

Executive statement



Walter B. Kielholz



Christian Mumenthaler

Dear stakeholders

Welcome to the 2016 edition of our Corporate Responsibility Report. With this annual publication, we seek to explain what being a responsible company means to us and give you an account of our key activities and achievements. Swiss Re's overall vision is to make the world more resilient, which requires tackling significant environmental, social and governance (ESG) topics. In 2016, we carried out a review of the most relevant ESG topics facing our company, based on our own risk know-how and insights from dialogue with our stakeholders. We have condensed the findings into a graphic Corporate Responsibility Map, which you can view on page 13.

As in recent years, the current report also serves as our official disclosure document for two commitments we have made to the United Nations: the UN Global Compact and the UNEP Principles for Sustainable Insurance (PSI). We remain committed to both of these important initiatives. In 2016, we also played an active role in developing the Financial Stability Board's Climate-related Financial Disclosures. We have started to integrate these new disclosure requirements in the "Corporate responsibility" chapter of our 2016 Financial Report and invite you to read this in parallel with the present publication.

Below we would like to summarise our recent achievements in the main areas in which we address our ESG priorities: In our core re/insurance business, we continued to work closely with our clients and partners to help them tackle climate and natural disaster risks and

improve food security. Highlights completed in 2016 include a pioneering scheme protecting UK homeowners against flood risks, two major natural catastrophe pilots in China, and solutions offering better insurance protection to small businesses and smallholder farmers in Guatemala, Kenya and Indonesia. In addition, we supported sustainable energy solutions by becoming co-lead insurer of two large offshore wind farm projects.

While our re/insurance solutions aim to improve resilience to specific risks, in risk management our goal as a responsible company is to recognise and avoid certain risks we do not want to underwrite – because of their loss potential, ethical concerns or both. Through our Sustainability Risk Framework, we carried out due diligence checks on more than 7 000 potentially sensitive transactions, abstaining or proceeding with conditions if warranted. We also sharpened guidance for our underwriters on how to spot and deal with potential anti-bribery and corruption risks. Our highly regarded SONAR publication again presented our insights on selected emerging risks; in this Corporate Responsibility Report, you can read a case study about human-induced earthquakes.

As we said at the beginning, ongoing and open dialogue with you, dear stakeholders, gives us important insights on the issues we should tackle to help make the world more resilient. In 2016, we continued to foster dialogue on topics we also address through our re/insurance solutions, ie climate and natural disaster risks, food security, funding longer lives, and sustainable energy. A highlight among several new publications we published was a three-part report produced together with the World Energy Council and Marsh & McLennan Companies on “financing resilient energy

Zurich, 16 March 2017



Walter B. Kielholz
Chairman of the Board of Directors

infrastructure”. We also hosted many events at our Centre for Global Dialogue, including our fourth data protection symposium focusing on ethics and e-health in insurance – an important topic raised by digitalisation.

Swiss Re is a knowledge company. As such, the environmental impact of our operations is relatively small. Nevertheless, we believe that minimising our environmental footprint is an important aspect of being a responsible company. Indeed, as part of our Greenhouse Neutral Programme we roughly halved our CO₂ emissions per employee since 2003 and have offset the remainder. Our current goal is to combine our growth strategy in new markets with keeping our per-capita emissions steady. We have committed to using 100% renewable energy by 2020 and are currently building a large solar power plant at our US headquarters in Armonk. In our supply chain, we have started to implement EcoVadis, a collaborative platform that will allow us to screen the sustainability performance of our suppliers more systematically.

Reflecting our long-standing commitment and the comprehensive range of our efforts as a responsible company, we were confirmed insurance industry group leader in the prestigious Dow Jones Sustainability Indices in 2016 – the tenth time we have earned this accolade since 2004. We are particularly proud of this achievement, because it represents an important stakeholder’s view of Swiss Re.

Such continued success as a responsible company would not be possible without our employees, of course. We would like to take this opportunity to thank them sincerely for the professionalism and dedication they showed again throughout the past year. In this report you can also find out how we engage with our people through Swiss Re’s unique culture of being “smarter together”.



Christian Mumenthaler
Group Chief Executive Officer

The Swiss Re Foundation in 2016 – Shared skills, resilient futures

This separate report describes how the Swiss Re Foundation helps communities to build resilience to risk.



WE SUPPORT



Who we are and what we do

Our vision: We make the world more resilient.

Swiss Re at a glance

The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer. Dealing directly and working through brokers, our global client base consists of insurance companies, mid-to-large-sized corporations and public sector clients. From standard products to tailor-made coverage across all lines of business, we deploy our capital strength, expertise and innovation power to enable the risk-taking upon which enterprise and progress in society depend.

