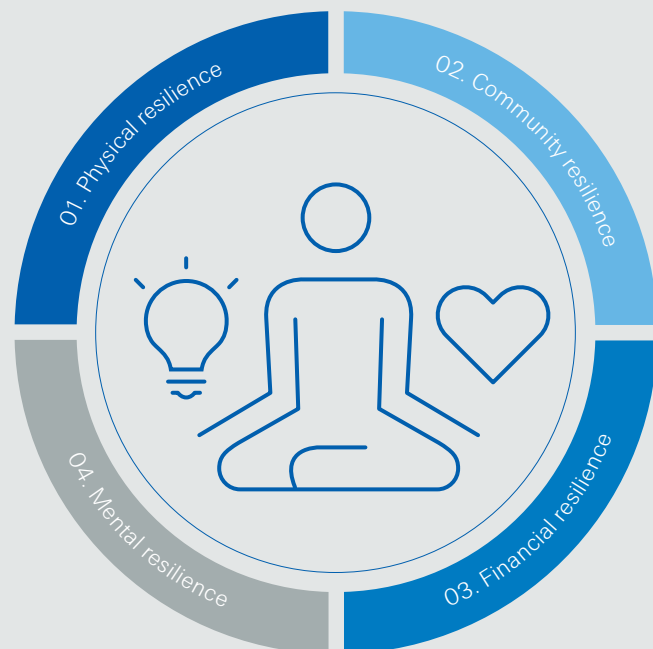
We understand that to make the world more resilient, our people need to be resilient themselves first. Swiss Re is committed to fostering employee engagement. We know that the mental wellbeing of an individual is just as important as their physical wellbeing. We encourage our staff to be open about their health, both physical and mental, and work hard to break down the stigma surrounding mental health issues.

In 2021, Swiss Re CEO Christian Mumenthaler signed the Leadership Pledge for Mental Health, which encompasses six actions that we commit to take to promote better mental health in the workplace.

Our Personal Resilience Strategy

2021 saw the launch of our first-ever strategy for personal resilience. The strategy is based on four pillars: mental, physical, financial and community resilience. It builds on existing measures to promote a healthy working culture, notably through Own The Way You Work™ and the Employee Assistance Programmes (EAPs), which are available to employees in nearly every Swiss Re location.

In 2021, we focused on the mental health pillar in particular. Key to our agenda of reaching the so-called “parity of esteem” between mental and physical health is awareness building. We offer Mental Health First Aid training across all our locations and encourage everyone to take prompt preventative action at the first sign of mental health struggles – for example by taking a day off to recharge. Our goal is to measure and track our progress for this pillar of the Personal Resilience strategy, along with the three other pillars.



We all have physical health, we all have mental health. But too often mental health isn't given the same attention, the same commitment, the same respect and the same care. From governments, to institutions, to families and to the affected individuals themselves – there's often a harmful lag between the onset of a condition and the treatment thereof. It doesn't have to be that way. Globally, I'd like to see society progress towards 'parity of esteem' – the principle where mental health is given equal priority to physical health."

Christian Mumenthaler,
Group Chief Executive Officer

Engaging our people

We lead

As the pandemic continued to place extraordinary pressure on our people, we sought to train our leaders and employees, thereby enabling them to continue navigating a highly unpredictable environment whilst meeting the demands of our partners and maintaining their own personal resilience. In 2021, we provided training on leadership skills to 2 646 managers, with an average of 15.6 hours invested per manager. The training sessions covered three distinct focus areas:

- **Leading through the crisis:** Many of our line managers participated in various activities that helped them be more empathetic and resilient during the pandemic. In total around 2 460 participants participated across the different events. This was reflected by the positive assessment of line managers' support to employees during the crisis, which reached 83%.
- **Enabling a culture of ongoing dialogue, flexibility and performance:** A large number of our employees participated in several virtual offerings to enable effective, high-quality growth-focused performance conversations. A total of around 5 660 participants participated in these different offerings. This was reflected by the positive perception of colleagues regarding aspects such as staying connected and working well together, which stood at 85%.

- **Leading in the "new normal":** These training sessions focused on embedding key leadership behaviours with business-led initiatives to drive the mind-set and behaviour associated with leading in a rapidly changing environment.

Managing performance

Our performance management approach supports our efforts to build a high-performance culture in which our individual and team targets, as well as our behaviour, are aligned with our Group Strategy. Our approach focuses on frequent feedback to foster individual growth, real-time improvement and faster, smarter adaptation to business needs.

Our approach has been recognised with a "Gold" rating in the category "Talent Management" for "Best Advance in Performance Management" at the 2021 Brandon Hall Group HCM Excellence Awards, and "Gold" in the "Achievement in Performance Management" category at the 2021 Stevie Awards for Great Employers.

Own The Way You Work™: 2.0 principles

Even before the pandemic, Swiss Re recognised that different people have different needs and preferences when it comes to their working patterns. We are committed to accommodating formal and informal flexible work arrangements. Our Own The Way You Work™ (OTWYW) Programme motivates and engages high performance teams by allowing employees to decide how, when and where to carry out their tasks while considering client and team needs, in compliance with the applicable laws, rules and regulations of their specific region.

While Swiss Re's overall hybrid approach to working remains the same, we adjusted our OTWYW principles slightly in 2021, after carefully considering employee feedback and lessons learned from the pandemic. The OTWYW principles 2.0 guide our long-term approach and aim to:

- Foster even greater trust, empowerment and transparent dialogue between managers, employees and teams.
- Deliver real choice and flexibility when it comes to where and how employees work whilst considering the needs of our clients, employees and the business as a whole.
- Highlight the importance of face-to-face interaction and the core role that our offices play in nurturing our culture and collaborative spirit.



Engaging the next generation: graduates@swissre

Every year, our award-winning graduates@swissre programme offers entry-level positions to university and college graduates and provides an excellent opportunity for young talents to discover the exciting world of a leading global re/insurer. Learn more about our graduates programme on our website.

 [swissre.com](https://www.swissre.com)

Own The Way You Work™

 [swissre.com](https://www.swissre.com)

Engaging our people

We build

Attracting, developing and retaining professionals with strategic, future-ready skills is essential for Swiss Re's journey to become a tech- and data-enabled risk knowledge company.

Attracting talent to Swiss Re

Swiss Re was recognised as an attractive employer through various external awards around the globe in 2021. Our Net Promoter Score (NPS), which measures how likely leavers would be to recommend Swiss Re as an employer to friends or colleagues, increased from 5 to 23 points in 2021. This is an impressive 41 points above the global average of -18. The NPS is compiled based on feedback that Gartner, an external service provider, collects from people who have left Swiss Re. Overall, 81% of leavers in 2021 rated their employment experience favourably, which is significantly above the global benchmark of 65%.

Developing our employees

Our vision for the future of learning at Swiss Re includes an increased focus on a digital, social, accessible and commercially relevant learning experience. We believe that learning should enable employees to deliver their best performance, thus contributing to the successful delivery of Swiss Re's strategy today and in the future.

Across the Group, we continued to build and develop skills for the future in 2021 by, for example:

- Implementing a digital, integrated learning experience that blends digital learning content with leader-led dialogues to enable our Corporate Solutions business unit to bring its new business strategy to life for employees at all levels.
- Providing data education and cloud upskilling content to 947 employees to enable the business to become digital and data-led, in line with our strategy.
- Strengthening leadership skills at all levels globally, with curated, digital learning journeys available to all employees.

LearningOne, our in-house learning platform, has continued to prove invaluable in supporting employees during the COVID-19 pandemic, by giving them access to learning content where and when they need it. Since 2020, visits to the platform have more than doubled to an average of 11 000 visits per month. We note that throughout 2021, the most frequently accessed content on our learning platform was, by far, content posted by our own employees – demonstrating that we are developing capabilities from within

the organisation. As a result of being able to reach and engage learners at the right time using technology, we see that employees are learning much more than they did when we launched our learning platform in 2019.

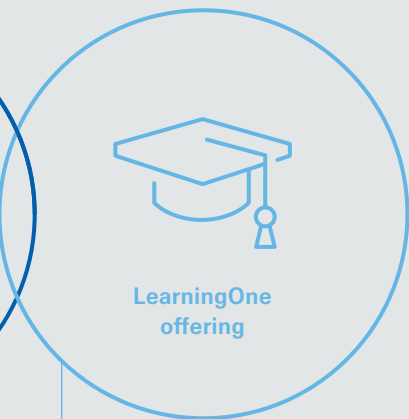
We are pleased that our performance was recognised in 2021 when Swiss Re was shortlisted as a finalist in the 2021 LinkedIn Talent Awards in the category "Best Culture of Learning".

In-house training data for 2021



Learning and training highlights

- **13 160** employees trained with an average of **11.7** hours spent on training per employee
- **2 646** managers trained with an average of **15.6** hours per manager



LearningOne offering

- **680 000+** user-generated content "smart cards"
- **355** distinct online courses
- **600+** skills supported by artificial intelligence

Retaining strategic future-ready talents: Americas leads the way

Voluntary attrition increased significantly in 2021 in many industries across the Americas compared to 2019 levels. Swiss Re's voluntary attrition rate was an industry-leading 5% in 2018 and 2019. It then decreased even further to 2.7% in 2020 and now has returned to just about

5%. In contrast to "the wave of resignations" widely discussed in the Americas, we believe our culture and empathy shown by our leaders during the pandemic has allowed us to retain our talented professionals and continue to thrive.

Engaging our people

Employee relations

Reflecting our commitment to sustainability, Swiss Re has signed the UN Global Compact and is committed to implementing its ten principles in the areas of human rights, labour, the environment and anti-corruption. We uphold the freedom of association and effective recognition of the right to collective bargaining.

Many of our locations have active employee advocacy groups, in line with local practice, that contribute to the company's success by offering valuable perspectives and by helping us identify employment-related challenges. These bodies are elected by local employees and have clearly defined information and consultation rights. Although there are significant local differences in the applicable legislation, the advocacy groups' rights typically concern working conditions, benefits, reorganisation and restructuring, redundancies, disciplinary actions and conflict cases. We support and value our cooperation with these groups.

At our Zurich headquarters, where almost one-quarter of our employees is based, we work closely with the Personnel Committee (PECO), which represents the interests of our Swiss-based staff. PECO is consulted about changes or adaptations to the General Working Conditions or other important policies, such as the Social Plan. It also focuses on gender parity as well as challenges faced by employees with family commitments. In the UK, similar activities are carried out by the Employee Liaison Group (ELG), and our Munich office has a work council with clearly defined co-determination rights in several areas. Other offices in Europe (eg France, Italy, Luxembourg and Denmark) also have work councils or staff delegates, depending on the size of the branch and local regulations.

We perform

Our compensation framework is designed to attract, engage and retain the talented professionals we need to succeed globally, and to create a tangible link between performance and pay. We continue to embrace a culture where we pay for performance based on results, outcomes and behaviours – not on effort. We aim to provide compensation that is competitive within local labour markets to ensure that our employees focus on delivering outstanding results while supporting appropriate and controlled risk-taking.

Monetary and non-monetary reward schemes are in place throughout the organisation to recognise exceptional performance and behaviour by individual employees. We aim to offer our employees attractive benefit programmes and a comprehensive range of incentives. We believe these offerings help build a performance culture where employees are motivated and engaged to focus on client needs and make the world more resilient.

Sustainability-related Key Performance Indicators (KPIs) are defined for the Group and each Business Unit and Group Function. These KPIs are aligned to Swiss Re's Group Sustainability Strategy and take account of our ambitions and identified risks. At the end of each year, each unit reports on its performance. The outcome is considered as one of the four qualitative dimensions of the assessment for our annual bonus pool (Group API pool) and therefore influences compensation for all employees, including members of the Group Executive Committee.

Continuous performance management

At Swiss Re, we understand that sustainable performance is only achievable if we take care of our people and create an environment in which employees can grow and perform at their best. Our people-centric, continuous performance management approach has been designed to help our employees identify what may be holding them back, what inspires them and what helps them move forward.

In essence, our performance management approach is all about enabling employee performance via regular feedback as opposed to year-end only, with a clear focus on development and outcome. Through ongoing check-ins and regular adaptation of goals and priorities, our employees are empowered to take decisions, adapt more quickly to business needs, and drive financial performance.

Our award-winning continuous performance management approach is underpinned by key principles such as valuing outcomes over processes, increasing accountability, differentiating performance and pay, and increasing transparency in the year-end performance review systems.

Performance is assessed on the basis of both the "what" (key contributions and deliverables achieved) and the "how" (behaviours demonstrated). The "how" dimension is key to ensuring our leadership imperatives are embedded and lived.

In 2021, our feedback platform was enhanced with performance-related features such as goal-setting, check-ins, team dashboards and year-end reviews. This holistic platform further enhances the employee experience. As conversations on performance and personal development should not be limited to the traditional reporting lines, the tool allows cross-functional collaboration and transparency about goals. Over 21 000 "feedback moments" occurred between 14 000 employees via the tool in 2021.

Being a parent at Swiss Re

At Swiss Re, we understand that having children and raising them is a source of great joy and that new priorities shape day-to-day routines once employees become parents or carers. We want to help our employees balance their career and family commitments, allowing them to always put their families first. We therefore offer a range of programmes and support services depending on local needs, for example holiday care or day care.

We perform

 [swissre.com](https://www.swissre.com)

Compensation

 Financial Report 2021

Engaging our people

We as One Swiss Re

Central to our sharpened Swiss Re Group strategy is the emphasis on bringing our entire organisation closer together as One Swiss Re, leveraging strengths across the Group to partner for progress.

Inclusive culture

Living an inclusive culture is one of Swiss Re's strengths. To further support our inclusion ambitions, we offered employees the

opportunity to voluntarily self-identify based on race/ethnicity, sexual orientation and gender identity for the second time as part of our pulse survey in 2021.

Encouraged by the willingness of our employees in South Africa, Switzerland, the UK and the US to voluntarily provide their data in the September 2020 survey, we expanded the list of countries where we collect such data to Brazil, Canada, Colombia, India, Mexico and Slovakia in

2021. We received relatively high levels of consent (between 60% to 81%) for self-identification and are now using the results to assess whether different employee groups have different perceptions of Swiss Re's workplace culture, as well as determining where targeted actions are needed.

Diversity, Equity & Inclusion: Commitment and progress

At Swiss Re, we strive to foster an inclusive culture that brings together the best of different generations, genders, gender identities, races, ethnicities, sexual orientations, abilities, cultures, skillsets and mind-sets. We believe that we can only unleash the motivation and creativity of our employees if they can be themselves and feel like they belong. Diversity, Equity & Inclusion (DEI) is a business imperative for Swiss Re and has been identified as one of the Group's key priorities.

In 2020, the Group Executive Committee agreed on a detailed DEI plan to be executed in the coming years with a focus on:

- Achieving progress in six global DEI areas: inclusive leadership & culture, gender, LGBTI+, race and ethnicity, mental health and DEI enablers with equitable people processes at the core
- Increasing communication, awareness and transparency
- Improving DEI data to drive outcomes
- Setting clear accountability and goals
- Putting clear roles and responsibilities in place to execute the strategic plan
- Reviewing key people processes to ensure they are inclusive.

Key achievements in 2021

Inclusive Leadership & Culture: We rolled out a holistic plan to drive inclusive leadership and culture at Swiss Re. As a part of this plan, we put in place an inclusive leadership development approach targeting our top 200 leaders. In September 2021, we

celebrated our first "inclusion month", during which we collected employee stories focusing on inclusive leadership, launched an "inclusive leadership from every seat" toolkit for all employees and introduced various upskilling modules.

Gender: Swiss Re was included in the Bloomberg Gender Equality Index for the third consecutive year in 2021. We introduced an employee resource group called "Level Up" for all genders with the mandate of enhancing gender equality at Swiss Re. We are also making progress in improving parity of gender representation and against our target of having an equal gender split in nomination-based leadership development programmes.

LGBTI+ inclusion: We continued to recognise Pride Month globally with various activities and added rainbow colours to our Swiss Re logo to demonstrate our support for the LGBTI+ community. We also introduced all-genders toilet facilities in more than 20 Swiss Re locations.

