Swiss Re

Solvency and Financial Condition Report

Swiss Re International SE

For the year ended 31 December 2021

Swiss Re International SE
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Luxembourg

Table of contents

Executive summary	3
Business and performance	3
System of governance	3
Risk profile	3
Valuation for solvency purposes	3
Capital management	4
Other events	4
Section A: Business and performance	5
A1: Business	5
A2: Underwriting performance	7
A3: Investment performance	8
A4: Performance of other activities	9
A5: Any other material information	9
Section B: System of governance	10
B1: Governance structure	10
B2: Fit and proper requirements	14
B3: Risk management system	15
B4: Internal control system	17
B5: Internal Audit function	18
B6: Actuarial function	18
B7: Outsourcing	18
B8: Any other information	19
Section C: Risk profile	20
Overview of risk exposure	20
C1: Underwriting risk	21
C2: Financial market risk	22
C3: Credit risk	23
C4: Liquidity risk	23
C5: Operational risk	23
C6: Other material risks	24
C7: Any other information	24
Section D: Valuation for solvency purposes	25
D1: Assets	25
D2: Technical provisions	28
D3: Other liabilities	30
D4: Alternative methods of valuation	32
D5: Any other information	32
Section E: Capital management	33
E1: Own funds	33
E2: Solvency Capital Requirement and Minimum Capital Requirement	35
E3: Duration-based equity risk	35
E4: Differences between the standard formula and the internal model	36
E5: Non-compliance	37
E6: Any other material information	37
Cautionary note on forward-looking statements	38
Glossary	40

Executive summary

Business and performance

- Swiss Re International SE (the Company) is authorised by the Luxembourg Finance Minister to conduct commercial insurance business with an international scope, focusing on property, casualty, credit and suretyship and marine and aviation business.
- The underwriting performance for 2021 was a net profit of EUR 102 million, compared to a net profit of EUR 26 million in 2020. This improvement is mainly due to the absence of major large claims reported, new business and renewals written at continued high rates and reserves releases on prior year mainly from liability, property, and aviation. The Company remained well protected with the internal reinsurance programmes in force. The reinsurance structure generally comprises of quota share protection and stop loss covers.
- Gross premiums written amounted to EUR 1 869 million (2020: EUR 1 566 million). The increase was mainly driven by an increase in the property, liability and engineering lines of business, partly offset by decreases in marine and aviation. Increases are mostly driven by a mixture of rate increases and new business whereas marine and aviation continue to bear impacts from pruning actions. On a net basis, earned premiums increased from EUR 258 million in 2020 to EUR 280 million in 2021.
- Net claims incurred at 31 December 2021 amounted to EUR 124 million compared to EUR 180 million at 31 December 2020, a decrease of EUR 56 million, or 31%. The loss ratio for 2021 was 44%, which was lower than the prior-year ratio of 70%.
- Net operating expenses, including acquisition costs increased from EUR 47million in 2020 to EUR 66 million in 2021.
- As at 31 December 2021, the Company's financial investments portfolio consisted of government and corporate bonds and shares in investment funds. In 2021, investments in corporate bonds and equity increased by EUR 210m and EUR 19m respectively. Investment income in 2021 of EUR 21 million was higher than the previous year's result of EUR 14 million, mainly due to the gain of EUR 8 million realised following the disposal of exchange traded funds (ETFs) securities.

System of governance

- The governance and organisational structure of the Company is set out in the Company's articles of association, terms of reference and charters. These define the responsibilities and authority of the members of the Board and the Committees.
- The Company uses an internal model for the purposes of calculating the Solvency Capital Requirement (SCR). The Commissariat aux Assurances (CAA) approved the internal model and its associated governance framework for use in calculating the Company's SCR under Solvency II on 17 December 2015. The Company's internal model governance framework sets out the requirements for model development standards, the governance around changes to the internal model, validation of the internal model and data quality standards.
- The Board carries out an annual evaluation of its system of governance in line with the relevant best practice standards. During the reviews performed in 2021, the Board concluded that the system of governance is adequate for the nature, scale and complexity of the risks inherent to the Company's business.

Risk profile

- In terms of 99.5% value at risk, there are no significant changes in the risk profile, but exposure continues to increase commensurately with the Company's growth plan. On a net basis, the risk profile is dominated by costing and reserving risk, generic liability, non-life claims inflation and foreign exchange risk.

Valuation for solvency purposes

Non-life technical provisions

The total non-life net technical provision of EUR 570 million (2020: 523 million) under the Solvency II valuation is compared to the Company's statutory amount of EUR 894 million (2020: 762 million). With Solvency II being an economic valuation framework, and the Company statutory valuation being an accounting valuation framework, the key differences are the following:

- In the Company's statutory figures, future cash flows are not discounted, there is no concept of risk margin and the counterparty risk is not included in the valuation.
- For Solvency II purposes, an estimate of the cash flows ultimately received for the contracts in scope is recognised. For the Company's statutory figures, only a portion of cash flows written by the cedent and earned during the reporting period is recognised.
- In the Company's statutory figures there is no provision for future losses, whereas the Solvency II technical provisions contain best estimates of future losses not yet incurred at the date of valuation.

Invested assets

- Investments are valued at market value, which is determined to the extent possible by reference to observable market prices. Where observable market prices are not available, the Company follows the fair value measurement methodology. The difference between Solvency II and the Company's statutory figures is mainly due to unrealised gains/losses, which are taken into account under Solvency II but are not considered for the Company's statutory purposes. In addition, the accrued interest on investments is classified under receivables in the Company's statutory figures but as investments under Solvency II.

Other assets and liabilities

- The differences in the valuation of other assets and liabilities are mainly related to different recognition under Solvency II and the Company's statutory valuation: deferred tax assets and liabilities are specific to Solvency II, whereas deferred acquisition costs and provision for currency risk are specific statutory items.

Capital management

- The eligible amount of own funds to cover Solvency Capital Requirement (SCR) for 2021 was EUR 380 million (2020: EUR 268 million). The increase is driven mainly by positive underwriting performance on new and renewal business. lower claims and releases of reserves from 2020, partly offset by deferred taxes and local tax liability.
- The Solvency II SCR as at 31 December 2021 was EUR 103 million (2020: EUR 92 million) and the Minimum Capital Requirement (MCR) was EUR 46 million (2020: EUR 41 million).
- The solvency ratio expressed as eligible own funds as a percentage of the SCR as at 31 December 2021 was 370% (2020: 293%).
- As at 31 December 2021 the Company had sufficient admissible assets available to cover technical liabilities in line with the regulatory requirements.

Other events

- The global spread of the novel coronavirus and the disease it causes ("COVID-19"), and the actions taken to slow the spread of the pandemic, have had an adverse impact on communities, social and business interactions, economic activity, and economies across the globe. Following the impressive contractions of 2020, economic growth momentum is expected to carry over into 2022. Despite the impact of the pandemic on the global economy, the global P&C insurance markets (as measured by premium growth) were less severely impacted in 2021 than expected

- The military conflict unfolding in Ukraine may result into potential impacts on the global economic environment. In the event geopolitical tensions fail to abate or deteriorate further, additional governmental sanctions may be enacted adversely impacting the global economy and supply chain, banking and monetary systems, markets or customers for the Company's products, which could negatively affect the Company's results of operations.

Section A: Business and performance

A1: Business

Full name and legal form

Swiss Re International SE is a European company (Societas Europaea), which was re-domiciled to the Grand Duchy of Luxembourg on 1 January 2008 with registered office at 2, rue Edward Steichen, L-2540 Luxembourg and registered with the Luxembourg Trade and Companies Register under number B134 553. The Company's legal entity identifier (LEI) is 222100BV3WGRWD8XI85.

Supervisory authority

The Company is authorised by the Luxembourg Finance Minister to conduct non-life insurance business and operates through a number of branches. The Company is supervised by Commissariat aux Assurances (CAA).

Commissariat aux Assurances
7, Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg
Telephone: +352 22 69 11-1
Fax: +352 22 69 10
www.caa.lu

Ultimate parent company and group supervisor

The ultimate parent company is Swiss Re Ltd, a joint stock company, listed in accordance with the International Reporting Standard on the SIX Swiss Exchange, domiciled at Mythenquai 50/60 in 8002 Zurich, Switzerland and organised under the laws of Switzerland. For the purpose of this report, the ultimate parent company and all its subsidiaries are referred to as Swiss Re or the Swiss Re Group. The Company is part of the Corporate Solutions Business Unit (Business Unit) of the Swiss Re Group. The Group supervisor is the Swiss Financial Market Supervisory Authority (FINMA).

Swiss Financial Market Supervisory Authority
Laupenstrasse 27
CH-3003 Bern
Switzerland
Telephone: +41 31 327 91 00
Fax: +41 31 327 91 01
www.finma.ch

External auditor

The external auditor appointed by the Company's shareholder is KPMG .

KPMG Luxembourg, Société Anonyme
39, Avenue John F. Kennedy
Luxembourg, 1855
Telephone: +352 22 51 51 1
Fax: +352 22 51 71 Grand Duchy of Luxembourg
Professional Audit, Tax, Advisory - KPMG Luxembourg (home.kpmg)

Holding company

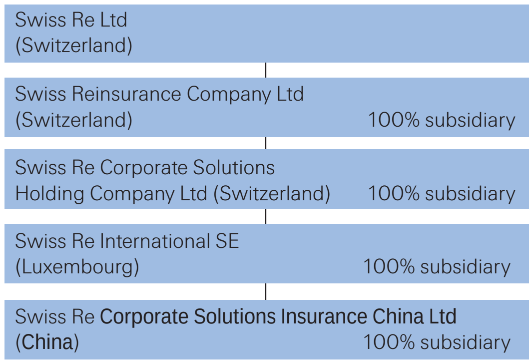
The parent company is Swiss Re Corporate Solutions Holding Company Ltd, incorporated in Switzerland as a company limited by shares. Ownership is 100%.

Material related undertakings

The Company does not have any new investment in material related undertakings in 2021.

Simplified group structure

The Company's parent and ultimate parent company and sole wholly owned subsidiary as at 31 December 2021 were as follows:



Material lines of business and geographical split

Material countries by gross premiums written

The Company operates internationally through branches. SRI conducts its activities either on an authorised i.e. admitted basis (including Freedom of Services within the EEA) or on a permissible non-admitted (re-) insurance basis (including eligible excess/ surplus lines insurance for US risks) where writing is done on a cross-border basis.

The material countries by gross premiums written for the year ended 31 December 2021 were as follows:

- Germany
- United Kingdom*
- Australia
- Switzerland
- France
- Netherlands
- Italy
- Singapore
- Japan
- United States

*including Gibraltar

Material lines of business by gross premiums written

Material lines of business for the year ended 31 December 2021 were as follows:

- Fire and other damage to property insurance
- General liability direct insurance
- Marine, aviation and transport insurance
- Non-proportional property reinsurance

Significant business or other events

Branches and offices

The Company opened one new branch in Labuan (Malaysia) with effective date 1 July 2021. Following the High Court approval on the same date, Swiss Re International SE's Labuan branch assumed all assets and liabilities of Swiss Re Corporate Solutions Ltd., Labuan Branch in accordance with a scheme of transfer as approved by the Board of Directors of the Company on 8 December 2020.

Brexit

Following the UK's exit from the EU, the Company continues to operate in the UK through its local branch. From 1 January 2021, the UK branch has operated under the UK's Temporary Permissions Regime, which, subject to certain conditions, allows branches of EEA-based insurers and reinsurers to continue to carry out insurance and reinsurance business in the UK, pending decisions on third-country branch license applications being made by UK regulators. The Temporary Permissions Regime is expected to expire on 31 December 2023. An application for a license for the third country branch has been submitted and the Company is in regular contact with the UK's Prudential Regulatory Authority and Financial Conduct Authority to progress this application. Continued uncertainty regarding the new relationship between the UK and the EU and how it will evolve could impact the legislative and/or regulatory regimes to which the Company is subject, both in the UK and in the EU; this includes Solvency II and the UK's onshore version, with both EU and UK currently undertaking their own reviews of the respective legislation. Generally, legal and regulatory changes could have a material impact on the Company's business.

Coronavirus ("COVID-19")

The global spread of the novel coronavirus and the disease it causes ("COVID-19"), and the actions taken to slow the spread of the pandemic, have had an adverse impact on communities, social and business interactions, economic activity, and economies across the globe. Following the impressive contractions of 2020, economic growth momentum is expected to carry over into 2022. Despite the impact of the pandemic on the global economy, the global P&C insurance markets (as measured by premium growth) were less severely impacted in 2021 than expected.

Back in 2020, the Company had recorded its expected best estimate of claims and claim adjustment expenses incurred based on current facts and circumstances at that time and has since then continuously monitored, assessed and adjusted the adequacy of its reserves. In 2021, the Company continued to pay the claims which were materialised and at the same time released reserves where there were positive developments, such as in Property for Business Interruption exposures and Credit and surety, mainly for Travel bonds. At the end of 2021, the total remaining reserves still include a significant portion of IBNR to absorb future deteriorations, including from pending Court decisions.

Other event

The military conflict unfolding in Ukraine, resulting trade and economic sanctions, and other potential impacts on the global economic environment and currencies, particularly in Russia and Europe, may cause demand for the Company's products to be volatile, cause abrupt changes in its customers' buying patterns, lead to potential P&C business claims, interrupt its ability to supply products to this region or to fulfil contractual obligations or limit customers' access to financial resources and ability to satisfy obligations to the Company. In the event geopolitical tensions fail to abate or deteriorate further, additional governmental sanctions may be enacted adversely impacting the global economy and supply chain, banking and monetary systems, markets or customers for the Company's products, which could negatively affect the Company's results of operations.

A2: Underwriting performance

Underwriting performance

The underwriting performance by material Solvency II lines of business, calculated on the same basis as used in the Company's statutory financial statements, for the reporting period ended 31 December 2021 was as follows:

EUR millions	Underwriting performance 2020	Underwriting performance 2021
Fire and other damage to property insurance	–15	37
General liability insurance	4	20
Marine, aviation and transport insurance	11	6
Non-proportional property reinsurance	16	1
Other	10	38
Total	**26**	**102**

The underwriting performance for 2021 amounted to a profit of EUR 102 million (2020: profit of EUR 26 million).

