

# Compensation Report

Report from the Compensation Committee	118
Financial performance highlights	120
Executive compensation snapshot	121
Say on pay and sustainability highlights	122
Compensation philosophy and governance	123
Board compensation	126
Group EC compensation	129
Group compensation framework, 2022 outcomes and 2023 changes	136
Additional compensation disclosures	143
Report of the statutory auditor	145

Swiss Re's compensation framework is designed to attract, motivate and retain top talent, promote sustainable performance and align stakeholder interests.



“The compensation framework aims to promote sustainable performance and long-term shareholder value creation through key performance measures and equity-based compensation.”

**Jacques de Vaucleroy**  
Chair Compensation Committee

# Report from the Compensation Committee

## Dear shareholders,

I am pleased to present the 2022 Compensation Report, which outlines key compensation outcomes and decisions taken by the Compensation Committee.

## Compensation Committee activities

During 2022, the Compensation Committee met six times and passed four decisions by circular resolution. The Compensation Committee’s activities included:

- Implementing changes to the Swiss Re incentive compensation framework as decided in 2021 and announced in the 2021 Compensation Report for the performance year 2022. These changes further foster a pay-for-performance culture and effectively align stakeholder interests, and include:
  - i) a revised process for funding the Group Annual Performance Incentive (API) pool, with a stronger focus on financial performance;
  - ii) replacing the cash-based deferral plan (Value Alignment Incentive/VAI) with a share-based deferral plan (Deferred Share Plan/DSP) for which first awards are to be granted in April 2023; and
  - iii) aligning Return on Equity (ROE) targets with externally communicated targets as well as implementing a broader vesting range on the relative Total Shareholder Return (TSR) performance condition for the Leadership Share Plan (LSP). These changes have no impact on running awards. Further details of all three plans can be found in the section Group compensation framework, 2022 outcomes and 2023 changes.
- Driving performance differentiation and application of pay-for-performance principles at business and individual level to ensure proper recognition of performance.
- Enforcing commitment to equal pay for equal work that is supported by a gender-neutral approach to determining pay for all roles (at all levels throughout the year and across the employee life cycle).
- Ensuring the integration of sustainability/ ESG considerations in the compensation framework as one of the drivers of variable cash compensation.
- Evaluating the impact of the change from US GAAP to IFRS and discontinuation of EVM on incentive plans (specifically running VAI and LSP plans) with decisions for these plans to be taken during 2023.
- Alleviating the financial burden of soaring economic inflation and rising cost of living by providing a one-off payment to those who were relatively hit the hardest, which represents almost half of Swiss Re’s employees. No such payment was made to senior management or executives.

**2022 Group business results and pay for performance**

The compensation framework aims to promote sustainable performance and long-term shareholder value creation through key performance measures and equity-based compensation. For 2022, Swiss Re’s commitment to pay for performance translated into the following outcomes:

- **Overall performance:** Compensation decisions were made considering Swiss Re’s overall performance for the reporting year in which Swiss Re reported a US GAAP net income of USD 472 million and ROE of 2.6%, whereas the Economic Net Worth (ENW) per share growth was at -5.9%. The Group’s US GAAP and economic performance declined compared with 2021, mainly driven by the impact of economic inflation on actual and expected claims in property and casualty businesses, mark-to-market impacts on listed equity investments and large natural catastrophe claims above expectations. Property & Casualty Reinsurance (P&C Re) reported a net income of USD 312 million, negatively impacted by higher-than-expected economic inflation, as well as by large natural catastrophe claims above expectations. Nevertheless, P&C Re grew its net premiums earned by 4.1% at stable foreign exchange rates, supported by continued price improvements over the year. P&C Re’s normalised combined ratio of 96.9% missed its target of less than 94%. On the EVM side, P&C Re was also impacted by the capital cost parameter update for inflation. Life & Health Reinsurance (L&H Re) reported a net income of USD 416 million, above its target net income of approximately USD 300 million. L&H Re returned to profitability despite COVID-19-related claims of USD 588 million. The economic performance of L&H Re reflects the adverse impact of assumption updates as well as the impact of the internal pandemic risk model update. Corporate Solutions reported a net income of USD 486 million, reflecting the solid underlying business performance as a result of the strong portfolio quality and new business growth in selected focus portfolios. With a combined ratio of 93.1% for the full year, Corporate Solutions outperformed its target of less than 95.0% in 2022.

- **Annual bonus:** 2022 was a challenging year, marked by the war in Ukraine, surging economic inflation, the tail end of the COVID-19 pandemic and elevated natural catastrophe losses. The Group missed two of its five Key Performance Indicators (KPIs) relevant for the Group API pool. The Compensation Committee and the Board of Directors did not exercise any upward or downward discretion. The Group Business Performance Factor decreased from 0.92 to 0.68 for financial year 2022, which led to an overall decrease of the Group API pool by 28.1% compared with 2021. For the Group Executive Committee (Group EC) members, the aggregate API amount (as disclosed) decreased by 42.5% compared with the prior year, reflecting their accountability for the financial results.
- **Deferred compensation:** The VAI 2019 (awarded 2020) performance factor for the Swiss Re Group was 92.8% based on the average 2020–2022 previous years’ business performance. The main drivers of the previous years’ business losses were COVID-19-related losses, natural catastrophe and man-made losses as well as reserve increases relating to economic inflation. The previous years’ business performance further deteriorated due to 2022 updates to the internal pandemic risk model and inflation scenarios.
- **Long-term incentive:** Outcomes for the Leadership Performance Plan (LPP) 2020 (vesting in March 2023) were below target for the three-year performance period with a combined performance factor of 14.5%.

**Shareholder engagement and Annual General Meeting (AGM)**

The compensation framework and decisions continued to receive strong support from shareholders. At the AGM on 13 April 2022, shareholders approved all binding compensation-related motions and the 2021 Compensation Report was approved in a consultative vote.

Swiss Re continued to engage directly with shareholders and proxy advisors, such as during the annual Chairman’s Roadshow. Swiss Re’s compensation framework (including potential changes to the framework), compensation-related decisions and the compensation disclosure approach were discussed. Further details on shareholder engagement are provided in the Corporate Governance Report on pages 80 and 114.

The Compensation Committee decided to disclose the weightings of the non-financial KPIs in the Group CEO scorecard presented in this Compensation Report. The Compensation Committee is grateful for the fruitful engagement and continues to proactively consider shareholders and proxy advisors’ expectations.

Consistent with last year and in line with Swiss Re Ltd’s Articles of Association, shareholders will be asked to vote on the following motions at the AGM 2023:

- Maximum aggregate amount of compensation for the members of the Board of Directors for the term of office from the AGM 2023 to the AGM 2024.
- Maximum aggregate amount of fixed compensation and variable long-term compensation for the members of the Group EC for the financial year 2024.
- Aggregate amount of variable short-term compensation for the members of the Group EC for the financial year 2022.

Furthermore, the Compensation Report will be submitted to the shareholders for a consultative vote.

This Compensation Report complies with applicable laws, rules and regulations, including Articles 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies limited by Shares.

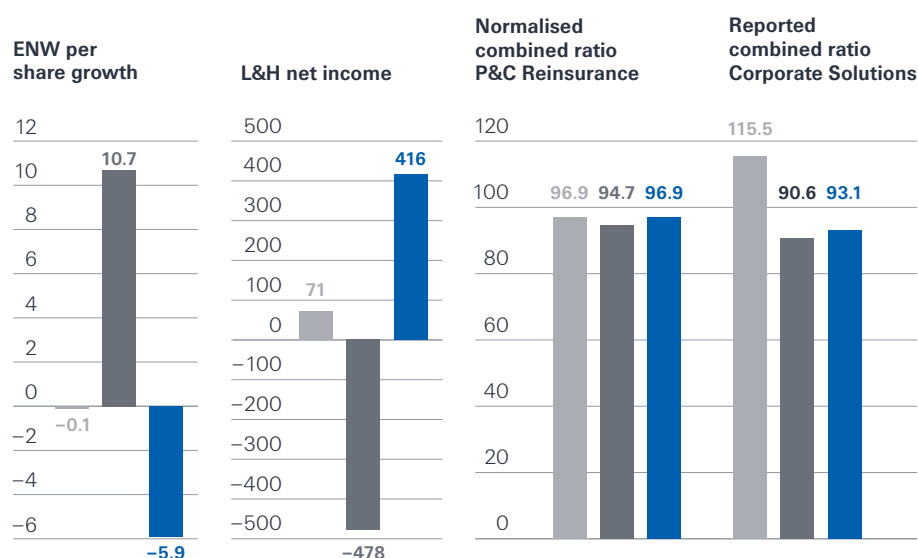
16 March 2023



**Jacques de Vaucleroy**  
Chair Compensation Committee

# Financial performance highlights

## 2022 key financial drivers for variable compensation outcomes



## Group SST ratio



● 2020 ● 2021 ● 2022

## Attribution of group income to key stakeholders

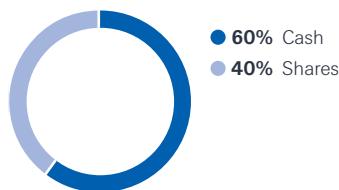
USD millions (unless otherwise stated)	2020	%	2021	%	2022	%
Income before tax and variable compensation	-797	100.0%	2 249	100.0%	962	100.0%
Variable compensation	347	-	418	18.6%	319	33.2%
Income tax expense	-266	-	394	17.5%	171	17.8%
US GAAP net income attributable to shareholders	-878	-	1 437	-	472	-
of which paid out as dividend <sup>1</sup>	1 855	-	1 825	81.1%	1 710	177.8%
of which share buyback	-	-	-	-	-	-
of which added to retained earnings within shareholders' equity	-2 733	-	-388	-	-1 238	-

<sup>1</sup> FY 2022 is estimated based on the average monthly CHF/USD FX rate as of January 2023. The dividend is subject to AGM approval and the amount depends on the final number of dividend eligible shares and FX rates upon dividend payout.

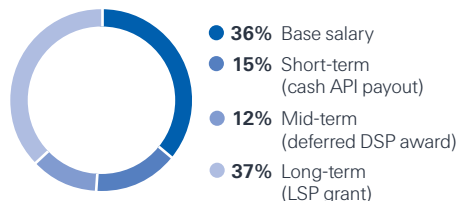
# Executive compensation snapshot

## Core compensation design elements for the Board of Directors and the Group EC

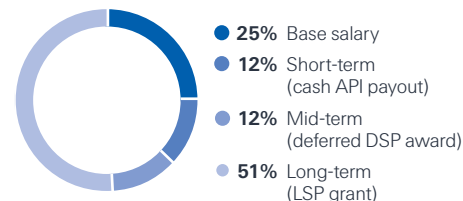
**Board of Directors**  
Pay mix 2022



**Group EC (excluding Group CEO)**  
Pay mix 2022



**Group CEO**  
Pay mix 2022



### Compensation design

- No variable or performance-related compensation.
- Compensation awarded 60% in cash and 40% in shares.
- Shares subject to a four-year blocking period.

### Compensation design

- Strong pay for performance alignment.
- Balanced mix between short-term and long-term incentives.
- Meaningful deferral levels for key executives: 50% of the short-term incentive is deferred for the Group CEO and 45% for other Group EC members.
- Forfeiture and clawback provisions incorporated in incentive plans.
- Stock ownership guidelines apply.
- Open-ended employment contracts; 12-month notice period.
- No severance clauses/“golden parachutes”.
- Same pension arrangements as for other employees.

### Group EC ratio of fixed to variable compensation

- The total variable compensation for individual members of the Group EC (including the Group CEO) who were active on the Group EC for the full year 2022 ranged from 54–252% of total fixed compensation. For 2021, the ratio ranged from 59–305%.

## Key Group EC compensation framework changes implemented for performance year 2022

Item	Change	Rationale
<b>Annual bonus pool setting process</b>	Simplified the funding process with a stronger focus on financial performance outcomes. Qualitative assessment (including sustainability and risk and control behaviours, etc.) continues to impact the pool distribution to each Business Unit/Group Function and individual bonus allocations as relevant.	Further strengthen the pay-for-performance approach.
<b>Mandatory deferral</b>	Introduced deferral in the form of share units settled in shares after a three-year vesting period, making the value at vesting dependent on Swiss Re’s share price development.	Better alignment with shareholder interests and Swiss Re’s long-term risk profile.
<b>Long-term incentive</b>	Further aligned the metrics with externally communicated targets, making the incentive plan more challenging. For relative TSR, maximum vesting was increased to the 90th percentile and the threshold was lowered to the 35th percentile.	Closer aligning and re-balancing shareholders’ and employees’ interests.
<b>Stock ownership guidelines</b>	Increased the target for the Group CEO to five times annual base salary.	Stronger alignment with shareholders.