Race and ethnicity: We ran a series of leadership dialogue sessions on inclusion through the lens of race and ethnicity and marked the International Day for Elimination of Racial Discrimination to increase awareness globally. New chapters of Mosaic, our employee resource group for people of colour, were established and we launched Kaleidoscope, an employee resource group focusing on nationalities and ethnicities.

DEI enablers: We conducted an extensive review of our practices, governance and communication as well as of our people processes through the lens of DEI. We are working on the resulting recommendations to further accelerate inclusion and diversity at Swiss Re. Furthermore, working closely with our vendors and partners, we have validated and strengthened the DEI principles in our contracts with these parties.

//
We have a culture of care and performance. Diversity, Equity and Inclusion are crucial to our collective business success. Responsible leadership and experience are key to win. We cannot expect people to perform if we don't have all these elements in place."

Cathy Desquesses,
Chief Human Resources Officer

Engaging our people

Women in leadership

Swiss Re has focused on the topic of gender equality for many years, and while we have made progress in improving parity of gender representation at all levels, we recognise that women continue to be underrepresented in our executive and senior management and we are committed to actively improving the situation.

We use our gender promotion ratio as an internal performance metric to ensure the proportion of women promoted into management positions (management as well as executive/senior management) is at least equal to the proportion of women in the “donor pool”, ie the corporate band immediately below. Specific actions, such as our diverse candidate slates and selection panels, improve the gender balance of our workforce. We also use a self-service online tool that helps eliminate biases and improve the language used in job descriptions in order to attract more diverse talent.

All Group Executive Committee members have committed to closely monitor the talent flows in their respective teams and locations and to ensure that women and men are equally equipped and encouraged to apply for the most senior roles. In practice, this involves monitoring and addressing any imbalance in succession planning and making sure successors are prepared to take on next-level opportunities. This is enabled by appropriate dashboards to regularly monitor progress.

Equal pay

Swiss Re is committed to ensuring equal pay for equal work regardless of gender, race, ethnicity, sexual orientation or other personal characteristics. We have a neutral, non-discriminatory approach to determining pay at all levels. This approach includes having compensation ranges defined by job area or specialisation in the local market and strict governance related to compensation decision-making and approvals. Every year, we review individual salaries and target incentives with a view to maintaining internal pay equity, external competitiveness and pay for performance. In addition, line managers have dashboards available to analyse compensation for their teams from a gender angle. For our large locations, regular statistical analysis is carried out to identify and address any potential risks of bias in compensation setting.

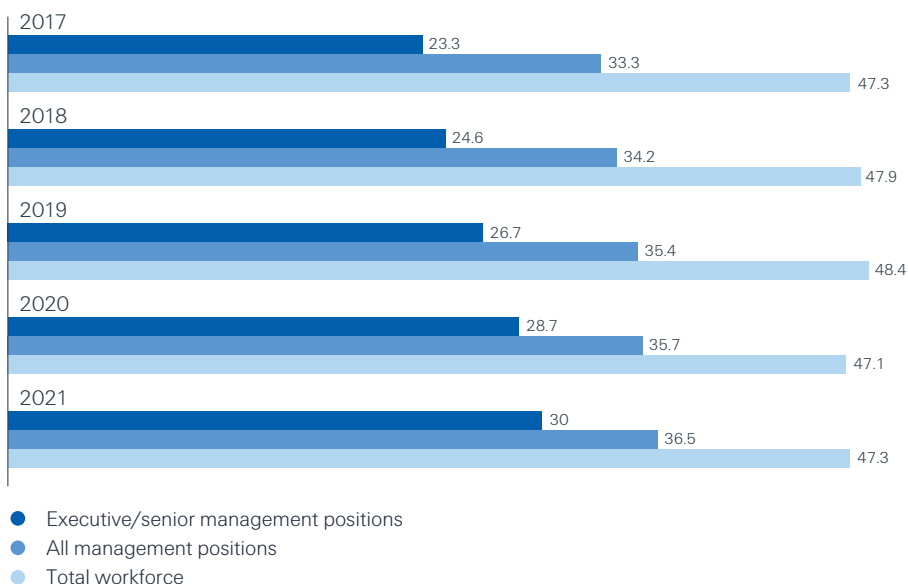
We regularly monitor pay equity together with market practices and address concerns to ensure we continue to treat employees fairly. In 2021, Swiss Re published a global gender pay gap figure for the first time. When we look at an “adjusted gender pay gap”, comparing pay for people in similar roles, in the same country and in the same corporate band, we do not see systemic bias. At Swiss Re globally, the average adjusted pay gap between men and women is 1.7%.

Generations: Working flexibly at Swiss Re in Switzerland

Flexibility is essential to navigate the changes that life sends our way. With FlexWork™, we aim to respond to these developments at Swiss Re in our Switzerland-based operations – reflecting our employees’ evolving needs and expectations as they progress through their career.

We strive to offer a wide range of attractive options to balance work-related and personal needs, in every stage of life. For example, employees aged 58 or above can take advantage of Flex+ (58), a flexible working model enabling them to gradually reduce their workload, while maintaining the same level of shared contribution to their pension fund. Regardless of age, anyone can buy up to ten flex days, which are days off work in addition to the standard amount of annual leave.

Women in management positions, Swiss Re Group (in %)



Broad-based Black Economic Empowerment (B-BBEE)

This integration programme was launched by the South African government to reconcile South Africans and address the inequalities of apartheid by attempting to compensate for land that was repossessed from Africans. It encourages businesses to integrate black people in the workspace, support black businesses, and give back to poor black communities affected by land repossession. With our vision and Diversity, Equity & Inclusion approach, we are proud to have been awarded “Level One Contributor” B-BBEE status in 2021 by the AQRate Verification Services, the highest level achievable.

Additional people-related data

swissre.com

Engaging our people

Listening to our employees

We foster a culture of open dialogue and actively encourage employees at all levels of our organisation to provide their feedback in regular, personal dialogue between employees and managers, as well as through employee surveys. This enables us to continuously assess our progress in fostering an engaging, open and inclusive work environment and an agile, professional culture.

In 2021, we conducted only one employee survey; a so-called “pulse survey” carried out in April 2021. We took the opportunity to gauge the progress we had made on identified challenges, focusing on engagement of senior management, organisational resilience, our Group Strategy, fair pay and Diversity, Equity & Inclusion self-reporting questions.

We were pleased to see that engagement of senior management has increased by 6 points to 87%, bringing engagement levels above the global executive average benchmark. At 82% (Group-wide), employee attendance of Group Strategy hacks and “must-wins” sessions was extremely high. These sessions have had a positive impact on employees’ understanding of how to contribute to our future success. Perception of fair pay continued to increase to 57%, up 2 points from 2020 and 11 points higher than in 2019, meaning we are now above the Finance/Insurance benchmark.

In light of employees’ feedback on workload pressure and the pulse survey conducted in April, which showed the impact of our actions, we decided to postpone the next full employee survey to the first quarter of 2022.

Whistleblower programme

Swiss Re is committed to maintaining the highest standards of honesty and accountability. We encourage our employees to notify us if anyone within Swiss Re or connected to Swiss Re is, or is suspected of, acting illegally, improperly or unethically.

In line with our Code of Conduct, we foster a culture of speaking up on discrimination and harassment and provide training and awareness sessions on these topics. Read more about our whistleblower programme on pages 81 – 82.



Pursuing the path to better mental health

Pathways, Swiss Re’s Mental Health Network, is dedicated to raising awareness about mental health challenges among Swiss Re employees, overcoming mental health taboos and misconceptions, and fostering an environment of open conversations to strengthen resilience. The global network consists of its Mental Health Champions: employees who take the time to listen, advocate for mental health in their circles and refer people for professional help if necessary.

Throughout the year, Pathways organises mental health first aid training, mindfulness sessions, regular mental health talks and other events on mental health-related topics such as atlasGO, an app-based challenge we organised in the run up to World Mental Health Day 2021.

For the atlasGO challenge, as well as for World Mental Health Day itself, Pathways invited all colleagues at Swiss Re to come together under the motto “stronger together”. To demonstrate our support for mental health and our observance of World Mental Health Day, Swiss Re illuminated buildings in various locations in green on 10 October 2021.

Swiss Re also offers independent and confidential advice and counselling to those faced with difficult circumstances through an external Employee Assistance Provider in almost every location, free of charge. In 2021, all line managers were invited to one of 37 webinars called “burn bright”, a training to help avoid burn out and boost their personal resilience. The webinars attracted over 1 100 participants.

Ensuring good corporate governance and compliance



Through our culture as well as sound frameworks and procedures we seek to ensure accountability, compliant behaviour and integrity across the Swiss Re Group.

2021 highlights:

>4 800 page views

Number of page views recorded for Swiss Re's #SpeakUp campaign

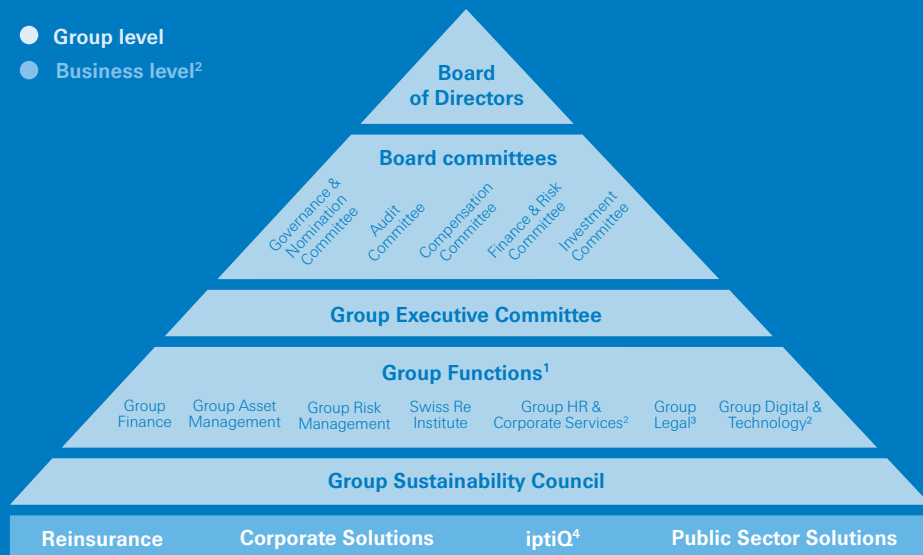
Received the **Digital Trust Label**, the world's first label for digital responsibility

Corporate governance

Swiss Re's corporate governance framework ensures accountability and clear allocation of responsibilities. It fosters transparency and facilitates the assessment of the quality of Swiss Re's organisation and business.

The framework also defines how Swiss Re implements, enhances and monitors its Group Sustainability Strategy. The Board of Directors, the Board committees and the Group Executive Committee as well as individual members thereof, have explicit responsibilities related to sustainability and climate-related topics.

Swiss Re's sustainability and climate-related governance



¹ Dedicated sustainability roles, networks and/or committees in all Group Functions and on business level.

² Group Operations was reorganised effective 1 January 2022. Corporate Services was assigned to the Group CHRO (newly: Group CHRO & Head Corporate Services). Digital & Technology was assigned to the new Group Function Group Digital & Technology, headed by the Group CDO.

³ Group Legal became a Group Function effective 1 January 2022. Since then, the Group CLO reports directly to the Group CEO. Previously, the position reported with a dual reporting line to the Group CEO and the Group COO.

⁴ The Division iptiQ has been in place since 1 January 2021.

Swiss Re's Corporate Governance

Financial Report 2021

Sustainability governance

Financial Report 2021

Compensation Report: Group compensation framework

Financial Report 2021

Corporate Bylaws

swissre.com

Ensuring good corporate governance and compliance

Compliance

Our Code of Conduct and supporting actions to drive appropriate behaviour help us ensure that behaviour across the Group is compliant and demonstrates integrity.

Our Code of Conduct ("Code") is one of the key documents governing the management of risks and driving the culture within our company. It sets the framework and defines the basic compliance and integrity principles that we adhere to globally. The Code is built on the five Swiss Re values, which guide us in making responsible decisions and achieving results using the highest ethical standards: integrity, team spirit, passion to perform, agility and client centricity.

The Code also offers practical guidance and examples for deciding the appropriate course of action and solving ethical dilemmas. It further sets out how all employees should react when they observe a possible breach of the principles in the Code. All employees are obligated to uphold both the letter and spirit of the Code, its policies and standards, and the Group's corporate governance principles in their daily business activities, and to respect and obey applicable laws and regulations in all jurisdictions where we do business.

We regularly review and update the Code to reflect changes in regulations and principles. In 2021, updates were made to clarify how employees are expected to act as "One Swiss Re" and to set out the Group's commitment to take ethical responsibilities (including digital and data ethics) into account when making decisions. The Code is supported by detailed policies and standards that document Swiss Re's requirements in line with applicable laws and regulations. It is available to our employees in eight languages: English, French, German, Italian, Japanese, Portuguese, Slovak and Spanish.

Assurance

Assurance activities to monitor adherence to the Code are a core part of our Compliance Programme. Compliance performs independent risk-based monitoring to ensure adherence to, and the efficiency of, processes and controls mitigating our key compliance risks across Swiss Re. In 2021, we continued our efforts to drive our digitalised, data-driven strategy to better tailor assurance activities in identifying and generating deeper insights.

Policies

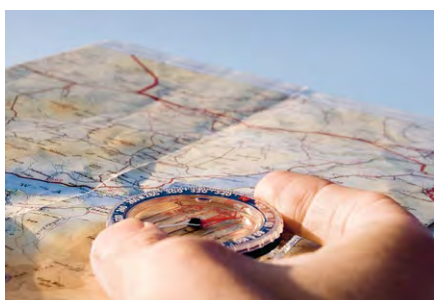
Our Code addresses the following key compliance topics under the two headings "Our responsibility towards one another and Swiss Re" and "Our responsibility towards our business partners and society":

Our responsibility towards one another and Swiss Re

- Business information and information technology
- Communication
- Conflicts of interest
- Diversity and inclusion and fair and equal treatment
- Fraud
- Health, safety and security
- Intellectual property

Our responsibility towards our business partners and society

- Bribery and corruption
- Data protection
- Inside information
- Fair competition
- International trade controls and economic sanctions
- Licensing and permanent establishment
- Money laundering
- Sustainability and human rights



Our Code of Conduct

Get access to all nine language versions of the Code and its online version.

 online PDF

Ensuring good corporate governance and compliance

Below we present additional information on some key topics in the Code:

Bribery and corruption

The Code addresses our position on bribery and corruption. Operationally, we have a Global Framework for Anti-Bribery and Corruption ("ABC Framework"), including policies, standards, training, assurance activities, enabling advice and tools to help manage these risks. In 2021, we reduced our Gift & Hospitality Register threshold requirements for public officials, based on a global review of regulatory requirements, risk exposure and industry benchmarking.

Additional information on the ABC Framework can be found on the Preventing Financial Crime and Sanctions Violations page at [swissre.com](https://www.swissre.com) (see below).

Data protection

The Code highlights that we need to handle personal data with the greatest care and use it only for legitimate business purposes. Operationally, we have a Global Framework on Data Protection ("DP Framework"), including policies, standards, processes (eg reporting security incidents, notifying of data breaches), training, assurance activities, enabling advice and tools to help manage this risk. This DP Framework and the Digital Governance Framework (see page 83) together address our commitment to protecting personal data and respecting privacy rights across our operations, including all digital projects.

Within the DP Framework, we apply internationally recognised data protection and privacy principles that ensure compliance with a complex and constantly changing set of laws and regulations.

Money laundering, international trade controls and economic sanctions

The Code draws attention to the risk of becoming involved in money laundering and emphasises the importance of due diligence. Additionally, it commits us to adhere to all applicable international trade controls and economic sanctions as well as internal requirements (that may be stricter) to protect us against entering into prohibited business arrangements.

Our Global and Local Frameworks on Anti-money Laundering and International Trade Controls and Economic Sanctions are supported by a Global Policy on Financial Crime and Sanctions and set out in detail key requirements and guidance for complying with applicable laws and regulations.

Additional information can be found on the Preventing Financial Crime and Sanctions Violations page at [swissre.com](https://www.swissre.com) (see below).