Working with our clients and partners, we help to protect assets and lives around the globe – for a resilient future.

Headquartered in Zurich, Switzerland, Swiss Re has operations across the world. At the end of 2016, we had over 80 office locations in more than 30 countries. Based on “net premiums earned and fee income from policy-holders”, our ten biggest markets in 2016 were: the United States, the United Kingdom, China, Australia,

Germany, Canada, Japan, Switzerland, Ireland and France. They accounted for 79% of the Group’s total business over the year.

Swiss Re Ltd, the Group’s holding company, is a joint stock company, listed in accordance with the International Reporting Standard on the SIX Swiss Exchange, domiciled in Zurich, and organised under the laws of Switzerland. No other Group companies have shares listed.

OUR GLOBAL PRESENCE

Europe
(including Middle East and Africa)

Net premiums earned
and fee income in 2016
(USD billions)

10.9
(USD 10.3 billion in 2015)

Number of office locations
as of 31 December 2016

28*
(24 in 2015)

Number of employees (regular staff)
as of 31 December 2016

8531
(7 689 in 2015)

* Counting all Zurich premises as one location

 For more information see
[swissre.com/about_us/](https://www.swissre.com/about_us/)

Our strategic framework

Our Group strategy helps us to meet our financial targets and to make the world more resilient.

You can get more information on our strategy in the 2016 Business Report at: reports.swissre.com/2016/business-report/our-strategy.html

Systematically
allocate capital to
risk pools/revenue
streams

Broaden and
diversify **client
base** to increase
access to risk

Optimise **resources
and platforms**
to support capital
allocation

Emphasise
differentiation

Americas

Asia-Pacific

Total

15.1

(USD 13.2 billion in 2015)

7.2

(USD 6.7 billion in 2015)

33.2

(USD 30.2 billion in 2015)

42

(36 in 2015)

15

(15 in 2015)

85

(75 in 2015)

3 595

(3 367 in 2015)

1 927

(1 711 in 2015)

14 053

(12 767 in 2015)

The Swiss Re Group

Reinsurance



Reinsurance is Swiss Re's largest business in terms of income, providing about 85% of gross premiums and fee income through two segments – Property & Casualty and Life & Health. Reinsurance aims to extend Swiss Re's industry-leading position with disciplined underwriting, prudent portfolio management and diligent client service.

Corporate Solutions



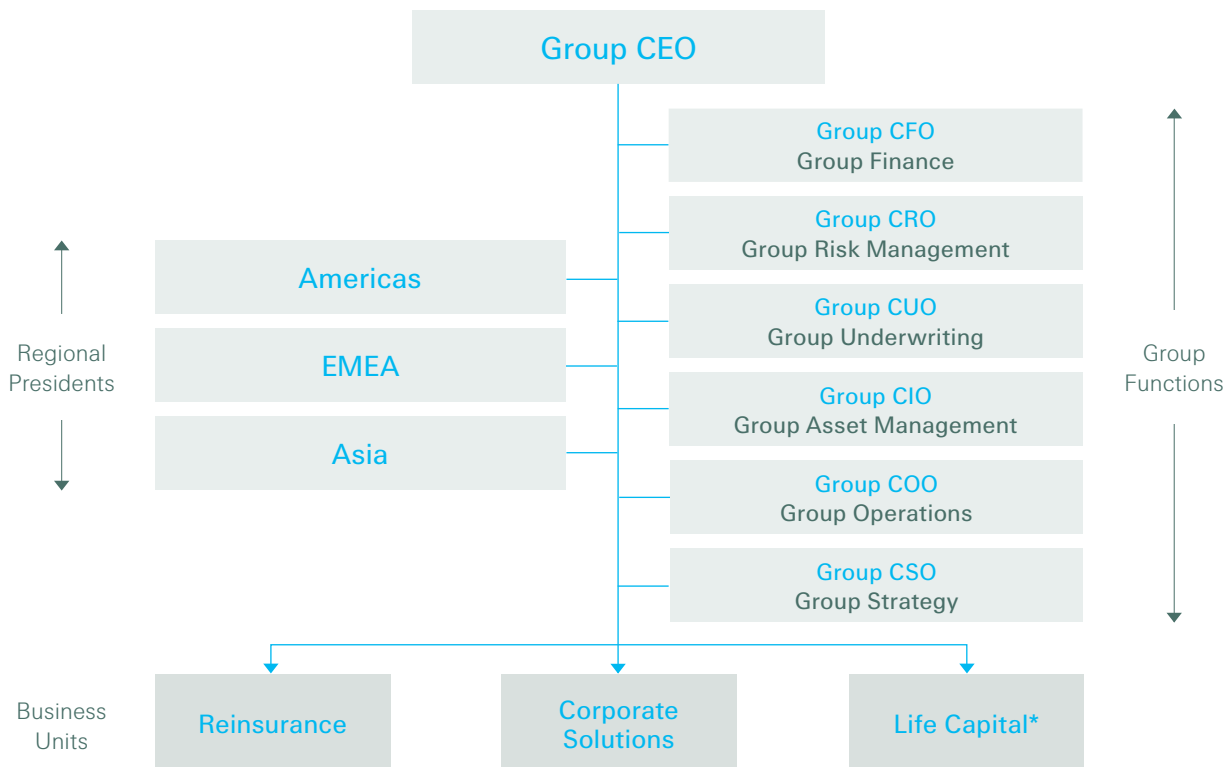
Corporate Solutions serves mid-sized and large corporations, with product offerings ranging from traditional property and casualty insurance to highly customised solutions. Corporate Solutions serves customers from more than 50 offices worldwide.