For further information on the Group compensation framework, please refer to pages 136–142 of this Compensation Report.





# Say on pay and sustainability highlights

## Say on pay votes at the AGM 2023

Maximum aggregate amount of compensation for the members of the Board of Directors for the term of office from the AGM 2023 to the AGM 2024.	<b>CHF 9.2 million</b> (AGM 2022: CHF 9.9 million) (AGM 2021: CHF 10.3 million)	The proposed maximum aggregate amount reflects the changes in the fees structure and composition of the Board of Directors and its committees.
Maximum aggregate amount of fixed compensation and variable long-term compensation for the members of the Group EC for the financial year 2024.	<b>CHF 33.0 million</b> (AGM 2022: CHF 36.5 million) (AGM 2021: CHF 36.5 million)	The decrease in the maximum aggregate amount reflects the changes in the composition of the Group EC with 12 expected members in 2024.
Aggregate amount of variable short-term compensation for the members of the Group EC for the financial year 2022.	<b>CHF 9.2 million</b> (AGM 2022: CHF 16.0 million) (AGM 2021: CHF 15.1 million)	The decrease in the aggregate amount is primarily driven by a lower Group Business Performance Factor for 2022 compared with 2021.

### Spotlight: diversity, equity and inclusion is key to our compensation offering

Swiss Re is committed to ensuring equal pay for equal work regardless of gender, race, ethnicity, sexual orientation or other personal characteristics. Swiss Re has a non-discriminatory approach to determining compensation and benefits at all levels. Key pillars of the approach are:

-  Sound governance around compensation decision-making and approvals to ensure appropriate checks and balances.
-  Compensation ranges defined by job family or specialisation in the local market, which ensure that compensation for employees in the same country/location is set based on consistent benchmarks.
-  Annual review of individual salaries and target incentives to maintain internal pay equity and pay for performance.
-  Regular statistical analysis using best practice methodologies to identify and address potential risks of bias.

An inclusive and diverse workforce is critical to the success of the business. Pay equity reviews are conducted regularly with a focus on an “adjusted gender pay gap” comparing pay for people in similar roles, in the same country, at the same hierarchical level and with similar years of experience. During the most recent review conducted in April 2022, this measure did not reveal any systemic bias: globally, the adjusted pay gap between men and women stood at 1.7% on average (same as last year). In addition, line managers have self-service dashboards available to analyse compensation for their teams. For Swiss Re’s larger locations (covering about 80% of all employees), regular statistical analysis is carried out to identify and address any potential risks of bias in compensation setting.

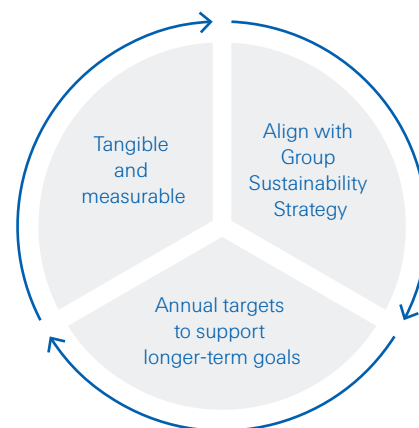
The revised Swiss Federal Act on Gender Equality requires companies such as Swiss Re to complete an equal pay analysis and have the results verified by an independent external auditor. The audit that was completed in spring 2022 concluded that Swiss Re is compliant across all legal entities and achieved the legal requirements set forth by the Swiss government. The result of this audit reaffirmed Swiss Re’s commitment to equal pay.

More details on Swiss Re’s initiatives fostering diversity are provided in the Sustainability Report available at [www.swissre.com/sustainability](http://www.swissre.com/sustainability).

### Spotlight: strong link between compensation and performance against sustainability/environmental, social and governance (ESG) targets

Sustainability/ESG is one of the drivers for compensation outcomes as Swiss Re considers defined sustainability criteria for all Business Units/Group Functions within the annual bonus allocation. Unlike long-term variable compensation that applies only to selected participants, sustainability-related performance impacts compensation for all employees, including the Group EC, through the annual bonus. Additionally, some employees have sustainability/ESG targets set at an individual level where this aligns to their role and responsibilities. Key considerations for the sustainability target-setting process are shown in the figure below.

### Sustainability targets in compensation





# Compensation philosophy and governance

## Guiding principles of Swiss Re's compensation framework

Swiss Re's compensation framework is designed to reflect the nature of its business by:

- Reinforcing a culture of sustainable performance with a focus on risk-adjusted financial results.
- Ensuring alignment of compensation to long-term business results and individual contribution, and recognising both what was achieved and how it was achieved.
- Attracting, motivating and retaining the qualified talent the Group needs to succeed globally.
- Supporting Swiss Re's commitment to ensure equal pay for equal work regardless of gender, race, ethnicity, sexual orientation or other personal characteristics.
- Aligning the interests of employees with those of Swiss Re's shareholders and society at large.
- Fostering compliance, supporting appropriate and controlled risk-taking in line with Swiss Re's business and risk strategy, and avoiding conflicts of interest.

Swiss Re's total compensation is well balanced in terms of fixed versus variable compensation and short-term versus long-term incentives. This encourages sustainable long-term performance and supports shareholder alignment. Complemented by pension plans and benefits, the total reward package is competitive in local labour markets.

## Compensation Policy

Building on the overarching compensation principles included in Swiss Re Ltd's Articles of Association, the compensation framework is captured within the Swiss Re Group Compensation Policy (Compensation Policy). The Compensation Policy is implemented globally to the extent possible. Variations may apply at the regional, entity and Business Unit (including Division iptiQ) level to accommodate specific requirements, such as compliance with local regulations and talent management. The Compensation Policy governs the compensation structure and processes and is regularly reviewed by Human Resources, Risk Management and the Compensation Committee against FINMA requirements and further relevant regulations as appropriate.

## Approval authorities

Authority for decisions related to compensation at the Board of Directors and Group EC level is governed by Swiss Re Ltd's Articles of Association, which include rules on:

- The annual and binding approval by the AGM of the maximum aggregate amounts of compensation of members of the Board of Directors and of the Group EC (Article 22).
- The supplementary amount for changes in the Group EC if the maximum aggregate amount of compensation approved by the AGM is not sufficient to also cover compensation of a new Group EC member (Article 23).
- The compensation principles for both the members of the Board of Directors and of the Group EC covering short-term and long-term elements, performance-related pay, payment in shares, financial instruments or units, compensation in kind or other types of benefits (Article 24).
- The agreements with members of the Board of Directors and the Group EC, external mandates and credits and loans (Articles 25 to 27).

Swiss Re Ltd's Articles of Association are complemented by stringent governance on compensation matters set out in the Bylaws of Swiss Re Ltd and in the Bylaws of Swiss Reinsurance Company Ltd, including the Charter of the Compensation Committee. Authority levels are summarised in the table overleaf.

The Board of Directors has approved an authority matrix that defines the limits to which each level of management can authorise compensation payments. The Group CEO, the Compensation Committee or the Board of Directors, as applicable, approve all compensation that exceeds the pre-set limits. The Group CEO is not involved in decision-making concerning his own compensation. The Board of Directors also establishes and periodically reviews Swiss Re's compensation framework (including guidelines and performance criteria) and prepares the compensation-related proposals to the AGM.

Further details can be found in the Corporate Governance Report on pages 76–115 and on Swiss Re's webpage at [www.swissre.com/articles](http://www.swissre.com/articles) and [www.swissre.com/bylaws](http://www.swissre.com/bylaws).

**Approval processes for key compensation decisions**

	Group CEO	CC	BoD Chairman	BoD	AGM
<b>Board compensation</b>					
Maximum aggregate amount of compensation for the next term of office		P	P	A, P <sup>1</sup>	A
Compensation for the BoD Chairman		P		A <sup>2</sup>	
Individual compensation for the members of the BoD (excl. BoD Chairman)		P	E	A <sup>2</sup>	
<b>Group EC compensation</b>					
Maximum aggregate amount of fixed compensation and variable long-term compensation	P	E	E	A, P <sup>1</sup>	A
Aggregate amount of variable short-term compensation	P	E	E	A, P <sup>1</sup>	A
Compensation for the Group CEO		E	P	A <sup>2</sup>	
Individual compensation for the members of the Group EC (excl. Group CEO)	P	E	E	A <sup>2</sup>	
<b>Variable short-term and long-term compensation pools for the Group</b>	P	E	E	A	
<b>Compensation and benefits principles for the Group and for the BoD</b>		P	E	A	

P = Proposal; E = Endorsement; A = Approval

CC = Compensation Committee; BoD = Board of Directors; AGM = Annual General Meeting

<sup>1</sup> The AGM approves the maximum aggregate amount.

<sup>2</sup> Within the maximum aggregate amount of compensation approved by the AGM and, for Group EC members, within the additional amount available for changes in the Group EC after the AGM as per the Articles of Association (if applicable).

**Compensation Committee**

The Compensation Committee is governed by a charter approved by the Board of Directors, which defines its purpose, composition and procedural rules, including its responsibilities and authorities for making proposals and decisions related to compensation of the members of the Board of Directors and the Group EC. It operates as the Group’s compensation committee and oversees the compensation framework applied at all entities of the Swiss Re Group. In 2022, the Compensation Committee consisted of five independent members of the Board of Directors.

The Compensation Committee has an annual agenda to ensure that important reviews take place at the right times throughout the year, including the oversight of each stage of the compensation cycle. The Compensation Committee also commits time to executive sessions and conducts a periodic self-evaluation to preserve its high level of effectiveness.

During 2022, the Compensation Committee held six meetings and provided updates to the Board of Directors on topics discussed, decisions made and items for approval after each of these meetings. In addition, the Compensation Committee passed four decisions by circular resolution.

The Chairman of the Board of Directors, the Group CEO and the Group Chief Human Resources Officer & Head Corporate Services participate in the Compensation Committee meetings. Other members of senior management may attend as deemed appropriate and upon invitation by the Chair of the Compensation Committee. Management members do not attend when their own compensation is discussed. The Global Head Reward serves as the Secretary to the Compensation Committee and attends its meetings (excluding the executive sessions).

Further details on the Compensation Committee can be found in the Corporate Governance Report (page 97 and page 99) and on Swiss Re’s webpage at [www.swissre.com/bylaws](http://www.swissre.com/bylaws), including the Charter of the Compensation Committee.

**Overview of the main topics addressed during the reporting year**

	Jan	Feb	Apr	Jun	Sep	Dec
<b>Board compensation</b>						
Board of Directors fees				•		
<b>Group EC compensation</b>						
Performance assessment and compensation proposals		•				
Benchmarking						•
<b>Past performance cycle</b>						
Performance assessment process, performance factors and variable compensation pool	•	•				
Review of decisions of prior compensation cycle			•	•		
<b>Upcoming performance cycle</b>						
Leadership Share Plan pool for upcoming year	•	•				
Performance targets for upcoming year		•				•
Upcoming performance cycle discussion	•	•			•	•
<b>Compensation framework and other topics</b>						
Compensation framework and policies	•	•		•		•
AGM, investor and proxy advisor feedback			•	•		
ESG-related discussions	•	•			•	•
Governance, compliance and regulatory matters (including Compensation Report and self-evaluation)	•	•	•	•	•	•

**External advisors**

The Compensation Committee works with PricewaterhouseCoopers Ltd as an independent advisor to provide an external perspective. PricewaterhouseCoopers Ltd advised on topics including remuneration trends, (executive) compensation, market intelligence and best practices, while also participating in the Compensation Committee meetings. In addition, Mercer delivered compensation benchmarking data and Niederer Kraft Frey Ltd gave legal advice, mainly about specific aspects of executive compensation and labour law, regulatory compliance, plan rules and disclosure matters. The advisors may also have other mandates with Swiss Re. The Compensation Committee reviews the external advisors’ role and mandate on a regular basis.

**Additional safeguards in governing compensation: 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. 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 Units/Group 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. The risk- and control-related behaviour assessment of Group and Business Units/ Group Functions provides additional input to determine the Group Annual Performance Incentive (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 and the continued independence of Control Functions (defined as Group Risk Management, Compliance, Group Internal Audit and Appointed Actuaries), the aggregate API pool for each Control Function and individual compensation for the Head of the respective Control Function are approved at Board level.

**Prohibition of personal hedging strategies**


Any use of personal hedging strategies or remuneration and liability-related insurance that could undermine the risk alignment effects and economic exposure embedded in compensation arrangements is prohibited.