Sustainability and human rights

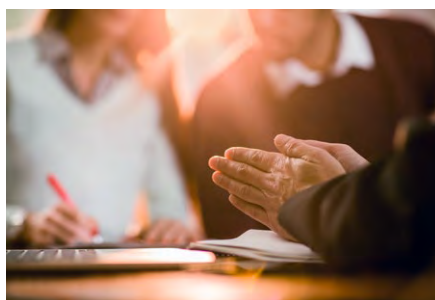
The Code includes our formal commitment to sustainability and human rights, providing a guiding principle for our efforts to act as a responsible company.

Reporting misconduct, whistleblowing and investigations

Continuing from 2020, the #SpeakUp campaign, an internal awareness initiative to help nurture a "speak up" culture, published four articles on our enterprise portal during 2021. Each article featured a real Swiss Re misconduct case that had been reported and investigated through the internal investigation coordination process, with the aim of encouraging employees to speak up if they suspect misconduct has occurred and remind them of all available reporting channels. Compared to 138 page views in 2020, #SpeakUp's published materials surpassed 4 800 views in 2021. New in 2021, a related initiative entitled "High Performance with High Integrity dialogues" was launched to all Swiss Re employees. The initiative provided all line managers with real Swiss Re case materials to facilitate a dialogue within their teams and discuss Swiss Re's desired behaviours, reporting channels and investigation process. As a result, we believe this allows our employees to better understand how they should act and what they can expect when faced with a suspected misconduct situation.

Misconduct cases are systemically presented and discussed with the Group Executive Committee, the Group Board of Directors, the Group Audit Committee as well as with legal entity boards as part of reports. In 2021, ICP cases reflected the following indicators:

- 67 cases were investigated by ICP in 2021 and 59 were closed.
- Of the 59 cases closed in 2021, 69% were substantiated and 31% were not substantiated.



Preventing Financial Crime and Sanctions Violations at Swiss Re

Learn more about how we address key compliance risks relating to Financial Crime and Sanctions Violations.

 [swissre.com](https://www.swissre.com)



Data protection

Find out more about data protection at Swiss Re.

 [swissre.com](https://www.swissre.com)

Ensuring good corporate governance and compliance

- The reporting intake methods for the ICP cases that were investigated in 2021 were: internal channels, including reporting directly to Compliance, via line managers and via Human Resources (69%); external sources (9%); the whistleblowing hotline (10%); and process detection (12%).
- The categories of ICP cases investigated in 2021 included: external fraud (36%); discrimination and harassment (including bullying) (27%); internal fraud (4%); insider trading (including accidental trading within a close period and misuse of confidential business information) (13%); and various other Code violations (17%), none of which individually exceeded 9%.
- Of the 67 cases that were investigated, 36% were due to the actions of external actors and 64% were due to the actions of internal personnel.
- Disciplinary actions, including termination, written warnings, verbal warnings and performance rating adjustments, were taken in 37% of substantiated cases. The relatively low percentage of such actions should not be taken as an indication of a weak Compliance culture. It is important to note that each investigation is fact- and circumstance-specific. There are certain circumstances where disciplinary actions are nearly always imposed, such as where active employees are found to have engaged in intentional misconduct. However, there are also circumstances where allegations are substantiated but may not lead to disciplinary action, such as cases involving unintentional breaches, cases where the perpetrator(s) cannot be identified, and cases involving external fraud. In cases involving unintentional conduct, in lieu of disciplinary action, non-disciplinary recommendations will be made, such as additional training activities or increased supervision.
- In each case, regardless of the outcome, ICP ensures that any lessons learned from the investigation are communicated within the Compliance function as well as to any relevant stakeholders. In addition, training and communications are updated, and controls and processes are adapted as necessary.

Training

All new permanent and temporary employees joining Swiss Re must undergo mandatory eLearning training called Compliance and our Culture, which focuses on the Code and additional ethical behaviour in accordance with Swiss Re's values. It also includes individual modules on the following compliance topics:

- Anti-bribery and corruption
- Anti-money laundering and terrorist financing
- Conflicts of interest
- Data protection
- Fraud
- Insider trading
- International trade controls and economic sanctions

In addition, we deliver mandatory global eLearning sessions to employees to remind them as well as increase their understanding of our key compliance risks and policy requirements. Last year, global eLearning sessions were delivered on data protection, international trade controls and fraud. Over the period from 2018 to 2021, we also conducted global eLearning sessions on the following additional compliance risks:

- Anti-money laundering
- Bribery and corruption
- Insider trading

Local compliance officers regularly provide risk-based training on compliance risks that is tailored to their respective locations and/or areas of business. Tailored training on topics including conduct risk and investment compliance risks is provided in this way.

Training on Code of Conduct topics falling outside the Compliance mandate are managed similarly by the responsible functional areas.

We take timely completion of mandatory training seriously. Completion of training is tracked, and instances of non-completion are escalated until resolution. Employees not

complying with their mandatory eLearning assignments on time without valid reasons are subject to potential disciplinary action. For 2021, we achieved 100% completion of all mandatory eLearning assignments, including new hire and refresher trainings.

Annual attestation process

In March 2021, the annual attestation process was launched for all permanent and temporary employees to acknowledge personal accountability for complying with specific requirements related to the Code and Global Compliance Policies and Standards. These include responsibility for personal conflict of interest and gift and hospitality register disclosures.

Validity for third parties

Third parties representing Swiss Re – such as consultants, intermediaries, distributors and independent contractors – should be carefully selected and need to comply with the Code and relevant policies. When we work with such third parties, we provide them with information about the relevant requirements and, in the event of any infringements, take appropriate action, up to and including terminating a contract.


Policy governance

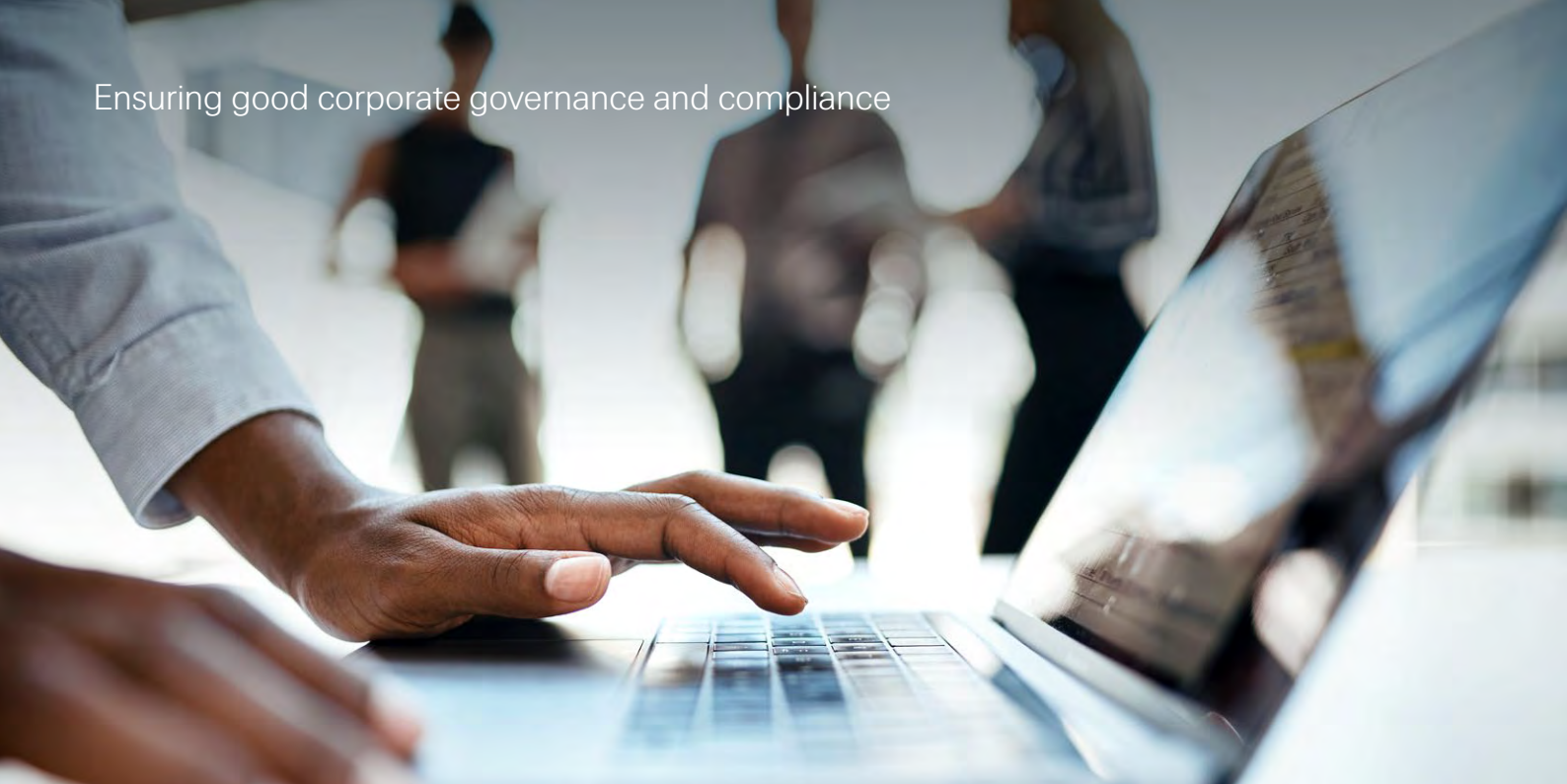
A policy management tool serves as a central place for finding Swiss Re policies and standards. Supporting the principles set out in the Code, Swiss Re has eight global policies containing more detailed principles that all employees must adhere to. Where necessary, underlying global and targeted standards and processes are in place to provide additional details on the specific requirements.



Swiss Re Tax Policy

Learn more about our tax principles and read our detailed Tax Transparency Report.

 [swissre.com](https://www.swissre.com)



Digital responsibility

Digitalisation offers substantial benefits to insurance end-users, but also raises certain concerns. Through internal measures and by working with external partners, we seek to balance the need for innovation with effective risk management.

Digitalisation is accelerating across the re/insurance value chain. This is creating substantial benefits for end-users and is helping to close protection gaps. Not only does digitalisation make insurance more affordable by enabling efficiency gains, it also makes insurance more relevant to end users by facilitating the use of data-driven personalisation services and granular/predictive risk knowledge. We therefore consider it important to actively promote digitalisation. This includes the use of responsible algorithms in a world where (almost) real-time data is becoming more widespread. However, the use of artificial intelligence and digital personal data also raises concerns about fairness, inclusion, hardship, solidarity and data security.

In light of these concerns, various regulators around the world have started to evaluate the need for regulations on the topic of big data and digital responsibility or have issued initial guidelines. Digital governance requirements have recently been increasing in both number and complexity. Fragmentation of digital governance requirements has resulted in uncoordinated governance approaches, making it difficult for owners of digital services to navigate and reconcile the various requirements that are in place.

We are actively engaging with authorities to co-develop frameworks for digital responsibility. For example, Swiss Re is one of two pioneers to have a digital product tested and successfully certified by the Digital Trust Label, the world's first-ever label for digital responsibility. Launched in early 2022 by the Swiss Digital Initiative, the label enables users to easily identify trustworthy digital services. Swiss Re has successfully certified Magnum Go, an automated life and health underwriting solution, with this label.

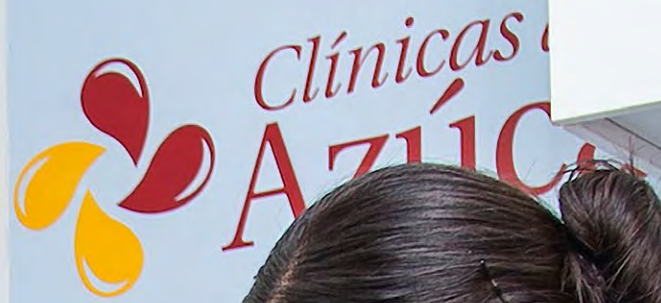
Moreover, Swiss Re is working with the Monetary Authority of Singapore (MAS) and other partners in the Veritas Consortium to create a framework for financial institutions to promote the responsible adoption of artificial intelligence and data analytics (AIDA). This aspirational framework enables financial institutions to evaluate their AIDA-driven solutions against the principles of fairness, ethics, accountability and transparency that MAS defined in 2018. We led the Veritas Consortium to enhance the fairness assessment methodology in 2021, resulting in several whitepapers, and illustrated its application in predictive underwriting to cross-sell life and health insurance products for the Singapore market.

In 2021, the European Insurance and Occupational Pensions Authority (EIOPA) published a report by its consultative expert

group on digital ethics, setting out governance principles for the ethical and trustworthy use of artificial intelligence in the European re/insurance sector. The report builds on recent international and EU developments and considers the challenges created by the emergence of new technologies when seeking to maintain the principle of fairness. EIOPA convened the consultative expert group in 2019 to identify the opportunities and risks associated with the growing use of AI in re/insurance. A Swiss Re representative chaired the workstream on fairness and non-discrimination.

We will continue to actively engage with external stakeholders to advance frameworks for digital responsibility. Furthermore, we treat digital responsibility as a priority focus area for Swiss Re as we strengthen our responsibility practices in line with our digitalisation efforts. For example, we have started to develop our own digital principles to ensure that we harness the benefits of digitalisation while maintaining customers' trust, differentiating our services and safeguarding our reputation as a leading re/insurer. In addition, we have a well-established Digital Governance Framework (DGF), which aims to balance the need for fast business innovation with effective risk management, and positions governance as a fundamental pillar of digitalisation.

Fostering resilient societies: Swiss Re Foundation



Clínicas del Azúcar offers affordable diabetes and hypertension care to low-income customers in Mexico. By selecting this successful project for its 2021 Entrepreneurs for Resilience Award, the Swiss Re Foundation provides it with financial support.

2021 highlights:

>11 300

Hours of support provided to our partners

860

Swiss Re volunteers who supported our partners

~785 000

People who benefitted from improved resilience from 2019 to 2021

Who we are

The Swiss Re Foundation reflects Swiss Re's social and humanitarian values. Since its establishment ten years ago, the Foundation's focus areas have been shaped by Swiss Re's world-leading risk expertise: natural hazard and climate risk management, human health, and innovative research that sheds light on how to make societies more resilient.

In cooperation with our external partners and Swiss Re's employees, we help strengthen resilience in targeted low-income communities as well as communities near Swiss Re locations. To help build resilient societies, the Foundation offers its partners tailored grant financing, access to expertise, research and capacity building, as well as collaborative networks, to create measurable, lasting impacts.

Making healthcare financially accessible to low-income people – tackling Mexico's biggest health threats:

Demand for affordable healthcare has increased in tandem with the growth of the global population, and COVID-19 has intensified the challenges of providing it. Spending on healthcare pushes an estimated 100 million people worldwide into extreme poverty every year. New approaches to financing healthcare are needed more urgently than ever.

To help bridge this gap, the Swiss Re Foundation's flagship programme – the Entrepreneurs for Resilience Award – initiated a three-year commitment in 2021 to help one million people improve their health resilience. The winner of the 2021 award cycle, Clínicas del Azúcar, provides affordable diabetes and hypertension care to low-income Mexicans by offering all the necessary treatments for a flat-rate membership fee.

In Mexico, nearly 13 million people – 15% of the population – suffer from diabetes. People diagnosed with diabetes and/or hypertension have two options to obtain treatment: pay out of pocket at a private clinic – at an estimated annual cost of over USD 1 000, which only the wealthiest 10% of the population can afford – or endure long waiting times, inconvenient appointment

scheduling and short consultation times at a public hospital. Technology and process improvements have allowed Clínicas del Azúcar to reduce the cost of specialised care by more than 60% compared to the public healthcare system.

In nine years, Clínicas del Azúcar has grown into Mexico's largest private provider of specialised diabetes care, with more than 153 000 patients served to date.

With the award grant from the Swiss Re Foundation, Clínicas del Azúcar is primarily developing its "digital clinic", which will allow the organisation to extend care to patients living in smaller towns and rural areas who could not be served by a physical clinic, thus closing a large gap in the market. [Read more here.](#)



The Entrepreneurs for Resilience Award catalysed our creation of a virtual clinic to reach rural areas of Mexico and scale at a much faster pace. Now our service will be available to patients with diabetes and high blood pressure all over Mexico and other countries in Latin America.