Gross premiums written amounted to EUR 1 869 million (2020: EUR 1 566 million). The increase of EUR 303 million or 19% was mainly driven by an increase in the property, liability and engineering lines of business, partly offset by decreases in marine and aviation. Increases are mostly driven by a mixture of rate increases and new business whereas marine and aviation continue to bear impacts from pruning actions.

On a net basis, earned premiums increased by 9% from EUR 258 million in 2020 to EUR 280 million in 2021.

Net claims incurred at 31 December 2021 amounted to EUR 124 million compared to EUR 180 million at 31 December 2020, a decrease of EUR 56 million or 31%. The loss ratio for 2021 was 44%, which was lower than the prior year ratio of 70%. This improvement is mainly due to the absence of major large claims reported, new business and renewals written at continued high rates and reserves releases on prior year mainly from liability, property, and aviation.

Net operating expenses, including acquisition costs increased from EUR 47 million in 2020 to EUR 66 million in 2021.

The underwriting performance by material countries for the year ended 31 December 2021 was as follows:

EUR millions	Underwriting performance 2020	Underwriting performance 2021
Germany	8	4
United Kingdom*	–14	17
Australia	34	44
Switzerland	3	–1
France	–12	7
Netherlands	–3	3
Italy	3	2
Singapore	–20	10
Japan	8	7
United States	–6	–6
Other	25	15
Total	**26**	**102**

*including Gibraltar

A3: Investment performance

Investment results

Investment income in 2021 of EUR 21 million was higher than the previous year's result of EUR 14 million, mainly due to the gain of EUR 8 million realised following the disposal of exchange traded funds (ETFs) securities.

Investment income and expenses by investment asset category as at 31 December 2021 were as follows:

Investment performance EUR millions	2020	2021
Investment income	**14**	**21**
Income from other investments	**12**	**11**
Fixed income securities	11	11
Shares in units and unit trusts	–	–
Deposits with credit institutions	1	0
Value re-adjustments on investments	**–**	**–**
Shares in units and unit trusts	–	–
Gains on realisation of investments	**2**	**10**
Fixed income securities	2	2
Shares in units and unit trusts	–	8
Investment charges	**–6**	**–8**
Investment management charges incl. interest	**–6**	**–8**
Interest charges	–	–
Fixed income securities	–6	–8
Total	**8**	**13**

Gains and losses recognised directly in equity

The Company does not recognise any gains or losses directly in equity.

Investments in securitisation

The Company did not hold any investment in securitised agencies bonds as at 31 December 2021.

A4: Performance of other activities

Material leasing arrangements
The Company does not have any material financial and operating leasing arrangements.

Other material income and expenses incurred during 2021
No other material income or expenses were incurred in 2021.

A5: Any other material information

Other material information
There is no other material information to report for 2021.

Section B: System of governance

B1: Governance structure

Organisational structure and system of governance
The governance and organisational structure of the Company is set out in the Company's articles of association, terms of reference and charters. These define the responsibilities and authority of the members of the Board and the Committees.

Board
The Board's duty is to manage the Company in the best possible way to achieve the Company's purpose and within the Company's best interests. The Board is responsible for the sound and prudent management of the Company.

The members of the Board bear ultimate responsibility and liability for meeting the applicable legal obligations. They therefore have the right and obligation to take all measures to fulfil their legal duties.

The members of the Board are individuals with the abilities, professional background and personal character (including honesty and financial soundness) required to ensure an independent decision-making process in a critical exchange of ideas with the executive management.

Composition of the Board
As at 31 December 2021, the Board had eight members, of whom five are independent non-executive members and three are members of the Swiss Re Group Executive Committee. The Chairman of the Board is an independent non-executive member appointed by the Board.

Delegation and retained responsibilities of the Board
The Board has delegated certain responsibilities and authorities to the following joint Board Committees of the Luxembourg Companies:
- Audit Committee
- Finance and Risk Committee

The Board has further delegated certain responsibilities and authorities to the following:
- Management Committee
- Material Transaction Sub-Committee
- General Manager
- Branch managers
- General Manager Committee
- Key function holders
- Key Functions Committee
- Local bodies required for the Asian branches

The Board retains ultimate responsibility, oversight and control of the delegated responsibilities and authorities.

Board committees
Audit Committee
The Audit Committee assists the Board in fulfilling its oversight responsibilities as they relate to the integrity of the Company's financial statements (including its Luxembourg statutory returns), the Company's internal controls, the qualifications and independence of the external auditor, and the performance of both the Internal Audit function and the external auditor.

Finance and Risk Committee
The Finance and Risk Committee assists the Board in fulfilling its oversight responsibilities as they relate to the Company's risk tolerance and capital adequacy, Own Risk and Solvency Assessment (ORSA), risk concentration, threats, etc., both from a local statutory and economic perspective. This includes a forward-thinking perspective arising from the Company's business and capital plan and strategic transactions.

Other delegations
Management Committee
The Management Committee's primary responsibility is to manage the day-to-day business and operations of the Company. The Management Committee as a collegial body is fully accountable to the Board.

Material Transaction Sub-Committee
The Board has authorised the creation of a sub-committee of the Management Committee. The purpose of the Material Transaction Sub-Committee is to exercise specific management responsibilities and authorities with respect to some material transactions including external outsourcing arrangements concerning underwriting and claims functions to be entered into by the Company.

General Manager
The General Manager is in charge of the day-to-day management of the Company and represents the Company vis-a-vis the CAA. In particular, the General Manager has the authority to sign in respect of financial and treasury management, including opening and operating bank accounts, hedging agreements and payments. The General Manager also has the authority regarding employment matters and is authorised to act in the best interests of the Company's branches. The General Manager must be resident in Luxembourg and be approved by the Luxembourg Minister of Finance.

Branch managers
For each branch, the Company has appointed one person as Branch Manager and legal representative of the Company in the jurisdiction of the branch. This person is in charge of the day-to-day management of the branch and of conducting business in the name of the Company in the jurisdiction of the branch. On an ad interim basis, the branch manager function for the branch in Denmark is being performed in personal union by the branch manager of the branch in the Netherlands.

General Manager Committee
The purpose of the General Manager Committee is to assist the General Manager with the management and supervision of the operational activities of the Company and its respective branches, to the extent that such operational activities relate to the legal entity. This Committee was also set up to provide a cross-functional and cross-location platform for coordination and communication in matters relating to the Company.

Key functions
The Board is responsible for adopting appropriate measures to implement Group guidelines or policies relating to the functions referred to as "key functions" under the Solvency II framework, i.e. Risk Management, Compliance, Internal Audit and Actuarial. In addition, in line with the provisions of the Insurance Distribution Directive (IDD), as implemented into Luxembourg law, a Distribution Manager is responsible for the distribution of insurance products for the Company. However, the Distribution Manager is not considered a key function holder for the purpose of Solvency II.

The roles of the key functions are as follows:

Risk Management
Please refer to paragraph "Implementation and integration of the Risk Management function" on page 15 for details of the Risk Management function.

Compliance
Please refer to paragraph "Implementation of the Compliance function" on page 17 for details of the Compliance function.

Internal Audit
Please refer to paragraph "Internal Audit function implementation" on page 18 for details of the Internal Audit function.

Actuarial
Please refer to paragraph "Implementation of Actuarial function" on page 18.

Key function holders
The Board nominates individuals as designated representatives of the respective key functions of the Company (the "key function holder"). The Board also monitors the key functions to ensure that they are adequately staffed with professionals possessing the required professional qualifications, knowledge and experience. Key function holders operate under the oversight of and report directly to the Board and Board Committees of the Company.

Key Functions Committee
The central task of the Key Functions Committee is to assist the Board in fulfilling its oversight responsibilities regarding to the Company's key functions and internal controls.

Local bodies required for the Asian branches
Specifically for the Asian branches of the Company, the Board or Management Committee may appoint legal representative(s) of the Company or set up local committees for specific matters as may be required under local law or regulatory requirements. The legal representative(s) and local committees operate under the oversight of and report directly to the Board or the Management Committee of the Company, as applicable.

Reporting and access to information
The Board, the Board Committees and the Management Committee have full authority to investigate any matters within their respective duties. They are authorised to obtain independent professional advice, request external advisers to undertake specific tasks or to obtain any information from any director, officer or employee acting on behalf of the Company, and to secure their attendance at the relevant meetings when necessary.

The key functions have operational independence in performing their reporting functions, with the exception of Internal Audit which has complete independence in performing its reporting function. Key function holders are obliged to report directly to the Board, Board Committees, Management Committee or Key Functions Committee any issues that could have an impact on the Company.

Material changes in the system of governance
In 2021, there were no changes to the system of governance.

Remuneration policy and practices
The Company adopted the Swiss Re Standard on Compensation, which captures Swiss Re's compensation framework and governance, outlines the compensation processes across the Group and provides key guidelines for the execution of individual compensation actions.

Swiss Re aims for total compensation that is competitive in the market and seeks to ensure that total compensation is well-balanced in terms of fixed versus variable compensation and in terms of short-term versus long-term incentives to attract, motivate and retain the qualified talent the Company needs to succeed. This ensures an alignment of compensation with long-term business results and individual contribution, recognising both what was achieved and how it was achieved. The compensation framework also reinforces a culture of sustainable performance with a focus on risk-adjusted financial results, fosters compliance, supports appropriate and controlled risk-taking in line with the business and risk strategy, and avoids conflict of interest. Further, the compensation framework supports Swiss Re's commitment to ensure equal pay for equal work regardless of gender, race, ethnicity, sexual orientation or other personal characteristics.

Swiss Re has several incentive programmes that reflect the long-term nature of the business: both the Value Alignment Incentive (VAI), as the deferred part of the Annual Performance Incentive (API), and the Leadership Share Plan (LSP) aim to reward sustainable long-term performance rather than short-term results. These programmes support closer alignment of the interests of shareholders and employees.

There may be local legal or regulatory requirements which are not addressed by or consistent with the Swiss Re Standard on Compensation. If this is the case, such local requirements must be applied and will prevail.

Overview of the compensation components
Fixed compensation
Base salary
Base salary is the fixed compensation paid to employees for carrying out their role and is established based on the following factors:
- scope and responsibilities of the role, and qualifications required to perform the role;
- market value of the role in the location in which Swiss Re competes for talent;
- skills and expertise of the individual in the role.

Benefits
Alongside the base salary, Swiss Re aims to provide employee benefits that are designed and implemented under a global framework. The key objectives of Swiss Re's benefits packages are to:
- be competitive in the markets where Swiss Re competes for talent;
- provide a degree of financial resilience for employees as it relates to pension, health matters, disability and death; and
- connect with Swiss Re values and enhance engagement.

Variable compensation
Annual Performance Incentive (API)
The API is a discretionary, variable component of compensation. Combined with the base salary, it provides competitive total cash compensation for achievements against business and individual performance targets and demonstration of desired behaviours. When the total API level for an employee equals or exceeds a predefined amount, a portion of the API is mandatorily deferred into the Value Alignment Incentive (VAI). Forfeiture of unsettled awards and clawback provisions for settled awards apply in a range of events.

Value Alignment Incentive (VAI)
The VAI (i.e. the portion of the API that is deferred in cash) ensures that variable compensation remains at risk and adequately reflects the business outcomes that materialise over the mid-term, taking into account under- or over-reserving in the past. This supports the Group's business model by aligning a portion of short-term variable compensation with sustainable results as the ultimate value of the VAI depends on the performance of the relevant Business Unit and the Group over the performance period. Forfeiture and clawback provisions apply in a range of events.

Leadership Share Plan (LSP)
The purpose of the LSP is to provide an incentive for Swiss Re's senior management to achieve sustainable company performance over the long term. The vesting period, during which performance is measured, is three years. For LSP awards granted to Group Executive Committee members and other key executives, the duration of the LSP is five years, comprising a three-year vesting and performance measurement period and an additional two-year holding period. Forfeiture and clawback provisions apply in a range of events.

Participation plans
Global Share Participation Plan (GSPP)
Through the GSPP, Swiss Re offers its employees an opportunity to directly participate in the long-term success of the Group. During a one-year contribution period, employees can purchase shares for up to a maximum of CHF 21 000 (capped at 10% of base salary). After the three-year vesting period, Swiss Re provides a 30% match on the number of shares held by employees. During the vesting period, matching shares are subject to forfeiture provisions. The GSPP has the same core design in all locations.

Performance criteria
Annual Performance Incentive (API)
Swiss Re operates a Target API (TAPI) system along with a performance management framework for all employees, whereby results-oriented and behaviour-related performance criteria are equally weighted.

A TAPI is set for each eligible employee based on multiple factors, but primarily on the role being performed, internal calibration and market benchmarks. The API for each individual employee is determined considering their TAPI, business and individual performance:
- Swiss Re uses a three-step process to assess business performance for the purposes of determining the overall Group API pool (financial assessment, qualitative assessment, overall assessment).
- The Group API pool is then allocated to the different Business Units/Group Functions based on their financial and qualitative performance.
- Individual performance is assessed against the individual's established goals and Swiss Re's behaviour expectations and corporate values.

Value Alignment Incentive (VAI)
The performance measurement calculation of the VAI uses the three-year average of the published Economic Value Management (EVM) previous years' business profit margin. EVM is Swiss Re's proprietary integrated economic valuation and steering framework that consistently measures performance across all businesses.

Leadership Share Plan (LSP)
Grant levels are determined based on multiple factors including the role being performed and market benchmarks. The size of the LSP pool is reviewed each year in the context of sustainable business performance, affordability and market competitiveness, and funded as part of the Group's total variable compensation pool. At the grant date, the award value is split equally into three underlying Performance Share Unit (PSU) components for senior management. For other eligible employees, the award value is either split into 50% PSUs and 50% Share Units (SUs, without performance conditions) or granted in 100% SUs. A valuation by a third party is used to determine the number of PSUs granted.

PSU performance conditions

The performance condition for the first PSU component is return on equity (ROE) with a linear vesting line. Vesting is at 0% for an ROE at the risk free rate and at 150% for an ROE at a predefined premium above the risk free rate. The premium is set at the beginning of the plan period and for LSP 202, this premium has been set at 1050 basis points above the annual risk-free rate, which is determined as the average of 12 monthly rates for ten-year US Treasury bonds of the corresponding performance year. At the end of each year, the performance against the ROE condition is assessed and one third of the PSUs are locked in within a range of 0% to 150%. Vesting occurs only at the end of the full three-year plan period (capped at 150%, referring to the maximum number of granted PSUs that can vest).