# Board compensation


## Compensation framework for the Board of Directors

The objective of compensating members of the Board of Directors is to attract and retain experienced individuals who are highly motivated to perform a critical role in the strategic oversight of Swiss Re and to contribute their individual business experience and expertise.

The fee structure for the members of the Board of Directors takes into account their long-term contribution to Swiss Re's success and achieves strong alignment with shareholder interests:

 Board members receive no variable or performance-based compensation.

 Fees are delivered 60% in cash and 40% in shares.

 Shares are subject to a four-year blocking period.

The fee level for each member of the Board of Directors is reviewed annually and benchmarked regularly by an external provider. Benchmarking is conducted against the same peer group used for the Group EC benchmarking (for further information on the peer group, please refer to page 130 of this Compensation Report) and against Swiss Market Index companies.

A minimum Swiss pension fund solution is provided to members of the Board of Directors who are not exempted from mandatory occupational benefit plans in Switzerland. This is offered by an established external provider and applies only to a limited number of individuals depending on their personal situation due to which local law imposes such a pension solution. Pension contributions are split equally between Swiss Re and the respective individual. Contributions made by Swiss Re are included in the maximum aggregate compensation of the Board of Directors proposed to the AGM for approval.

### Changes to Board fees

No changes to Board of Directors fees have been made since 2018. Fee levels vary to reflect roles, responsibilities and time commitment, for instance due to committee memberships that differ in meeting frequency or duration. Fees for individuals may differ year on year, reflecting role changes (eg assuming the Chair position on a committee or joining a different committee in the reported financial year) or FX rate developments for fees not delivered in CHF (eg subsidiary board fees).

### Subsidiary boards

The majority of the board members at subsidiary level are Swiss Re executives who do not receive any additional compensation for their services in these roles. When a member of the Board of Directors also serves on the board of a subsidiary, the maximum aggregate compensation of the Board of Directors proposed to the AGM for approval also includes such subsidiary board fees.

### Board of Directors

Term of office: AGM 2022–AGM 2023

CHF millions

 9.9

Maximum aggregate amount approved

 9.6

Amount paid/granted

### Say on pay

At the AGM 2022, shareholders approved a maximum aggregate amount of compensation of CHF 9.9 million for the members of the Board of Directors for the term of office from the AGM 2022 to the AGM 2023. The compensation paid to the 12 members of the Board of Directors for their term of office from the AGM 2022 to the AGM 2023 was CHF 9.6 million and therefore within the approved amount.

Further details on the compensation for members of the Board of Directors are provided in the tables on the following page. Currency conversions are calculated using December 2022 year-to-date FX rates for 2022 and 2023 figures, and December 2021 year-to-date FX rates for 2021 figures, where relevant.

**(1) Individual Board compensation for the term of office between AGM 2022 and AGM 2023 (in CHF thousands, approved by AGM)**

Audited	Members of the Board of Directors	Base fees	Governance & Nomination Committee	Audit Committee	Compensation Committee	Finance and Risk Committee	Investment Committee	Subsidiary board fees and other <sup>1</sup>	Total <sup>2</sup>
	Sergio P. Ermotti, Chairman, Chair Governance & Nomination Committee								3 800
	Renato Fassbind, Vice Chairman, Lead Independent Director, Chair Audit Committee	225	30	425	50			125	855
	Karen Gavan, member	225		75	50			134	484
	Joachim Oechslin, member, Chair Finance and Risk Committee	225				300	50		575
	Deanna Ong, member	225		75	50			124	474
	Jay Ralph, member	225				50	50		325
	Joerg Reinhardt, member	225	30		50				305
	Philip K. Ryan, member	225		75		50		287	637
	Sir Paul Tucker, member	225				50	50		325
Jacques de Vaucleroy, member, Chair Compensation Committee	225	30		200		50	201	706	
Susan L. Wagner, member, Chair Investment Committee	225	30				300		555	
Larry Zimpleman, member	225		75		50		134	484	
<b>Total compensation for the term of office from AGM 2022 to AGM 2023<sup>3</sup></b>									<b>9 552</b>

<sup>1</sup> Including Vice Chairman or subsidiary board fees (converted at 2022 average exchange rates where applicable).

<sup>2</sup> Excluding company contributions to social security systems paid by Swiss Re in line with applicable laws.

<sup>3</sup> Including an amount of approximately CHF 9 000 for minimal benefits and CHF 18 000 for employer pension contributions as mandatory under Swiss law.

**(2) Individual Board compensation for the reported financial years 2021 and 2022 (in CHF thousands)**

Audited	Members of the Board of Directors	Total 2021	Fees and allowances in cash	Fees in blocked shares	Total 2022
	Sergio P. Ermotti, Chairman, Chair Governance & Nomination Committee	2 618	2 290	1 520	3 810
	Renato Fassbind, Vice Chairman, Lead Independent Director, Chair Audit Committee	826	508	338	846
	Raymond K.F. Ch'ien, former member <sup>1,2</sup>	431	96	43	139
	Karen Gavan, member <sup>3</sup>	478	344	140	484
	Joachim Oechslin, member, Chair Finance and Risk Committee	326	296	197	493
	Deanna Ong, member <sup>2</sup>	420	326	133	459
	Jay Ralph, member	335	205	130	335
	Joerg Reinhardt, member	306	184	122	306
	Philip K. Ryan, member <sup>3</sup>	875	547	173	720
Sir Paul Tucker, member	325	195	130	325	
Jacques de Vaucleroy, member, Chair Compensation Committee <sup>4</sup>	722	504	202	706	
Susan L. Wagner, member, Chair Investment Committee	605	343	229	572	
Larry Zimpleman, member <sup>3</sup>	457	344	140	484	
<b>Total compensation for the reported financial years<sup>5</sup></b>					<b>8 724</b>

<sup>1</sup> Did not stand for re-election at the AGM of 13 April 2022.

<sup>2</sup> Includes fees received for duties on the board of Singapore Group companies.

<sup>3</sup> Includes fees received for duties on the board of US Group companies.

<sup>4</sup> Includes fees for duties on the board of Luxembourg Group companies.

<sup>5</sup> Total figures might contain rounding differences. Compensation for the members of the Board of Directors includes fixed fees (cash and shares), minimal allowances and benefits. Also included are employer pension contributions as mandatory under Swiss law (CHF 18 019 in 2022 compared with CHF 18 128 in 2021). No sign-on or severance payments have been made. Amounts are gross and include social security contributions of the Board member. Additionally and not included are company contributions to social security systems paid by Swiss Re in line with applicable laws (CHF 433 574 in 2022 compared with CHF 459 543 in 2021). For Board members domiciled outside of Switzerland, company social security contributions are refunded if bilateral social security agreements between Switzerland and the country of domicile apply and provide for such a refund.

No loans or credits were granted to current or former members of the Board of Directors or their related parties in 2022 and no loans or credits were outstanding as of 31 December 2022. During 2022, no payments related to any individual's former activity as a member of the Board of Directors were made, nor payments to former members that are not customary in the market. Any payments to former members of the Board of Directors during 2021 were disclosed in the 2021 Compensation Report. Disclosure on compensation in 2022 covers members of the Board of Directors and includes related parties to the extent applicable (spouses, partners, children and other dependents or closely linked persons). In 2022, no compensation was paid to any related party.

### Shares held by members of the Board of Directors

Members of the Board of Directors	2021	2022
Sergio P. Ermotti, Chairman, Chair Governance & Nomination Committee	13 006	31 203
Renato Fassbind, Vice Chairman, Lead Independent Director, Chair Audit Committee	39 655	43 703
Raymond K.F. Ch'ien, former member <sup>1</sup>	16 221	n/a
Karen Gavan, member <sup>2</sup>	6 344	8 020
Joachim Oechslin, member, Chair Finance and Risk Committee	2 895	5 264
Deanna Ong, member	2 672	4 271
Jay Ralph, member	6 582	8 139
Joerg Reinhardt, member	28 831	30 292
Philip K. Ryan, member	21 883	23 944
Sir Paul Tucker, member	8 757	10 314
Jacques de Vaucleroy, member, Chair Compensation Committee	10 046	12 465
Susan L. Wagner, member, Chair Investment Committee	20 162	22 897
Larry Zimpleman, member	5 502	7 178
<b>Total</b>	<b>182 556</b>	<b>207 690</b>

<sup>1</sup> Did not stand for re-election at the AGM of 13 April 2022.

<sup>2</sup> Shareholdings include 2 500 American Depository Receipts, equivalent to 625 shares.

# Group EC compensation

## Compensation framework for the Group EC

The objective of compensating members of the Group EC is to attract, motivate and retain individuals who are highly capable of driving Swiss Re's success and shareholder value creation. Their compensation follows the same philosophy as the Swiss Re compensation framework for all employees, enabling success by:



Ensuring pay for performance by aligning compensation to risk-adjusted long-term business results.



Having well-balanced fixed, short-term variable and long-term variable compensation elements.



Stock ownership guidelines exposing part of Group EC members' personal wealth to similar risks as borne by shareholders.

The key compensation elements are outlined in the table below.

	Annual base salary and benefits	Annual Performance Incentive (API)	Deferred Share Plan (DSP)	Leadership Share Plan (LSP)
<b>Purpose</b>	Attract and retain	Incentivise annual business and individual performance	Encourage sustainable performance	Align with shareholders, incentivise long-term value creation
<b>Mechanism</b>	Cash salary and market-practice benefits	Cash payment	Deferral of a portion of API settled in share units	Annual award <sup>1</sup> of Performance Share Units (PSUs), settled in shares after vesting period
<b>Performance measures</b>	Role, responsibilities, individual experience and skill set	Business and individual targets	No performance conditions	ROE, ENW and relative TSR
<b>Threshold and maximum opportunity</b>	Fixed	0–200% of target, capped at three times annual base salary	100% of share units granted	0–150% of PSUs
<b>Performance period</b>	1 year	1 year	3 years	5 years (3-year vesting period and 2-year holding period)

<sup>1</sup> The individual grant level for each Group EC member is based on the scope and market value of the role. The amount is capped at two times annual base salary for the Group CEO and 1.5 times annual base salary for other Group EC members.

Group EC members' performance drives the allocation of the above-mentioned variable compensation elements as set out on page 131 for the Group CEO and page 134 for the Group EC. The ratio of fixed to variable compensation is provided on page 121. Further details on the globally implemented compensation framework are provided in the section Group compensation framework, 2022 outcomes and 2023 changes.

## Stock ownership guidelines

To ensure long-term alignment with shareholder interests, key executives are required to hold Swiss Re stock. The stock ownership guidelines define the following target ownership levels by role:

- Group CEO: five times annual base salary.
- Other Group EC members: two times annual base salary.
- Other key senior executives: one time annual base salary.

The target has to be achieved within five years. All vested shares that are owned directly or indirectly by the relevant individual and related parties as well as share units not subject to performance conditions owned directly by the relevant individual count towards the requirements under the stock ownership guidelines. Compliance is reviewed on an annual basis and the findings are reported to the Compensation Committee, which decides on appropriate actions as needed. During the 2022 assessment, all Group EC members fulfilled the applicable stock ownership guidelines.

As Swiss Re believes that a meaningful stock ownership position is essential for alignment with the interests of shareholders, restrictions on cash payouts may apply in case of non-compliance.

### Benchmarking

An annual review of the compensation of the Group EC relative to a group of reference companies (ie peer group) is conducted to ensure that market competitiveness is maintained. This peer group is regularly reviewed by the Compensation Committee to ensure its relevance. The 2022 peer group consists of the following globally active primary insurance and reinsurance firms: Allianz SE, American International Group Inc, Aviva PLC, AXA SA, Chubb Limited, Everest Re Group, Hannover Rueck SE, MetLife Inc, Muenchener Rueckversicherungs-Gesellschaft AG, Reinsurance Group of America Inc, Renaissance Re Holding Ltd, SCOR SE and Zurich Insurance Group Ltd.

### Employment conditions and clauses on changes of control

The Group EC members, including the Group CEO, have open-ended employment agreements with notice periods of 12 months for termination by either the company or the individual. Their employment agreements comply with the Ordinance against Excessive Remuneration in Listed Companies limited by Shares (Ordinance). They do not contain severance clauses, any special provisions on the cancellation of contractual arrangements, agreements concerning special notice periods, waivers of lock-up periods for options, shorter vesting periods, additional contributions to pension funds or any other provisions protecting against changes of control (“golden parachutes”).

Group EC members are covered by the Group’s standard defined contribution pension plans. Information on the mandates and employment contracts of the members of the Board of Directors and further executive management is provided in the Corporate Governance Report on page 111.