As well as providing funding and access to coaching, the Foundation introduced us to Swiss Re's team in Mexico. Together we've been exploring ways to reach more patients and prevent diabetes-related complications.

One initiative we're working on is to provide insurance to people with the pre-existing condition of diabetes, who are typically ineligible for coverage. Despite the distance between us – geographically and as organisations – the collaboration with Swiss Re has been a success thanks to Clínicas del Azúcar's clear business model and a shared focus on having an impact."

Miguel Garza, Chief Operating Officer, Clínicas del Azúcar

Swiss Re Foundation

 swissrefoundation.org

Sustainability data and performance

This chapter provides an overview of our sustainability goals and targets, as well as our performance in these areas.

Sustainability Topics: goals and progress

We have set goals for all of our Sustainability Topics – some are quantitative, others are qualitative. On the following pages, we explain why each of these topics is important for Swiss Re and how they are connected to the SDGs. The tables we have included provide an overview of our goals, targets and metrics for each topic and summarise the progress made during the 2021 reporting year.



Sustainability Topics: goals and progress

Mitigating climate risk and advancing the energy transition

The effects of climate change and global warming are already evident and are shaking up our risk landscape: warmer average temperatures, rising sea levels, longer and more frequent heatwaves and more weather extremes. We continue to evolve our way of doing business towards a low-carbon economy in line with our net-zero commitments and the Paris Agreement. Our key objectives are to:

- Become the leading re/insurance company on physical climate risk.
- Become a leading provider of re/insurance solutions for low-carbon transition opportunities.
- Build partnerships to develop scalable solutions to mitigate and adapt to climate change.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Net zero: Achieve net-zero emissions across the Swiss Re Group: by 2030 in our own operations, and by 2050 in our underwriting and investment portfolio.	Achieve net zero in our underwriting and investment portfolio by 2050, and in our own operations by 2030.	2030 2050	n/a	<ul style="list-style-type: none"> • For linked targets and progress, see “Extending our risk intelligence”, pages 32 – 39, “Being a responsible investor”, pages 40 – 48, and “Driving sustainable operations”, pages 58 – 66. • For our Climate Action Plan see also our climate-related financial disclosures (TCFD) in the Financial Report 2021, page 155.
Physical climate risk leader: We aim to become the leading re/insurance company on physical climate risk.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> • USD 3.9 billion in premiums for natural catastrophe covers exceeding losses of USD 20 million, equivalent to approximately 22% of P&C reinsurance premiums (page 20). • Leveraged our proprietary flood models to launch QuickFlood, a simplified flood insurance product for lower-risk flood zones in the US (page 22). • Leveraged our proprietary climate models to assess corporate clients’ exposures to physical climate risks via our Climate Risk Solutions (page 23).
Low-carbon solutions provider: We aim to become a leading provider of re/insurance solutions for low-carbon transition opportunities, and we use our capacity and technical expertise to provide effective risk covers for complex offshore wind farm projects.	n/a	Ongoing	Wind and solar farms for which cover was written Renewable energy facilities for which cover was written CO ₂ emissions avoided once facilities are operational	<ul style="list-style-type: none"> • More than 8 870 solar and wind farms for which re/insurance cover was written in 2021, avoiding 29 million tonnes of CO₂ once facilities are operational (page 24). • Wrote re/insurance cover for more than 290 other renewable energy facilities, including hydropower, geothermal, marine/tidal and biomass plants in 2021, avoiding 2 million tonnes of CO₂ emissions once facilities are operational. • Overall, wrote re/insurance for more than 9 100 renewable energy generation facilities, which will help to avoid around 31 million tonnes of CO₂ emissions (TCFD, page 164).

Mitigating climate risk and advancing the energy transition (continued)

Goals	Targets	Target year	Metric	Progress in 2021
Climate partnerships: We build partnerships to develop scalable solutions to mitigate and adapt to climate change.	As a member of the Insurance Development Forum (IDF), collectively committed in a Tripartite Agreement to offer up to USD 5 billion of risk capacity for climate risk insurance benefiting up to 500 million individuals by 2025.	2025	n/a	<ul style="list-style-type: none"> By 2021, the Tripartite had formed 16 country teams, six of which are co-led by Swiss Re. Two country projects led by other IDF members are in the implementation phase. Swiss Re and ten other industry members contribute by providing risk modelling expertise (page 29).
Climate partnerships	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Swiss Re Group CEO Christian Mumenthaler has co-chaired the WEF Alliance of CEO Climate Leaders since 2020 and represented the Alliance at COP26 (page 51).
Climate partnerships	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Co-led development of the Net-Zero Asset Owner Alliance's (AOA) inaugural 2025 Target Setting Protocol, which was released in 2021 and supports the setting of climate targets (pages 46 and 48). Co-led development of the AOA's first progress report in 2021 (page 48).
Climate partnerships	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Co-founded Net-Zero Insurance Alliance, a group of global re/insurers who are committed to achieve net-zero emissions in their underwriting portfolios by 2050 (page 34).
Climate partnerships	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Launched partnership with Climeworks by signing ten-year purchase agreement for direct air capture and storage of carbon dioxide (page 64).

Sustainability Topics: goals and progress

Building societal resilience

Technological and economic development, population growth, ageing populations and other societal trends are putting people and assets in jeopardy. With our re/insurance solutions and investments we help reduce societal vulnerabilities. Our key objectives are to:

- Provide affordable health and longevity solutions to our customers to ensure healthy lives and to promote wellbeing across all age groups.
- Support sustainable agriculture and enhance livelihoods across the re/insurance value chain through our risk knowledge and solutions.
- Facilitate sustainable and resilient infrastructure through our risk transfer products.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Food security: In cooperation with key stakeholders, create solutions to improve food security by giving farmers protection against natural perils.	n/a	Ongoing	n/a	Completed a number of innovative transactions, such as: <ul style="list-style-type: none"> • Providing crop insurance protection to 6 million farmers in West Bengal (page 27). • Developed approximately 20 agricultural insurance products in Guangdong via our Agriculture Insurance Risk Monitoring Platform (AIRMP) (page 26).
Affordable health and longevity: Provide affordable health and longevity solutions to our customers to ensure healthy lives and to promote wellbeing across all age groups.	In partnership with Women's World Banking, bring life and health insurance to two million low-income customers by 2023.	2023	Number of beneficiaries	<ul style="list-style-type: none"> • Brought life and health insurance protection to more than 397 700 beneficiaries through our partnership with Women's World Banking by the end of 2021 (page 28).
Affordable health and longevity	n/a	Ongoing	n/a	Completed a number of innovative transactions on providing access and affordability. For example: <ul style="list-style-type: none"> • We facilitated access to COVID-19 vaccines for 21 countries by providing insurance protection against the risk of non-payment (page 30).

Sustainability Topics: goals and progress

Building societal resilience (continued)

Goals	Targets	Target year	Metric	Progress in 2021
Life and Health: Progress on the Sustainability Initiative, aiming to make health insurance more accessible, affordable and available.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> • Piloted a life insurance product for documented immigrants in the US to cover funeral and travel costs if an insured loved one back home passes away (page 31). • Launched the Sustainability Initiative within Swiss Re Reinsurance, focusing on the three A's: accessibility, affordability and availability (page 21). • To make insurance more accessible and affordable, we aim to optimise the insurance value chain through automation. Swiss Re is running automated underwriting solutions for clients on all continents. Based on a sample of these clients¹, 6.6 million potential customers (lives) were assessed during 2021. 12% of those lives disclosed health impairments, amounting to 770 000 people. In total, 5.3 million potential customers (lives) were automatically offered protection, without further investigation.
Infrastructure: Facilitate sustainable and resilient infrastructure through our risk transfer products.	n/a	Ongoing	n/a	<p>Infrastructure transactions include:</p> <ul style="list-style-type: none"> • Provided cover for the construction of a water treatment plant and its pipe network in Sri Lanka (page 25). • Construction cover of the SüdLink energy transmission line, the largest renewable energy infrastructure project currently being built in Germany (page 26).
Societal impact: Advance our understanding of the societal impact of insurance and develop metrics to measure our impact on stakeholders.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> • Reinsured 186 million life and health policies and paid out USD 14 billion in claims and annuity. This equates to around 237 million family members who were supported by reinsurance policies (page 21). • Further aligned our activities to the SDGs, both in re/insurance and our investments, to better understand our societal impact (pages 13 and 43 – 45).

¹ We are unable to disclose the total number of customers due to limitations in data availability.

Sustainability Topics: goals and progress

Driving affordable insurance with digital solutions

Our customers are seeking quick, intuitive and streamlined digital experiences to make their lives safer and healthier. With our digital solutions, we increase the availability and affordability of re/insurance and risk knowledge worldwide. Our key objectives are to:

- Leverage technology to provide affordable cover for more types of risks across all income levels and ensure efficient claims handling.
- Apply smart analytics and devices to enhance our risk knowledge and advice to improve risk prevention, mitigation and crisis management.
- Develop digital best practices, integrate ethical aspects into our digital business and provide solutions to manage the risks of digital societies.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Digital value proposition: Increase our digitally enabled value propositions for people and businesses, using new and evolving technologies as well as analytical capabilities, eg in the area of agriculture and natural catastrophes.	n/a	Ongoing	n/a	<p>Examples of transactions include:</p> <ul style="list-style-type: none"> • Increased the speed at which we are able to estimate losses after flood events via the Swiss Re Rapid Damage Assessment (RDA) capability (page 23). • iptiQ entered into a collaboration with Square Health, wherein UK customers receive digital health benefits (page 30). • Piloted an affordable accident insurance for food delivery “gig economy” drivers (page 31).
Digital responsibility: Refine our understanding of societal challenges related to the digital transformation.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> • Received the Digital Trust Label, the world’s first label for digital responsibility launched by the Swiss Digital Initiative (page 83). • Continued our engagement in discussions with peers, regulators, academics and trade associations on how to embrace the opportunities offered by digitalisation in a responsible manner (page 83).

Sustainability Topics: goals and progress

Managing sustainability risk

Sound risk management is essential for a re/insurer. Besides the core categories of our risk landscape (insurance, financial market and credit risk), we also pay attention to other significant risks we may be exposed to, including sustainability risks. Even when absolutely legal and economically beneficial, any business activity we undertake may also have unintended social and environmental consequences,

which we define as sustainability risks. We manage these risks through our ESG Risk Framework (formerly Sustainable Business Risk Framework), an advanced risk management instrument introduced in 2009. These risk assessments flow directly into our re/insurance and investment decisions.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Sustainability risks: Consistently identify new sustainability risks, adapt the ESG Risk Framework accordingly and apply it to the full scope of our business.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Launched enhanced ESG Risk Framework, including new Governance Policy and revised Agriculture, Forestry and Food Policy (pages 35 – 36).
Sustainability risks: Include quantitative ESG risk assessments for insurance underwriting in the ESG risk process.	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Further quantified our ESG Risk assessments by adding 129 companies and/or projects to our ESG risk watchlist. At year-end 2021, the ESG Risk watchlist contained a total of 2358 companies and 300 projects (page 37).
Sustainability risks: Increase share of structured and automated sustainability assessments in the ESG risk process.	n/a	2021	n/a	<ul style="list-style-type: none"> More than 92 000 transactions screened for ESG risk exposure (page 33).
Sustainability risks: Decarbonise our underwriting and investments to achieve net-zero emissions by 2050 (climate).	n/a	Ongoing	n/a	<ul style="list-style-type: none"> Continued to implement our sharpened oil and gas policy and excluded support to the most carbon-intensive oil and gas companies (page 34). Continued to apply a carbon footprinting methodology developed with the CRO Forum to our direct insurance portfolio (pages 34 – 35). Took over the lead of the “metrics” workstream in the newly launched Net-Zero Insurance Alliance (NZIA) (pages 33 – 34). Further strengthened our oil and gas policy by restricting exposure to new oil and gas projects and production in Arctic region, and by aligning our oil and gas business with the net zero by 2050 pathway (page 34). Added highly carbon-intensive oil and gas companies to our ESG risk watchlist (page 37).
Sustainability risks (climate)	Achieve total phase-out of thermal coal-related re/insurance in OECD countries by 2030, and in the rest of the world by 2040.	2030, 2040	n/a	<ul style="list-style-type: none"> Continued to engage with clients in preparation for the introduction of new thermal coal thresholds in treaty business in 2023 (page 34).

Sustainability Topics: goals and progress

Managing sustainability risk (continued)

Goals	Targets	Target year	Metric	Progress in 2021
Sustainability risks (climate)	Phase out 10% most carbon-intensive oil and gas companies for direct and facultative re/insurance by 2023.	2023	n/a	<ul style="list-style-type: none"> Phased out 5% most carbon-intensive oil and gas companies for direct and facultative re/insurance in 2021 (page 33).
Sustainability risks (biodiversity)	Completed: Quantitatively reflect Biodiversity Risks in the ESG Risk Framework.	2021	New policy	<ul style="list-style-type: none"> Revised Agriculture, Forestry and Food Policy (page 36). Added companies to our ESG risk watchlist in agricultural and food sector (page 37).
Sustainability risks (biodiversity)	New: Refine ESG risk watchlist based on comprehensive nature and biodiversity impact assessment.	2023	Refined watchlist	<ul style="list-style-type: none"> New goal, to be reported next year.
Sustainability risks (biodiversity)	n/a	2022	n/a	<ul style="list-style-type: none"> Published SONAR 2021 report on emerging risks, including "Rising importance of biodiversity & ecosystem services" as a new trend, and a "Trend spotlight" on "Pricing nature in insurance" (page 38).
Sustainability risks (human rights)	New: Review of Human Rights Umbrella Guideline.		Reviewed guideline	<ul style="list-style-type: none"> Added companies to our ESG risk watchlist related to human rights concerns (page 37). Added hydro projects to our ESG risk watchlist for impact on local communities and/or impact on biodiversity (page 37).

Sustainability Topics: goals and progress

Investing responsibly

Institutional investors such as re/insurers are naturally suited to investing responsibly because of their businesses' long-term nature. Swiss Re systematically integrates environmental, social and governance (ESG) considerations along the investment process through its three cornerstones approach: Enhancement, Inclusion and Exclusion.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Systematic ESG integration along our overall investment process.	n/a	n/a	% of assets under management	<ul style="list-style-type: none"> Since 2018, close to 100% of our Strategic Asset Allocation considers ESG aspects (page 42).
Carbon intensity reduction of corporate bond and listed equity portfolio.	Reduce by –35%	2024	Tonnes CO ₂ e/USDm revenue	<ul style="list-style-type: none"> –34% reduction of the carbon intensity¹ of our corporate bond and listed equity portfolio in 2021 relative to base year 2018 (TCFD, page 183).
Green, social and sustainability bond share.	Hold at least USD 4bn	2024	USD billion	<ul style="list-style-type: none"> USD 3.9 billion invested in green, social and sustainability bonds as of 2021 (pages 43 – 45).
Increase of social and renewable energy infrastructure loans.	Increase by USD 750m	2024	USD million	<ul style="list-style-type: none"> Increase of USD 100 million in social and renewable energy infrastructure also including energy efficiency loans as of 2021 (pages 44 – 45).

¹ Covering Scope 1 and 2 emissions.

Sustainability Topics: goals and progress

Driving sustainable operations

As a leading global re/insurer, we are directly affected by the consequences of climate change. Even though we do not cause large environmental or social impacts through our own operations, we firmly believe that based on our strong commitment to sustainability, we should minimise our operational footprint through ambitious targets and measures.