The performance condition for the second PSU component is absolute Economic Net Worth (ENW, the difference between the market-consistent value of assets and liabilities). Vesting is at 0% for an ENW growth of 0% and at 150% for an ENW growth of 15%. At the end of each year, the performance on absolute ENW growth is assessed and one third of the PSUs are locked in within a range of 0% to 150%. Vesting occurs only at the end of the full three-year plan period (capped at 150%, referring to the maximum number of granted PSUs that can vest).

The third PSU performance condition is relative total shareholder return measured over three years. The PSUs vest within a range of 0% to 150%. Vesting starts at the 50th percentile of TSR relative to peers with 50% vesting and is capped at 150% vesting (referring to the maximum number of granted PSUs that can vest) at the 75th percentile relative to peers. Payout for negative absolute TSR is capped at 100%, subject to the Compensation Committee's right to assess the circumstances and decide on the performance multiple accordingly. Swiss Re's three-year TSR performance is assessed relative to the TSR of a pre-defined peer group for the same period. This peer group is set at the beginning of the plan period and consists of companies that are similar in scale, have a global footprint or a business mix similar to Swiss Re.

Control functions and Key Risk Takers

Swiss Re bears risks in the course of its business activities, including market, credit and liquidity, underwriting, operational (including legal and compliance) and reputational risk.

The Control Functions (defined as Group Risk Management, Compliance and Group Internal Audit) annually perform an independent assessment of risk and control-related behaviours of the Group and each of the business functions, and of Swiss Re's Key Risk Takers individually. These reports are delivered to key executives including the Group Chief Risk Officer and the Group Chief Human Resources Officer & Head Corporate Services.

Key Risk Takers, Material Risk Takers and other Identified Staff
Swiss Re's Key Risk Takers are executives in core risk-taking positions who decide on business and people strategies, approve budgets and can materially influence financial results or expose Swiss Re to significant operational or reputational risks. On a local level, Material Risk Takers and other Identified Staff may be defined. Local requirements are followed in setting and structuring compensation so as to ensure compliance with relevant regulations (e.g. control-related behaviour assessment, pre-vesting testing etc.).

Influence of the behavioural assessment on compensation
The risk and control-related behaviour assessment of Group and Business Units/Group Functions provides additional input to determine the Group API pool and its allocation to each Business Unit/Group Function. The assessment results of each Key Risk Taker serve as additional input when considering individual performance and compensation outcomes. To ensure meaningful assessments, the continued independence of Control Functions needs to be safeguarded. Hence, each aggregate API pool for the Control Functions and individual compensation for the Head of each Control Function are approved at the Board level.

Supplementary pension or early retirement schemes for key individuals

The Company does not have a policy of offering supplementary or enhanced early retirement to key individuals.

Compensation framework for the Board

Compensation structure for non-executive directors
The non-executive members of the Board and Board Committees of the Company receive 100% of their fees in cash. The payments are made on a quarterly basis. The fees are determined in advance at the start of the financial year and are approved at the Swiss Re Group level (at least every other year or upon material changes). Any compensation paid to non-executive directors who are also members of the Swiss Re Ltd Board of Directors (or Group Executive Committee, if any) is subject to approval by the Annual General Meeting of Swiss Re Ltd and may only be paid after due authorisation. The fee level for each member is reviewed annually and reflects their differing levels of responsibility and time commitment.

Compensation structure for executive directors
The majority of the Board members at subsidiary level are Swiss Re executives who do not receive any additional fees for their services as members of the Boards at the subsidiary level.

Material transactions

During 2021, there were no material transactions with shareholders, with persons who exercise a significant influence on the Company, or with members of the administrative, management and supervisory bodies.

B2: Fit and proper requirements

Policy framework for fit and proper requirements

The Company's compliance with fit and proper requirements is assured through a combination of policies and related procedures at both Group and Company level. In particular, the Board, Management Committees and branch managers follow special procedures related to appointments (nominations or changes), performance reviews and training. A set of tools and templates facilitates the implementation of these policies, which collectively ensure that those who effectively run the undertaking possess the requisite skills, knowledge and expertise for their roles

Process for assessing fitness and propriety

Compliance of the Board and Board Committees with Fit & Proper requirements is reviewed at various stages, as shown in the table below:

Stage	Activities
Initial assessment	The Company has adopted a specific policy and standards describing the appointment process and the skill/ experience approvals required. The Company screens nominees upfront (e.g. CV, passport, criminal records, check) and uses the Swiss Re Group approval process and fitness and propriety assessment.
Induction	Newly appointed members receive an induction package covering a range of Group/Company topics such as Finance, Legal and Compliance and Risk Management.
Training	Training sessions are often integrated into the agenda of regular Board meetings, which are scheduled on a quarterly basis.
Collective assessment	A formal performance review of the Board is conducted annually during a private session. Board members individually prepare the review with a self-assessment questionnaire and checklist, which specifically refers to Fit & Proper requirements. Gaps and action items (e.g. training needs, suggested changes to board committees) are documented for follow-up.
Ongoing and ad-hoc assessment	All individuals subject to Fit & Proper requirements have to complete an annual fit and proper declaration, which focuses on the validation of the propriety to cover the assigned position. Re-assessments are performed if (a) additional responsibilities are assigned to the individual concerned, (b) if the individual concerned becomes aware that they no longer meet the Company's fit and proper criteria, or (c) if the performance or the behaviour of the individual concerned raises serious doubts about whether this person meets the fit and proper criteria. Furthermore, each Board member has to confirm on a quarterly basis that no changes to their individual Fit & Proper information have occurred or disclose such changes.

B3: Risk management system

Risk management system

The Company's risk management system leverages the global framework that governs risk management practices throughout the Swiss Re Group. Risk policies, standards and guidelines established at Group and Business Unit level form a large part of the Company's risk management system; significant documents are reviewed for appropriateness by the Management Committee and the Board of the Company and subsequently adopted. If necessary, additional risk governance for the Company is established as an addendum to the respective Group or Business Unit governance so as to address the specific circumstances of the Company.

A key objective of the Risk Management function is to support controlled risk-taking and the efficient, risk-adjusted allocation of capital.
Risk management is based on four guiding principles that apply consistently across all risk categories:

- Controlled risk-taking – Financial strength and sustainable value creation are central to Swiss Re's value proposition. The Company thus operates within a clearly defined risk policy and risk control framework.
- Clear accountability – Swiss Re's operations are based on the principle of delegated and clearly defined authority. Individuals are accountable for the risks they take on, and their incentives are aligned with Swiss Re's overall business objectives.
- Independent risk controlling – Dedicated units within Risk Management control all risk-taking activities. These are supported by the Compliance and Group Internal Audit functions.
- Transparency – Risk transparency, knowledge sharing and responsiveness to change are integral to the risk control process. The central goal of risk transparency is to create a culture of mutual trust, lessen the likelihood of surprises in the source and to reduce the potential magnitude of losses. Risk transparency is ensured through regular reporting of both quantitative and qualitative risk information to the Company's Management Committee, Finance and Risk Committee, Audit Committee and the Board.

For its risk identification process, the Company applies Swiss Re's Group and Business Unit frameworks under which risk takers are responsible for identifying, assessing, managing, controlling and reporting all relevant information about the risks they are exposed to or undertake. Regional Risk Advisory Councils increase transparency on key risk issues and act as forums to raise risk awareness. In addition, the Company participates in and benefits from the results of Swiss Re's emerging risk process. The emerging risk process provides a Group-wide platform for raising emerging risks and reporting early warning signals. This information is complemented with external expertise and reported to internal and external stakeholders.

The Company's risk appetite framework establishes the overall approach through which the Company practises controlled risk-taking. It complements the Group's risk appetite framework, as provided in the Group's Risk Policy framework, adopted by the Board. The Company's risk tolerance is driven by its Legal Entity Capitalisation Policy which defines the target capital as the minimum available capital that the Company needs to hold in relation to the risks that it assumes.

Implementation and integration of the Risk Management function

Under the Company's terms of reference and charters, the Board assumes the oversight role for risk and capital steering supported by the Chief Financial Officer and the Chief Risk Officer. The Board has delegated certain responsibilities and authorities to the Finance and Risk Committee, the Audit Committee and the Management Committee.

The governance bodies for the Company are described in paragraph "Organisational structure and system of governance" on page 10. The Company's risk management is supported by both Swiss Re's global risk management units which provide risk modelling services, regulatory relations management and central risk governance framework development. Support is also provided by the Business Unit Risk Management function which provides specialised risk category expertise, accumulation control and risk reporting services.

The branches described in paragraph "Material lines of business and geographical split" on page 6 follow to a large degree the processes and instruments used at the legal entity level in order to ensure consistency of approach.

However, in particular for the branches in Asia, there are local regulatory and solvency requirements. The Company's Chief Risk Officer is responsible for the risk management oversight of branches supported by local risk management resources.

Internal model
The Company uses its internal model for the purposes of calculating its SCR. The CAA approved the internal model and its associated governance framework for use in calculating the Company's SCR under Solvency II on 17 December 2015. The Company's internal model governance framework, which leverages the Swiss Re model governance framework, sets out the requirements for model development standards, the governance around changes to the internal model, validation of the internal model and data quality standards.
The Chief Risk Officer analyses the results from the internal model and reports material developments in capital to the Management Committee, the Finance and Risk Committee and the Board as well as to the regulatory authorities.

Process for accepting changes to the internal model
The Company has a defined approval process for all model changes that leverage the process and definitions used in the Swiss Re Group Risk Model Change Standards adopted by the Company. This includes a qualitative and quantitative assessment of the impact of the model changes on the Company. The Board is required to approve any major changes to the model prior to implementation. Subsequently major changes are submitted to the CAA for approval prior to use for external reporting purposes. Minor changes can be adopted by the Company's Chief Risk Officer acting on behalf of the Board.

Material changes to internal model governance
The Company's internal model governance framework has not been changed during the reporting period.

Internal Model validation tools and processes
The Group Risk Model Validation Standards adopted by the Company require independent validation of the internal models. This is carried out by an internal model validation team on behalf of the Company. The appropriateness of the model is subject to regular review with a broad range of validation tools, including profit and loss attribution, stress tests, scenario analyses, reverse stress tests, and sensitivity and stability analysis.

The Prudent Person Principle
The management of the Company's investments is governed, in accordance with the Prudent Person Principle under Solvency II, by the general principle of the creation of economic value. This is done on the basis of returns relative to the liability benchmark and its replicating portfolio, the asset management policy adopted by the Company and a set of strategic asset allocation limits that are established by the Board of the Company.

ORSA process
ORSA is an ongoing process, with critical risk control and reporting activities being carried out on a regular basis as outlined in paragraph "Risk management system" on page 15. ORSA is an iterative process within the annual business planning exercise. It is used to assess the risk inherent in the plan and the resilience of the Company's solvency and balance sheet over a three-year horizon. Anticipated significant changes in SRI's risk profile are included in assessing the future solvency position. Scenarios are used to provide insight into the strength of the balance sheet and to assess future potential solvency positions.

Where exceptionally adverse scenarios are identified, mitigation actions and control measures are contemplated but would require Board approval prior to actions being taken.

The Chief Risk Officer maintains operational responsibility for carrying out the ORSA process and delivering ORSA reports to the Board.

Review of ORSA
Ultimate responsibility for the ORSA rests with the Board, which reviews and approves the results of the ORSA process at least annually.

Solvency assessment
Based on the planned risk profile and using the approach described in the risk appetite framework, the internal model is used to determine capital requirements. The Company sets aside capital to cover its quantifiable risks in accordance with the Legal

Entity Capitalisation Policy. The Company's risk-based capitalisation position is monitored frequently by the Company's Chief Risk Officer and Chief Financial Officer against target capital, with a number of options if risk and capital develop out of predefined control ranges. The ORSA process uses scenarios to stress the plan and to assess the Company resilience of the solvency through the plan periods, including identifying relevant actions that may be considered to mitigate the potential downsides.

B4: Internal control system

Internal control system

Coordinated assurance framework

Swiss Re's Coordinated Assurance Framework is used by the Company to identify the principal operational risks to the organisation and the relevant key controls to manage them, as well as to demonstrate that a sufficient level of assurance is gained from the effectiveness of those controls.
Risk-taking activities are typically subject to three lines of control.

- The first line comprises the day-to-day risk control activities performed by risk takers in the business as well as in other functions of the Company.
- The second line consists of independent oversight performed by functions such as Risk Management and Compliance.
- The third line consists of the independent audit of processes and procedures carried out by Group Internal Audit (GIA) or by external auditors.

Assurance function interactions

While all functions retain their specific mandates and areas of expertise by working together and relying where possible on each other's work, a holistic approach is assured under the Coordinated Assurance Framework. Information, planning and execution of assurance work are coordinated and results are shared, reducing overlap between assurance units, increasing mutual reliance and providing an increased focus on pre-emptive assurance. An integrated approach is deployed within the following activities:

- risk scoping and assurance planning;
- coordination between assurance functions in business interactions;
- issue and action of management interactions;
- monitoring across assurance functions;
- reporting.

Implementation of the Compliance Function

To ensure that the company's compliance objectives are consistent with the expectations of regulatory authorities, shareholders, clients and other stakeholders, the Board of Directors mandates best compliance practices and an appropriately resourced Compliance function with defined responsibilities to perform its duties. The Compliance Charter sets forth the overall responsibilities and accountabilities of the Compliance function, as well the overall compliance related responsibilities and accountabilities of the Board, Management and employees. These responsibilities and accountabilities also apply to branches of the company.

The Compliance function is responsible for:

- Issuing Compliance Risk related policies and standards as well as the Code of Conduct, and ensuring that these are regularly reviewed and up to date;
- Providing guidance regarding Compliance Risk related policies, standards and the Code of Conduct;
- Overseeing as well as providing appropriate communication and risk-based training to the Company's directors, officers and employees covering the Code of Conduct and certain Compliance Risk related regulatory obligations;
- Providing primary assurance oversight covering compliance with the Code of Conduct and internal policies and standards in relation to Compliance Risks.

The specific areas of Compliance Risk within the scope of Compliance's core responsibilities include: Money Laundering and Terrorist Financing; Bribery and Corruption; Fraud; Conduct Risk; Conflict of Interest; Data Protection; Insider Trading; International Trade Controls; and Investment Compliance.