Life Capital



Life Capital manages closed and open life and health insurance books. The Business Unit provides alternative access to the life and health risk pool, helping to generate stable returns and seize attractive new opportunities. For our clients and partners, it provides a primary insurance balance sheet, efficient policy administration services, life and health expertise and knowledge for reaching more markets and offering new products.

Operational Group structure



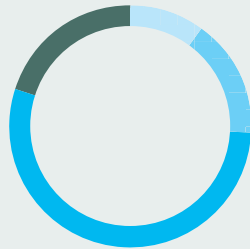
* Since 1 January 2016 Admin Re® is part of the Business Unit Life Capital.

Financial highlights

USD millions	2015	2016
Total assets	196 135	215 065
Total investments	137 810	155 016
Total liabilities	162 529	179 349
Total debt	12 812	11 351
Common shareholders' equity	32 415	34 532
Total revenues	35 714	43 786
Premiums earned and fee income	30 214	33 231
- P&C Reinsurance	15 090	17 008
- L&H Reinsurance	10 616	11 527
- Corporate Solutions	3 379	3 503
- Life Capital	1 129	1 193
Total expenses	-30 395	-39 414
Claims and claim adjustment expenses	-9 848	-12 564
Life and health benefits	-9 080	-10 859
Net income	4 597	3 558

Attribution of 2016 Group income (in USD millions)

- 10% Variable compensation
- 16% Income tax expense
- 54% Net income paid out as dividend or share buy-back
- 20% Net income added to retained earnings



Attribution of Group income to key stakeholders

USD millions (unless otherwise stated)	2015	2016
Income before tax and variable compensation	5 758	4 773
Variable compensation ¹	510	466
Income tax expense	651	749
US GAAP net income attributable to shareholders	4 597	3 558
of which paid out as dividend ²	1 561	1 572
of which share buy-back	1 018	1 017³
of which added to retained earnings within shareholders' equity	2 018	969

¹ Aggregate compensation for all employees was CHF 2 265 million in 2016. See 2016 Financial Report, page 140.

² FY 2016 is estimated based on average year-to-date CHF/USD FX rates as of February 2017. The dividend is subject to Annual General Meeting (AGM) approval and the amount depends on the final number of dividend eligible shares and FX rates upon dividend payout.

³ Includes shares bought back between 4 November 2016 and 9 February 2017 as part of the buy-back programme authorised at the AGM 2016. The total amount represents an estimate translated at the 2016 average CHF/USD FX rate.

The financial figures in the table at the top provide information on the scale of the Swiss Re Group and income generated: total capitalisation broken down in terms of debt and equity, sales/revenues, operating costs and net income.

The information in the lower table shows the distribution of Group income to key stakeholders (employees, government and shareholders).

Our approach to corporate responsibility

We are committed to being a responsible company. Contributing to sustainable, long-term value creation serves as a guiding principle for our actions.

Our commitment to corporate responsibility

Swiss Re has a long-standing commitment to being a responsible company. A key element in our understanding of what this means is the desire to contribute to sustainable value creation, for the benefit of our clients and society at large. This long-term view helps us to pursue our vision of making the world more resilient and is embedded in our value framework, which means “doing business the Swiss Re way”.

It is also in our own best interest, though: it strengthens our capabilities to identify and address both risks and opportunities manifesting themselves in the longer run and, as a consequence, to retain our licence to operate.

We first began to address a specific sustainability issue almost 30 years ago when we drew attention to the potential risks created by climate change. Building on this, we gradually began to form a commitment to sustainable, long-term value creation and identified the areas of our business we considered relevant to supporting this goal. We first gave formal expression to this through our Sustainability Mission Statement and, in parallel, began to provide specific information in dedicated reports, starting with a Corporate Environmental Report covering the business year of 1998.