In the event of a change of control, the rights of members of the Group EC are identical to those of all other employees as governed by VAI, DSP, LPP and LSP plan rules. Specifically, the Board of Directors may decide at its discretion on the continuation, acceleration, amendment, or removal of any vesting, blocking or exercise conditions for the payment or grant of deferred compensation. It may also decide to replace any DSP, LPP/LSP award with shares of the entity assuming control. In addition, it may apply any other measure which it considers equitable and reasonable, provided this does not constitute impermissible compensation pursuant to the Ordinance. Should the Board of Directors decide to accelerate vesting, performance factors will generally be based on the latest performance estimates available. Information on the quantitative impact of vested shares is provided in the Corporate Governance Report on page 87.

### Compensation for the highest-paid member of the Group EC

The table below shows the compensation paid to Christian Mumenthaler, Group CEO. Further details on the Group CEO’s performance assessment and compensation outcomes are provided in the Group CEO scorecard on the next page.

CHF thousands	2021	2022
Base salary	1 500	1 500
Allowances <sup>1</sup>	34	34
Funding of pension benefits <sup>2</sup>	223	223
<b>Total fixed compensation</b>	<b>1 757</b>	<b>1 757</b>
Cash Annual Performance Incentive <sup>3</sup>	1 183	713
Value Alignment Incentive <sup>3</sup>	1 183	
Deferred Share Plan <sup>3</sup>		713
Leadership Share Plan <sup>4</sup>	3 000	3 000
<b>Total variable compensation</b>	<b>5 366</b>	<b>4 426</b>
<b>Total compensation<sup>5</sup></b>	<b>7 123</b>	<b>6 183</b>

Audited

<sup>1</sup> Benefits or allowances paid in cash. Includes healthcare and accident insurance benefits, lump sum expenses, transportation, and child and similar allowances.

<sup>2</sup> Swiss Re’s Pension Fund amended its regulations with effect from 1 January 2019, including some adjustments to the benefits provided to insureds in Switzerland. In consideration of those amendments (which apply to the Group CEO and Group EC members insured in Switzerland as well as all other employees insured in Switzerland), the figures disclosed for 2021 and 2022 include higher employer pension contributions and contributions to mitigate the effects of lower conversion rates.

<sup>3</sup> For 2022, subject to shareholder approval at the AGM 2023. For 2021, as part of the aggregate amount of short-term variable compensation approved by the shareholders at the AGM 2022. As of 2022, the Value Alignment Incentive was replaced by the Deferred Share Plan.

<sup>4</sup> Disclosure reflects all awards for a reporting year, ie the 2021 value reflects the fair value of LSP award granted in April 2021 and the 2022 value reflects the fair value of LSP award granted in April 2022. LSP award is split equally into three underlying PSU components.

<sup>5</sup> Amounts are gross before deduction of employee social security contributions. Additional and not included are company contributions to social security systems paid by Swiss Re in line with applicable laws, which amounted to CHF 326 719 in 2021 and to CHF 265 886 in 2022.



### Group CEO performance assessment and compensation

#### Performance assessment process

The Board of Directors sets the Group CEO’s API against financial and qualitative KPIs, which are set at the beginning of the financial year. KPIs are designed to support the long-term business strategy and drive sustainable performance across the Swiss Re Group. The Group CEO’s API is capped at two times Target API and additionally at three times annual base salary.

#### Financial performance (weighted 70%)

2022 KPIs	Target/guidance	Threshold	Maximum	Achievement	Weight	Achievement in %
ROE	10%	5%	15%	<b>2.6%</b>	35%	0%
ENW per share growth	10%	0%	20%	<b>-5.9%</b>	20%	0%
Net income L&H Reinsurance	300m	200m	800m	<b>416m</b>	15%	72%
Normalised combined ratio P&C Reinsurance	<94%	96%	92%	<b>96.9%</b>	15%	0%
Reported combined ratio Corporate Solutions	<95%	97%	92%	<b>93.1%</b>	15%	156%
<b>Financial performance achievement</b>	<b>34%</b> (minimum 0%, maximum 200%)					

#### Qualitative performance (weighted 30%)

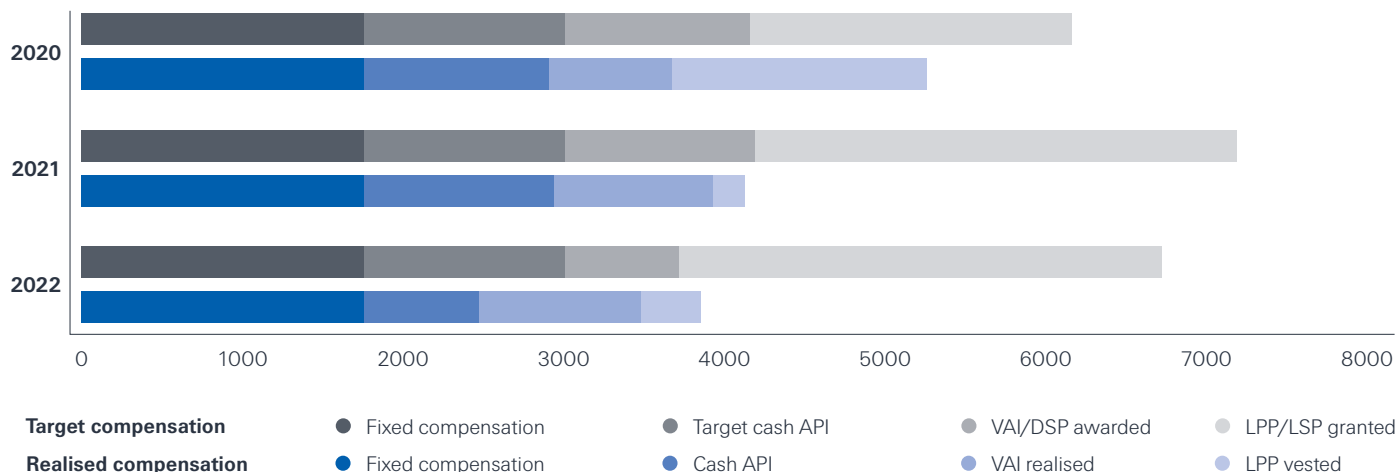
2022 KPIs	Assessment and key highlights
Strategic priorities (15% weight) <b>80%</b>	In 2022, the Group CEO oversaw the launch of the Reinsurance Solutions division, a unit focused on leveraging data and technology to drive innovation for our clients globally, and the expansion of Corporate Solutions’ differentiated offering to corporate clients, including Innovative Risk Solutions and International Programme capabilities. In addition, he advanced Swiss Re’s digital transformation by enhancing the Reinsurance Analytics Data Model, which supports sound underwriting, and he continued to reinforce the standardised business efforts. For iptiQ, while good progress was made in terms of growth, its financial results are still below expectations. This and the delivery of other strategic programmes will need increased attention in 2023. First steps in the project to simplify the Group’s organisation and management structure were initiated. The Group CEO’s unabated client centricity was reflected in the very strong scores received in independent client surveys: Reinsurance secured the top position in target markets across P&C and L&H in the NMG survey, and Corporate Solutions had a Net Promoter Score of 46, which is significantly above prior-year levels.
ESG (15% weight) <b>140%</b>	The Group CEO showed very strong personal engagement in ESG topics and enhanced Swiss Re’s profile as a prominent participant in public discussions, particularly in key focus areas such as decarbonisation. The Group delivered against the KPIs as defined in the Group Sustainability Report and continues to be recognised externally as an ESG leader, as reflected in its inclusion in the Dow Jones Sustainability Index (DJSI) and the AAA rating from MSCI. This recognition also reflects the Group’s focus on achieving net-zero emissions on the asset and liability side by 2050 and meeting governance expectations, for which important progress was made in 2022. In Underwriting, the policies for new oil&gas projects were further strengthened and client engagements on sustainability have expanded. Strong progress was made in developing the Target-Setting Protocol of the Net-Zero Insurance Alliance (NZIA) co-founded by Swiss Re. On the Asset Management side, the Group exceeded their carbon reduction targets for corporate bonds, listed equity and listed assets. The Group also exceeded the reduction target for absolute greenhouse gas (GHG) emissions from business air travel compared with the 2018 base year.  The Group CEO ensured adherence to the gender promotion targets for senior management, including Directors and Managing Directors across the company. In line with the Group’s purpose to “make the world more resilient”, he supported Swiss Re Foundation’s efforts to support emergency aid work in Ukraine as well as countries affected by the war-induced food crisis.
<b>Qualitative performance achievement</b>	<b>110%</b> (minimum 0%, maximum 200%)

<b>Individual scorecard factor</b>	<b>0.57</b>	Based on 70% weighting for financial performance achievements and 30% weighting for qualitative performance achievements.
<b>Resulting API for the Group CEO</b>	<b>CHF 1 425 000</b>	Calculated by multiplying the Target API of CHF 2 500 000 with the individual scorecard factor, rounded up to the next five thousand.

**Pay for performance: Group CEO realised compensation**

The chart below shows the realised compensation for Christian Mumenthaler, Group CEO, against his target compensation.

CHF thousands



CHF thousands	Target				Realised					
	Fixed compensation	Target cash API <sup>1</sup>	VAI/DSP awarded <sup>2</sup>	LPP/LSP granted	Total	Fixed compensation	Cash API <sup>3</sup>	VAI realised	LPP vested <sup>4</sup>	Total
2020	1 756	1 250	1 155	2 000	<b>6 161</b>	1 756	1 155	761	1 589	<b>5 261</b>
2021	1 757	1 250	1 183	3 000	<b>7 190</b>	1 757	1 183	989	195	<b>4 124</b>
2022	1 757	1 250	713	3 000	<b>6 720</b>	1 757	713	1 009	374	<b>3 853</b>

<sup>1</sup> 50% of the Group CEO's total Target API for the respective year (ie the portion that is not subject to deferral).  
<sup>2</sup> Actual Value Alignment Incentive (VAI)/Deferred Share Plan (DSP) awarded for the respective year (50% of realised cash API). For 2022, subject to shareholder approval at the AGM 2023.  
<sup>3</sup> For 2022, subject to shareholder approval at the AGM 2023.  
<sup>4</sup> For 2022, the realised value is estimated based on the closing share price at year-end 2022 (CHF 86.48) since vesting will occur after publication of this report. Prior-year figures have been restated to reflect the actual realised value based on the share price at vesting.

**Say on pay**

At the AGM 2021, shareholders approved a prospective maximum aggregate amount of CHF 36.5 million for fixed compensation and variable long-term compensation for the financial year 2022 for the members of the Group EC. The amount of CHF 33.4 million paid and effectively granted to the Group EC members during the financial year 2022 consists of:

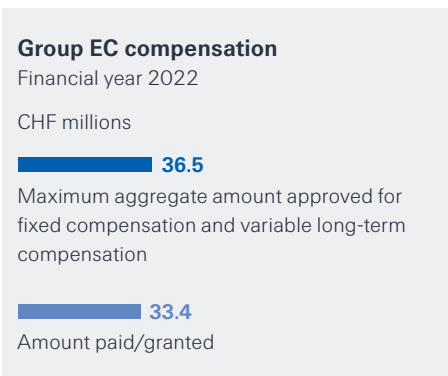
- CHF 16.6 million fixed compensation;
- CHF 14.0 million variable-long term compensation; and
- CHF 2.8 million for compensation due to members leaving.

It includes compensation and associated costs in relation to the period in a Group EC position for one individual who joined the Group EC during the year. It also includes compensation and associated costs in relation to the role of Group Chief Digital & Technology Officer per 1 January 2022. As of the same date, the Group EC no longer comprised a Group Chief Operating Officer

role. These changes were not known at the time of the AGM 2021. Details are provided in the table below.

The 2022 figures cover payments to 14 individuals who held a Group EC position at any point in 2022 (including the Group CEO), of whom 12 were active on the Group EC for the full year. The 2021 figures cover payments to 14 individuals who held a Group EC position at any point in 2021 (including the Group CEO), of whom 11 were active on the Group EC for the full year.

The figures include legally or contractually required payments to individuals who stepped down from the Group EC during the respective year; no severance payments were made. For 2022, the amount relates primarily to company commitments for tax-related services and to allowances in connection with the international assignment of the individual stepping down from the Group EC.