Tackling our CO₂ emissions and reducing energy consumption have thus been key targets across the Group, and in 2019 we took an important step by committing to reach net-zero emissions in our operations by 2030.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Net-zero operations: "Do our best, remove the rest"	Completed: Introduce triple-digit Carbon Steering Levy starting at 100 USD/tCO ₂ e in 2021. Linearly increase up to USD 200/tCO ₂ e in 2030.	2021: USD 100/tCO ₂ e 2025: USD 145/tCO ₂ e 2030: USD 200/tCO ₂ e	USD/tCO ₂ e	<ul style="list-style-type: none"> Implemented Carbon Steering Levy of USD 100/tCO₂e (pages 61 – 62).
Net-zero operations: "Do our best, ..."	Adjusted: Reduce absolute GHG emissions from business air travel by at least 50% compared to 2018 base year.	2022: –50% 2023: –50% 2024: –50%	% reduction of absolute GHG emissions from business air travel	<ul style="list-style-type: none"> Reduced absolute emissions from business air travel by 93% compared to 2018 base year (page 62). Note: 2021 figures have been strongly impacted by COVID-19 and are not indicative of Swiss Re's future environmental performance.
Net-zero operations: "Do our best, ..."	Maintain 100% renewable electricity.	Every year	% renewable electricity out of total electricity usage	<ul style="list-style-type: none"> Maintained 100% renewable electricity (pages 63 and 107).
Net-zero operations: "Do our best, ..."	Reduce energy consumption per employee ("energy intensity") by 2% per year, compared to 2018 base year.	Every year	kWh/FTE	<ul style="list-style-type: none"> Reduced energy intensity by 14% compared to 2020 and by 40% compared to 2018 base year. Note: 2021 figures have been strongly impacted by COVID-19 and are not indicative of Swiss Re's future environmental performance (page 63).
Net-zero operations: "... remove the rest"	Completed: Compensate 10% of total GHG emissions in scope in 2021 via carbon removal. Linearly increase this share up to 100% in 2030.	2021: 10% carbon removal certificates 2025: 50% carbon removal certificates 2030: 100% carbon removal certificates	% of GHG emissions in scope compensated via carbon removal	<ul style="list-style-type: none"> 35% of our total carbon emissions in scope compensated via carbon removal (pages 63 – 64). Note: this high share in 2021 is mainly due to the low amount of operational emissions in scope for compensation as a result of the COVID-19 impact. This figure is not indicative of Swiss Re's future performance. Current emissions in scope for compensation include Scope 1, Scope 2 and part of upstream Scope 3 (business travel, energy transmission and distribution, paper, water and waste). Commuting is not included.

Sustainability Topics: goals and progress

Driving sustainable operations (continued)

Goals	Targets	Target year	Metric	Progress in 2021
NetZeroYou2: Inspire employees to take action against climate change.	Completed: Roll-out of new programme.	2021	Programme launched	<ul style="list-style-type: none"> Successfully rolled out the NetZeroYou2 programme (page 66).
NetZeroYou2	New: Positive engagement with app.	2022	Employee survey question	<ul style="list-style-type: none"> At the end of 2021, 75% of users agreed that “the NetZeroYou2 programme helps me understand my personal carbon footprint” (page 66).
NetZeroYou2	New: More than 200 000 climate friendly actions by 2022.	2022	Number of climate actions recorded	<ul style="list-style-type: none"> On track with >126 000 climate actions achieved and 1022 tonnes of CO₂e compensated via a high-quality mix of carbon avoidance and carbon removal certificates (page 66).
Sustainable sourcing	Completed: Create an ESG Vendor Development Programme (VDP) to be piloted in 2021.	2021	Pilot conducted	<ul style="list-style-type: none"> Successful completion of the ESG VDP pilot (page 65).
Sustainable sourcing	New: Launch ESG Vendor Development Programme (VDP) 1.0.	2022	Established ESG VDP 1.0	<ul style="list-style-type: none"> New goal, to be reported next year.

Sustainability Topics: goals and progress

Engaging our people

We are an organisation where diverse talents come together globally to apply fresh perspectives and knowledge to “make the world more resilient”. To achieve this, it is imperative that we build an engaged, inclusive and adaptable organisation. Throughout the year, we check in with our employees through pulse surveys to measure our progress, which also gives them an opportunity to engage in dialogue and share ideas for improvement.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Diversity, Equity & Inclusion: Continue to build an engaged, inclusive and adaptable organisation.	Outperform financial services benchmarks.	2021	% in employee engagement index	<ul style="list-style-type: none"> In 2021, our pulse survey focused on senior management: engagement of A and B bands (87%) significantly increased by 6 points since September 2020. A bands are now at 100% and B bands are at 86% (page 77).
Diversity, Equity & Inclusion	Gender promotion ratio above 100% ¹ .	2021	% of female promotions to upper band in relation to the % of women in the donor pool	<ul style="list-style-type: none"> 114% female promotion ratio in 2021. We are committed to further improving this measure, as we recognise that women continue to be under-represented in our executive and senior management (page 76).
Diversity, Equity & Inclusion	Outperform financial services benchmarks. Enhance data collection and analysis.	2021	Employee survey inclusion question	<ul style="list-style-type: none"> Six additional countries (10 countries in total) engaged employees to respond to the self-identification questions on race, ethnicity, nationality, sexual orientation and gender identity, with overall high consent rate (page 75).
Personal resilience: Support the personal resilience of our employees during the COVID-19 pandemic and beyond.	Mental health first aid training to 5% of employees (750) in longer term.	Ongoing	No of employees trained on mental health first aid	<ul style="list-style-type: none"> 158 employees trained as Mental Health First Aiders in 2021 (page 77). Condensed version of the training started in 2021 directed towards (but not limited to) line managers, attended by 105 participants (page 77). In addition, all line managers invited to one of 37 webinars called “burn bright”, a training to help avoid burnout and to help boost their personal resilience with over 1100 participants (page 77). Leadership Pledge for Mental Health signed by Swiss Re, consisting of six actions that we pledge to take to promote better mental health in the workplace (page 71).

¹ Measured as the proportion of women promoted into middle management and above, in relation to the proportion of women in the “donor pool” (full calendar year measure). The “donor pool” consists of the corporate band immediately below, eg for promotions to the C-Band, the “donor pool” is the D-Band. All corporate bands are equally weighted.

Sustainability Topics: goals and progress

Engaging our people (continued)

Goals	Targets	Target year	Metric	Progress in 2021
Personal resilience: We understand that to make the world more resilient, our people need to be resilient first.	Continue to support our people and line managers in being resilient.	2021	Employee survey COVID-19 assistance question	<ul style="list-style-type: none">• 71% "Leadership care" category remains at high levels in our employee surveys (2020: 69%) (pages 70 and 72).• 83% of employees agreed that their manager offered them the support they needed in 2021 (2020: 79%) (page 72).• 86% of employees believe Swiss Re is appropriately assisting employees during the COVID-19 pandemic (2020: 87%) (page 70).

Sustainability Topics: goals and progress

Ensuring good corporate governance and compliance

We consider good corporate governance a key prerequisite in order to ensure sustainability throughout the Group's activities. It is also indispensable to maintaining long-lasting, valuable relationships with our stakeholders. We conduct business ethically and with integrity, applying the principles of our Code of Conduct and complying with all applicable laws.

Related UN Sustainable Development Goals



Goals	Targets	Target year	Metric	Progress in 2021
Governance structure: Streamlining of the Group's governance structure to increase the Group's capital efficiency while keeping accountability and responsibilities intact.	n/a	2021	n/a	<ul style="list-style-type: none"> Effective 1 July 2021, Swiss Reinsurance Company Ltd (SRZ) has become the main direct wholly owned operating subsidiary of Swiss Re Ltd. SRZ in turn holds separate holding companies for the Business Units Reinsurance and Corporate Solutions as well as for the Division iptiQ. Under the new structure, the Group EC also assumes management responsibility for SRZ (Financial Report, page 80).
Corporate Governance: Gender diversity at Board level.	Reach a female representation at the Board level of 30% or more by the Annual General Meeting 2023.	2023	Female Board members as a % of the total number of Board members	<ul style="list-style-type: none"> The Board of Directors will make a formal commitment at the AGM 2022.
Corporate Governance	n/a	2021	n/a	<ul style="list-style-type: none"> For information related to sustainability governance refer to our Financial Report 2021 (pages 83 – 85).
Compliance: Manage compliance risks by maintaining frameworks, delivering effective training and awareness to our employees, overseeing implementation within the business, and providing assurance of operating effectiveness.	n/a	2021	Number of campaign page views	<ul style="list-style-type: none"> Provided tailored training and awareness activities to nurture a "speak up" culture, enhance transparency of the compliance investigation process, and remind employees of the available reporting channels. In 2021 the #SpeakUp series secured more than 4800 page views compared to 138 page views in 2020 (page 81).
Compliance	n/a	2021	n/a	<ul style="list-style-type: none"> New in 2021, an initiative entitled "High Performance with High Integrity Dialogues" was launched across all of Swiss Re. It empowers line managers to discuss Swiss Re's desired behaviours, reporting channels and investigation process so that employees know how to act and what to expect when faced with a suspected misconduct situation (page 81).

Sustainability Topics: goals and progress

Fostering resilient societies: the Swiss Re Foundation

The Swiss Re Foundation partners with NGOs, social entrepreneurs, foundations and academic institutions. To help build resilient societies, the Foundation offers its partners tailored grant funding and access to Swiss Re's expertise. Its initiatives address three focus areas: natural hazards and climate risk management, access to health

and income opportunities, and innovation to build resilience. The Foundation operates in regions where the protection gap is biggest – in emerging and developing countries and where Swiss Re has offices.



Goals	Targets	Target year	Metric	Progress in 2021
Resilient societies: Contribute to resilient societies in selected focus areas.	Realise impact of 52 ongoing projects to improve resilience ¹ of 2.8m beneficiaries.	2022 – 2024: 2.8m	People with improved resilience	<ul style="list-style-type: none"> From 2019 to 2021, we have supported around 785 000 people with improved resilience (page 85; see also separate Swiss Re Foundation Report).
Resilient societies: Contribute to resilient societies by increasingly engaging Swiss Re employees with their skills and expertise.	We want to grow the volunteering level globally to 16% (assuming that volunteering will no longer be restricted by the pandemic).	2022: 23 000 hours of support provided to our partners by 2 350 Swiss Re volunteers	Volunteers; volunteering hours	<ul style="list-style-type: none"> 11 340 hours of support provided to our partners by 860 Swiss Re volunteers (page 85; see also separate Swiss Re Foundation Report).

¹ Our definition of “improved resilience” is based on the Business for Social Impact (B4SI) framework developed by Corporate Citizenship to measure social impact. We distinguish three levels of impact: reach, improve, transform. “Reach” is defined as number of people served with access to information or service, “improve” is defined as number of people served for which at least one element of improved resilience of their livelihood assets is measured with a defined indicator and “transform” in addition requires a form of proof of the impact through independent evaluation. An example of an indicator from the “improve” category is the number of smallholder farmers served for which there is measured income increase, access to insurance (claims paid) and finance (loans approved).

Sustainability data

Sustainability data

This section provides an overview of all of our sustainability data. It contains data from the Sustainability Report as well as from our climate-related financial disclosures (TCFD).

Climate-related financial disclosures (TCFD)

 Financial Report 2021

Sustainability and TCFD data (Excel download)

 online report

Who we are and what we do

Who we are at a glance	Unit	2019	2020	2021
Net premiums earned and fee income	USD bn	38.6	40.8	42.7
Group net/loss income	USD m	727	-878	1437
Number of employees (regular staff)	Number	15 401	13 189	13 985
Countries in which Swiss Re operates	Number	30	29	29
Number of office locations	Number	80	81	82

Financial highlights	Unit	2019	2020	2021
Total assets	USD m	238 567	182 622	181 567
Total investments	USD m	103 746	120 693	116 586
Total liabilities	USD m	207 530	155 364	157 889
Total debt	USD m	10 323	11 737	11 185
Shareholders' equity	USD m	29 251	27 135	23 568
Total revenues	USD m	49 314	43 338	46 739
Premiums earned and fee income	USD m	38 594	40 770	42 726
P&C Reinsurance	USD m	19 275	20 832	21 926
L&H Reinsurance	USD m	13 004	13 883	14 868
Corporate Solutions ¹	USD m	4 166	5 019	5 343
Life Capital ¹	USD m	2 149	316	n/a
Group items ¹	USD m	n/a	720	589
Net investment income – non-participating business	USD m	4 171	2 988	3 373
Total expenses	USD m	-48 405	-44 428	44 908
Claims and claim adjustment expenses	USD m	-18 683	-19 838	-17 181
Life and health benefits	USD m	-13 087	-13 929	-14 992
Net income	USD m	727	-878	1437

Attribution of Group income to key stakeholders	Unit	2019	2020	2021
Income before tax and variable compensation	USD m	1 215	-797	2 249
Variable compensation ²	USD m	348	347	418
Variable compensation ²	%	29	n/a	19
Income tax expense	USD m	140	-266	394
Income tax expense	%	12	n/a	18
US GAAP net income attributable to shareholders	USD m	727	-878	1437
of which paid out as dividend ³	USD m	1 766	1 855	1 877
of which paid out as dividend	%	145	n/a	83
of which share buyback	USD m	1 010	n/a	n/a
of which share buyback	%	83	n/a	n/a
of which added to retained earnings within shareholders' equity	USD m	-2 049	-2 733	-440

¹ The segmental disclosures have been revised to reflect the way the Group manages its business activities: as of 1 January 2021, Life Capital reporting segment ceased to be a separate Business Unit; iptiQ is a division and is reported as part of the Group items; and elipsLife is part of the Corporate Solutions reporting segment. Segmental comparative information for 2020 has been adjusted accordingly. The Life Capital reporting segment for the comparative period 2020 reflects the ReAssure business.

² Please refer to page 146 of the Financial Report 2021 for information on aggregate compensation of the Swiss Re Group.

³ FY 2021 is estimated based on the average monthly CHF/USD FX rate as of January 2022. The dividend is subject to AGM approval and the amount depends on the final number of dividend eligible shares and FX rates upon dividend payout.

Sustainability data

Creating solutions for sustainability

Natural catastrophe premiums	Unit	2019	2020	2021
Natural catastrophe premiums across Swiss Re Group	USD bn	3.5	4.1	3.9

¹ For losses > USD 20 million. Includes premiums for earthquake risk. As of 2021 this is calculated net of expenses such as brokerage and commissions, whereas in previous years gross premiums were reported. This is now aligned with methodology applied in the Financial Report.

Renewable energy insurance	Unit	2019	2020	2021
Solar and wind farms¹	Number	>4000	>5600	8871
Potential emissions avoided due to solar and wind farms ²	Million tonnes CO ₂	n/a	22	29
Other renewable energy generation facilities³	Number	n/a	n/a	292
Potential emissions avoided due to other renewable energy generation facilities ²	Million tonnes CO ₂	n/a	n/a	2
Total renewable energy generation facilities⁴	Number	n/a	n/a	9163
Potential emissions avoided due to renewable energy generation facilities ²	Million tonnes CO ₂	n/a	n/a	31

¹ Total number for which re/insurance cover was written during the year.

² Emissions avoided once facilities are operational.

³ Total number for which re/insurance cover was written during the year. Includes hydro, biomass, geothermal and marine/tidal.

⁴ Total number for which re/insurance cover was written during the year. Includes wind, solar, hydro, biomass, geothermal and marine/tidal.

Client commitments	Unit	2019	2020	2021
Women's World Banking microinsurance programme	Number of beneficiaries (customers and their family members)	219 000	296 000	397 792

Life & Health ¹	Unit	2019	2020	2021
Life & Health policies in force	Policies in millions	129	191	186
Family members who were supported by reinsurance policies	Persons in millions	183	242	237
Life & Health claims and annuity payments	USD bn	10	12	14

¹ Numbers for family members, number of policies and number of claims payments based on technical accounting claims data. Figures cover Asia, Australia and New Zealand, UK, North America, Germany, Austria and Switzerland. Medical reimbursement includes EMEA (excluding UK/Nordics and Germany) Latin America and Asia.

Extending our risk intelligence

ESG risk assessments ¹	Unit	2019	2020	2021
Transactions screened for ESG risk exposure²	Number	21 699	40 591	92 214
Companies on the ESG watchlist	Number	n/a	n/a	2358
Projects on the ESG watchlist	Number	n/a	n/a	300

¹ Disclosed since 2021.

² The number of assessments rose in 2021 due to the ESG risk assessment integration into underwriting tools.