In the following years, we broadened our commitment to “corporate responsibility”. Still based on the key notions of long-term value creation and sustainable progress, we began to place more emphasis on social and governance aspects. Our current, overarching commitment is shown on page 9.

Based on our commitment to long-term value creation, we have signed up to a number of external charters and initiatives:

- EP100: see page 54
- Principles for Responsible Investment (PRI): see page 39
- RE100: see page 54
- Task Force on Climate-related Financial Disclosures (FSB-TCFD): see page 17 and 2016 Financial Report, pages 123–130
- UNEP FI Principles for Sustainable Insurance (PSI): for our Public Disclosure of Progress, see page 86
- UN Global Compact: for our Communication on Progress, see pages 87–91
- Carbon Disclosure Project (www.cdp.net)
- ClimateWise (www.cisl.cam.ac.uk/)



For more information see
swissre.com/about_us/our_values/



For more information see
swissre.com/corporate_responsibility/

Our values mean doing business the Swiss Re way:

- Being open, honest and transparent in everything we do;
- Treating everyone with respect – both inside and outside the company;
- Taking the long-term view and playing our part in enabling sustainable progress – for stakeholders and society in general;
- Creating an inclusive culture that encourages diversity of thought and opinion.

Our general commitment to corporate responsibility:

“Corporate responsibility” expresses Swiss Re’s commitment to being an open, honest and transparent organisation that treats all its stakeholders – employees, shareholders, clients, government agencies and the general public – with respect and integrity. In particular, we aim to take a long-term view and to play our part in enabling sustainable progress.

Sustainability as a guiding principle:

Sustainable progress – or sustainability – can be described as development that meets the needs of the present without compromising the ability of future generations to meet their needs. To be sustainable, progress must improve economic efficiency, protect and restore ecological systems, and enhance social wellbeing. In all our main activities aimed at implementing corporate responsibility, the principle of sustainability is a key criterion.

How we determine materiality

A key question for any company that understands corporate responsibility as taking a long-term view and enabling sustainable progress is what this means in the context of its own business and industry: which topics are “material” to achieving this goal?

In order to identify our most relevant “Corporate Responsibility Topics”, we use both our internal risk expertise and ongoing dialogue with our stakeholders.

Insights from our internal risk expertise

As a leading re/insurer, we act as ultimate risk taker in society, which requires us to have a very sound understanding of the risk landscape. This risk expertise embedded in our company and the deep understanding of re/insurance markets also give us a solid foundation to identify material sustainability issues. In many areas of our business, we have special teams, functions and processes to identify and address issues relevant to sustainable development.

In our core re/insurance business there are special units, such as our Global Partnerships function in the Group or the Environmental & Commodity Markets department in our Corporate Solutions Business Unit, that identify underinsured markets and risks, and seek to expand re/insurance protection through commercially viable solutions.

In our risk management, meanwhile, we have a process and the capabilities to identify risks we feel we should not re/insure, be it for ethical reasons, because they might lead to losses, or both. We conduct this analysis through our Sustainability Risk Framework and other tailor-made risk management tools.

We also maintain a formal process to identify emerging risks called SONAR (“Systematic observation of notions associated with risk”). This enables us to spot, at an early stage, newly developing or changing risks that may have an impact on our business, including risks related to environmental, social and governance (ESG) issues.

Insights from dialogue with our stakeholders

Our role as ultimate risk taker in society means that we have an intrinsic interest in maintaining active and ongoing dialogue with our key stakeholders. Generally speaking, this dialogue works in both directions: our partners expect us to share our risk expertise, thus helping them – and society at large – to form effective responses. In turn, we also benefit from this exchange, because it helps us to sharpen our understanding of key risks, including ESG issues, and to set priorities.

With regard to such issues, we consider the following groups as our principal stakeholders:

- Financial community: investors/ shareholders, rating agencies, shareholder associations and stock exchanges in addressing sustainability concerns;
- Clients: cedents, brokers and corporate clients;
- Employees;
- Political and legal entities: multilateral organisations (UN), governments, regulators, standard-setting boards;
- Civil society: general public, NGOs, media, academia.

With the Centre for Global Dialogue near Zurich, we have our own in-house conference centre. Part of the Swiss Re Institute as from 1 March 2017, it allows us to actively manage and encourage collaboration with our stakeholders. In 2016, we held or hosted more than 100 stakeholder events at the Centre. Our publications form a second important element of our stakeholder dialogue: in 2016, we published 15 new expertise publications and 25 new fact sheets.

Complementing the insights we gain directly through dialogue with our stakeholders, we also evaluate and use data provided by specialised third-party organisations such as RepRisk (www.reprisk.com), Sigwatch (www.sigwatch.com), MSCI (www.msci.com) and Sustainalytics (www.sustainalytics.com) as well as the results of academic research.