**Compensation for members of the Group EC including the Group CEO**

	14 members 2021	14 members 2022
CHF thousands <sup>1</sup>		
Base salaries	12 493	12 087
Allowances <sup>2</sup>	2 794	1 908
Funding of pension benefits <sup>3</sup>	2 712	2 632
<b>Total fixed compensation<sup>4</sup></b>	<b>17 999</b>	<b>16 627</b>
Cash Annual Performance Incentive <sup>4, 5</sup>	8 697	4 988
Value Alignment Incentive <sup>4, 5</sup>	7 331	4 211
Deferred Share Plan <sup>4, 5</sup>		4 211
Leadership Share Plan <sup>6</sup>	14 874	14 025
<b>Total variable compensation</b>	<b>30 902</b>	<b>23 224</b>
<b>Total fixed and variable compensation</b>	<b>48 901</b>	<b>39 851</b>
Compensation due to members leaving <sup>7</sup>	407	2 771
<b>Total compensation<sup>8</sup></b>	<b>49 308</b>	<b>42 622</b>

Audited

<sup>1</sup> Foreign currency conversions calculated using December 2022 year-to-date FX rates for 2022 figures and December 2021 year-to-date FX rates for 2021 figures (where relevant).

<sup>2</sup> Benefits or allowances, eg housing, schooling, lump sum expenses, relocation expenses and taxes, child and similar allowances. Also included is an amount of CHF 31 051 for 255 matching shares received by Group EC Members participating in Swiss Re's Global Share Participation Plan in 2022 (in 2021 CHF 19 233 for 226 matching shares). For 2021, a cash replacement award in the amount of CHF 178 000 is included that was paid to one Group EC member in 2021 as compensation for a proven financial disadvantage due to leaving the former employer.

<sup>3</sup> Swiss Re's Pension Fund amended its regulations with effect from 1 January 2019, including some adjustments to the benefits provided to insureds in Switzerland. In consideration of those amendments (which apply both to Group EC members insured in Switzerland and all other employees insured in Switzerland), the figures disclosed for 2021 and 2022 include higher employer pension contributions and contributions to mitigate the effects of lower conversion rates.

<sup>4</sup> Covers payments reflecting the time in the role as Group EC member.

<sup>5</sup> For 2022, subject to shareholder approval at the AGM 2023. For 2021, based on shareholders' approval at the AGM 2022 of the aggregate amount of short-term variable compensation. Disclosure includes pro-rata payments in relation to the active period on the Group EC for individuals who joined or left the Group EC. As of 2022, the Value Alignment Incentive was replaced by the Deferred Share Plan.

<sup>6</sup> For 2021, also included is an equity replacement award in the value of CHF 1 773 910 that was granted to one Group EC member in 2021 as compensation for a proven financial disadvantage due to leaving the former employer. The replacement awards may vest in three annual instalments. Disclosure reflects all awards for a reporting year, ie the 2021 value reflects the fair value of LSP awards granted in April 2021 and the 2022 value reflects the fair value of LSP awards granted in April 2022. Any awards granted during the respective year and then forfeited at a later point in that same year are not included. LSP awards are split equally into three underlying PSU components.

<sup>7</sup> For individuals leaving the Group EC during the reporting period, this only covers legally or contractually required payments for the period when the individual was no longer in the Group EC position (eg base salary when on garden leave). For 2022, the amount relates primarily to company commitments for tax-related services and to allowances in connection with the international assignment of the individual stepping down from the Group EC. No severance payments were made.

<sup>8</sup> Amounts are gross before deduction of employee social security contributions. Additional and not included are company contributions to social security systems paid by Swiss Re in line with applicable laws, which amounted to CHF 2 559 951 in 2021 and CHF 2 063 738 in 2022.

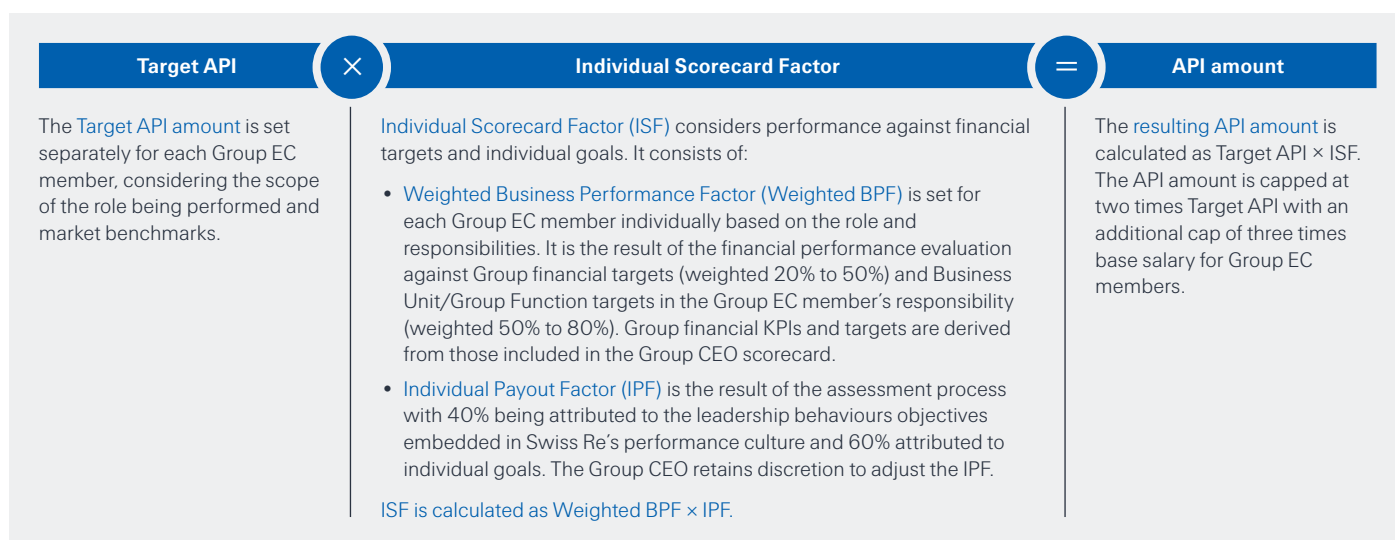
**Group EC performance assessment and compensation**

Performance of each Group EC member is assessed by means of an individual scorecard with a set of quantitative and qualitative objectives. This approach aligns the performance assessment of the Group EC to the practice used for the Group CEO. The objectives are agreed at the beginning of the performance year and are derived from the Group’s strategy and the Group CEO’s objectives.

The members of the Group EC are assessed by the Group CEO based on i) their individual performance; ii) the performance of the Business Unit/Group Function in their responsibility; and iii) Swiss Re’s performance. These three assessment elements directly impact the Group EC members’ compensation.

Subsequently, the Compensation Committee reviews the effectiveness of the Group’s performance management process and challenges compensation proposals for the Group EC members.

The assessment with the proposed API amount for each Group EC member is approved by the Board of Directors.



**Group EC performance outcomes**

The Group EC focused on steering the Group and its employees through a time of escalating political tensions and war as well as the economic reverberations thereof, while continuing to advance key business and strategic ambitions. For example, a central focus was to ensure sound underwriting decisions amid an inflationary environment, rising interest rates and the impact of climate change. Another priority was to set strong foundations for Swiss Re to adopt IFRS as its reporting framework as of 1 January 2024. The Group EC also kept a strong focus on client centricity, ensuring continued support through trying times. Independent client surveys confirmed that Swiss Re enjoys a leading position in most markets globally. In terms of financial performance, 2022 was a challenging year, marked by the war in Ukraine, surging economic inflation, the tail end of the COVID-19 pandemic and elevated natural catastrophe losses. As such, the Group did not meet the Group financial targets (ROE and ENW per share growth).

**2022 aggregate amount of Group EC variable short-term compensation**

For 2022, the Group EC target API pool (pro-rata amount in relation to the active period on the Group EC, including the Group CEO) amounted to CHF 15.2 million compared with CHF 17.1 million in 2021. The decrease is primarily due to one Group EC member leaving who forfeited the API in line with the applicable termination and clawback provisions. For the Group CEO, the Target API was CHF 2.5 million (no change compared with 2021).

The proposed total API (including DSP) amount for 2022 for the Group EC (including the Group CEO) is CHF 9.2 million and includes pro-rata payments in relation to the active period on the Group EC for individuals who joined or left the Group EC in 2022. The Group EC was held accountable for the Group’s lower financial results; the total API (including DSP) amount was reduced by CHF 6.8 million compared with the approved total 2021 API (including VAI)

amount of CHF 16.0 million. This represents an overall decrease of 42.5% compared with 2021. Overall, Group EC members will receive 39.5% less than their Target API for the active Group EC time (subject to shareholder approval at the 2023 AGM). For comparison, the Group API pool decreased by 28.1% against prior year.

After carefully considering the performance of the Group EC in 2022, the Compensation Committee and the Board of Directors concluded that the proposed amount is proportionate given the overall achievements of the Swiss Re Group and the business environment as well as in alignment with shareholder interests.

### Additional information on Group EC compensation

Audited	<b>Other payments</b>	No payments (or waivers of claims) other than those set out in this section (Group EC compensation) were made to current members of the Group EC or persons closely related.
	<b>Pension schemes</b>	Each member of the Group EC, including the Group CEO, participates in a defined contribution pension scheme. The funding of pension benefits shown in the disclosures reflects the actual employer contributions.
	<b>Related parties transactions</b>	Disclosure on compensation in 2022 covers members of the Group EC and includes related parties to the extent applicable (spouses, partners, children and other dependents or closely linked persons). In 2022, no compensation was paid to any related party.
	<b>Loans and credits</b>	As per Article 27 of the Articles of Association, credits and loans to members of the Group EC may be granted at employee conditions applicable for the Swiss Re Group, with a cap on the total amount of such credits and loans outstanding per member (currently CHF 3.0 million per member of the Group EC). During 2019, any outstanding loans and mortgages to current and former Group EC members were transferred to an external party. No credits, loans or mortgages were granted to current or former members of the Group EC or their related parties in 2022.
	<b>Payments to former members of governing bodies</b>	During 2022, payments in the total amount of CHF 1.12 million were made to nine former members of the Group EC. This amount is made up of legally or contractually required payments for the period when the individual was no longer in the Group EC position, company contributions payable by Swiss Re to governmental social security systems in line with applicable laws, matching shares awarded in the context of outstanding Global Share Participation Plan cycles, risk benefits, pension contributions and company commitments for tax-related services in line with contractual obligations.
	<b>Value of awards granted</b>	For US GAAP and statutory reporting purposes, VAI and LSP awards are accrued over the period during which they are earned. For the purpose of the disclosure required in this Compensation Report, the value of awards granted is included as compensation in the year of performance for the years 2021 and 2022, respectively.

### Shares held by members of the Group EC

The following table reflects Swiss Re share ownership by members of the Group EC as of 31 December:

Members of the Group EC	2021	2022
Christian Mumenthaler, Group Chief Executive Officer	93 414	95 631
Urs Baertschi, CEO Reinsurance EMEA/Regional President EMEA	3 989	5 391
Andreas Berger, CEO Corporate Solutions	213	1 072
John R. Dacey, Group Chief Financial Officer	39 234	40 386
Cathy Desquesses, Group CHRO & Head Corporate Services	0	3 269
Guido Fürer, Group Chief Investment Officer	64 888	66 274
Hermann Geiger, Group Chief Legal Officer	53 175	54 127
Russell Higginbotham, former CEO Reinsurance Asia/Regional President Asia <sup>1</sup>	15 966	n/a
Jonathan Isherwood, CEO Reinsurance Americas/Regional President Americas	55 880	56 935
Pravina Ladva, Group Chief Digital & Technology Officer	n/a	1 210
Thierry Léger, Group Chief Underwriting Officer	64 891	66 000
Paul Murray, CEO Reinsurance Asia Pacific/Regional President Asia Pacific <sup>2</sup>	n/a	10 447
Moses Ojisekhoba, CEO Reinsurance	47 001	48 110
Patrick Raaflaub, Group Chief Risk Officer	32 611	33 720
<b>Total</b>	<b>471 262</b>	<b>482 572</b>

<sup>1</sup> The number of shares held on 31 March 2022 when Russell Higginbotham stepped down from the Group EC was 16 546.

<sup>2</sup> Includes 1 373 shares held by a related party.