ESG risk referrals ¹	Unit	2019	2020	2021
ESG risk referrals	Number	238	258	185
Abstain	Number	37	28	18
Proceed	Number	159	173	129
Proceed with conditions	Number	42	57	38
Escalation	Number	0	2	2
ESG risk referrals, by sector				
Mining (excl. thermal coal)	%	21	25.2	22.7
Oil and gas	%	25.2	19.7	16.8
of which oil and gas conventional	%	n/a	n/a	16.2
of which oil and gas offshore	%	n/a	n/a	0.5
Thermal coal	%	21	13.9	10.8
Forestry, pulp & paper, and oil palm	%	1.7	9.7	5.9
Other: human rights	%	7.6	9.7	7.0
Other: environmental issues	%	2.9	9.7	9.2
Defence	%	4.6	7	4.9
Animal testing	%	1.3	3.9	1.6
Dams	%	14.7	9.7	21.1

¹ As of 1 January 2022, our former "Sustainable Business Risk Framework" was renamed "ESG Risk Framework".

Sustainability data

Extending our risk intelligence (continued)

ESG Risk Framework – training	Unit	2019	2020	2021
Employees trained via mandatory online course ¹	Number	3 000	4 000	2 113

¹ Once completed, employees do not repeat the training in future years.

Carbon footprint of insurance portfolio	Unit	2019	2020	2021
Carbon footprint of direct and facultative insurance portfolio (estimate) ¹	Tonnes CO ₂ /USDm revenue	n/a	120	120

¹ This is estimated using the CRO Forum methodology. Read about the methodology [here](#).

Client and industry interaction	Unit	2019	2020	2021
Client and industry engagements	Number	n/a	400	80

¹ Here we include sector engagements such as coal in 2020, as well as our engagements with clients when we “proceed with conditions”.

Being a responsible investor

For more information on how we invest responsibly, please see the TCFD section of the Financial Report.

Enhancement

Assets managed externally	Unit	2019	2020	2021
Assets managed externally	%	45	35	40
Share of PRI signatories	%	98	98	97

ESG rating distribution across corporate bond and listed equity portfolio	Unit	2019	2020	2021
Corporate bond and listed equity ¹				
AAA	%	7.8	5.8	6.2
AA	%	16.9	22.4	26.5
A	%	25.5	25.4	31.6
BBB	%	22.9	25.0	19.5
BB	%	13.7	12.5	7.9
B	%	3.8	3.7	2.9
CCC	%	1.0	0.3	0.1
NR	%	8.4	4.9	5.3

¹ The ESG rating distribution scope for the listed equity portfolio has been adjusted as of 2020 to include ETFs and exclude strategic holdings.

Voting activities and behaviour	Unit	2019	2020	2021
Voting activity				
Votes cast	%	95	95	97
No votes cast	%	5	5	3
Voting behaviour				
Voted with management	%	88	88	88
Voted against management	%	10	9	10
Abstained	%	2	3	2
Votes withheld	%	0	0	0

Sustainability data

Being a responsible investor (continued)

Engagement activity: "1.5°C Alignment"	Unit	2019	2020	2021
Portfolio holdings engaged on "1.5°C Alignment"	%	n/a	48	66
Engagement activities by sector				
Communication services	%	n/a	54	76
Consumer discretionary	%	n/a	40	55
Consumer staples	%	n/a	39	56
Energy	%	n/a	63	71
Financials	%	n/a	52	69
Health care	%	n/a	61	78
Industrials	%	n/a	53	71
Information technology	%	n/a	49	66
Materials	%	n/a	42	57
Real estate	%	n/a	29	83
Utilities	%	n/a	29	45
Total engagements	Number	n/a	48	66

Engagement activity: "Disclose ESG metrics"	Unit	2019	2020	2021
Portfolio holdings engaged on "Disclose ESG metrics"	%	n/a	45	60
Engagement activities by sector				
Communication services	%	n/a	67	79
Consumer discretionary	%	n/a	44	59
Consumer staples	%	n/a	39	50
Energy	%	n/a	38	71
Financials	%	n/a	60	71
Health care	%	n/a	43	65
Industrials	%	n/a	50	55
Information technology	%	n/a	42	55
Materials	%	n/a	29	48
Real estate	%	n/a	0	67
Utilities	%	n/a	36	27
Total engagements	Number	n/a	45	60

Inclusion

Impact private equity	USD m	<150	65	85
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Climate-related opportunities

Green, social and sustainability bond portfolio	Unit	2019	2020	2021
Green, social and sustainability bonds¹	USD bn	1.9	2.6	3.9
Green, social and sustainability government bonds	USD bn	n/a	1.7	2.0
Green, social and sustainability corporate bonds	USD bn	n/a	0.9	1.9
Green bonds	USD bn	1.8	2.3	3.0
Sectoral allocation of green bonds				
Sovereign	%	11.3	19.5	21.9
Agency	%	29.0	17.3	12.2
Supranational	%	16.2	14.7	11.0
Regional governments	%	10.8	10.9	7.0
Agency securitised	%	n/a	3.6	1.7
Municipals	%	2.9	0.9	1.7
Financials	%	13.6	20.5	25.7
Utilities	%	9.7	6.9	10.4
Basic industries	%	1.0	0.9	0.8
Information technology	%	2.4	2.0	3.2
Non-cyclical consumer goods	%	0.4	0.3	0.9
Resources	%	0.2	0.2	0.3
Non-cyclical services	%	2.5	1.9	1.8
General industrials	%	n/a	0.3	0.5
Cyclical services	%	n/a	0.1	0.6
Cyclical consumer goods	%	n/a	n/a	0.1
CMBS	%	n/a	n/a	0.2

¹ Year-over-year increase is partly driven by a refined dataset used to identify green, social and sustainability bonds.

Sustainability data

Being a responsible investor (continued)

Renewable energy and social infrastructure loan portfolio	Unit	2019	2020	2021
Total social and renewable energy infrastructure loan portfolio	USD bn	1.0	0.9	1.0
Real estate portfolio	Unit	2019	2020	2021
Total real estate portfolio	USD bn	4.7	5.4	5.6
of which certified buildings	USD bn	1.3	1.6	1.4
of which certified buildings	% of total	n/a	31	25
Switzerland	USD bn	1.7	2.2	n/a
MINERGIE® certified	% of total	23	27	27
MINERGIE® certified	USD bn	0.4	0.6	0.6
Switzerland by energy source				
Gas	% of total	49	39	40
Renewable energy	% of total	14	26	28
Oil	% of total	19	18	14
District heating	% of total	15	14	16
Other	% of total	3	3	2
Externally managed real estate portfolio				
Certified buildings, based on local energy labels	% of externally managed	47	50	37
UK certified buildings				
BREEAM "Excellent"	% of UK buildings	22	24	19
BREEAM "Very good"	% of UK buildings	27	25	21
Not certified	% of UK buildings	51	51	60
US certified buildings				
LEED "Gold"	% of US buildings	16	13	12
LEED "Silver"	% of US buildings	28	30	28
Not certified	% of US buildings	56	57	60
GRESB scoring US real estate portfolio¹				
GRESB scoring achieved ²	Score 0–100	82	n/a	85
Performance	Score 0–70	81	n/a	55.8
Management	Score 0–30	86	n/a	29.1

¹ The GRESB methodology was refined in 2020, which is why the 2021 score cannot be compared to previous years.

² In 2021, the GRESB average was 73/100.

Climate-related risks

Carbon intensity	Unit	2019	2020	2021
Corporate bonds				
Swiss Re aggregate	Tonnes CO ₂ e/USD m revenue	198	172	164
Swiss Re US corporate bond portfolio	Tonnes CO ₂ e/USD m revenue	192	174	169
Benchmark US (US Corp IG ESG BB+ index)	Tonnes CO ₂ e/USD m revenue	219	322	323
Swiss Re UK corporate bond portfolio	Tonnes CO ₂ e/USD m revenue	200	163	161
Benchmark UK (UK IG Corp IG ESG BB+ index)	Tonnes CO ₂ e/USD m revenue	152	134	165
Listed equity				
Swiss Re (including ETFs)	Tonnes CO ₂ e/USD m revenue	123	73	59
Benchmark (MSCI ACWI ESG Leaders index)	Tonnes CO ₂ e/USD m revenue	148	130	90
Government bonds				
Swiss Re	Kg CO ₂ e/USD GDP-PPP adjusted	n/a	0.32	0.28
Benchmark ¹	Kg CO ₂ e/USD GDP-PPP adjusted	n/a	0.42	0.39

¹ G20 countries.

Sustainability data

Driving sustainable operations

Data are reported on a hydrological year basis (ie 12 months; from 1 October to 30 September) except for "Business air travel" data, which are reported on a calendar year basis (ie 12 months; from 1 January to 31 December).

GHG emissions figures in the years 2018, 2019 and 2020 have been restated. For more information, see pages 109–110.

Absolute GHG emissions		Unit	2018 (base)	2019	2020	2021
Scope 1	CO₂e tonnes		4 186	4 248	2 901	2 665
Heating fuels	CO ₂ e tonnes		2 849	2 435	2 111	2 104
Technical gases ¹	CO ₂ e tonnes		922	1 386	537	494
Operational road travel ²	CO ₂ e tonnes		415	427	253	67
Scope 2	CO₂e tonnes		1 359	984	81	61
Purchased energy (location-based)	CO ₂ e tonnes		11 805	11 356	8 575	7 432
Purchased energy (market-based)	CO ₂ e tonnes		1 359	984	81	61
Scope 3 (upstream)³	CO₂e tonnes		84 158	87 765	16 919	7 481
Business travel ⁴	CO ₂ e tonnes		69 338	74 290	9 909	4 558
Commuting	CO ₂ e tonnes		12 223	11 567	5 660	1 820
Other ⁵	CO ₂ e tonnes		2 596	1 908	1 351	1 103
Operational emissions	CO₂e tonnes		89 702	92 996	19 901	10 207
Operational emissions in scope for compensation⁶	CO₂e tonnes		77 479	81 429	14 241	8 387

Carbon certificates		Unit	2018 (base)	2019	2020	2021
Total amount of retired carbon certificates	CO₂e tonnes		69 343	70 303	27 249	9 409
Certificates retired for the compensation of operational emissions ⁷	CO ₂ e tonnes		69 343	70 303	27 249	8 387
Certificates retired as part of the NetZeroYou2 Programme ⁸	CO ₂ e tonnes		n/a	n/a	n/a	1 022
Share of carbon avoidance certificates ("offsets")	%		100	100	100	65
Share of carbon removal certificates	%		0	0	0	35

GHG emissions intensity per FTE		Unit	2018 (base)	2019	2020	2021
Scope 1	CO₂e kg/FTE		301	301	203	180
Heating fuels	CO ₂ e kg/FTE		205	173	148	142
Technical gases ¹	CO ₂ e kg/FTE		66	98	38	33
Operational road travel ²	CO ₂ e kg/FTE		30	30	18	4
Scope 2	CO₂e kg/FTE		98	70	6	4
Purchased energy (location-based)	CO ₂ e kg/FTE		850	805	601	501
Purchased energy (market-based)	CO ₂ e kg/FTE		98	70	6	4
Scope 3 (upstream)³	CO₂e kg/FTE		6 060	6 224	1 185	504
Business travel ⁴	CO ₂ e kg/FTE		4 993	5 269	694	307
Commuting	CO ₂ e kg/FTE		880	820	396	123
Other ⁵	CO ₂ e kg/FTE		187	135	95	74
Operational emissions	CO₂e kg/FTE		6 460	6 595	1 394	688

¹ "Technical gases" is reported as Scope 1, as Swiss Re has direct control over the majority of the fugitive emissions. Also included is a smaller amount with indirect control.

² "Operational road travel" figures include emissions from Swiss Re's own or third-party operated road fleet (eg shuttle buses, pool cars and logistic vehicles).

³ "Scope 3 (upstream)": includes upstream Scope 3 emissions from business operations, currently from energy transmission and distribution, paper, water, waste, business travel and commuting. We acknowledge the existence of a large portion of upstream Scope 3 emissions that are currently unmeasured and therefore not reported. For more information, see paragraph "Environmental Data Disclosure" on page 65.

⁴ "Business air travel" (ie commercial flights and business jets) figures are reported on a calendar year basis (ie 12 months; from 1 January to 31 December). Personally expensed employee transport (ie private cars and taxis) for business reasons are now included in "business ground travel" along with the centrally booked employee transport (ie trains and rental cars).

⁵ "Other" currently includes upstream Scope 3 emissions from energy transmission and distribution, paper, water and waste.

⁶ Current emissions in scope for compensation include Scope 1, Scope 2 and part of upstream Scope 3 (business travel, energy transmission and distribution, paper, water and waste). Commuting is not included.

⁷ Carbon certificates retired in 2018, 2019 and 2020 do not match the corresponding "operational emissions in scope for compensation" due to the restatement of those years' figures in 2021. For more information, please see pages 109–110.

⁸ The NetZeroYou2 Programme started in 2021, and no certificates were therefore retired in previous years.

Sustainability data

Driving sustainable operations (continued)

GHG emissions intensity per FTE		Unit	2018 (base)	2019	2020	2021
GHG emissions intensity	CO₂e kg/FTE		6460	6596	1394	688
of which from building facilities	CO ₂ e kg/FTE		587	507	304	258
of which from business travel	CO ₂ e kg/FTE		4993	5269	694	307
of which from commuting	CO ₂ e kg/FTE		880	820	396	123
Building facilities – Energy consumption		Unit	2018 (base)	2019	2020	2021
Energy consumption	MWh		63 140	55 070	44 928	40 030
of which electricity	MWh		47 133	41 253	33 045	28 278
Conventional electricity	MWh		2 936	2 909	0	0
Renewable electricity ¹	MWh		44 196	38 344	33 045	28 278
of which heating	MWh		16 007	13 817	11 883	11 753
Renewable electricity	%		94	93	100	100
Energy consumption per FTE	kWh/FTE		4 547	3 906	3 146	2 699
of which electricity	kWh/FTE		3 394	2 926	2 314	1 907
of which heating	kWh/FTE		1 153	980	832	793
Building facilities – Paper, water, waste		Unit	2018 (base)	2019	2020	2021
Paper usage	T		151	121	67	46
Paper usage per FTE	Kg/FTE		11	9	5	3
Water usage	M³		210 523	170 896	124 636	80 943
Water usage per FTE	M³/FTE		15	12	9	5
Waste production	T		1 854	1 675	985	718
Waste production per FTE	Kg/FTE		133	119	69	48
Recycled waste out of total waste	%		49	50	54	49
Business travel ²		Unit	2018 (base)	2019	2020	2021
Distance travelled	1000 km		217 421	218 501	35 537	16 370
of which air travel	1000 km		207 659	208 972	31 232	15 213
of which ground travel	1000 km		9 763	9 529	4 306	1 157
Distance travelled per FTE	Km/FTE		15 657	15 496	2 489	1 104
of which air travel	Km/FTE		14 954	14 820	2 187	1 026
of which ground travel	Km/FTE		703	676	302	78
GHG emissions (absolute)	CO₂e tonnes		69 338	74 290	9 909	4 558
of which air travel	CO ₂ e tonnes		68 089	73 108	9 432	4 416
of which ground travel	CO ₂ e tonnes		1 249	1 182	477	142

¹ Includes renewable electricity generated on-site (solar) as well as electricity sourced locally with bundled or unbundled renewable energy attributes.

² "Business air travel" (ie commercial flights and business jets) figures are reported on a calendar year basis (ie 12 months from 1 January to 31 December). Personally expensed employee transport (ie private cars and taxis) for business reasons are now included in "Business ground travel" along with centrally booked employee transport (ie trains and rental cars).

Driving sustainable operations (continued)

Commuting ¹	Unit	2018 (base)	2019	2020	2021
Distance travelled	1 000 km	107 953	109 309	55 593	19 690
Distance travelled per FTE	km/FTE	7 774	7 752	3 893	1 328

¹ "Commuting" figures are obtained by means of a biannual survey and have considerable measurement uncertainty. The survey was last performed in 2019 and these results were adjusted in 2020 and 2021 using workplace analytics data (actual headcount entering the company premises) to account for COVID impact.

Workforce	Unit	2018 (base)	2019	2020	2021
Total workforce¹	FTE	13 886	14 100	14 280	14 830

¹ This figure is used to calculate emissions per employee (FTE). It is expressed as total number of full-time equivalents (including permanent, temporary and contractors personnel) measured as of May each year.