The Compliance function is authorised to review all areas and to have full, unrestricted access to all activities, records, property, and personnel, including, without limitation, access to employee e-mail records, subject in all cases to applicable law. In addition, the Compliance function is operationally independent with regular and timely interaction and direct access to the Board of Directors, management team, and governance committees of Swiss Re International S.E..

The Compliance Charter is reviewed once per annum as a minimum and will be updated more frequently in the event of material changes.

B5: Internal Audit function

Internal Audit function implementation
Group Internal Audit (GIA) assists the Board to protect the assets, reputation and sustainability of the Company. GIA performs audit activities designed to assess the adequacy and effectiveness of the Company's internal control systems, and to add value through improving the Company's operations.
GIA provides written audit reports, identifying issues and management actions to the Audit Committee, senior management and external auditor on a regular basis. GIA monitors and verifies that management's actions have been effectively implemented. Significant issues, and issues that have not been effectively corrected, are highlighted to the Audit Committee.

Independence of the Internal Audit function
GIA performs its internal audit activities with independence and objectivity. Activities are coordinated with the other assurance functions. GIA has no direct operational responsibility or authority over any of the activities it reviews. Authority is granted for full, free and unrestricted access to any and all of the Company's property and personnel relevant to any function under review. All employees are required to assist GIA in fulfilling its duty.

GIA staff govern themselves by adhering to The Institute of Internal Auditors' Code of Ethics. The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing constitutes the operating guidance for the department. In addition, GIA adheres to the Group's guidelines and procedures, and GIA's organisation and processes, manuals and guidelines.

B6: Actuarial function

Implementation of Actuarial function
The tasks of the Actuarial function under the Solvency II framework are allocated across various functions:
- Corporate Solutions (CorSo) Risk Management provides a formal opinion on the appropriateness of the underwriting policy, assesses the adequacy of the reinsurance structure and contributes to the development, validation and annual parameter vetting of the internal risk model as far as P&C risk is concerned.
- Actuarial Reserving CorSo (reserving actuaries) is responsible for the calculation and validation of the technical provisions for P&C business.
- P&C Actuarial Control, a Group function, is responsible for the independent check of the P&C technical provisions and contributes to the development of the internal risk model
- Risk Aggregation, part of Swiss Re Group Risks and Analytics, calculates the risk margin using the internal risk model.

Within all functions mentioned above the highest professional standards are applied and all processes are performed by qualified people. All relevant tasks are subject to internal control processes, which are peer-reviewed and presented to senior management and Board Committees for approval.

The overall ownership of the SRI Actuarial Function Report lies with the appointed actuary with input on underwriting policy and reinsurance structure provided by the Chief Risk Officer of the Company.

B7: Outsourcing

Outsourcing policy
The Company has adopted Swiss Re's comprehensive global outsourcing framework and cloud governance framework. It has further specified the roles and responsibilities within the Company in a separate addendum.

The framework covers two types of outsourcing arrangements:
- external outsourcing, where the mandate is given to an external service provider;
- intra-group outsourcing between Swiss Re entities.

The addendum clarifies the processes, roles and responsibilities for intra-group and external outsourcing at Legal Entity level where the Company is acting as service recipient. It also outlines the approval process for the outsourcing of Key Functions and Other Critical or Important Functions.

The Board approves the appointment of outsourcing managers for outsourcing arrangements related to Key Functions and Other Critical or Important Functions at the recommendation of the Management Committee.

Outsourcing related to Risk Management, the Actuarial function, Compliance and Internal Audit is provided to the Company by other entities in the Swiss Re Group under intra-group outsourcing arrangements.

B8: Any other information

Assessment of adequacy of the system of governance

The Board carries out an annual evaluation of its system of governance in line with the relevant best practice standards. During the reviews performed in 2021, the Board concluded that the system of governance is adequate for the nature, scale and complexity of the risks inherent to its business.

Other material information

There is no other material information to report for 2021.

Section C: Risk profile

Overview of risk exposure

The Company is exposed to a broad landscape of risks. These include core risks that are taken as part of insurance or asset management activities and are quantified in the Company's internal model (please refer to paragraph "Risk management system" on page 15). As required under Solvency II, the model also quantifies operational risk. In addition to these modelled risks, the Company is exposed to further risks that arise from undertaking business. These include liquidity, strategic, regulatory, political, sustainability and reputational risk. The following sections (C1 to C7) provide quantitative and qualitative information about the specific risk categories.

Modelled risks	Other risks
Underwriting: Property and casualty, life and health and credit	Strategic risk Regulatory risk
Financial market risk	Political risk
Credit risk excluding underwriting	Reputational risk Sustainability risk
Operational risk	Liquidity risk
Emerging risks	

Climate change related risks
The Company is exposed to physical and transition risks related to climate change affecting its assets and liabilities. These risks are not considered as a risk category on their own because they affect all risk categories. The longer term impacts of climate change are primarily assessed under emerging risks.

Measures used to assess risks and material changes
The Company uses a CAA approved integrated internal model to assess all modelled risk categories. Separate risk modules are used to model the individual risk factors. Other risks not covered by the SCR, as listed in the table above are regularly considered and assessed on a qualitative basis with various monitoring and reviews in place.

In line with the definition of the Solvency II SCR, the Company measures its capital requirement at 99.5% value at risk (VaR), which measures the loss likely to be exceeded in only once in two hundred years.

Quantification of modelled risks by risk category
The table below sets out the quantification as at 31 December 2021 for the Company's modelled risk categories over the next twelve months. This represents the loss for each risk category* that is likely to be exceeded only once in 200 years. Due to diversification, the total risk of the Company is lower than the sum of the individual categories.

Risk categories are based gross of outgoing Intra Group Transactions (IGT). Other impacts consist of outgoing IGT, expected change in own funds, intra-group default related effects, and discounting of the 99.5% VaR.

EUR millions	2020	2021
Property and casualty risk	1029	1031
Life and health risk	0	0
Financial market risk	47	49
Credit risk	400	434
Operational risk	29	23
Diversification	–393	-362
Other impacts**	–1008	-1055
Pre-tax Solvency Capital Requirement	**104**	**120**
Deferred tax impact	–12	-17
Solvency Capital Requirement	**92**	**103**

* Risk categories are gross of outgoing intra group transactions (IGTs) and net of external risk transfer (ERT)
*** Other impacts: mainly driven by outgoing IGTs*

Risk concentration
The main risk concentration for the Company comes from its use of intra-group reinsurance arrangements with other entities of the Group, namely Swiss Reinsurance Company Ltd (SRZ). Under the Swiss Solvency Test (SST), which is broadly similar to Solvency II, and also based on Swiss Re's internal risk model, SRZ is appropriately capitalised.

The risks arising from underwriting risk are dominated by generic liability, costing and reserving, natural catastrophe, credit and suretyship and non-life claims inflation risks. Underwriting risks are well mitigated by intra-group risk transfer.

The Company is also exposed to operational risk, which is not covered by the intra-group reinsurance arrangements but mitigated through application of the coordinated assurance framework.

The following subsections provide further details.

C1: Underwriting risk

Risk exposure

Underwriting risk comprises exposures taken on by the Company when it writes property, casualty as well as credit and suretyship business.

Property and casualty risk

Property and casualty risk arises from coverage that the Company provides for property and liability lines of business as well as for specialty lines of business such as engineering, aviation and marine. The Company is also exposed to the risks inherent to the business it underwrites, such as inflation or uncertainty in costing and reserving. The Company has well-diversified insurance risk exposures with generic liability risk and costing and reserving risk forming the largest exposures.

Life and health risk

The Company has no life and health exposure.

Credit underwriting

Credit underwriting risk arises from liabilities taken on by the Company in the course of its credit and suretyship underwriting. However, due to the nature of this risk, credit underwriting risk is quantified within the credit and financial markets risk categories respectively.

Material risk developments over the reporting period

Underwriting risk continues to improve driven by a continued focus on underwriting discipline to achieve sustainable profitable growth.

Risk mitigation

Underwriting risk is mostly mitigated by intra-group reinsurance. A regular assessment of the appropriateness of the intra-group reinsurance programme is performed. An annual review is performed based on plan numbers, internal risk model results and further coordination with other stakeholders such as local branch management, underwriting, capital management and finance.

Sensitivity analysis and stress testing

During the annual ORSA process, as described in paragraph "Internal control system" on page 17, various scenarios are used to test the resilience of the Company's balance sheet beyond a baseline scenario.

The scenarios that are used take a multi-year time frame into account. Consideration of these scenarios helps management to better understand the impact of potential deviations from the expected/baseline scenarios and to be better prepared to dynamically respond to such scenarios should they occur.
The scenarios consider a range of macro-economic situations (from extreme to more probable). They may also consider insurance risk scenarios under which the Company could be expected to operate as well as situations that lead to different underwriting results.

The baseline scenario for the 2021 ORSA contemplates a fragile and uneven global economic outlook with slowing economic growth and high inflation.

The Company used the following scenarios for the 2022–2024 planning horizon:

Scenario	Description of the scenario
Renewed Recession Scenario	A vaccine-resistant mutation of the virus emerges which causes renewed outbreaks in 2022 resulting in renewed stringent containment measures including on and off broad-based lockdowns in 2022. Situation is further exacerbated by vaccine set-backs such as vaccine immunity expiring faster than vaccines are administered. As public policy buffers are largely exhausted, an increase in corporate defaults, rating downgrades and persistent high unemployment ensues from a slow recovery. In addition, after a cyber-attack to high-profile corporates, SRI suffers a 1-in-200 years loss due to non-affirmative coverage in Property policies (operational loss) and it suffers a 1-in-200 year aggregate Nat Cat loss across regions, both losses in 2022.
Stagflation Scenario	Vaccine roll-out set-backs, such as falling acceptance rates, lead to on and off regional lockdowns in late-2021 with intensification into 2022. Central banks fail at preventing credit defaults with subsequent elevated unemployment. Inflation increases above-target on the back of persistent supply chain disruptions which is tolerated by monetary authorities to alleviate reduction of real debt burdens.

Assumptions taken for both scenarios include impacts on bond yields and risk assets. The Company's solvency position has been assessed over the planning horizon under both scenarios with management actions identified if required.

Special purpose vehicles
The Company does not use special purpose vehicles.

C2: Financial market risk

Risk exposure
The value of the Company's assets or liabilities may be affected by movements in financial market prices or rates such as equity prices, interest rates, credit spreads or foreign exchange rates. The Company is exposed to such financial market risk through its investment activities as well as through the sensitivity of the economic value of liabilities to financial market fluctuations. Interest rate risk, foreign exchange risk, equity risk and credit spread risk are the main forms of financial market risk for the Company.

Material risk developments over the reporting period
Over the reporting period, purchase of corporates, other fixed income securities and US equities were made in alignment with the agreed investment ranges for credit products, equities and alternatives. These purchases led to an increase in credit spreads risk, interest rate risk and equity risk but it was partially offset by a reduction in foreign exchange risk following steps taken to obtain better currency matching of SRI's assets and liabilities.

List of assets
The Company invests in government and corporate bonds, cash and cash equivalents and equities. Please refer to Quantitative Reporting Template (QRT) S.06.02 for a detailed list of assets. A summarised list of assets is provided in QRT Balance Sheet S.02.01. These investments have been made in accordance with the Prudent Person Principle outlined in paragraph "The Prudent Person Principle" on page 16.

Risk mitigation
The Company uses a prudent and effective asset and liability matching process to mitigate market risks. Regular reporting is used to monitor the effectiveness of the asset and liability matching process in place.

Limits on asset classes are approved on an annual basis to take into account business planning. Strategic asset allocation usage is monitored regularly against approved limits.

Sensitivity analysis and stress testing
In addition to the specific financial risk scenarios considered in paragraph "Sensitivity analysis and stress testing" on page 21, the Company's financial market exposures are subject also to the group-wide stress testing framework. This is monitored on a daily basis against defined triggers. Trigger activations may not necessarily require a reduction in risk exposure, or any changes to investment strategy, but are intended to prompt a review of the key risk drivers and decisions on whether further analysis and discussion on portfolio positionings are warranted.

C3: Credit risk

Risk exposure

Credit risk primarily reflects the risk of incurring a financial loss from the default of counterparties or third parties. In addition, it takes into account the increase in risk represented by any deterioration in credit ratings. This risk arises directly from investment activities, as well as from counterparty risk, related to both external credit risk and intra-group counterparties, which is reflected in default-related effects. In line with Solvency II, credit risk from underwriting activities is classified as underwriting risk (please refer to paragraph "Risk exposure" on page 20).

Material risk developments over the reporting period

Over the reporting period, there was an increase to non-underwriting credit risk exposures driven by the purchase of corporate bonds. This was partially offset by the sale of securitised agency bonds.

Risk mitigation

Risk Management regularly monitors corporate counterparty credit quality and exposures and compiles watch lists of cases that merit close attention.

Sensitivity analysis and stress testing

No specific credit risk scenarios were considered over and above those described in paragraph "Sensitivity analysis and stress testing" on page 21.

C4: Liquidity risk

Risk exposure

The Company's exposure to liquidity risk stems mainly from the need to meet potential funding requirements arising from a range of possible stress events. However, given the high liquidity of the Company's invested assets, the risk to its solvency due to inability to fund claims payments is remote.

Material risk developments over the reporting period

Free assets remained stable over the reporting period.

Risk mitigation

The Company controls liquidity risk to ensure that it can satisfy claims payments, debt maturities, expenses and collateral requirements. To manage liquidity risk, the Company has a framework in place that includes the regular reporting of key liquidity ratios to the Board.

Sensitivity analysis and stress testing

The Company applies a liquidity stress test to assess the liquidity sources and requirements in a stressed situation. This assumes an extreme loss event in the size of a 99% shortfall along with a three-notch rating downgrade.

The stress test considers three time horizons namely, 90 days, 180 days and one year. Over the 90 day time horizon, only highly liquid assets (cash, government, supranational and agency bonds) are considered to be sources of liquidity whereas, over the 180 day and one-year time horizon, all assets are considered sources of liquidity.

The most recent analysis over the one-year horizon shows that the Company has sufficient liquidity requirements to withstand a large loss event.

Amount of expected profit in future premiums

The total amount of expected profit in future premiums (EPIFP) for the Company as at 31 December 2021 is EUR 56 million (2020: EUR 12 million). The increase in expected profitability is a result of the continuous rate increases driven by hard market as well as the portfolio pruning and restructuring actions which are now visible.