Our process to identify Corporate Responsibility Topics

When identifying material Corporate Responsibility Topics, we draw both on our internal, embedded risk expertise and the insights we gain from our stakeholder dialogue. In addition, we take into account the views of various standard setters on materiality, eg: reporting requirements, materiality definitions by sustainability rating agencies, multilateral discussions such as the UN Sustainable Development Goals (see page 12), relevant academic research and regulatory developments.

To process the information from these three key sources, we use the following steps:

- Expert analysis by our Group Sustainability Risk unit;
- Interviews with key internal decision makers, our sustainability risk stakeholders (eg investor meetings, events at the Centre for Global Dialogue, project and business related interactions) and external experts (academia, NGOs, consulting firms);
- Validation of final topics by the Group Sustainability Risk unit;
- Approval and endorsement by the Risk Management Executive Team, Group Executive Committee, Board of Directors;
- List of material topics finalised by Group Sustainability Risk unit;
- Development/adjustment of sustainability strategy based on final Corporate Responsibility Map.

 For more information see institute.swissre.com/about/the_centre/

 For more information see swissre.com/library/

Review of our Corporate Responsibility Topics

Based on the sequence of steps described above, we conducted a comprehensive review of the key Corporate Responsibility Topics we are faced with as a global re/insurer, and have developed a graphic Corporate Responsibility Map on this basis. All in all, the survey has revealed a high degree of continuity, but has also resulted in some important adjustments to the topics we want to address:

- Seven topics we identified in the past remain highly relevant to our efforts as a responsible company;
- For the topic “Empowering our people” we have chosen the more comprehensive description “Engaging our people”;
- The topic “Empowering communities” has been added to the map to account for all the activities carried out by the Swiss Re Foundation;

- Two topics we have so far addressed under other headings now appear as entries in their own right (“Investing responsibly” and “Reducing our environmental footprint”);
- Finally, our review has led us to specify two new topics, “Advancing access to insurance” and “Navigating the digital transformation”.

Reflecting our two main insight sources and in line with current best practice, eg the recommendations of the Global Reporting Initiative (www.globalreporting.org), our Corporate Responsibility Map is structured along the two axes of “Stakeholder expectations” and “Relevance for Swiss Re” – in terms of the risks as well as the opportunities they may create. We have positioned all our Corporate Responsibility Topics within this map and classified them into “exploration”, “management” and “priority”.

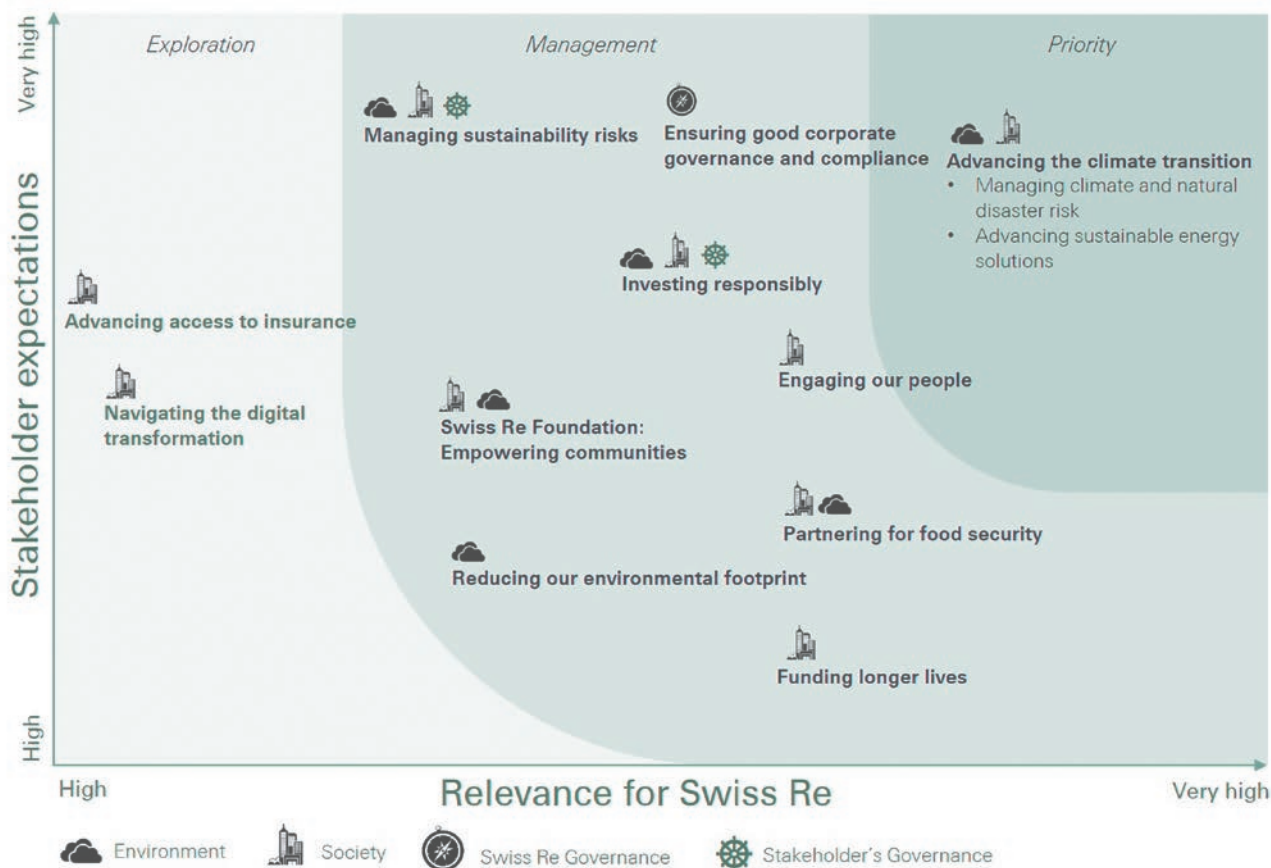
These three terms express different stages of relevance and maturity:

Exploration: Topics with increasing relevance from an internal perspective and an expected increase in stakeholder inquiries. Warrant further analysis.

Management: Topics recognised as being relevant and for which we have well-established management procedures. Stakeholder interest in them varies, though.

Priority: Topics with high stakeholder expectations as well as high internal relevance. Require continuous high attention and effort.

Our Corporate Responsibility Map:



Commitment to the UN Sustainable Development Goals (SDGs)

Swiss Re endorses the UN Agenda 2030. Many of our activities described in the present report contribute to one or several of the agenda's 17 global goals, in particular:

- Ensuring access to affordable, reliable, sustainable and modern energy (SDG 7);
- Taking action to combat climate change and its impacts (SDG 13);
- Ensuring sustainable consumption and production patterns (SDG 12);
- Partnering for the goals (SDG 17).

We are currently exploring how we can further align our activities with the SDGs.

www.un.org/sustainabledevelopment/sustainable-development-goals/



A community in Indonesia grappling with a flooded street. Helping to reduce the risk of natural catastrophes by advancing the climate transition remains one of our top priorities.

Climate change

Climate change has been our most important sustainability issue for many years: For a reinsurer, it constitutes a key topic because it will lead to an increase in the frequency and severity of natural catastrophes such as floods, storms, excessive rainfall and drought. In combination with growing asset concentrations in exposed areas and more widespread insurance protection, this will cause a steady rise in losses. Of our current Corporate Responsibility Topics shown on page 11, two are directly connected to climate change: "Managing climate and natural disaster risk" and "Advancing sustainable energy solutions".

Since detecting the long-term threat posed by climate change almost 30 years ago, we have been an acknowledged thought leader on the topic. To tackle the issue, we pursue a comprehensive strategy with four pillars. These are described below:

The four pillars of our climate change strategy

- **Advancing our knowledge and understanding of climate change risks, quantifying and integrating them into our risk management and underwriting frameworks where relevant;**
- **Developing products and services to mitigate or adapt to climate risk;**
- **Raising awareness about climate change risks through dialogue with clients, employees and the public, and advocating a worldwide policy framework for climate change;**
- **Tackling our own carbon footprint and ensuring transparent, annual emissions reporting.**



For more information see
swissre.com/eca/our_climate_change_strategy.html

Goals for our Corporate Responsibility Topics

For all our existing as well as the revised and new Corporate Responsibility Topics we have set goals – some quantitative, others qualitative. The overview on page 15 shows where you can find information on the progress we have made on these goals.

Managing climate and natural disaster risk

- For general strategic objectives, see special section on our climate change strategy on page 12;
- Based on our commitment made to the UN, offer USD 10 billion protection against climate risks to 50 sovereigns and sub-sovereigns by 2020.

Advancing sustainable energy solutions

- Use our capacity and technical expertise to provide effective risk covers for complex offshore wind farm projects.

Funding longer lives

- Use our capacity, technical expertise and natural offset of our mortality business to offer our clients risk transfer solutions for their longevity risk.

Partnering for food security

- In cooperation with key stakeholders, create solutions to improve food security by giving farmers protection against natural perils;
- Through our commitment to the Grow Africa Partnership, offer up to 1.4 million smallholder farmers in Sub-Saharan Africa protection against weather risks by 2017.