Vendor sustainability assessment ¹	Unit	2019	2020	2021
Tier 1 and 2 vendors ESG-assessed by year end²	%	35	100	100
Tier 1	%	n/a	27	34
Tier 2	%	n/a	73	66
Tier 1 and 2 vendors ESG assessed by year end³	Number of vendors	n/a	231	262
Tier 1	Number of vendors	n/a	63	88
Tier 2	Number of vendors	n/a	168	174
Spending on Tier 1 and 2 vendors in Global Sourcing⁴	%	n/a	65	75
Tier 1	%	n/a	41	50
Tier 2	%	n/a	24	25

¹ There is a lag in timing for ESG tiering analyses (eg 2021 utilises 2020 vendor tiering). Tier 1 vendors are those for which spending exceeds USD 5m. Tier 2 vendors are those for which spending exceeds USD 0.5m.

² Assessed either through EcoVadis or IntegrityNext.

³ Assessed either through EcoVadis or IntegrityNext.

⁴ Annual spend data does not include unassigned amounts or CIM vendors which are below Tier 2 spend.

Driving sustainable operations (continued)

Restatements of 2018, 2019 and 2020

In 2021, at the onset of the reporting cycle within the CO2NetZero Programme (2021–2030), we undertook a full re-baselining exercise to update the greenhouse gas emission factors and improve our calculation methodologies, aligning them with the latest climate science and relevant frameworks.

Four elements drove the re-baselining process and led to restatements for the emissions figures for the years 2018, 2019 and 2020:

a Change in the reporting scope for emissions from energy transmission and distribution losses:

From Scope 2 to Scope 3 as defined by the GHG Protocol

b Change in the reporting period for “business air travel”:

From hydrological year (October – September) to calendar year (January – December)

c Change in the reporting scope for “business ground travel”:

New data available for employees’ expensed travel by private cars and taxis added to “business ground travel” reporting scope

d Change in the emission factors:

Complete overhaul of the emission factors to include the latest scientific findings and updates from literature and internationally recognized sources (IEA, UK BEIS, etc)

Absolute GHG emissions

	Unit	Reported 2020			Restated 2021		
		2018	2019	2020	2018	2019	2020
Operational emissions	CO₂e tonnes	82 944	83 361	33 735	89 703	92 996	19 901
Scope 1	CO ₂ e tonnes	4 246	4 322	2 962	4 186	4 248	2 901
Scope 2 (location-based)	CO ₂ e tonnes	15 541	14 827	11 327	11 805	11 356	8 575
Scope 2 (market-based)	CO ₂ e tonnes	2 386	1 833	709	1 359	984	81
Scope 3 (upstream) ¹	CO ₂ e tonnes	76 312	77 207	30 065	84 158	87 765	16 919
of which from business travel ²	CO ₂ e tonnes	61 188	62 915	22 926	69 338	74 290	9 909
of which from commuting	CO ₂ e tonnes	13 601	13 058	6 486	12 223	11 567	5 660
of which from other ³	CO ₂ e tonnes	1 523	1 234	652	2 596	1 908	1 351
Operational emissions in scope for compensation	CO ₂ e tonnes	69 343	70 303	27 249	77 479	81 429	14 241

Absolute GHG emissions

	Unit	Restated 2021 vs Reported 2020			Reason
		2018	2019	2020	
Operational emissions	CO₂e tonnes	+6 759	+9 635	–13 834	b,c,d
	%	+8%	+12%	–41%	
Scope 1	CO ₂ e tonnes	–60	–74	–61	d
	%	–1%	–2%	–2%	
Scope 2 (location-based)	CO ₂ e tonnes	–3 736	–3 471	–2 752	a,d
	%	–24%	–23%	–24%	
Scope 2 (market-based)	CO ₂ e tonnes	–1 027	–849	–628	a,d
	%	–43%	–46%	–89%	
Scope 3 (upstream) ¹	CO ₂ e tonnes	+7 846	+10 558	–13 146	a,b,c,d
	%	+10%	+14%	–48%	
of which from business travel ²	CO ₂ e tonnes	+8 150	+11 375	–13 017	b,c,d
	%	+13%	+18%	–57%	
of which from commuting	CO ₂ e tonnes	–1 378	–1 491	–826	d
	%	–10%	–11%	–13%	
of which from other ³	CO ₂ e tonnes	+1 073	+674	+699	a,d
	%	+70%	+55%	+107%	
Operational emissions in scope for compensation	CO ₂ e tonnes	+8 136	+11 126	–13 008	b,c,d
	%	+12%	+16%	–48%	

¹ “Scope 3 (upstream)”: includes upstream Scope 3 emissions from business operations, currently from energy transmission and distribution, paper, water, waste, business travel and commuting. We acknowledge the existence of a large portion of upstream Scope 3 emissions that are currently unmeasured and therefore not reported. For more information, see paragraph “Environmental Data Disclosure” on page 65.

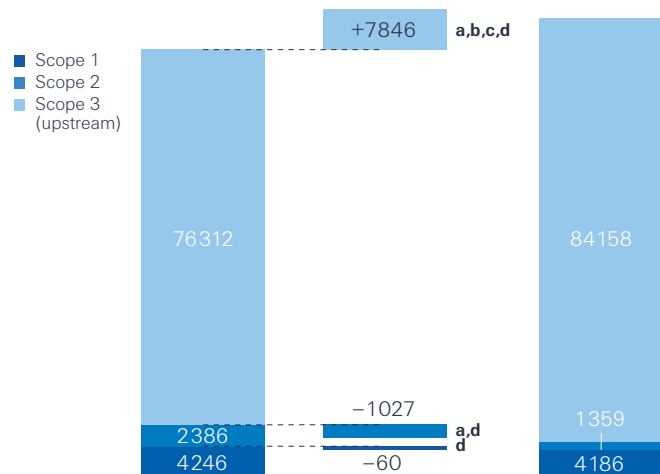
² The restatement of the emissions from business travel in 2020 resulted in a net decrease due to the change of the reporting period for air travel (b): air travel was heavily reduced by the impact of the COVID-19 pandemic across 10 months of the calendar year 2020, as opposed to 7 months of the hydrological year (March to September).

³ “Other” currently includes upstream Scope 3 emissions from energy transmission and distribution, paper, water and waste.

Driving sustainable operations (continued)

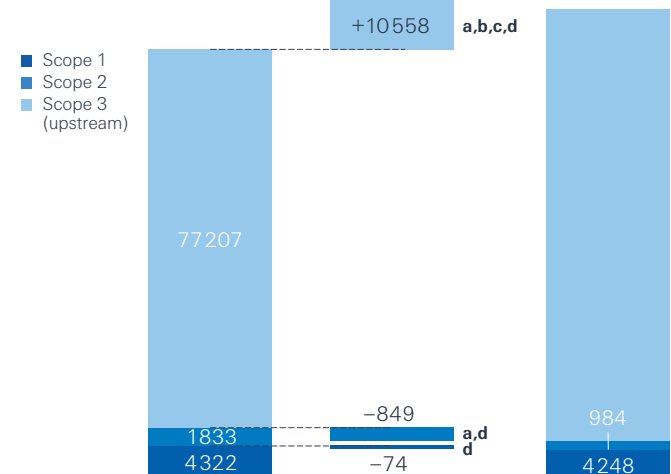
2018	Reported in 2020	Change	Restated in 2021
	82 944	+6 759 (+8%)	89 703

All figures in tonnesCO₂e



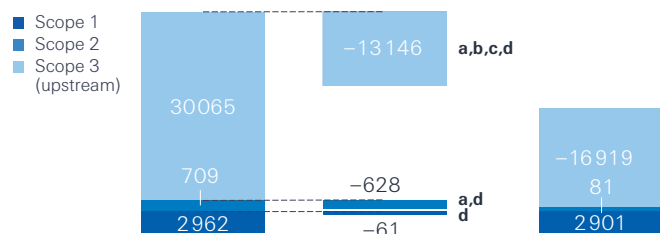
2019	Reported in 2020	Change	Restated in 2021
	83 361	+9 635 (+12%)	92 996

All figures in tonnesCO₂e



2020	Reported in 2020	Change	Restated in 2021
	33 735	-13 834 (-41%)	19 901

All figures in tonnesCO₂e



Sustainability data

Engaging our people

For more information on how we engage our people, please see our website.

Employee data by gender ¹		Unit	2019	2020	2021
Headcount	Number of persons		12 909	13 519	14 344
Male	Number of persons		6 819	6 373	7 554
Female	Number of persons		6 090	6 819	6 790
Full-time employees	Number of persons		11 437	12 058	12 804
Male	Number of persons		6 422	7 761	7 127
Female	Number of persons		5 015	5 297	5 677
Part-time employees	Number of persons		1 472	1 461	1 540
Male	Number of persons		397	385	427
Female	Number of persons		1 075	1 076	1 113
Regular employees	Number of persons		12 612	13 189	13 985
Male	Number of persons		6 690	6 984	7 379
Female	Number of persons		5 922	6 205	6 606
Regular employees	% growth		0.3	5.0	6.0
Male	% growth		-0.3	4.4	5.7
Female	% growth		1.0	4.8	6.5
Temporary employees	Number of persons		297	330	359
Male	Number of persons		129	162	175
Female	Number of persons		168	168	184
Temporary employees	% growth		17.9	11.1	8.8
Male	% growth		25.2	25.6	8.0
Female	% growth		12.8	0.0	9.5
Executive and senior management positions²					
Male	%		73.3	71.3	70.0
Female	%		26.7	28.7	30.0
All management positions³					
Male	%		64.9	64.3	63.5
Female	%		35.1	35.7	36.5
Average learning hours by gender					
Male	Hours		12.4	10.4	11.5
Female	Hours		13.7	10.7	12
Average gender promotion ratio⁴		%	175	102	114
Global adjusted gender pay gap between men and women		%	n/a	n/a	1.7

¹ The figures for 2019 have been restated due to the sale of our ReAssure business in the UK, and the table therefore shows the number of employees excluding ReAssure employees.

² Executive/senior management positions comprise the management levels of Director/Senior Vice President and above.

³ All management positions refers to Vice President and above.

⁴ The proportion of women promoted into middle management and above, in relation to the proportion of women in the "donor pool" (full calendar year measure). The "donor pool" is the band below, eg for C-Band promotions, the D-Band is the "donor pool". All corporate bands have equal weighting.

Sustainability data

Engaging our people (continued)

Employee data by region ¹	Unit	2019	2020	2021
Total headcount	Number of persons	12 909	13 519	14 344
Americas	Number of persons	3 485	3 465	3 538
APAC	Number of persons	2 471	2 769	3 134
EMEA total	Number of persons	3 578	3 756	4 058
Switzerland	Number of persons	3 375	3 530	3 614
Full-time employees	Number of persons	11 437	12 058	12 804
Americas	Number of persons	3 416	3 402	3 466
APAC	Number of persons	2 443	2 742	3 101
EMEA total	Number of persons	2 995	3 164	3 413
Switzerland	Number of persons	2 583	2 750	2 824
Part-time employees	Number of persons	1 472	1 461	1 540
Americas	Number of persons	69	63	72
APAC	Number of persons	28	26	33
EMEA total	Number of persons	583	592	645
Switzerland	Number of persons	792	780	790
Attrition rate				
Americas	%	8.7	5.1	9.1
APAC	%	10.6	7.5	10.7
EMEA total	%	9.5	7.2	8.6
Switzerland	%	5.3	4.2	5.0
Tenure of regular staff	Years	7.4	7.4	7.3
Americas	Years	8.3	8.3	8.2
APAC	Years	4.9	4.8	4.8
EMEA total	Years	6.6	6.5	6.5
Switzerland	Years	9.9	9.8	9.7

¹ Includes regular and temporary employees. The figures for 2019 have been restated due to the sale of our ReAssure business in the UK, and the table therefore shows the number of employees excluding ReAssure employees.

Classroom and in-house e-learning data	Unit	2019	2020	2021
Training¹	Number of persons	10 144	11 369	13 160
Training²	Learning hours average per employee	13.0	10.5	11.7
Training³	Cost per employee	487.1	249.0	249.6
Leadership training to managers	Number of persons	2 329	2 461	2 646
Leadership training to managers⁴	Learning hours average per manager	15.3	11.9	15.6
Mental health training received	Number of persons	18	84	158

¹ Distinct number of employees with at least one training.

² Average time spent: the total time spent by all employees divided by number of employees who attended trainings.

³ Average cost per trained employee: the total cost for all completed trainings divided by employees who were trained.

⁴ Average time spent: the total time spent by all managers divided by number of managers who attended trainings.

Employee surveys	Unit	2019	2020	2021
Net Promoter Score¹	Score	n/a	5	23
Leavers who rate employment experience favourably²	%	n/a	73	81
Employee Engagement Index³	Score	63	71	n/a
Inclusive Culture Index⁴	% agreement	n/a	69	n/a
Organisational resilience	% consistently positive level	n/a	76	73

¹ Based on a question asked in external exit interviews run by Gartner (response count: 535).

The question is "How likely is it that you would recommend Swiss Re to a friend or colleague as a great place to work?".

² Based on a question asked in external exit interviews run by Gartner (response count: 535).

The question is "Overall, how satisfied were you with your employment experience?".

³ No Employee Survey for 2021.

⁴ No Employee Survey for 2021.

Sustainability data

Engaging our people (continued)

Other	Unit	2019	2020	2021
Candidates applied¹	Monthly average	8 321	11 591	12 708
Candidates hired internally	%	33.4	28.3	31.9

¹ Calculated using the average number of new applicants to Swiss Re Groups throughout the year, in bands A–F.

Absences	Unit	2019	2020	2021
Absences due to sick leave¹²				
January	%	20	19	11
February	%	20	19	13
March	%	18	13	15
April	%	17	8	15
May	%	17	10	17
June	%	15	13	21
July	%	17	13	19
August	%	16	14	15
September	%	18	15	16
October	%	19	16	17
November	%	19	16	20
December	%	19	17	22

¹ Excluding countries and entities where data is not available (mainly Americas and iptiQ), and excluding ReAssure employees.

² Calculated by taking the number of persons absent due to sick leave that month as a share of the total employee population.

Absences by gender	Unit	2019	2020	2021
Absences due to sick leave¹² – Male				
January	%	10	9	5
February	%	10	9	6
March	%	9	6	7
April	%	9	4	7
May	%	9	5	8
June	%	8	7	11
July	%	9	7	9
August	%	8	7	7
September	%	9	7	8
October	%	9	7	8
November	%	9	8	9
December	%	10	8	11

¹ Excluding countries and entities where data is not available (mainly Americas and iptiQ), and excluding ReAssure employees.

² Calculated by taking the number of male persons absent due to sick leave that month as a share of the total employee population.

Sustainability data

Engaging our people (continued)

Absences by gender	Unit	2019	2020	2021
Absences due to sick leave¹² – Female				
January	%	10	10	6
February	%	10	10	7
March	%	8	7	8
April	%	8	4	7
May	%	8	5	9
June	%	7	7	11
July	%	8	7	10
August	%	8	7	8
September	%	9	8	8
October	%	10	9	9
November	%	10	8	10
December	%	9	8	11

¹ Excluding countries and entities where data is not available (mainly Americas and iptiQ), and excluding ReAssure employees.

² Calculated by taking the number of female persons absent due to sick leave that month as a share of the total employee population.

Ensuring good corporate governance and compliance

Investigation Coordination Process (IPC)	Unit	2019	2020	2021
Cases investigated	Number	93	76	67
External actors involved	%	31	33	36
Investigated, by intake				
Internal channels (Human Resources, line managers, Compliance)	%	67	74	69
External sources	%	15	11	9
Whistleblowing hotline	%	14	8	10
Intake through process detection	%	4	8	12
Investigated, by category				
External fraud	%	31	33	37
Discrimination and harassment (including bullying)	%	20	18	27
Internal fraud	%	15	9	4
Insider trading (including accidental trading within a close period)	%	11	16	14
Other code violations	%	23	24	18
Closed				
Substantiated	%	64	69	69
Disciplinary action	%	38	22	37
Employee training				
Mandatory eLearning assignments completed (incl. new hire and refresher)	%	100	100	100
SpeakUp campaign				
Site views	Number	n/a	138	>4800

Fostering resilient societies: Swiss Re Foundation

For more information on the Swiss Re Foundation, please visit the website.