C5: Operational risk

Risk exposure

Operational risk represents the risk of a change in value caused by the fact that actual losses, incurred due to inadequate or failed internal processes, people and system risks or from external events (including legal risk), differ from the expected losses. The Company's internal model includes a component to quantify operational risk for Solvency II purposes. In addition, operational risks are assessed and monitored qualitatively based on the Company's coordinated assurance framework.

Material risk developments over the reporting period

Operational risk exposure has reduced over the reporting period following the review of the scenarios used to calculate operational risk capital. SRI's processes and the control framework have proved to be robust throughout the Covid-19 crisis. No major business interruptions or operational risk events specifically related to Covid-19 have been reported. The majority of staff were able to work from home, while offices remained accessible depending on local regulatory requirements with proper sanitation measures in place.

The number and severity of operational events within the existing period are within acceptable levels and no increase in the reporting of operational events, e.g. due to COVID-19, has been observed. No emerging themes are noticeable with the majority of events relating to processing, human and internal communication errors without any major financial or reputational impact on the Company.

Risk mitigation

The Company's Coordinated Assurance Framework outlined in paragraph "Internal control system" on page 17 is used to manage and mitigate operational risk.

Sensitivity analysis and stress testing

The Company relies on regular exercises undertaken by Group Operational Risk Management to re-evaluate its exposure to operational risk. The evaluation includes consideration of the potential of one-in-two-hundred-year operational events and the expected financial impact that would occur if these risks were to materialise under various scenarios.

The outcome of these evaluations enables the recalibration of the Group Risk Model's operational risk module in order to calculate the Group operational risk capital. A portion of this capital is then assigned to the Company on a pro rata basis. The operational risk model is designed to represent the economic loss potential, due to events classified as operational risk over a one-year horizon, for use in the internal risk model. The focus of interest for this purpose lies entirely on large, unexpected events that potentially jeopardise the capital adequacy of the Company.

C6: Other material risks

All the important risks have already been disclosed in the sections above.

C7: Any other information

Other material information

All material information has been disclosed above.

Section D: Valuation for solvency purposes

D1: Assets

Methods applied for valuation of material assets

Material assets on a Solvency II valuation basis as at 31 December 2021 were as follows (based on QRT Balance Sheet S.02.01 and per Company statutory):

EUR millions	Solvency II	Company statutory	Change
Investments	1 511	1 551	-40
Reinsurance recoverables	2 927	5 666	-2 739
Reinsurance receivables & insurance and intermediaries receivables	352	276	76
Total of all other assets not listed above	257	368	-111
Total assets	**5 047**	**7 861**	**-2 814**

The following valuation bases were used to value material assets for Solvency II purposes:

Material assets	Quoted market price valuation	Adjusted equity valuation	Alternative valuation
Investments			
■ All other investments, excluding the investments listed below	X		
■ Participations (subsidiaries and associates)		X	
Reinsurance recoverables			X
Reinsurance receivables & insurance and intermediaries receivables			X

Investments

Solvency II:

Quoted market price valuation:

- Investments in government bonds, corporate bonds and ETFs are valued at fair value, determined as far as possible by reference to observable market prices.

Adjusted equity valuation:

- Participations: The valuation of participations (subsidiaries and associates) is estimated based on readily available accounting information.

Company statutory:

Shares in affiliated undertakings, are valued at acquisition cost less permanent impairment in value. Acquisition costs include expenses related to the purchase. If the Directors expect an impairment in value to be of a permanent nature, the shares in affiliated undertakings are valued at market value. In the absence of a readily available market value, subject to Management estimates, alternative valuations are considered. Shares and other variable yield transferable securities and units in unit trusts are valued at the lower of acquisition cost or market value. Debt securities and other fixed income transferable securities are valued at amortised cost. Deposits with credit institutions are valued at nominal value.

The difference between Solvency II and Company statutory represents the cash deposits with ceding companies recognised as investment only in the Company statutory, while under Solvency II these assets are presented under the line item "Total of all other assets not listed above".

Reinsurance recoverables

Solvency II:

The share of technical provisions for reinsured business is determined with reference to the contractual agreement and the underlying gross Solvency II best estimate liability per treaty.

Company statutory:

The share of technical provisions for reinsured business is determined with reference to the contractual agreement and the underlying gross business data per treaty.

The difference between Solvency II and Company statutory is discussed in section "D2: Technical provisions".

Reinsurance receivables & insurance and intermediaries receivables

Solvency II:

Reinsurance receivables & insurance and intermediaries receivables are valued using a discounted cash flow method.

Company statutory:
Reinsurance receivables & insurance and intermediaries are valued at their settlement value.

The difference observed between Solvency II and Company statutory is mostly attributable to a different assets/liabilities split between reinsurance and insurance payables and receivables.

Other assets not listed above
The difference between Solvency II and the Company statutory amounts of other assets not listed above is mainly driven by deferred acquisition costs only recognised in the Company statutory.

Assumptions and judgements applied for the valuation of material assets
Investments are valued at market value, which is determined to the extent possible by reference to observable market prices. Where observable market prices are not available, the Company follows the fair value measurement methodology. There are no major sources of estimation uncertainty when using judgements to determine valuations. Since Solvency II follows fair value (through profit and loss methodology), the securities are not carried at more than recoverable amounts.

Changes made to the recognition and valuation basis of material assets during the year
No changes were made to the recognition and valuation basis or to estimation assumptions during 2021.

Drivers of differences between Solvency II and Company statutory accounts
The differences between the Solvency II balance sheet and the Company statutory balance sheet are explained by the different valuation methodologies used, as described in paragraph "Methods applied for valuation of material assets" on page 25.

Property (held for own use)
The Company did not hold any property for own use as at 31 December 2021.

Inventories
The Company did not hold any inventories as at 31 December 2021.

Intangible assets
The Company did not hold any intangible assets on the Solvency II balance sheet as at 31 December 2021.

Financial assets
Methods and assumptions applied in determining the economic value
Quoted prices in active markets for identical or similar assets are used to determine the economic value for the majority of securities. Where a quoted price is not available, alternative methods are used. Most financial asset prices are sourced from Blackrock Solutions. The list of vendors used by Blackrock Solutions to confirm pricing is held by the Company. In addition, all prices are reviewed by Swiss Re's independent pricing verification team to ensure agreement. When Blackrock Solutions prices are not available, a market price from an alternative source is selected. These are pre-agreed vendors, brokers, dealers or calculated prices depending on the type of financial assets.

As at 31 December 2021, the value of investments valued using quoted market prices in active markets for identical assets was EUR 426 million. The value of investments valued at quoted market prices in active markets for similar assets was EUR 1,032 million and the value of investments valued using alternative valuation method was EUR 53 million

Use of non-observable market data
The Company follows the valuation methodology as per Article 10 of the Commission Delegated Regulation (EU) 2015/35 which states that "the use of quoted market prices in active markets for the same assets or liabilities, or, where that is not possible, for similar assets and liabilities, shall be the default valuation approach". This approach ensures that the values are neither significantly higher nor lower.

Significant changes to the valuation models used
There were no significant changes to the valuation method during the year.

Lease assets
The Company does not have any material financial and operating leasing arrangements.

Deferred tax assets
Recognition of deferred tax assets
Deferred income tax assets of EUR 109 million were recognised for all deductible temporary differences and for the carry forward on unused tax losses and unused tax credits, to the extent that the realisation of the related tax benefit through expected future taxable profits is probable.

Deferred income tax liabilities of EUR 151 million were recognised for all taxable temporary differences, which will result in higher future taxable income positions.

Deferred tax asset recognition on tax losses is also determined by reference to the tax laws enabling such recognition on the same enacted or substantively enacted basis.

Amount for which no deferred tax asset is recognised

The amount of deferred tax asset on deductible temporary differences, unused tax losses and unused tax credits not recognised on the Solvency II balance sheet was EUR 10 million, because these amounts were not supportable by future taxable profit projections.

The expiry date, if any, for tax losses and tax credits, is dependent on the local tax law and hence varies depending on the relevant branch jurisdiction.

Temporary differences and unused tax losses are assumed to relate to the individual branch and are consistent with tax rules. There is no offsetting of deferred tax assets at one branch against deferred tax liabilities in a different branch.

Projected future taxable profits

It is assumed that deferred tax assets and deferred tax liabilities are recoverable after more than 12 months.
The utilisation of deferred tax assets depends on projected future taxable profits, including those profits arising from the reversal of existing taxable temporary differences.

The valuation of the deferred tax assets can be supported by projections of the future taxable profits. The projections are based on prior-year experiences considering expectations about future business. In addition, tax groups (fiscal unities) in the jurisdictions were taken into account where there was reliable evidence of additional taxable profits within those fiscal unities or tax groups. The Company is presumed not to enter into run-off after a shock loss, and credit is only given for deferred tax assets utilised within a three-year time frame, but net deferred tax assets are currently recognised. Adjustments are made for local restrictions on tax loss.

Actual tax losses suffered by the Company and its branches

Actual tax losses suffered by the Company branches in either the current or preceding periods, in the tax jurisdiction in which the deferred tax assets are considered as a deferred tax asset, are taken into account to the extent that future tax benefits utilising these tax losses are probable. Local tax losses carry forward restrictions are considered. In certain jurisdictions, it may be possible to either utilise tax losses against prior-year profits or against profits arising in sister subsidiaries or branches in those same jurisdictions. For balance sheet figures, the actual utilisation of tax losses in this manner is taken into account. For the purposes of computing the loss-absorbing capacity of deferred taxes, such tax utilisation is assumed not to happen. The tax losses per branch as at 31 December 2021 are as follows:

EUR millions	Tax losses 2020	Tax losses 2021
Japan	1	0
Singapore	43	32
Australia	23	0
Switzerland	14	12
Luxembourg	1	0
France	7	5
Germany	39	20

Tax rate changes and their effect on deferred tax

The United Kingdom corporate income tax rate will increase from 19% to 25% from 1 April 2023. In France, the corporate income tax rate reduced from 32.02% to 27.5% from 1 January 2021 with further reduction to 25.82% from 1 January 2022. Closing deferred tax balances have been remeasured at the new corporate income tax rates.

Valuation of related undertakings

The Company applies the adjusted equity method to value its subsidiaries.

D2: Technical provisions

Life business
The Company has no life business.

Non-life business

Material technical provisions by Solvency II classes of business
The following table shows the value of non-life technical provisions, based on QRT S.17.01, by material classes* of business as at 31 December 2021:

EUR millions	Gross best estimate	Net best estimate	Risk margin	Total net technical provision
Marine, aviation and transport (direct and proportional)	339	51	1	52
Fire and other damage to property (direct and proportional)	907	191	8	199
General liability (direct and proportional)	1 627	290	16	306
Credit and suretyship (direct and proportional)	42	35	6	41
Other	541	- 37	10	- 28
Total	**3 456**	**530**	**41**	**570**

*by the amount of the net technical provisions

Overview of methodology and assumptions

Best estimate
The estimation of the best estimate technical provisions is based on two steps:
- For all contract years, the nominal values of future payments related to premiums, claims and commissions (including other contractual costs) are estimated.
- For all those nominal values, the timing of such future payments is estimated.

The combination of nominal values and timing leads to the expected future cash flow streams. Applicable discount rates are applied to these future cash flow streams for Solvency II reporting. The estimates are elaborated by a dedicated team of reserving actuaries as follows:
- For most contracts, they use classical actuarial methods for analysing triangular information concerning the development of past premiums, claims and commissions. For such analysis, the contracts are grouped into segments (large or structured contracts may be analysed on a standalone basis).
- For new contracts, the estimates cannot be derived with the above-mentioned actuarial techniques. The values for new contracts are generally based on values estimated during the process of determining the price of each contract. Over time, as new experience emerges, these initial estimates are revisited using the classical actuarial techniques.

Main assumptions
Estimating technical provisions is not a purely calculative process. Sometimes assumptions must be made with respect to some parameters in the calculations. If the historical development observed in data captured in a triangle does not cover the full possible development, the length and amount of future development beyond the last observed point (the tail) must be quantified based on assumptions. Another area where important assumptions are needed in reserving is the judgement on whether the future will proceed as in the recent past or whether a different future development should be expected compared to the (recent) past observed in historical data

Risk margin
The risk margin is calculated under a transfer value approach, assuming that the insurance or reinsurance obligations are transferred to a so-called reference undertaking, which is assumed to be empty prior to the transfer and then funded with assets to cover the technical provisions. Since the calculation is based on the cost of holding required capital, assumptions surrounding the risk margin rely on the calculation of the SCR and are explained and justified in the internal model documentation and in the standard formula documentation.
Solvency II additionally requires allocation of the risk margin to the lines of business or segments as defined by Solvency II regulations. This allocation is required to adequately reflect the contribution of the lines of business to the SCR of the reference undertaking over the lifetime of the insurance or reinsurance obligations. In the internal model, for example, the allocation is performed on model currencies proportionately to the contribution to the Company shortfall. The further breakdown of the risk margin to Solvency II lines of business is performed proportionately to the contribution of the run-off claims observed in each line of business, branch and currency.

Uncertainty associated with the technical provisions
Estimating technical provisions involves predicting future loss payments based on historical and current information and knowledge, as well as judgement about future conditions. However, changes to historical patterns and trends, changes due to, among other factors, an evolving legal or social environment, claimants' attitudes regarding insurance claims, changes in the

national or regional economic performance or changes in the Company's operations and its book of business make the incidence of claims more or less likely and claim settlement values lower or higher.

The technical provisions contain no provision for the extraordinary future emergence of new classes or types of losses not sufficiently represented in the Company's historical database or that are not yet quantifiable. Contrary to the balance sheet used for Luxembourg statutory, the technical provisions used for Solvency II purposes contain best estimates of future losses not yet incurred at the date of valuation. Such losses can result, for example, from large natural catastrophes. Actual future losses and loss adjustment expenses will not develop exactly as projected and may, in fact, vary significantly from the projections.

Covid-related information

The global spread of the ''COVID-19'' and the impact on the Company is described in the paragraph ''Significant business or other events'' on page 7.