### LPP/LSP units held by members of the Group EC

The following table reflects total unvested LPP and LSP units (RSUs and PSUs) held by members of the Group EC as of 31 December:

Members of the Group EC	2021	2022
Christian Mumenthaler, Group Chief Executive Officer	96 418	120 723
Urs Baertschi, CEO Reinsurance EMEA/Regional President EMEA	22 537	33 201
Andreas Berger, CEO Corporate Solutions	38 586	45 407
John R. Dacey, Group Chief Financial Officer	41 347	45 267
Cathy Desquesses, Group CHRO & Head Corporate Services	4 806	14 686
Guido Fürer, Group Chief Investment Officer	51 683	57 405
Hermann Geiger, Group Chief Legal Officer	28 943	31 687
Russell Higginbotham, former CEO Reinsurance Asia/Regional President Asia	34 646	n/a
Jonathan Isherwood, CEO Reinsurance Americas/Regional President Americas	30 694	35 085
Pravina Ladva, Group Chief Digital & Technology Officer	n/a	14 459
Thierry Léger, Group Chief Underwriting Officer	45 222	52 435
Paul Murray, CEO Reinsurance Asia Pacific/Regional President Asia Pacific	n/a	26 889
Moses Ojisekhoba, CEO Reinsurance	47 106	54 319
Patrick Raaflaub, Group Chief Risk Officer	41 347	45 267
<b>Total</b>	<b>483 335</b>	<b>576 830</b>

# Group compensation framework, 2022 outcomes and 2023 changes

## Base salary and benefits

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.
- Market value of the role in the location in which Swiss Re competes for talent.
- Skills and expertise of the individual.

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.
- Connect with Swiss Re values and enhance engagement.

Forfeiture provisions apply in line with local market practice in certain benefit plans (eg common forfeiture provisions in retirement savings plans).

## Annual bonus: API

### Purpose

The Annual Performance Incentive (API) is a discretionary, variable component of compensation. Combined with the base salary, it provides competitive total cash compensation for achievements against both business and individual performance targets and for the demonstration of desired behaviours.

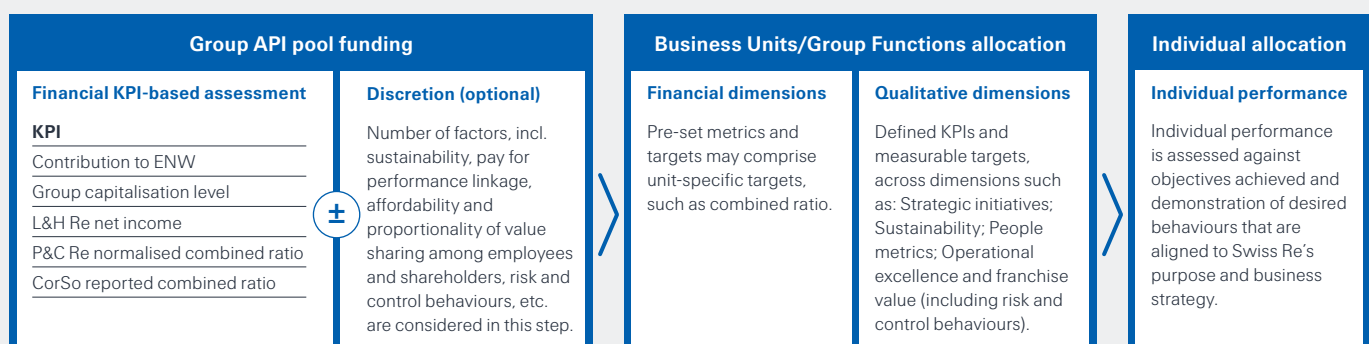
As of performance year 2022, Swiss Re’s API pool funding process places a stronger focus on financial performance outcomes, which strengthens the link between pay and performance. The financial performance assessment considers five financial Key Performance Indicators (KPIs) with ENW growth and Capitalisation level as Group targets complemented by three segment

targets. The KPIs are reviewed on an annual basis. The resulting Group Business Performance Factor (BPF) is calculated through a financial model with the achievement being capped to avoid a disproportionate pool.

The Compensation Committee can apply discretion (eg to protect the franchise or ensure affordability) to make an upward or downward adjustment to the Group API pool recommended for approval to the Board of Directors. If discretion is applied, this is disclosed.

Based on the respective financial and qualitative performance, the Group CEO then splits the Group API pool into pools for each Business Unit/Group Function, an aggregate pool for the Group EC and one for other key executives. Such assessment considers dimensions aligned with Swiss Re’s priorities, including unit-specific financial metrics, risk and control behaviours and sustainability/ESG targets.

## API determination process



The Group API pool is determined through a financial assessment.

Potential downward or upward adjustment can be applied by the Compensation Committee if warranted and such application is disclosed to shareholders.

Upon approval by the Board of Directors, the Group API pool is allocated to the Business Units/Group Functions.

The actual API payout is linked both to Swiss Re’s business results and to individual performance.

The API for each employee is determined based on their Target API, individual performance and performance of the Business Unit/Group Function the employee belongs to. Individual performance is assessed against individual goals and Swiss Re’s behaviour expectations and corporate values, all aligned to Swiss Re’s business strategy. Swiss Re’s “leadership from every seat” philosophy, as part of which desired behaviours are clearly articulated, is embedded in the continuous performance management and feedback discussions. This allows for forward-looking conversations that foster real-time improvement and adaptation to business needs. In doing so, Swiss Re ensures robust performance differentiation and transparent pay for performance. When the total API level for an employee equals or exceeds a pre-defined amount, a portion is deferred into the Deferred Share Plan (DSP). The non-deferred portion is settled in immediate cash (cash API).

**Limitations to avoid excessive payouts**

API awards to individuals are capped at two times Target API. For Group EC members an additional cap of three times annual base salary is applied. Both the Group API pool as well as an individual API can be reduced to zero. Forfeiture of unsettled awards and clawback provisions for settled awards apply in a range of events, enabling Swiss Re to seek repayment where appropriate. Examples of such events are acts which can be considered as malfeasance, fraud or misconduct.

**2022 API outcomes**

2022 was a challenging year, marked by the war in Ukraine, surging economic inflation, the tail end of the COVID-19 pandemic and elevated natural catastrophe losses. The main performance outcomes include:

- ENW per share growth was at -5.9%, significantly below the target of 10%, reflecting natural catastrophe and large man-made losses for non-life business, adverse assumption changes in L&H Reinsurance as well as the impact of economic inflation and pandemic risk

model update. In addition, investment activities resulted in a loss due to credit spread widening and equity mark-to-market losses, partially offset by outperformance from alternative investments.

- Swiss Re’s capital position remained very strong, with the Group Swiss Solvency Test (SST) ratio of 294% above the 200–250% target range performance, reflecting increased interest rates and the de-risking of the asset portfolio.
- L&H Reinsurance reported a net income of USD 416 million for 2022, above the target net income of approximately USD 300 million. L&H Reinsurance returned to profitability despite COVID-19-related claims of USD 588 million.
- P&C Reinsurance’s normalised combined ratio of 96.9% did not deliver against its target of less than 94%, mainly due to the impacts of higher-than-expected economic inflation, which drove an increase in the average claims size.
- Corporate Solutions’ combined ratio was 93.1%, outperforming the external target of less than 95%, reflecting the solid underlying business performance as a result of strong portfolio quality and new business growth in selected focus portfolios.

Next to financial achievements driving the funding, the proposed Group BPF was also evaluated in the broader context, including affordability, proportionality of value sharing, risk and control behaviours, sustainability/ESG and other qualitative dimensions, as relevant. The Board of Directors applied no upward or downward discretion and approved the Group BPF of 0.68.

**Portion of API that is deferred into the DSP**

Group CEO	50% of API
Other Group EC members	45% of API
Other key executives	40% of API
All other employees	50% of the API amount exceeding USD 150 000 with a minimum deferral amount of USD 5 000 at USD 150 000 and up to a maximum of 40% of total API

**Deferred compensation: DSP**

**Purpose**

The Deferred Share Plan (DSP) replaced the Value Alignment Incentive (VAI) as of performance year 2022. The DSP is a mandatory three-year deferral of a portion of the API when the total API amount for an employee equals or exceeds the threshold. The higher the API granted, the greater the amount of compensation that remains at risk through deferral into the DSP as shown in the table below.

The DSP supports Swiss Re’s performance culture as the ultimate value of the deferred variable compensation depends on Swiss Re’s future performance and value creation reflected in Swiss Re’s share price.

**Changes implemented as of performance year 2022**

The following changes were implemented as of performance year 2022 (ie for deferred awards as of 2023) to better align employee and shareholder interests and to conform to market practice:

- Deferral is in the form of share units settled in shares (where legally permissible) after a three-year vesting period.
- Threshold was increased to USD 150 000 for individuals with an API equal to or exceeding this amount. The deferral percentages for the Group CEO, other Group EC members and key executives remained unchanged.

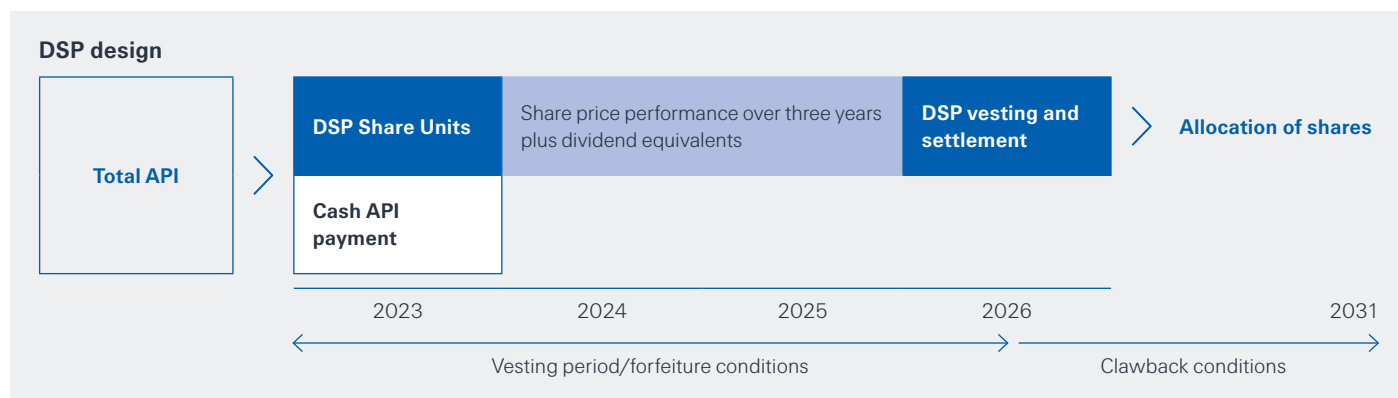
Running VAI awards (ie awarded in 2022 and before) are not impacted by these changes.

**Design**

At grant, the award amount is converted into share units using the average of the closing share prices of 30 trading days prior to the date of grant. The share units granted under the DSP are conditional rights to generally receive, at the end of the three-year vesting period, a number of Swiss Re shares (where legally permissible).

The share units are not subject to performance conditions, however, the value at vesting depends on the development of Swiss Re's share price, ensuring pay for performance and shareholder alignment. Each awarded share unit is entitled to a dividend equivalent accrued annually during the vesting period and without reinvestment.

For the full three-year vesting period, forfeiture conditions apply. Additionally, clawback provisions apply in a range of events as defined in the DSP plan rules. Swiss Re also allows for DSP participants to have shares sold or automatically settled on a net basis as applicable, to cover statutory tax and social security liabilities that may arise.

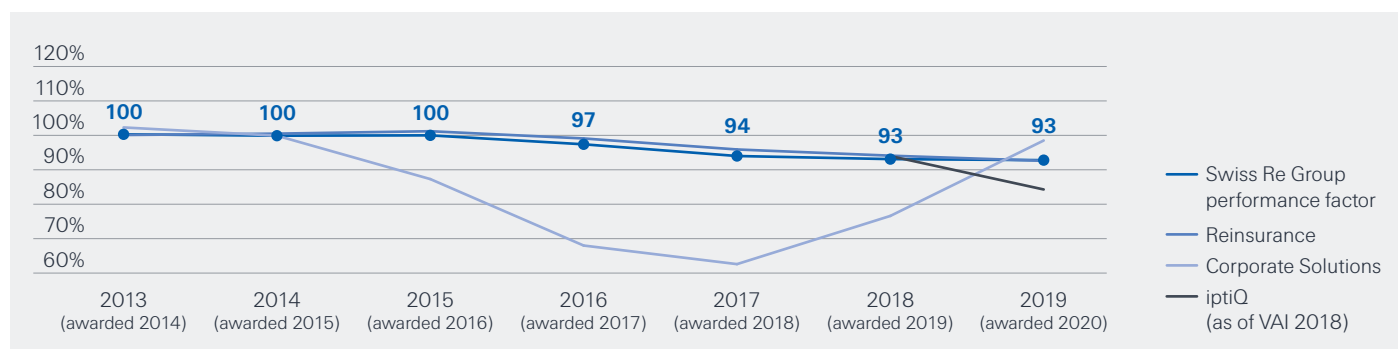


**Performance outcomes for the VAI 2019**

The VAI (granted until performance year 2021) is a mandatory cash deferral of a portion of the API subject to three-year average of the published Economic Value Management (EVM) previous years' business profit margin.