Managing sustainability risks

- Consistently identify potential sustainability risks in our business transactions and abstain from them if warranted;
- Increase the effectiveness and efficiency of the Sensitive Business Risk (SBR) process by advancing automation of sustainability risk screening with our proprietary SBR Assessment Tool;
- Engage with clients and industry partners on how to address and reduce sustainability risks in business transactions, especially in high growth markets.

Engaging our people

- Continue to build an organisation of diverse people that have a passion to make the world more resilient;
- Achieve a top-quartile employee engagement score (EES >71%).

Ensuring good corporate governance and compliance

- Continuously assess our corporate governance against best practices and new stakeholder demands;
- Regularly update our compliance policies as appropriate, oversee effective implementation thereof and deliver meaningful training and communication to our employees.

Investing responsibly

- Meet our investment target for green bonds of at least USD 1.0 billion.

Reducing our environmental footprint

- Keep per-capita CO₂ emissions from our own operations at 2013 levels, which we had reduced by 49.3% in the ten years since 2003;
- Reduce our energy intensity by an average 2% per year;
- Obtain 100% of power used for our own operations from renewable sources by 2020;
- Include our tier 1 and tier 2 vendors in the EcoVadis platform by 2020.

Swiss Re Foundation: Empowering communities

- Contribute to resilient societies by increasingly engaging Swiss Re employees with their skills and expertise.

Advancing access to insurance

- Advance our understanding of the societal impact of insurance and develop metrics to measure our impact on stakeholders.

Navigating the digital transformation

- Refine our understanding of societal challenges related to the digital transformation.

Implementation areas

We seek to address our Corporate Responsibility Topics across all the areas of our business where our activities can make a contribution to sustainable value creation. These areas are listed below:

Business solutions

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

Risk intelligence

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

Stakeholder dialogue

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

Our footprint

We apply best-practice standards of resource management to our properties and logistic operations as well as guidelines to our sourcing activities. In doing so, we continually reduce Swiss Re's direct environmental impact.

Our people

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

Active in society

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

Governance and compliance

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

The overview on the right shows in which implementation areas we addressed which Corporate Responsibility Topics in 2016, and where you can find corresponding information in the present publication or in "The Swiss Re Foundation in 2016" report. The overview reflects our new Corporate Responsibility Map and thus comprises all our Corporate Responsibility Topics, including those singled out, added and newly included at the "exploration" stage.

Overview: where and how we have addressed our Corporate Responsibility (CR) Topics

Implementation areas CR Topics	Business solutions	Risk intelligence	Stakeholder dialogue	Our operations – Footprint – Our people	Active in society	Corporate governance & compliance
Managing climate and natural disaster risk	pages 18–25	page 35	pages 45–46, 48, 50	pages 52–61	SRF	
Advancing sustainable energy solutions	pages 26–27		pages 43–44	pages 54–55	SRF	
Funding longer lives	page 27		page 45		SRF	
Partnering for food security	pages 22–23, 25		pages 46–48		SRF	
Managing sustainability risks		pages 28–33	pages 32–33			
Engaging our people				pages 62–73	SRF	
Ensuring good corporate governance and compliance		page 31				pages 74–77
Investing responsibly		pages 38–41				
Reducing our environmental footprint				pages 52–61		
Swiss Re Foundation: Empowering communities					pages 78–79, SRF	
Advancing access to insurance	pages 21–25		pages 46–47, 50		SRF	
Navigating the digital transformation			pages 48–49			page 77

SRF = “The Swiss Re Foundation in 2016 – Shared skills, resilient futures” report

Board and senior management responsibility

At Swiss Re's highest governance level, the task of overseeing implementation of our commitment to corporate responsibility has been assigned to a committee of the Board of Directors: It is one of the responsibilities of the Chairman's and Governance Committee to monitor the Group's sustainability principles.

Regarding the development and adoption of relevant policies and strategies, the role of the Board of Directors is to endorse them, while the Group Executive Committee approves them. Group Risk Management is responsible for maintaining a suitable risk policy framework, and the Business Units drive strategic implementation within their respective areas.

On an operational level, various divisions, departments and units are involved in implementing Swiss Re's commitment to corporate responsibility in daily business. The Group Sustainability Risk unit drives the development of Group risk policies and related strategic projects and coordinates communication, dialogue and engagement efforts across the Group. In addition, it is responsible for producing Swiss Re's Corporate Responsibility Report, which is reviewed by senior management and approved by the Board of Directors.

Disclosure and accountability

We have voluntarily reported on our performance as a responsible company since 1998. Over the years, the range of topics covered in these yearly reports has gradually widened. While early editions had a strong focus on environmental concerns, later editions gradually extended their focus to social and governance issues. Since 2007, we have published a comprehensive Corporate Responsibility Report, guided by best practice in corporate responsibility reporting.