Material differences between Solvency II and statutory technical provisions

Material differences by line of business between Solvency II and statutory net non-life technical provisions as at 31December 2021 were as follows:

EUR millions	Solvency II	Company statutory	Change
Marine, aviation and transport (direct and proportional)	52	76	- 24
Fire and other damage to property (direct and proportional)	199	330	- 131
General liability (direct and proportional)	306	373	- 67
Credit and suretyship (direct and proportional)	41	143	- 102
Other	- 28	- 27	- 1
Total	**570**	**895**	**- 325**

The actuarial methods and assumptions used for the valuation of technical provisions for Solvency II purposes are identical to those used for the preparation of the Company's statutory accounts. Nevertheless, there are significant differences between the two accounting standards applicable to all lines of business:

- For the Company statutory figures, future cash flows are not discounted (time value of money is not recognised), there is no concept of risk margin and the counterparty risk is not included in the valuation.
- For Company statutory, the contracts in scope are the same but in general only a portion of the premium written during the reporting period is recognised as earned while the unearned portion and acquisition cost are deferred (whereas, for Solvency II purposes, only future cash flows are considered in the valuation), and there is no provision for future losses, ie claims resulting from losses not yet incurred but covered within the boundaries of the subject business.

Please refer to page 28 "Overview of methodology and assumptions" under the Best estimate section for the relevant explanation on the material difference between Solvency II and statutory valuation in the credit and suretyship line of business.

Recoverables due from reinsurance contracts

As part of the best estimate calculation, reinsurance recoverables are also taken into account for the calculation of technical provisions. The reinsurance ceded is predominantly proportional reinsurance. Therefore, the determination of the reinsurance recoverable is a purely calculative process and does not require estimations, actuarial methods, assumptions or any other elements of judgement. In the valuation of ceded reinsurance, the counterparty risk is considered.

Material changes in assumptions made

During 2021, no material changes were made in the relevant assumption of the calculation of technical provisions.

Matching premiums

Currently not applicable to the Company (awaiting final decision on long-term guarantees).

Volatility adjustment

Not applicable to the Company.

Transitional provisions

Not applicable to the Company.

Transitional deduction

Not applicable to the Company.

D3: Other liabilities

Other material liabilities

Other material liabilities as at 31 December 2021 were as follows (based on QRT Balance Sheet S.02.01 and per Company statutory):

EUR millions	Solvency II	Company statutory	Change
Payables (trade, not insurance)	102	82	20
Loan from affiliated undertakings	349	348	1
Deferred tax liabilities	151	0	151
Reinsurance payables & insurance and intermediaries payables	537	1 387	-850
Total of all other liabilities not listed above	411	297	114
Total other liabilities	**1 175**	**2 114**	**-564**

The following valuation bases were used to value material liabilities for Solvency II purposes:

Discounted cash flow	Other
Reinsurance payables & insurance and intermediaries payables	Payables (trade, not insurance)
	Deferred tax liabilities

Payables (trade not insurance)

Solvency II:
Payables are valued at their settlement value.

Company statutory:
Payables are valued at their settlement value.

Loan from affiliated undertakings

Solvency II:
The loan from affiliated undertakings is valued at market value.

Company statutory:
The loan from affiliated undertakings is valued at nominal value.

Deferred tax

Solvency II:
Deferred tax assets and liabilities are considered based on temporary differences between the Solvency II balance sheet and the local statutory balance sheet. The analysis is performed on the basis of the local branches of the Company and the corresponding jurisdictional tax regulations were taken into account. Deferred tax assets and liabilities are calculated on all balance sheet differences that are recognised as being temporary and will have a tax reversal impact in the foreseeable future.

Company statutory:
Deferred income tax assets and liabilities are calculated based on the difference between financial statement carrying amounts and the corresponding income tax bases of assets and liabilities using enacted income tax rates and laws, which are not recognised in the Company's annual accounts under Luxembourg Generally Accepted Accounting Principles.

Reinsurance payables & insurance and intermediaries payables
Solvency II:
Reinsurance payables & insurance and intermediaries payables are valued using a discounted cash flow method.

Company statutory:
Reinsurance payables & insurance and intermediaries payables are valued at their settlement value.
The difference observed between Solvency II and Company statutory is mainly driven by debtors arising from reinsurance and insurance. Part of these items contains future cash flows recognised under Solvency II as part of technical provisions.

Other classes of liabilities
The Company only applies liability classes as prescribed in the Solvency II balance sheet template.

Financial liabilities
Impact of changes in own credit risk rating
Other financial liabilities consist mainly of contingent liabilities, provision for taxation and unrecognised tax benefits. Contingent liabilities are included in the Solvency II balance sheet but are not reported in the Company balance sheet. The change in the Company's own credit risk has no impact on the above financial liabilities.

Credit spread
The Company uses the Solvency II yield curves published by EIOPA that account for credit spread.

Lease liabilities
The Company had no material financial or lease liabilities as at 31 December 2021.

Deferred tax liabilities
Deferred income tax liabilities of EUR 151 million have been recognised for all taxable temporary differences, which will result in higher future taxable income positions.

Deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates and tax laws that have been enacted by the end of the reporting period.

It is assumed that deferred tax liabilities are recoverable after more than 12 months.

Tax rate changes during the year
Please refer to paragraph "Tax rate changes and their effect on deferred tax" on page 27.

Closing procedures
During the close process changes in the applicable tax rates, in expectations on future taxable profits, in tax loss carry forward time limitations and in local tax regulations in the applicable tax regimes are reviewed, documented and considered for the calculation of deferred taxes under Solvency II.

Other provisions
Nature and timing of the obligations
As at 31 December 2021, other provisions mainly represent provision for currency risk. All other provisions are classified as payable in less than five years.

Uncertainties surrounding amount or timing of the outflows of economic benefits
The other obligations comprised provisions of which the amount and timing of the outflows of economic benefits have been taken into account in determining the provision. No other material uncertainties exist.

Cases where market values have not been adjusted
The market values of liabilities have been adjusted and therefore no additional disclosure is required.

Major assumptions concerning future events
No major assumptions were made regarding interest rates, risk adjustment or any other major assumptions concerning future events.

Employee benefits
Nature of the obligations

The Company has employee benefit programmes for which it has the obligation to set aside reserves to meet future obligations. As at 31 December 2021, the following programmes were in place:

Employee benefit programmes	Short-term obligations	Long-term obligations	Other post-employment
Annual Performance Incentive	X		
Global Share Participation Plan		X	
Vacation accrual	X		
Italy – healthcare and life insurance for retired employees			X
Leadership Share Plan		X	
Value Alignment Incentive		X	
Italy – Trattamento di Fine Rapporto*		X	

*Italy – Trattamento di Fine Rapporto -this is a leaving service benefit paid to employees who leave the Company for any reason at any time.

Other benefit programmes

Please refer to paragraph "Remuneration policy and practices" on page 12 for details of other programmes.

Plan assets
Not applicable to the Company.

Deferred recognition of actuarial gains and losses
Actuarial gains and losses are not deferred under Solvency II or for the Company statutory accounts prepared under Luxembourg Generally Accepted Accounting Principles.

Methodologies and inputs used to determine the economic value
Employment benefits are determined according to business principles and are based on estimated needs.

Changes during the reporting period
No changes were made to the recognition and valuation bases used or on estimations during 2021.

Assumptions and judgements
No assumptions and judgements contribute materially to the valuation of the other liabilities.

D4: Alternative methods of valuation

Alternative methods of valuation
The Company does not value any investment assets using alternative valuation methods.

D5: Any other information

Other material information
All material information regarding the valuation of assets and liabilities for Solvency II purposes has been described in the sections above.

Section E: Capital management

E1: Own funds

Solvency ratio

The solvency ratio expressed as eligible own funds as a percentage of the Solvency Capital Requirement as at 31 December 2021 was equal to 370% (2020: 293%). The increase in the solvency ratio was mainly driven by the increase in the Own Funds caused primarily by the positive underwriting performance on new and renewal business, lower claims, and releases of reserves.

Please refer to paragraph "Own funds by tier" on this page for details of own funds movements.

As at 31 December 2021, the Company had sufficient admissible assets to cover its technical liabilities in line with the regulatory requirements.

Own funds – objectives, policies and processes

The Company's capitalisation policy ensures that it is appropriately capitalised for the risk that it incurs. The capital structure and the level of capitalisation are determined by regulatory capital requirements, management's assessment of the risks and opportunities arising from business operations and by financial management considerations. Throughout 2021, the Company's capital level was maintained in accordance with the capitalisation policy.

The Company monitors compliance with the capitalisation policy on a regular basis, taking into account relevant developments in the risk landscape and in its business portfolio. Surplus capital, which is not required to support expected new business, is made available to the Business Unit.

Own funds – time horizon used for capital planning

The composition of the Company's own funds is expected to change in line with the growth forecast over the one-year and three-year business planning time horizon.

Own funds by tier

The value of own funds classified as tier 1 based on QRT S.23.01 as at 31 December 2021 was as follows:

EUR millions	2020	2021
Ordinary share capital (gross of own shares)	182	182
Reconciliation reserve	84	196
Total basic own funds after adjustments	**266**	**378**

Own funds increased from EUR 266 million in 2020 to EUR 378 million in 2021. The increase is driven mainly by the positive underwriting performance on new and renewal business and positive foreign exchange impacts, partially offset by an increase in deferred tax liability.

The value of own funds, classified as tier 3 based on QRT S.23.01, as at 31 December 2021 was as follows:

EUR millions	2020	2021
Net deferred taxation assets	2	2
Total basic own funds after adjustments	**2**	**2**

Eligible amount of own funds to cover the Solvency Capital Requirement

The eligible amount of own funds, classified as tier 1 and 3, to cover the Solvency Capital Requirement for 2021 was EUR 380 million (2020: EUR 268 million).

Eligible amount of basic own funds to cover the Minimum Capital Requirement

The eligible amount of basic own funds, classified as tier 1, to cover the MCR for 2021 was EUR 378 million (2020: EUR 266 million).

Differences between equity in Solvency II and Company statutory accounts
The material differences in equity as shown in the Company statutory accounts and Solvency II as at 31 December 2021 were as follows:

EUR millions	Equity reconciliation
Equity per Company statutory (excluding retained earnings)	182
Reconciliation reserves	**196**
Total reserves and retained earnings from financial statements	217
Difference in the valuation of assets	-78
Difference in the valuation of technical provisions	73
Difference in the valuation of other liabilities	-16
Foreseeable dividends	-
Net deferred tax asset	2
SII own funds	**380**

Reconciliation reserves
The reconciliation reserves represent the differences in the valuation of assets, technical provisions or other liabilities, in the adoption of the Solvency II valuation as well as retained earnings, including current year results and the legal reserve. It also includes a deduction for the foreseeable dividends.

Basic own funds subject to transitional arrangements
No own funds items were subject to transitional arrangements.

Ancillary own funds
There are no ancillary own funds in the Company.

Items deducted from own funds
No item has been deducted from the own funds of the Company.

Subordinated capital instruments in issue at year-end
The Company does not have subordinated capital instruments.

Capital instruments issued as debts
Not applicable to the Company.

Value of subordinated debt
The Company does not have subordinated debt.

Principal loss absorbency mechanism
The Company does not have a loss absorbency mechanism that qualifies as high-quality own funds instruments.

Key elements of the reconciliation reserve
The reconciliation reserve based on QRT S.23.01 as at 31 December 2021 was as follows:

EUR millions	2021
Excess of assets over liabilities	380
Equity per Company statutory accounts	-182
Foreseeable dividends and distributions	-
Net deferred taxation assets	-2
Reconciliation reserve	**196**

The reconciliation reserve includes an amount of the excess of assets over liabilities that corresponds to the EPIFP. Please refer to paragraph " Amount of expected profit in future premiums" on page 23 for the details of the EPIFP.

The difference between the excess of assets over liabilities under Solvency II and the equity value shown in the Company statutory accounts is mainly due to different valuations applied under Solvency II for assets, technical provisions and other liabilities.

Total excess of assets over liabilities within ring fenced-funds
The Company does not have any ring-fenced funds.

E2: Solvency Capital Requirement and Minimum Capital Requirement

Solvency Capital Requirement and Minimum Capital Requirement
As at 31 December 2021, the Company's SCR was EUR 103 million and the MCR was EUR 46 million.

Solvency Capital Requirement split by risk category
The Company uses an integrated internal model to measure its capital requirement using 99.5% VaR as described in the paragraph "Overview of risk exposure" on page 20. The table below sets out the quantification as at 31 December 2021 for the Company's modelled risk categories over the next 12 months.

Risk categories are based gross of outgoing IGTs

EUR millions	2020	2021
Property and casualty risk	1029	1031
Life and health risk	0	0
Financial market risk	47	49
Credit risk	400	434
Operational risk	29	23
Diversification	–393	-362
Other impacts*	–1008	-1055
Pre-tax Solvency Capital Requirement	**104**	**120**
Deferred tax impact	–12	-17
Solvency Capital Requirement	**92**	**103**

*Other impacts: consist of outgoing IGT, expected change in own funds, intra-group default related effects, and discounting of the 99,5% VaR.

Simplification calculation
The Company does not apply the standard formula.

Standard formula parameters
The Company does not apply the standard formula.

Disclosure of capital add-on
This is not applicable to the Company.

Standard formula capital add-on applied to the Solvency Capital Requirement
The Company does not apply the standard formula.

Information on inputs used to calculate the Minimum Capital Requirement
Input used to calculate the MCR for non-life insurance or reinsurance obligations includes premiums written during the last 12 months and best estimate technical provisions without a risk margin, both split by lines of business.

Material changes to the Solvency Capital Requirement and Minimum Capital Requirement during 2021
The Solvency II SCR increased from EUR 92 million in 2020 to EUR 103 million in 2021, driven mainly by increasing financial market and credit risks due to the purchase of fixed income securities and US equities. The P&C risk also increased during the year driven mainly by the increase in Directors & Officers (D&O) risk due to new business, but this is partially offset by the decrease in operational risk.
The MCR is equal to 45% of the SCR. Thus, the MCR increased in line with the SCR from EUR 41 million in 2020 to EUR 46 million in 2021.

Please refer to paragraph "Solvency Capital Requirement split by risk category" on page 35 for details of the current year and prior year SCR and the MCR.
The risk profile and the movements between the current year and the prior year are explained in the paragraph "Overview of risk exposure" on page 20.

E3: Duration-based equity risk

Indication that the Company is using the duration-based equity risk sub-module
Not applicable to the Company.