Grant support	Unit	2019	2020	2021
People with improved resilience¹	Total number since 2019	n/a	n/a	~785 000
¹ Our definition of "improved resilience" is based on the Business for Social Impact (B4SI) framework developed by Corporate Citizenship to measure social impact. We distinguish three levels of impact: reach, improve, transform. "Reach" is defined as number of people served with access to information or service, "improve" is defined as number of people served for which at least one element of improved resilience of their livelihood assets is measured with a defined indicator and "transform" in addition requires a form of proof of the impact through independent evaluation. An example of an indicator from the "improve" category is the number of smallholder farmers served for which there is measured income increase, access to insurance (claims paid) and finance (loans approved).				
Volunteer support				
Swiss Re volunteers	Hours Swiss Re volunteers supported our partners	17 859	9 404	11 340
Swiss Re volunteers	Number of Swiss Re volunteers	1 769	521	860

Additional data from our climate-related financial disclosures (TCFD)

Responsible investment-related data can be found on pages 103 – 105.















Gross annual expected losses for weather-related perils by region and for peak exposures, Swiss Re Group¹

	Unit	2019	2020	2021
Total	USD m	1 915	2 170	2 010
North America	USD m	890	1 005	1 000
Latin America	USD m	175	220	185
EMEA	USD m	305	355	295
Asia	USD m	310	415	360
Oceania	USD m	225	175	175
Tropical cyclone	USD m	980	1 150	1 055
North America	USD m	550	615	580
Latin America	USD m	145	180	160
EMEA	USD m	0	0	0
Asia	USD m	235	310	280
Oceania	USD m	50	45	35
Convective storms	USD m	300	330	360
North America	USD m	220	240	255
Latin America	USD m	0	0	0
EMEA	USD m	45	45	40
Asia	USD m	0	0	0
Oceania	USD m	35	45	65
Flood	USD m	285	340	320
North America	USD m	65	80	85
Latin America	USD m	25	30	25
EMEA	USD m	95	110	105
Asia	USD m	60	85	75
Oceania	USD m	40	35	30
Windstorm	USD m	190	230	190
North America	USD m	45	50	50
Latin America	USD m	0	0	0
EMEA	USD m	145	180	140
Asia	USD m	0	0	0
Oceania	USD m	0	0	0
All other perils	USD m	150	120	90
North America	USD m	10	20	30
Latin America	USD m	5	10	0
EMEA	USD m	20	20	10
Asia	USD m	15	20	5
Oceania	USD m	100	50	45
Peak exposures				
North Atlantic hurricane	USD m	680	770	720
US tornado	USD m	220	240	260
Japanese tropical cyclone	USD m	150	180	140
European windstorm	USD m	140	210	180
European flood	USD m	90	100	100

¹ Regional figures may not add up to the world total due to rounding.

Our policies

For some specific topics, we provide transparency by publishing full policies or statements on our website.

<p>Approach to Responsible Investing</p> <p> swissre.com</p>	<p>Code of Conduct</p> <p> swissre.com</p>	<p>Corporate Governance Guidelines</p> <p> swissre.com</p>
<p>Data Protection and Privacy Compliance</p> <p> swissre.com</p>	<p>ESG Risk Framework*</p> <p>Includes policies on Human Rights, Environmental Protection, and Governance</p> <p> swissre.com</p>	<p>Gender Balance</p> <p> swissre.com</p>
<p>Human Rights Statement for Employees</p> <p> swissre.com</p>	<p>Inclusive Culture</p> <p> swissre.com</p>	<p>Modern Slavery Act Transparency Statement</p> <p> swissre.com</p>
<p>Own the Way You Work™</p> <p> swissre.com</p>	<p>Overview of Swiss Re Asset Management's Stewardship Approach</p> <p> swissre.com</p>	<p>Policy Engagement</p> <p> swissre.com</p>
<p>Preventing Bribery and Corruption</p> <p> swissre.com</p>	<p>Tax Policy</p> <p> swissre.com</p>	

* Formerly the Sustainable Business Risk Framework

Memberships, commitments and index listings

A selection of Swiss Re's most important memberships and commitments with regard to sustainability is shown below.

Memberships and commitments

CDP

CDP is a not-for-profit charity that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. www.cdp.net

Chief Risk Officer (CRO) Forum

The CRO Forum is a group of professional risk managers from the insurance industry focusing on developing and promoting industry best practices in risk management. The forum consists of Chief Risk Officers from large multinational insurance companies. Swiss Re is a member of the sustainability working group. www.thecroforum.org

CEO Action Group for the European Green Deal

Supported by the World Economic Forum, the group serves as a high-level platform for business leaders to support concrete plans and ideas to step up the game for climate positive action and demonstrate their commitment to the European Green Deal. The CEO Action Group also helps promote sustainable practices in a series of lighthouse projects. www.weforum.org

ClimateWise

ClimateWise helps the insurance industry to better communicate, disclose and respond to the risks and opportunities associated with the climate risk protection gap. www.cisl.cam.ac.uk/business-action/sustainable-finance/climatewise

European Commission's Technical Expert Group on Sustainable Finance (TEG)

The TEG assists the European Commission in the development of a unified classification system for sustainable economic activities, an EU green bond standard, methodologies for low-carbon indices and metrics for climate-related disclosure. ec.europa.eu/info/publications/sustainable-finance-technical-expert-group_en

EP100

In partnership with the Alliance to Save Energy, the Climate Group's EP100 initiative brings together a growing group of energy-smart companies committed to improving their energy productivity. www.theclimategroup.org/project/ep100

FSB Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board (FSB) is an international body that monitors and makes recommendations about the global financial system. Its Task Force on Climate-related Financial Disclosures (TCFD) has developed a framework for voluntary, consistent climate-related financial disclosures. www.fsb-tcfd.org

Insurance Development Forum (IDF)

The IDF is a public-private partnership led by the insurance industry and supported by international organisations. It aims to optimise and extend the use of insurance and its related risk management capabilities to build greater resilience and protection for people, communities, businesses and public institutions vulnerable to disasters and their associated economic shocks. www.insdevforum.org

InsuResilience

The InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions brings together countries, civil society, international organisations, the private sector and academia. It builds, in particular, on a collaboration between G20 and V20 countries. www.insuresilience.org/

Klimastiftung Schweiz (Swiss Climate Foundation)

The Swiss Climate Foundation is a voluntary initiative by business for business. The foundation's mission is to promote climate protection and strengthen Switzerland and Liechtenstein as business locations. Swiss Re is one of the foundation's members and sponsors its managing director. www.klimastiftung.ch/en/

Net-Zero Asset Owner Alliance

The Net-Zero Asset Owner Alliance is an international group of institutional investors delivering on the commitment to transition their investment portfolios to net-zero GHG emissions by 2050, showing united investor action to align portfolios with a 1.5°C scenario. Swiss Re is a co-founder of the alliance. www.unepfi.org/net-zero-alliance/

Net-Zero Insurance Alliance

The UN-convened Net-Zero Insurance Alliance (NZIA) brings together 21 (as of March 2022) of the world's leading insurers and reinsurers to play their part in accelerating the transitioning to net-zero emissions economies. They are committing to individually transition their underwriting portfolios to net-zero greenhouse gas (GHG) emissions by 2050. Swiss Re is a co-founder of the alliance. www.unepfi.org/net-zero-insurance/

Paris Pledge for Action

By joining the Paris Pledge for Action, businesses, cities, civil society groups, investors, regions, trade unions and other signatories have promised to ensure that the ambition set out in the Paris Agreement is met or exceeded to limit the global temperature rise to less than 2°C. www.parispledgeforaction.org

Poseidon Principles for Marine Insurance

This initiative supports the shipping industry's decarbonisation efforts by setting out a framework for assessing and disclosing the climate alignment of hull insurers' portfolios. www.poseidonprinciples.org/insurance/

Memberships, commitments and index listings

Powering Past Coal Alliance (PPCA)

A coalition of national and sub-national governments, businesses and organisations working to advance the transition from unabated coal power generation to clean energy.

www.poweringpastcoal.org

Principles for Responsible Investment (PRI)

The PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

www.unpri.org

Swiss Re's PRI assessment is available [here](#).

Principles for Sustainable Insurance (PSI)

The UNEP FI Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. Swiss Re is a member of both the PSI and the UNEP Finance Initiative (UNEP FI), a partnership between UNEP and the global financial sector to mobilise private sector finance for sustainable development.

www.unepfi.org/psi/

RE100

Led by The Climate Group and in partnership with CDP, RE100 is a global corporate leadership initiative bringing together influential businesses committed to 100% renewable electricity.

www.theRE100.org/

swisscleantech

swisscleantech is a Swiss business association. Its mission is to bring companies together that are in favour of environmentally responsible business practices. www.swisscleantech.ch

Swiss Sustainable Finance (SSF)

By shaping and informing on best practice and creating supportive frameworks and tools, SSF assists its members and cooperates with other actors in order for the Swiss financial centre to achieve a leading position in sustainable finance.

www.sustainablefinance.ch

Task Force on Nature-related Financial Disclosures (TNFD)

35 Task Force members, including Swiss Re, were selected for their sector, geographical coverage and subject-matter expertise. The aim is to develop and deliver a risk management and disclosure framework for organisations to report and act on evolving nature-related risks.

tnfd.global/

UN Global Compact

The UN Global Compact helps companies do business responsibly by aligning their strategies and operations with its ten principles on human rights, labour, environment and anti-corruption; it also helps them take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals. In 2019, Swiss Re signed the UN Global Compact Business Ambition for 1.5°C.

www.unglobalcompact.org

WEF Alliance of CEO Climate Leaders

A global network of chief executive officers who see the business benefits of bold and proactive action to ensure a smooth transition to a low-carbon and climate-resilient economy. Swiss Re's CEO Christian Mumenthaler has co-Chaired the Alliance since 2020.

www.weforum.org/agenda/2021/01/davos-agenda-net-zero-letter/

World Business Council for Sustainable Development (WBCSD)

The WBCSD is a global, CEO-led organisation of over 250 leading businesses working together to accelerate the transition to a sustainable world.

www.wbcsd.org

Selected index listings and ratings

MSCI AAA rating, member of MSCI World ESG Leaders Index and MSCI World SRI Index (July 2021)



Dow Jones Sustainability Indices, member of DJSI World Index and DJSI Europe Index, as determined by performance in the S&P Corporate Sustainability Assessment

Sustainability Award
Silver Class 2022

S&P Global

Bloomberg Gender-Equality Index



Member of the CDP B list



Euronext Vigeo Eiris Index, Europe 120



FTSE4Good Index Series



ISS QualityScore, Environmental, Social, Governance



ISS ESG Prime



Solactive Europe Corporate Social Responsibility Index





Independent limited assurance report on selected Sustainability Information in Swiss Re Management Ltd's Sustainability Report 2021 and TCFD reporting 2021

To the Board of Directors of Swiss Re Management Ltd, Zurich

We have undertaken a limited assurance engagement on Swiss Re Management Ltd's (hereinafter "Swiss Re") Sustainability Information in the following sections of the Sustainability Report for the year ended December 31, 2021:

- Creating solutions for sustainability;
- Extending our risk intelligence;
- Being a responsible investor;
- Engaging in dialogue with our stakeholders;
- Driving sustainable operations;
- Engaging our people;
- Ensuring good corporate governance and compliance;
- Appendix: Data on "Driving sustainable operations" on pages 106-108
- Appendix: Data on Absences on pages 113 and 114
- Appendix: Life and Health automated underwriting solutions figures disclosed in the "Building societal resilience" section of the "Sustainability Topics: goals and progress" table on page 90. This includes the number of potential customers assessed and the number of automatic covers offered by our solutions.

Furthermore, we assessed data and information disclosed in the chapter "Climate-related financial disclosures (TCFD)" in the Financial Report for the year ended December 31, 2021 (TCFD reporting 2021), including:

- Annual expected losses (AEL) of the weather-related perils reporting on pages 156 and 180
- Weighted average carbon intensity of Swiss Re's direct insurance portfolio on page 181
- Carbon footprint calculation of Swiss Re's investment portfolio on page 183-185
- Data tables on pages 189 and 190

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Sustainability Report 2021 and in the Financial Report 2021 or linked to from the Sustainability Information or from the Financial Report 2021, including any images, audio files or embedded videos.



Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the *'Summary of the work we performed as the basis for our assurance conclusion'* and the evidence we have obtained, nothing has come to our attention that causes us to believe that Swiss Re's Sustainability Information in the above-mentioned sections of the Sustainability Report and the Financial Report for the year ended December 31, 2021 are not prepared, in all material respects, in accordance with the reporting criteria described under *'Understanding how Swiss Re has prepared the Sustainability Information'*.

We do not express an assurance conclusion on information in respect of earlier periods or to any other information included in the Sustainability Report 2021 and in the Financial Report 2021 or linked to from the Sustainability Information or from the Financial Report 2021, including any images, audio files or embedded videos.

Understanding how Swiss Re has prepared the Sustainability Information

The Sustainability Information needs to be read and understood together with the following reporting criteria:

- Relevant references in GRI Sustainability Reporting Standards;
- Swiss Re's Group Sustainable Business Risk Framework;
- Greenhouse Gas Protocol Initiative of the World Resources Institute and the World Business Council for Sustainable Development;
- BEIS 2021 Government Greenhouse Gas Conversion Factors for Company Reporting, Methodology Paper;
- IEA Emissions Factors 2020 Database Documentation;
- Internal Environmental Performance Indicators for the Financial Industry' published by the Verein für Umweltmanagement in Banken, Sparkassen und Versicherungen e.V. (VfU);
- The GHG Protocol Scope 2 Guidance, effective since January 2015;
- Further internal policies and guidelines applied regarding the subject matter.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur in disclosures of the Sustainability Information and not be detected. Our engagement is not designed to detect all internal control weaknesses in the preparation of the Sustainability Information because the engagement was not performed on a continuous basis throughout the period and the audit procedures performed were on a test basis.

Swiss Re's Responsibilities

The Board of Directors of Swiss Re is responsible for:

- Selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable law and regulations related to reporting the Sustainability Information;
- The preparation of the Sustainability Information in accordance with the reporting criteria described under *'Understanding how Swiss Re has prepared the Sustainability Information'*;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error.



Our Responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of Swiss Re.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.

Professional Standards Applied

We performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and in respect of greenhouse gas emissions, with the International Standard on Assurance Engagements (ISAE 3410), "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our work was carried out by an independent and multidisciplinary team including assurance practitioners and sustainability experts. We remain solely responsible for our assurance conclusion.

Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. Carrying out our limited assurance engagement on the Sustainability Information included, among others:

- Assessment of the design and implementation of systems, processes and internal controls for determining, processing and monitoring sustainability performance data, including the consolidation of data;
- Inquiries of employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- Inspection of selected internal and external documents to determine whether qualitative and quantitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the data collection, validation and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- Analytical assessment of the data and trends of the quantitative disclosures in the scope of the limited assurance engagement;



- Assessment of the consistency of the disclosures in the scope of the assurance with the other disclosures and key figures in the Sustainability Report 2021 and the TCFD reporting 2021;
- Assessment of the overall presentation of the disclosures through critical reading of the Sustainability Report 2021 and the TCFD reporting 2021.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

KPMG AG

Silvan Jurt

Licensed audit expert

Theresa Tiersch

Zurich, 16 March 2022

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”, “target”, “aim”, “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 cyclical nature 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 realize 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, including changes in regulation related to environmental, social and governance (“ESG”) matters, 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 Group’s ability to fully achieve one or more of its ESG or sustainability goals or to fully comply with applicable ESG or sustainability standards;
- matters negatively affecting the reputation of the Group, its board of directors or its management, including matters relating to ESG or sustainability, such as allegations of greenwashing, lack of diversity and similar allegations;
- 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, certain large man-made losses and social inflation litigation, 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 intensity and frequency of which may also increase as a result of social inflation;

Cautionary note on forward-looking statements

- the outcome of tax audits, the ability to realize tax loss carryforwards and the ability to realize deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on 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, including the contemplated adoption of IFRS;
- 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. Swiss Re 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.

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