Content definition

The structure of the present report reflects the "implementation areas" in which we address our Corporate Responsibility Topics: each of these areas is covered by an individual chapter – with one exception: Our role as an active citizen in society is described in a separate report published by the Swiss Re Foundation (see pages 78–79). Thus, the report includes the following six main chapters:

- Creating solutions for sustainability
- Extending our risk intelligence
- Exploring and shaping the risk landscape
- Reducing our environmental footprint
- Engaging our people
- Ensuring good corporate governance and compliance

The content presented in these chapters primarily reflects our Corporate Responsibility Topics, as shown in the overview table on page 15.

Scope and publishing rhythm

Our Corporate Responsibility Report covers the whole Swiss Re Group as it was organised by 31 December 2016, ie the publicly listed holding company Swiss Re Ltd, its three Business Units Reinsurance, Corporate Solutions and Life Capital, and all directly or indirectly held subsidiaries. Our new Life Capital Business Unit was established on 1 January 2016, comprising the existing Admin Re® business. There were no other changes to the Group's organisational structure during the year.

As in past years, the scope of the report is limited to Swiss Re's own operations. Although we provide information on our sourcing and procurement policies, we do not report on the performance of our suppliers because the re/insurance business does not involve an extensive supply chain. However, since 2013, we have been disclosing some of the emissions caused along our supply chain (Scope 3 emissions).



In the 2016 reporting cycle, we have also started to integrate the disclosure recommendations recently developed by the Financial Stability Board's Task Force on Climate-related Financial Disclosures (www.fsb-tcfd.org). In view of their clear focus on financially relevant information, we are using the dedicated "Corporate responsibility" chapter of our 2016 Financial Report for this purpose (see pages 123–130).

The present report follows the 2015 edition and covers the calendar year of 2016 ending 31 December 2016. We plan to maintain our annual publishing cycle and to present our next Corporate Responsibility Report in the first quarter of 2018, covering the year of 2017.

To get a complete overview of our actions as a responsible company, this report should be read in conjunction with Swiss Re's Annual Report and the report published by the Swiss Re Foundation (see pages 78–79).

Independent assurance

All the main chapters of the 2016 Corporate Responsibility Report have received independent assurance from PricewaterhouseCoopers. Their assurance report is included on pages 82–83.

Reporting frameworks

The present report incorporates our 2016 Communication on Progress for the UN Global Compact (www.unglobalcompact.org/). References to the Compact's ten principles are incorporated into the GRI Content Index (see pages 87–91). For the third consecutive year, we also report against the Principles for Sustainable Insurance, PSI (www.unepfi.org/psi). You can find our Public Disclosure of Progress on page 86.

Note on our implementation of the GRI G4 Guidelines

In this edition of our Corporate Responsibility Report, we include Standard Disclosures of the G4 Guidelines of the Global Reporting Initiative (GRI), as far as is practical for a business-to-business company in financial services. The way we identify material issues has important implications for how we do this:

- Our understanding of materiality is based on the risk expertise embedded in our business, our broad, interactive stakeholder dialogue and the view of various standard setters. We have selected the GRI's "material aspects" accordingly and refer to the associated indicators as far as we see fit for a re/insurer and can provide the data.

- Although we engage actively in dialogue with our stakeholders, we do not currently have a formalised process for them to comment on our selection of the GRI's "material aspects" and hence neither on the content of our Corporate Responsibility Report.
- We do, however, carefully analyse what kind of information key sustainability raters request of us and include this in our reporting if we perceive a widespread demand (see below).

Note on Indicators G4-21 and G4-22 on internal and external "aspect boundaries": Of the "material aspects" to which we refer in the present report, we regard most as material "inside the organization". Those aspects that are also or primarily "material outside the organization" relate to our supply chain (supplier assessments regarding environment, labour practices, human rights and impacts on society), the human rights performance of our investees and re/insurance clients (investment, freedom of association and collective bargaining, child labour, forced or compulsory labour, and assessment) and the environmental and social performance of our investees (active ownership).

Furthermore, we include the two aspects "water" and "effluents and waste" of the environmental category in our reporting, even though they are not highly material for a non-industrial company. However, many rating organisations expect information and data on them from companies in the financial services sector, too.

As a rule, all the material aspects we cover in the report are "material for all entities within the organization", that is, for the Swiss Re holding company and all three of its Business Units. This statement only needs to be qualified for two indicators of the Financial Services Sector Supplement: FS7 and FS8 on products with a specific social or environmental benefit are not relevant for our Life Capital Business Unit.