E4: Differences between the standard formula and the internal model

The structure of the internal model

The internal model consists of the following building blocks:

- risk factors: to model the stochastic change of the state of the world over the one-year time horizon;
- exposure model: to determine the change in basic own funds given a realisation of the risk factors, ie the stochastic future states of the world;
- transaction model: to model the intra-group transactions in place as well as external reinsurance;
- balance sheet model: to evaluate the impact of defaults of Group companies and follow-up effects.

Generally speaking, risk factors are sources of risk external to the Company. Their stochastic evolution is modelled over one year, using approaches such as univariate or multivariate distributions, frequency-severity models, event set-based models and Merton-type threshold models. Dependencies between risk factors are modelled by copulas, causal dependencies and other approaches. In contrast to many models used, dependencies are taken into account at the level of the underlying risk factors and not at the level of major risk categories. This implies that dependencies are independent of Swiss Re's portfolio. The exposure model captures the impact of the risk factors on the economic profit and loss through Swiss Re's portfolio. In the exposure model, Swiss Re's business activities are decomposed into different exposures. The change in basic own funds of the entire portfolio resulted from aggregating the effect on the individual exposures.
Each exposure is assigned attributes, such as legal entity, line of business and treaty year, which enable drill-down analyses and an evaluation of the contribution to total risk.

Risk categories concerned and not concerned by the internal model

Refer to section C, paragraph "Risk exposure" for details of the risk covered and not covered in the capital model.

Aggregation methodologies and diversification effects

Aggregation in the standard formula is prescribed in a hierarchical bottom-up scheme, with explicit standardised, industry-wide diversification benefits between its components at each step of the aggregation. In the Company's internal model, the diversification and interdependencies happen in the joint simulation of risk factors. Combining the realised outcomes of all the risk factors to which a specific portfolio selection is exposed to (for example, the Company's marine portfolio and its exposure to natural catastrophes, etc.) yields an aggregate loss distribution. Such an aggregation takes place in a single step and contains implicit diversification between its risk module components.

Risk not covered in the standard formula but covered by the internal model

The Company's internal model covers the spread risk of EU government bonds which is assumed to be nil in the standard formula and a number of risks that are not explicitly addressed by the standard formula including cyber and inflation risk.

Various purposes for which the internal model is being used

The Company´s internal model purposes are defined by the four major areas for which the model is intended to be used:

- Capital adequacy assessment: Is the capital base sufficient to support the risk in the book?
- Risk controlling and limit setting: How much risk capacity should be allocated to each risk category?
- Portfolio management: What measures can be taken to improve capital efficiency?
- Costing: What is the cost of capital to carry a specific risk?

Scope of the internal model in terms of Business Units and risk categories

The scope of the internal model includes all material risks that influence the Solvency II balance sheet of the Company. Please refer to paragraph "Risk categories" on page 36 for details of the risk categories used.

Partial internal model

The Company does not use a partial internal model.

Methods used in the internal model for the calculation of the probability distribution forecast and the Solvency Capital Requirement

The stochastic economic balance sheet is obtained by modelling the impact of joint scenarios of risk factor realisations on the economic balance sheets. For this purpose, a model design principle is to separate the modelling of joint risk factor realisations from their impact on the balance sheet positions (exposures). In the Company's internal model, the risk, which arises from a balance sheet position, is defined as the unexpected change in the economic value of this balance sheet position over a one-year time horizon. A large number of Monte Carlo simulations yield a sufficiently accurate and stable empirical joint distribution of balance sheet changes; the SCR of a risk is calculated as the 99.5 percentile of the corresponding empirical distribution.

Risk measures and time period used in the internal model

The internal model calculates the probability distribution of the change in basic own funds over one year. In particular, it enables the value at risk of this change to be calculated at the 99.5% quantile level.

Nature and appropriateness of the data used in the internal model

Data used in the Company´s internal model is provided by different functions of Swiss Re and comes in a variety of different formats. This input data is validated at several stages and transferred via the Integrated Risk and Analytics Modelling Platform into the well-defined format of the Risk Management Data Warehouse. The Data Dictionary defines the precise structure and content of each data item that is submitted to the Risk Management Data Warehouse. Validation of the data is the responsibility of the respective data provider at each stage of the process. The process to ensure that data quality is governed by the Group Risk Model Data Quality Standards. Validation of data quality is carried out in five steps:

- within the responsibility of the respective data provider upon collection of data or while downloading it from a source system;
- structural and syntactical validation when a data provider uploads any data delivery to the Integrated Risk and Analytics Modelling Platform;
- asynchronous validation of data consistency between interdependent deliveries, particularly with regard to reference data;
- validation of data completeness at the beginning of each internal model calculation;
- validation of calculation results and changes over time by the data provider supported by Business Unit and Legal Entity Risk Management teams (plausibility checks).

E5: Non-compliance

Any non-compliance with the Company SCR and MCR requirement

The Company complied with the SCR and MCR during 2021.

E6: Any other material information

Other material information

All material information regarding capital management has been described in the sections above.

Cautionary note on forward-looking statements

In line with the Swiss Re Group, certain statements and illustrations, where applicable, 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 cyclicality of the reinsurance sector;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- increased volatility of, and/or disruption in, global capital and credit markets;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realise amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation, 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 and 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;
- the outcome of tax audits, the ability to realise tax loss carry forwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities;
- changes in accounting standards, practices or policies, 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. The Group operates in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on forward-looking statements. Swiss Re undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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

Glossary

Board	The Board of Directors of the Company
CAA	Commissariat aux Assurances, Luxembourg
Company	Swiss Re International SE
Credit spread	Applies to derivative products. Difference in the value of two options, when the value of the one sold exceeds the value of the one bought.
Economic Value Management	Swiss Re's integrated economic valuation framework for planning, pricing, reserving and steering the business. It also provides the basis for determining available capital under the Swiss Solvency Test and for Solvency II.
EEA	European Economic Area
EMEA	Europe, Middle East and Africa
GIA	Group Internal Audit
Group Risk Model	The internal model developed by the Swiss Re Group and in place since 1994, used for articulating risk tolerance, assessing performance and setting targets. The internal model forms an integral part of the steering reality at Swiss Re. As part of Solvency II, the implementation of "Solvency II-specific features" (e.g. illiquidity premium, ultimate forward rate, treatment of deferred taxes) has been carried out. For the purpose of this report, any reference to the Group Risk Model refers to the model including the Solvency II–specific modifications.
Health insurance	Generic term applying to all types of insurance indemnifying or reimbursing for losses caused by bodily injury or sickness or for medical treatment expenses necessitated by sickness or accidental bodily injury.
Intra-group reinsurance	Reinsurance between subsidiaries of the same parent company or between a subsidiary and its parent. Intra-group reinsurance aims to optimise capital allocation and tax efficiency for the Swiss Re Group, as well as to ensure adherence to regulatory solvency requirements.
Intra-group transaction	This can be either in the form of a proportional (eg quota-share) or non-proportional (eg stop-loss or Cat XL) agreement.
Key functions	Risk Management, Compliance, Internal Audit and Actuarial.
Key function holder	The Board nominates individuals as designated representatives of the respective key functions towards the Company.
Life insurance	Insurance that provides for the payment of a sum of money upon the death of the insured, or upon the insured surviving a given number of years, depending on the terms of the policy. In addition, life insurance can be used as a means of investment or saving.
Luxembourg Companies	The Company, Swiss Re International SE
MCR	If, despite supervisory intervention, the available resources of the insurer fall below the Minimum Capital Requirement, then "ultimate supervisory action" will be triggered. In other words, the insurer's liabilities will be transferred to another insurer and the licence of the insurer will be withdrawn or the insurer will be closed to new business and its inforce business will be liquidated.
Nat cat	Natural catastrophe
Non-proportional reinsurance	Form of reinsurance in which coverage is not in direct proportion to the original insurer's loss. Instead, the reinsurer is liable for a specified amount that exceeds the insurer's retention; also known as "excess of loss reinsurance".
ORSA	Own Risk and Solvency Assessment
Own funds	Excess of assets over liabilities including any amount that is deemed suitable to provide support for the SCR.
Property insurance	Collective term for fire and business interruption insurance as well as burglary, fidelity guarantee and allied lines.
QRT	Quantitative Reporting Template
Reinsurance	Insurance that lowers the risk carried by primary insurance companies. Reinsurance includes various forms such as facultative, financial, non-proportional, proportional, quota share, surplus and treaty reinsurance.
Reserves	Amount required to be carried as a liability in the financial statements of an insurer or reinsurer to provide for future commitments under outstanding policies and contracts.
Return on equity	Net income as a percentage of time-weighted shareholders' equity.
Risk appetite	An expression of how the Company aims to deploy its risk capacity. It specifies the types of risk that SRI wishes to take and for each type the amount to be taken, while remaining within the boundaries imposed by the Company's stated risk.

Risk management	Management tool for the comprehensive identification and assessment of risks based on knowledge and experience in the fields of natural sciences, technology, economics and statistics.
Risk profile	Threats to which an organisation is exposed. The risk profile will outline the type of risks and potential effect of the risks. This outline allows a business to anticipate additional costs or disruptions to operations.
Risk tolerance	An expression of the extent to which the Board has authorised executive management to assume risk. It represents the amount of risk that the Company is willing to accept within the constraints imposed by its capital resources, its strategy, its risk appetite and the regulatory and rating agency environment within which it operates.
RSR	Regular Supervisory Report
Securitisation	Financial transactions in which future cash flows from assets (or insurable risks) are pooled, converted into tradable securities and transferred to capital market investors. The assets are commonly sold to a special-purpose entity, which purchases them with cash raised through the issuance of beneficial interests (usually debt instruments) to third-party investors.
SFCR	Solvency and Financial Condition Report
SCR	Solvency Capital Requirement under Solvency II – calculated using the internal model. The Solvency Capital Requirement is based on a value at risk measure calibrated to a 99.5% confidence level over a one-year time horizon.
Swiss Solvency Test	Switzerland has already introduced an economic and risk-based insurance regulation similar to the objectives of the Solvency II project in the EU. Since 2008, all insurance and reinsurance companies writing business in Switzerland have had to implement the Swiss Solvency Test and, since 1 January 2011, the Swiss Solvency Test-based target capital requirement has been in force and companies must achieve economic solvency.
Target capital	As defined by the Legal Entity Capitalisation Policy, target capital is equal to the Solvency Capital Requirement (see above) plus a volatility buffer (see below) and any local add-ons. The capitalisation policy sets a target capital range of +/-10% of target capital.
Technical result	Underwriting defined as nominal premiums less nominal commissions and claims.
Value at risk	Maximum possible loss in market value of an asset portfolio within a given timespan and at a given confidence level. 99% value at risk measures the level of loss likely to be exceeded in only one year out of a hundred, while 99.5% value at risk measures the loss likely to be exceeded in only one year out of two hundred. 99% tail value at risk estimates the average annual loss likely to occur with a frequency of less than once in one hundred years.
Volatility buffer	An amount of capital sufficient to cover a one-in-ten-year event (90% value at risk).

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Appendix
SFCR Public Disclosure Templates

Report:	S.02.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Balance sheet

		Solvency II value
Assets		C0010
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	0
Deferred tax assets	R0040	109 614
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	817
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	1 510 920
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	52 540
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	1 409 123
Government Bonds	R0140	1 092 268
Corporate Bonds	R0150	316 855
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	48 885
Derivatives	R0190	372
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	257
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	257
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	2 926 729
Non-life and health similar to non-life	R0280	2 926 729
Non-life excluding health	R0290	2 869 168
Health similar to non-life	R0300	57 562
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	17 256
Insurance and intermediaries receivables	R0360	321 400
Reinsurance receivables	R0370	30 396
Receivables (trade, not insurance)	R0380	34 469
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	93 204
Any other assets, not elsewhere shown	R0420	1 526
Total assets	R0500	5 046 589

Liabilities		
Technical provisions - non-life	R0510	3 497 036
Technical provisions - non-life (excluding health)	R0520	3 436 101
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	3 395 810
Risk margin	R0550	40 290
Technical provisions - health (similar to non-life)	R0560	60 936
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	60 468
Risk margin	R0590	468
Technical provisions - life (excluding index-linked and unit-linked)	R0600	
Technical provisions - health (similar to life)	R0610	
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	
Risk margin	R0680	
Technical provisions - index-linked and unit-linked	R0690	
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	
Risk margin	R0720	
Other technical provisions	R0730	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	9 716
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	19 714
Deferred tax liabilities	R0780	151 122
Derivatives	R0790	744
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	349 467
Insurance & intermediaries payables	R0820	78 323
Reinsurance payables	R0830	458 421
Payables (trade, not insurance)	R0840	101 546
Subordinated liabilities	R0850	
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	
Any other liabilities, not elsewhere shown	R0880	0
Total liabilities	R0900	4 666 089
Excess of assets over liabilities	R1000	380 500

Report:	S.05.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	Total
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written																		
Gross - Direct Business	**R0110**	-410				204	218 471	636 277	485 634	154 034			7 046					1 501 256
Gross - Proportional reinsurance accepted	**R0120**						19 511	103 172	9 925	3 694			0					136 301
Gross - Non-proportional reinsurance accepted	**R0130**													1 344	8 903	46 117	175 490	231 855
Reinsurers' share	**R0140**	-102				0	216 968	570 023	381 633	123 618			7 046	46	23 204	42 873	189 317	1 554 626
Net	**R0200**	-308				204	21 014	169 426	113 925	34 109			0	1 299	-14 300	3 244	-13 827	314 786
Premiums earned																		
Gross - Direct Business	**R0210**	374				246	220 724	576 126	410 175	219 460			1 435					1 428 539
Gross - Proportional reinsurance accepted	**R0220**						31 542	91 863	9 291	3 237			0					135 933
Gross - Non-proportional reinsurance accepted	**R0230**													681	9 460	23 470	187 668	221 279
Reinsurers' share	**R0240**	21				0	230 493	544 428	326 709	186 733			1 435	46	23 785	22 161	169 805	1 505 616
Net	**R0300**	353				246	21 773	123 561	92 757	35 964			0	636	-14 325	1 309	17 862	280 136
Claims incurred																		
Gross - Direct Business	**R0310**	1 529		7 557	-1 978	-787	74 917	221 648	217 432	9 915			357					530 590
Gross - Proportional reinsurance accepted	**R0320**	-2			0		4 513	30 613	11 028	1 421			0					47 574
Gross - Non-proportional reinsurance accepted	**R0330**													-276	11 647	12 235	104 739	128 345
Reinsurers' share	**R0340**	1 984		7 557	-1 978	-602	73 024	197 898	174 618	9 516			357	-616	16 202	11 081	95 326	584 366
Net	**R0400**	-457		0	0	-184	6 407	54 363	53 843	1 819			0	340	-4 556	1 154	9 413	122 142
Changes in other technical provisions																		
Gross - Direct Business	**R0410**						0											0
Gross - Proportional reinsurance accepted	**R0420**						1											1
Gross - Non-proportional reinsurance accepted	**R0430**																	
Reinsurers' share	**R0440**						0											0
Net	**R0500**						1											1
Expenses incurred	**R0550**	115		-43	-152	23	5 457	21 231	19 923	20 130			90	63	229	499	7 973	75 537
Other expenses	**R1200**																	1 412
Total expenses	**R1300**																	76 949