The VAI 2019 (awarded 2020) performance factor for the Swiss Re Group was 92.8% based on the average 2020–2022 previous years' business performance. The previous years' business losses were predominantly driven by losses and reserve increases. These included COVID-19-related losses in the years 2020 and 2021. In addition, natural catastrophe and man-made losses impacted the results

as well as reserve increases relating to economic inflation for P&C Reinsurance and Corporate Solutions. The previous years' business performance in 2022 further deteriorated due to updates to the internal pandemic risk model and inflation scenarios in Reinsurance. The underlying performance was reflected in differentiated factors, eg 84.5% for iptiQ and 98.5% for Corporate Solutions.



**Illustrative example of realised performance for the VAI 2019 (awarded 2020)**

Granted and realised VAI are shown on the right for a grant of CHF 100 000 on the VAI 2019 (awarded 2020). For illustrative purposes, this example considers only the Group performance factor.





**Long-term incentive: LSP**

**Purpose**

The purpose of the Leadership Share Plan (LSP) is to provide an incentive for Swiss Re’s senior management (including the members of the Group EC) to achieve sustainable company performance over the long term. The LSP is a discretionary, forward-looking instrument awarded to incentivise decision-making that is also in the shareholders’ interest. The design of the LSP aims to:

- Direct participants’ energies on earnings, capital efficiency and Swiss Re’s position against peers, all of which are critical to sustain shareholder value creation.
- Focus participants on long-term forward-looking business growth.
- Attract and retain individuals with exceptional skills.
- Provide competitive compensation that rewards long-term performance.

**Changes implemented for grant year 2022**

As of 2022 grants, the LSP is aligning and re-balancing shareholders’ and employees’ interests even more closely, and better supporting the business strategy through a combination of the following changes:

- The annual targets for the ROE performance condition are aligned with externally communicated targets.

- The relative TSR vesting curve pays out for a wider range of performance, with payout starting at the 35th percentile (previously 50th percentile); the maximum payout is realised only at the 90th percentile (previously 75th percentile). This aligns with prevalent Swiss market practice, ensuring that Swiss Re maintains its competitiveness to retain talent even though achieving maximum payout becomes more challenging.
- In addition, the peer group has been reduced to 13 companies to place greater focus on global reinsurance companies.

**Design**

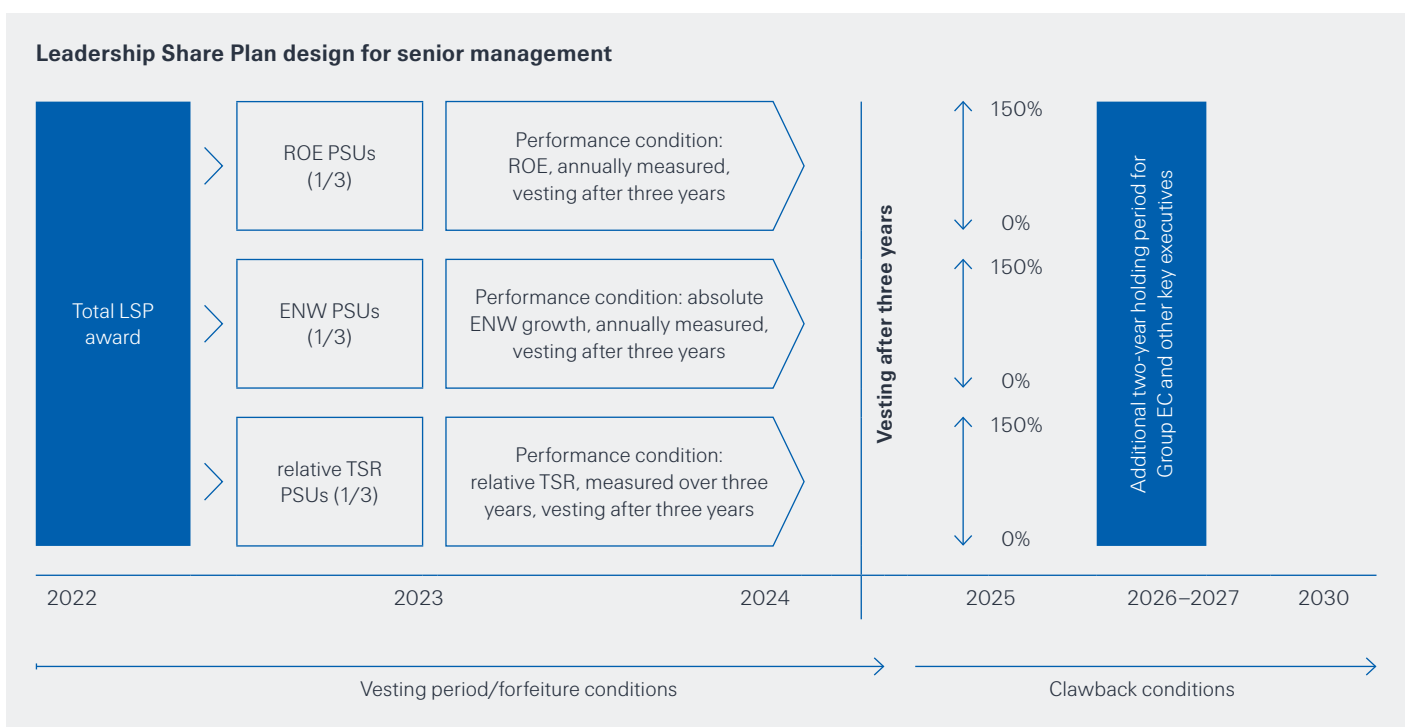
Grant levels are determined based on multiple factors including the role being performed and market benchmarks. The size of the LSP pool is reviewed each year in the context of sustainable business performance, affordability and market competitiveness, and funded as part of the Group’s total variable compensation pool.

For Group EC members and other key executives, the award value is split equally into three underlying Performance Share Units (PSUs) at the grant date. For other eligible employees, the award value is either

split into 50% PSUs and 50% Share Units (SUs), or granted in 100% SUs. A valuation by a third party is used to determine the number of PSUs to be granted. The number of SUs is determined using the average of the closing share prices of 30 trading days prior to the date of grant, as SUs are not subject to performance conditions.

The vesting period, during which performance is measured, is three years. For LSP awards granted to Group EC 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.

At the end of the three-year (performance) measurement period, PSUs and SUs will be settled in shares where legally permissible. Forfeiture and clawback provisions apply in a range of events as defined in the LSP plan rules. Swiss Re also allows for LSP participants to have shares sold or automatically settled on a net basis as applicable, to cover statutory tax and social security liabilities that may arise.



**2022 LSP grants and PSU KPIs**

**Measure: ROE**

The performance condition for the first PSU component is ROE. Target and maximum are defined per plan year to reflect Swiss Re's incremental performance ambitions. The vesting between threshold, target and maximum is linear.

**Measure: ENW**

The performance condition for the second PSU component is the growth of absolute ENW (the difference between the market consistent value of assets and liabilities of the corresponding performance year within the performance period). Depending on the level of absolute ENW growth, an ENW PSU

component multiple between 0% and 150% will apply. Vesting is linear and begins only with an absolute ENW growth above zero.

**Measure: relative TSR**

The third PSU performance condition is relative TSR measured over three years relative to the TSR of the pre-defined peer group for the same period. This peer group consists of companies that are similar in scale and have a global footprint or a similar business mix to Swiss Re. The peer group, which is set at the beginning of the plan period, includes Allianz SE, American International Group Inc, Aviva PLC, AXA SA, Chubb Limited, Everest Re Group Ltd,

Hannover Rueck SE, MetLife Inc, Muenchener Rueckversicherungs-Gesellschaft AG, Reinsurance Group of America Inc, RenaissanceRe Holdings Ltd, SCOR SE and Zurich Insurance Group Ltd.

Payout for a negative absolute TSR over the performance period is capped at 100%, subject to the Compensation Committee's right to assess the circumstances and decide on the performance multiple accordingly.

The 2022 LSP grant was based on a share price of CHF 86.15 (average closing price of 30 trading days prior to the grant date, ie 18 February 2022–31 March 2022).

Measure	Performance period	Performance tranche	Threshold	Target	Maximum
<b>ROE</b>	At the end of each year, the performance on the respective ROE PSU tranche is assessed and locked in <sup>1</sup> .	2022	20% at ROE of 5%	100% at ROE of 10%	150% at ROE of 13%
		2023	20% at ROE of 5%	100% at ROE of 11%	150% at ROE of 14%
		2024	20% at ROE of 5%	100% at ROE of 12%	150% at ROE of 15%
<b>ENW</b>	At the end of each year, the performance is assessed and one third of the ENW PSUs is locked in <sup>1</sup> .	2022–2024	0% for an ENW growth at 0%	100% for an ENW growth of 10%	150% for an ENW growth at 15%
<b>relative TSR</b>	Measured over three years.	2022–2024	0% vests at 35th percentile	Linear between threshold and the 50th percentile (50% vests), and between the 50th percentile and maximum	150% vests at 90th percentile

<sup>1</sup> Remains subject to forfeiture conditions.

**2023 changes**

For the grants to be made as of 2023, the Board of Directors decided to discontinue the use of the ENW KPI as a result of the transition from US GAAP to IFRS in 2024. The LSP 2023 will be based on two KPIs, Return on adjusted Equity and relative TSR. To account for the currently volatile

US GAAP Shareholders' equity as a result of interest rate movements, Shareholders' equity will be adjusted for unrealised gains and losses. The corresponding adjusted Equity calculation will be disclosed. These changes apply only to new grants. Looking ahead, in the course of 2023, the Board of Directors will decide on the changes to

the running plans which are required due to the introduction of IFRS as well as any other changes due to the new accounting standard. In addition, the volatility of the Shareholders' equity due to the interest rate movements is expected to reduce with the transition to IFRS in 2024.

**Performance outcomes for the LPP 2020**

Leadership Performance Plan (LPP) 2020 awards were split into three equal underlying components of PSUs with the key metrics ROE, absolute ENW and relative TSR. For ROE PSUs and ENW PSUs the performance is assessed at the end of each year over the three-year performance period and one third of the PSUs is locked in within a range of 0–100%. For TSR

PSUs the performance is only assessed once, at the end of the three-year period, for a vesting range of 0–200%. For LPP 2020, the performance outcome for the ROE condition was below target during 2020, 2021 and 2022, resulting in an average PSU performance factor of 20.3%. For the ENW condition, the target was met for the year 2021 while for the years 2020 and 2022, the performance was below

target, resulting in an average performance of 33.3%. With respect to the TSR condition, Swiss Re’s position relative to peers was below the 50th percentile, resulting in a PSU performance factor of 0.0% for the three-year period of the LPP 2020. The combined performance factor was 14.5%.

LPP 2020: performance against targets

Measure	Performance period	Performance measure	Fair value per unit in CHF	Performance tranche	Target	Result	Final performance factor
<b>ROE</b>	At the end of each year, the performance is assessed and one third of the ROE PSUs is locked in within a range of 0% to 100% <sup>1</sup> .	0% for a ROE at the risk-free rate, up to 100% for a ROE above the risk-free rate plus 7%.	78.81	2020	7.83%	-3.1%	Average performance factor: 20.3%
				2021	8.46%	5.7%	
				2022	10.0%	2.6%	
<b>ENW</b>	At the end of each year, the performance is assessed and one third of the ENW PSUs is locked in within a range of 0% to 100% <sup>1</sup> .	0% for an ENW growth at 0%, up to 100% for an ENW growth at 10%.	85.17	2020	10.0%	-0.1%	Average performance factor: 33.3%
				2021	10.0%	10.6%	
				2022	10.0%	-5.8%	
<b>relative TSR</b>	Measured over three years.	50% vesting at the 50th percentile and capped at 200% vesting at the 75th percentile.	48.12	2020–2022	TSR positioning relative to peers	-4.3% (28th percentile)	0.0%

<sup>1</sup> Remains subject to forfeiture conditions.

The LPP 2020 grant was based on a grant valuation share price of CHF 104.20 (as of 21 February 2020, ie the next trading day after publication of 2019 annual results). Vesting of LPP 2020 will occur after the

publication of this report with the closing share price as of 31 March 2023. Assuming a grant size of CHF 100 000 and applying the year-end 2022 share price of CHF 86.48 with the performance factors as

shown in the table above would result in a realised value of CHF 18 853. The table below gives an overview of the achievements against targets for the previous plan years.