Report:	S.05.02.e.non-life
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Premiums, claims and expenses by country

		Home Country	Total Top 5 and home country	Top 5 countries (by amount of gross premiums written) - non-life obligations				
	R0010			(DE) Germany	(GB) United Kingdom	(AU) Australia	(CH) Switzerland	(FR) France
		C0080	**C0140**	**C0090**	**C0090**	**C0090**	**C0090**	**C0090**
Premiums written								
Gross - Direct Business	**R0110**	6 895	1 037 962	299 685	256 577	229 363	127 119	118 322
Gross - Proportional reinsurance accepted	**R0120**	32	24 437	4 968	7 841	5 597	3 786	2 213
Gross - Non-proportional reinsurance accepted	**R0130**	15 729	74 343	18 740	16 910	1 068	11 363	10 532
Reinsurers' share	**R0140**	20 644	887 863	293 570	244 546	43 441	168 078	117 583
Net	**R0200**	2 012	248 879	29 823	36 783	192 587	-25 810	13 484
Premiums earned								
Gross - Direct Business	**R0210**	5 663	961 789	244 637	268 601	198 669	126 664	117 555
Gross - Proportional reinsurance accepted	**R0220**	30	23 041	4 394	10 607	3 059	2 695	2 258
Gross - Non-proportional reinsurance accepted	**R0230**	16 845	72 452	19 585	15 978	669	10 437	8 937
Reinsurers' share	**R0240**	20 539	849 228	242 829	267 924	67 361	133 038	117 538
Net	**R0300**	1 998	208 053	25 787	27 262	135 036	6 758	11 212
Claims incurred								
Gross - Direct Business	**R0310**	3 987	327 414	105 973	44 438	67 019	80 307	25 690
Gross - Proportional reinsurance accepted	**R0320**	2	8 953	3 806	1 262	1 594	2 119	169
Gross - Non-proportional reinsurance accepted	**R0330**	4 959	7 246	4 232	2 808	-241	-6 869	2 356
Reinsurers' share	**R0340**	8 162	262 234	96 303	52 562	8 130	71 821	25 257
Net	**R0400**	786	81 380	17 709	-4 053	60 242	3 736	2 959
Changes in other technical provisions								
Gross - Direct Business	**R0410**		0	0				
Gross - Proportional reinsurance accepted	**R0420**		1				1	
Gross - Non-proportional reinsurance accepted	**R0430**							
Reinsurers' share	**R0440**		0	0			0	
Net	**R0500**		0	0			0	
Expenses incurred	**R0550**	315	64 801	7 498	16 593	33 506	4 609	2 279
Other expenses	**R1200**		1 412					
Total expenses	**R1300**		66 213					

Report:	S.17.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Non-life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	**R0010**																	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0050**																	
Technical provisions calculated as a sum of BE and RM																		
Best Estimate																		
Premium provisions																		
Gross	**R0060**	-35				-74	-17 928	42 946	85 556	-144 576			-4 270	179	2 711	-7 985	14 370	-29 105
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**	-10					-13 980	74 585	71 683	-133 692			-4 192	0	2 376	-6 908	10 730	594
Net Best Estimate of Premium Provisions	**R0150**	-25				-74	-3 948	-31 639	13 873	-10 884			-79	179	335	-1 077	3 640	-29 698
Claims provisions																		
Gross	**R0160**	2 531		19 951	28 976	3 114	357 080	864 500	1 541 557	186 659			324	37 841	179 390	28 458	235 001	3 485 383
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**	1 125		19 063	27 637	2 484	302 618	642 129	1 265 321	141 094			411	37 384	195 534	25 806	265 530	2 926 136
Net Best Estimate of Claims Provisions	**R0250**	1 406		888	1 339	630	54 462	222 371	276 236	45 564			-87	458	-16 144	2 652	-30 529	559 247
Total Best estimate - gross	**R0260**	2 496		19 951	28 976	3 040	339 152	907 445	1 627 113	42 083			-3 946	38 021	182 102	20 474	249 371	3 456 278
Total Best estimate - net	**R0270**	1 381		888	1 339	556	50 514	190 732	290 109	34 680			-165	637	-15 808	1 576	-26 889	529 548
Risk margin	**R0280**	117		33	296	38	1 489	8 472	15 781	6 042			1 190	318	3 023	196	3 761	40 759
Amount of the transitional on Technical Provisions																		
Technical provisions calculated as a whole	**R0290**																	
Best Estimate	**R0300**																	
Risk margin	**R0310**																	
Technical provisions - total																		
Technical provisions - total	**R0320**	2 613		19 984	29 272	3 078	340 642	915 917	1 642 895	48 125			-2 756	38 339	185 125	20 670	253 132	3 497 036
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**	1 115		19 063	27 637	2 484	288 638	716 713	1 337 004	7 402			-3 781	37 384	197 910	18 898	276 260	2 926 729
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**	1 498		921	1 635	594	52 003	199 204	305 890	40 723			1 025	955	-12 785	1 772	-23 128	570 307

Report:	S.19.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Non-life insurance claims information

Total Non-Life Business

Accident year / Underwriting year	**Z0020**	(2) Underwriting year

Gross Claims Paid (non-cumulative)

(absolute amount)

Year		Development year 0	1	2	3	4	5	6	7	8	9	10 & +
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**	**C0100**	**C0110**
Prior	**R0100**											#REF!
N-9	**R0160**	14 611	107 999	153 395	85 565	49 185	34 205	28 741	13 812	37 203	5 266	
N-8	**R0170**	22 311	150 326	130 521	72 940	21 370	5 155	10 188	17 726	25 041		
N-7	**R0180**	27 832	142 575	153 529	51 510	48 588	62 523	32 238	39 187			
N-6	**R0190**	39 750	193 692	206 889	149 407	115 407	102 614	48 076				
N-5	**R0200**	36 646	294 856	191 981	94 307	56 599	90 420					
N-4	**R0210**	27 721	197 967	265 500	144 061	82 791						
N-3	**R0220**	51 490	428 122	155 111	90 779							
N-2	**R0230**	38 612	302 827	205 584								
N-1	**R0240**	59 625	114 129									
N	**R0250**	25 564										

		In Current year	Sum of years (cumulative)
		C0170	**C0180**
	R0100	#REF!	#REF!
	R0160	5 266	529 981
	R0170	25 041	455 578
	R0180	39 187	557 983
	R0190	48 076	855 834
	R0200	90 420	764 809
	R0210	82 791	718 039
	R0220	90 779	725 503
	R0230	205 584	547 024
	R0240	114 129	173 754
	R0250	25 564	25 564
Total	**R0260**	739 081	5 366 313

Gross undiscounted Best Estimate Claims Provisions

Year		Development year 0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0290**	**C0300**
Prior	**R0100**											#REF!
N-9	**R0160**	207 984	372 722	284 571	187 726	97 800	111 198	85 045	111 952	80 942	91 505	
N-8	**R0170**	215 789	349 822	253 450	157 856	124 582	92 142	86 359	67 759	70 240		
N-7	**R0180**	235 379	384 355	254 855	193 054	174 815	147 797	114 057	76 150			
N-6	**R0190**	202 611	478 380	413 836	345 292	380 623	214 108	195 439				
N-5	**R0200**	232 525	430 971	336 323	363 357	352 713	272 897					
N-4	**R0210**	328 982	523 676	458 465	376 186	310 877						
N-3	**R0220**	463 035	554 953	533 938	423 387							
N-2	**R0230**	520 957	836 622	684 385								
N-1	**R0240**	558 282	701 838									
N	**R0250**	465 643										

		Year end (discounted data)
		C0360
	R0100	#REF!
	R0160	88 574
	R0170	67 827
	R0180	73 511
	R0190	189 425
	R0200	269 075
	R0210	302 911
	R0220	411 878
	R0230	669 523
	R0240	687 586
	R0250	457 457
Total	**R0260**	3 485 383

Report:	S.23.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35		**C0010**	**C0020**	**C0030**	**C0040**	**C0050**
Ordinary share capital (gross of own shares)	**R0010**	182 037	182 037			
Share premium account related to ordinary share capital	**R0030**					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	**R0040**					
Subordinated mutual member accounts	**R0050**					
Surplus funds	**R0070**					
Preference shares	**R0090**					
Share premium account related to preference shares	**R0110**					
Reconciliation reserve	**R0130**	196 276	196 276			
Subordinated liabilities	**R0140**					
An amount equal to the value of net deferred tax assets	**R0160**	2 186				2 186
Other own fund items approved by the supervisory authority as basic own funds not specified above	**R0180**					
Own funds from the financial statements that shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	**R0220**					
Deductions						
Deductions for participations in financial and credit institutions	**R0230**					
Total basic own funds after deductions	**R0290**	380 500	378 314			2 186
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	**R0300**					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	**R0310**					
Unpaid and uncalled preference shares callable on demand	**R0320**					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	**R0330**					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	**R0340**					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	**R0350**					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	**R0360**					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	**R0370**					
Other ancillary own funds	**R0390**					
Total ancillary own funds	**R0400**					
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	380 500	378 314			2 186
Total available own funds to meet the MCR	**R0510**	378 314	378 314			
Total eligible own funds to meet the SCR	**R0540**	380 500	378 314			2 186
Total eligible own funds to meet the MCR	**R0550**	378 314	378 314			
SCR	**R0580**	102 729				
MCR	**R0600**	46 228				
Ratio of Eligible own funds to SCR	**R0620**	370%				
Ratio of Eligible own funds to MCR	**R0640**	818%				

Report:	S.23.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

		C0060
Reconciliation reserve		
Excess of assets over liabilities	**R0700**	380 500
Own shares (held directly and indirectly)	**R0710**	
Foreseeable dividends, distributions and charges	**R0720**	
Other basic own fund items	**R0730**	184 223
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	
Reconciliation reserve	**R0760**	196 276
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	**R0770**	
Expected profits included in future premiums (EPIFP) - Non-life business	**R0780**	56 495
Total EPIFP	**R0790**	56 495

Report:	S.25.03.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Solvency Capital Requirement - for undertakings on Full Internal Models

Unique number of component	Components description	Calculation of the Solvency Capital Requirement
C0010	C0020	C0030
1	Life and Health risk	0
2	Property and Casualty risk	1 030 969
3	Financial Market risk	49 051
4	Credit risk	433 663
5	Operational risk	22 979
6	Other impacts	-1 055 339

Report:	S.25.03.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
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Solvency Capital Requirement - for undertakings on Full Internal Models

Calculation of Solvency Capital Requirement		**C0100**
Total undiversified components	**R0110**	481 323
Diversification	**R0060**	-361 841
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	**R0160**	0
Solvency capital requirement, excluding capital add-on	**R0200**	102 728
Capital add-ons already set	**R0210**	0
Solvency Capital Requirement	**R0220**	
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	**R0300**	0
Amount/estimate of the overall loss-absorbing capacity of deferred taxes	**R0310**	-16 753
Total amount of Notional Solvency Capital Requirements for remaining part	**R0410**	
Total amount of Notional Solvency Capital Requirements for ring fenced funds (other than those related to business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional))	**R0420**	0
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	**R0430**	
Diversification effects due to RFF nSCR aggregation for article 304	**R0440**	

Report:	S.25.03.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
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		YES/NO	LAC DT
Approach to tax rate		**C0109**	**C0130**
Approach based on average tax rate	**R0590**	(2) No	
Calculation of loss absorbing capacity of deferred taxes			
LAC DT	**R0640**		-16 753
LAC DT justified by reversion of deferred tax liabilities	**R0650**		-16 753
LAC DT justified by reference to probable future taxable economic profit	**R0660**		0
LAC DT justified by carry back, current year	**R0670**		0
LAC DT justified by carry back, future years	**R0680**		0
Maximum LAC DT	**R0690**		0

Report:	S.28.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
Units:	EUR thousands

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	**R0010**	95 043

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	**C0030**
Medical expense insurance and proportional reinsurance	**R0020**	1 381	0
Income protection insurance and proportional reinsurance	**R0030**		
Workers' compensation insurance and proportional reinsurance	**R0040**	888	0
Motor vehicle liability insurance and proportional reinsurance	**R0050**	1 339	0
Other motor insurance and proportional reinsurance	**R0060**	556	204
Marine, aviation and transport insurance and proportional reinsurance	**R0070**	50 514	21 014
Fire and other damage to property insurance and proportional reinsurance	**R0080**	190 732	169 426
General liability insurance and proportional reinsurance	**R0090**	290 109	113 925
Credit and suretyship insurance and proportional reinsurance	**R0100**	34 680	34 109
Legal expenses insurance and proportional reinsurance	**R0110**		
Assistance and proportional reinsurance	**R0120**		
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**	0	0
Non-proportional health reinsurance	**R0140**	637	1 299
Non-proportional casualty reinsurance	**R0150**	0	0
Non-proportional marine, aviation and transport reinsurance	**R0160**	1 576	3 244
Non-proportional property reinsurance	**R0170**	0	0

Report:	S.28.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
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Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		0

Report:	S.28.01.e
Reporting entity:	Swiss Re International SE
Due date:	Dec 31, 2021
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Overall MCR calculation		C0070
Linear MCR	**R0300**	95 043
SCR	**R0310**	102 729
MCR cap	**R0320**	46 228
MCR floor	**R0330**	25 682
Combined MCR	**R0340**	46 228
Absolute floor of the MCR	**R0350**	3 700
Minimum Capital Requirement	**R0400**	46 228