Plan year	Performance period remaining as of 31 December 2022	ROE component: performance factor for the three-year period	TSR component: performance factor for the three-year period	ENW component: performance factor for the three-year period	Combined performance factor (based on CHF 100 000 grant value, excluding share price development)
LPP 2013	Closed	99.7%	60.0%	not applicable	78.4%
LPP 2014	Closed	99.7%	81.0%	not applicable	90.4%
LPP 2015	Closed	66.7%	0.0%	not applicable	31.8%
LPP 2016	Closed	32.3%	0.0%	not applicable	13.8%
LPP 2017	Closed	1.67%	0.0%	not applicable	0.7%
LPP 2018	Closed	1.67%	146.0%	not applicable	66.3%
LPP 2019	Closed	17.3%	0.0%	not applicable	8.8%
<b>LPP 2020</b>	–	<b>20.3%</b>	<b>0.0%</b>	<b>33.3%</b>	<b>14.5%</b>
LSP 2021	1 year		to be determined in 2024		
LSP 2022	2 years		to be determined in 2025		

### Global Share Participation Plan

Through the Global Share Participation Plan (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.

### 2022 DSP, LSP and GSPP termination and clawback provisions

Termination reason	DSP	LSP	GSPP
<b>Voluntary resignation</b>	Unvested awards are forfeited as of the date of termination of the employment relationship, unless not possible due to local law.	Unvested awards are forfeited as of the date of termination of the employment relationship, unless not possible due to local law.	Matching share awards are forfeited as of the date of termination of the employment relationship.
<b>Redundancy</b>	Unvested awards shall vest on the regular vesting date.	Unvested awards shall vest on the regular vesting date, subject to performance.	Matching share awards shall vest immediately.
<b>Retirement</b>	Unvested awards shall vest on the regular vesting date.	Unvested awards shall vest on the regular vesting date, subject to performance.	Matching share awards shall vest immediately.
<b>Termination for cause</b>	Unvested awards are forfeited as of the date of termination of the employment relationship.	Unvested awards are forfeited as of the date of termination of the employment relationship.	Matching share awards are forfeited as of the date of termination of the employment relationship.
<b>Health/disability</b>	Unvested awards shall vest on the regular vesting date.	Unvested awards shall vest on the regular vesting date, subject to performance.	Matching share awards shall vest immediately.
<b>Death</b>	Unvested awards shall vest immediately.	Unvested awards shall vest immediately using the performance factors as presented during the latest Compensation Committee meeting.	Matching share awards shall vest immediately.
<b>Mutual agreement</b>	Unvested awards may vest at Swiss Re's sole discretion. The final decision is subject to the review and approval of the Business Head, Global Head Reward, Group Chief Human Resources Officer & Head Corporate Services and, if applicable, the Compensation Committee.	Unvested awards may vest at Swiss Re's sole discretion. The final decision is subject to the review and approval of the Business Head, Global Head Reward, Group Chief Human Resources Officer & Head Corporate Services and, if applicable, the Compensation Committee.	Matching share awards are forfeited unless agreed otherwise at Swiss Re's sole discretion. The final decision is subject to the review and approval of the Business Head, Global Head Reward, Group Chief Human Resources Officer & Head Corporate Services and, if applicable, the Compensation Committee.

# Additional compensation disclosures

## Aggregate compensation of the Swiss Re Group

As of 31 December 2022, the Group had 14 408 regular employees worldwide (compared with 13 985 on 31 December 2021). The total compensation of the Group for 2022 amounted to CHF 2 048 million (compared with CHF 2 055 million in 2021), whereof CHF 1 962 million has been or will be paid in cash (compared with CHF 1 991 million in 2021) and CHF 86 million has been granted in share-based awards (compared with CHF 64 million in 2021). The 2021 figures have been adjusted to conform to the 2022 presentation.

The value of all outstanding deferred compensation for all employees at 31 December 2022 amounted to CHF 283 million (compared with CHF 256 million in 2021), whereof CHF 106 million will be payable in cash (compared with CHF 100 million in 2021) and CHF 176 million in shares (compared with CHF 156 million in 2021). The figure for outstanding deferred compensation is determined based on the value at grant for both cash-based and share-based compensation.

In 2022, an increase of expenses amounting to CHF 2 million was recognised for compensation in previous financial years, whereas in 2021 a reduction of expenses amounting to CHF 6 million was recognised for compensation in previous financial years.

Category	Performance year 2021 <sup>1,2</sup>		Performance year 2022 <sup>1,2</sup>	
	Number of employees	Values (in CHF millions)	Number of employees	Values (in CHF millions)
Base salaries <sup>3</sup>	13 985	1 343	14 408	1 383
Pensions and benefits	13 985	270	14 408	285
Cash Annual Performance Incentive <sup>4</sup>	13 008	317	14 355	271
Deferred compensation awards				
– Value Alignment Incentive <sup>5</sup>	801	41	152	3
– Deferred Share Plan <sup>6</sup>			202	15
Long-term variable compensation				
– Granted in units subject to performance conditions <sup>7</sup>	250	35	241	36
– Granted in units not subject to performance conditions <sup>8</sup>	726	29	916	35
Other payments				
– Severance payments <sup>9</sup>	216	13	159	12
– Sign-on payments <sup>10</sup>	203	7	247	8
<b>Total<sup>11</sup></b>		<b>2 055</b>		<b>2 048</b>

<sup>1</sup> Regular employees (excludes contractors) per 31 December, compensation on actual FTE basis. For 2022 also excluded are 428 AccuQuote employees with a total compensation of CHF 19 million (base salaries CHF 14 million and pension & benefits CHF 0.6 million for 319 employees as of 31 December 2022 and variable cash-based arrangement of CHF 4 million for 389 employees active at any point during 2022).

<sup>2</sup> Foreign currency conversions calculated using December 2022 year-to-date FX rates for 2022 figures and December 2021 year-to-date FX rates for 2021 figures (where relevant).

<sup>3</sup> Prior-year figure has been restated to reflect the base salaries based on the employees' work degree on 31 December 2021.

<sup>4</sup> Includes cash Annual Performance Incentive and similar variable cash-based arrangements.

<sup>5</sup> Includes separate cash variable compensation schemes for two lines of business.

<sup>6</sup> As of 2022, the Value Alignment Incentive plan was replaced by the Deferred Share Plan.

<sup>7</sup> Includes the Leadership Share Plan as well as separate share-based variable compensation scheme for one region.

<sup>8</sup> Includes Share Units and Dividend Equivalent units under the Leadership Share Plan.

<sup>9</sup> Severance payments in the table above include i) payments under standard severance packages; ii) other payments that are over and above what is contractually or legally required; and iii) voluntary supplementary departure payments, but exclude similar legally permitted payments or garden leave which are aligned with local market practice for comparable positions in respect of amount, nature or duration. No severance payments were made to members of the Group EC.

<sup>10</sup> Based on values at vesting/payment.

<sup>11</sup> Amounts are gross before deduction of employee social security contributions. Additional and not included are company contributions to social security systems paid by Swiss Re in line with applicable laws, which amounted to CHF 215 million in 2021 and CHF 218 million in 2022; for AccuQuote in 2022 amounted to CHF 0.8 million.

### Key Risk Taker compensation

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.

As per 31 December 2022, Swiss Re identified 181 individuals (including 13 members of the Group EC), who qualify as Key Risk Takers. In addition to the members of the Group EC, this group consists of Business Unit EC members, other key executives and roles with core risk-taking authority. The list of Key Risk Takers is reviewed on a regular basis by Group Risk Management and Human Resources.

Category	Performance year 2021 <sup>1,2</sup>		Performance year 2022 <sup>1,2</sup>	
	Number of employees	Values (in CHF millions)	Number of employees	Values (in CHF millions)
Base salaries <sup>3</sup>	163	57	168	60
Pensions and benefits	163	17	168	17
Cash Annual Performance Incentive <sup>4</sup>	160	34	163	30
Deferred compensation awards				
– Value Alignment Incentive <sup>5</sup>	155	18	2	0.2
– Deferred Share Plan <sup>6</sup>			105	9
Long-term variable compensation				
– Granted in units subject to performance conditions <sup>7</sup>	153	17	157	18
– Granted in units not subject to performance conditions <sup>8</sup>	148	11	155	13
Other payments				
– Severance payments <sup>9</sup>	0	0	0	0
– Sign-on payments <sup>10</sup>	13	1	14	2
<b>Total<sup>11</sup></b>		<b>155</b>		<b>149</b>

<sup>1</sup> Disclosure excludes members of the Group EC who were in office during the reporting year. Group EC compensation is disclosed separately in the table on page 133.

<sup>2</sup> The 2021 figures have been adjusted to conform to the 2022 presentation. Foreign currency conversions calculated using December 2022 year-to-date FX rates for 2022 figures and December 2021 year-to-date FX rates for 2021 figures (where relevant). Reported figures include Key Risk Takers who were in office as of 31 December of the reporting year and are full-year amounts, except for individuals hired during the year, for whom partial-year figures are reported.

<sup>3</sup> Prior-year figure has been restated to reflect the base salaries based on the employees' work degree on 31 December 2021.

<sup>4</sup> Includes cash Annual Performance Incentive and similar variable cash-based arrangements.

<sup>5</sup> Includes separate cash variable compensation schemes for two lines of business.

<sup>6</sup> As of 2022, the Value Alignment Incentive plan was replaced by the Deferred Share Plan.

<sup>7</sup> Includes the Leadership Share Plan as well as separate share-based variable compensation scheme for one region.

<sup>8</sup> Includes Share Units and Dividend Equivalent units under the Leadership Share Plan.

<sup>9</sup> Severance payments in the table above include i) payments under standard severance packages; ii) other payments that are over and above what is contractually or legally required; and iii) voluntary supplementary departure payments, but exclude similar legally permitted payments or garden leave which are aligned with local market practice for comparable positions in respect of amount, nature or duration.

<sup>10</sup> Based on values at vesting/payment.

<sup>11</sup> Amounts are gross before deduction of employee social security contributions. Additional and not included are company contributions to social security systems paid by Swiss Re in line with applicable laws, which amounted to CHF 6 million in 2021 and CHF 7 million in 2022.



# Report of the Statutory Auditor

To the General Meeting of Swiss Re Ltd, Zurich

## Report on the Audit of the Compensation Report

### Opinion

We have audited the Compensation Report of Swiss Re Ltd (the Company) for the year ended 31 December 2022. The audit was limited to the information on compensation, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) in the tables marked "audited" on page 127, page 130, page 133 and page 135 of the Compensation Report.

In our opinion, the information on compensation, loans and advances in the Compensation Report complies with Swiss law and Art. 14-16 VegüV.

### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the Compensation Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Compensation Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation Report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Board of Directors' Responsibilities for the Compensation Report**

The Board of Directors is responsible for the preparation of a Compensation Report in accordance with the provisions of Swiss law and the Company's articles of association, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

### **Auditor's Responsibilities for the Audit of the Compensation Report**

Our objectives are to obtain reasonable assurance about whether the information on compensation, loans and advances pursuant to Art. 14-16 VegüV is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Compensation Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.





We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Dr. Frank Pfaffenzeller  
Licensed Audit Expert  
Auditor in Charge

Elina Monsch  
Licensed Audit Expert

Zurich, 15 March 2023

# Cautionary note on forward-looking statements

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

Forward-looking statements typically are identified by words or phrases such as “anticipate”, “target”, “aim”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend” and similar expressions, or by future or conditional verbs such as “will”, “may”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Swiss Re’s (the “Group”) 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 the Group to not achieve its published targets. Such factors include, among others:

- macro-economic events or developments including increased volatility of, and/or disruption in, global capital, credit, foreign exchange and other markets and their impact on the respective prices, interest and exchange rates and other benchmarks of such markets, and historically high inflation rates;
- the frequency, severity and development of, and losses associated with, insured claim events, particularly natural catastrophes, man-made disasters, pandemics, including the coronavirus (“COVID-19”), social inflation litigation, acts of terrorism or acts of war, including the ongoing war in Ukraine, and any associated governmental and other measures such as sanctions, expropriations and seizures of assets as well as the economic consequences of the foregoing;
- the Group’s ability to comply with standards related to environmental, social and governance (“ESG”), sustainability and corporate social responsibility (“CSR”) matters and to fully achieve goals, targets, or ambitions related to such matters;
- the Group’s ability to achieve its strategic objectives;
- 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;
- 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;

- mortality, morbidity and longevity experience;
- the cyclicity of the reinsurance sector;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realise amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- matters negatively affecting the reputation of the Group, its board of directors or its management;
- the lowering, loss or giving up 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;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities as well as changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management and other internal procedures in anticipating and managing the foregoing risks.

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

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

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Swiss Re Corporate Real Estate & Services/  
Media Services, Zurich

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Annual Report 2022 is available at:  
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