

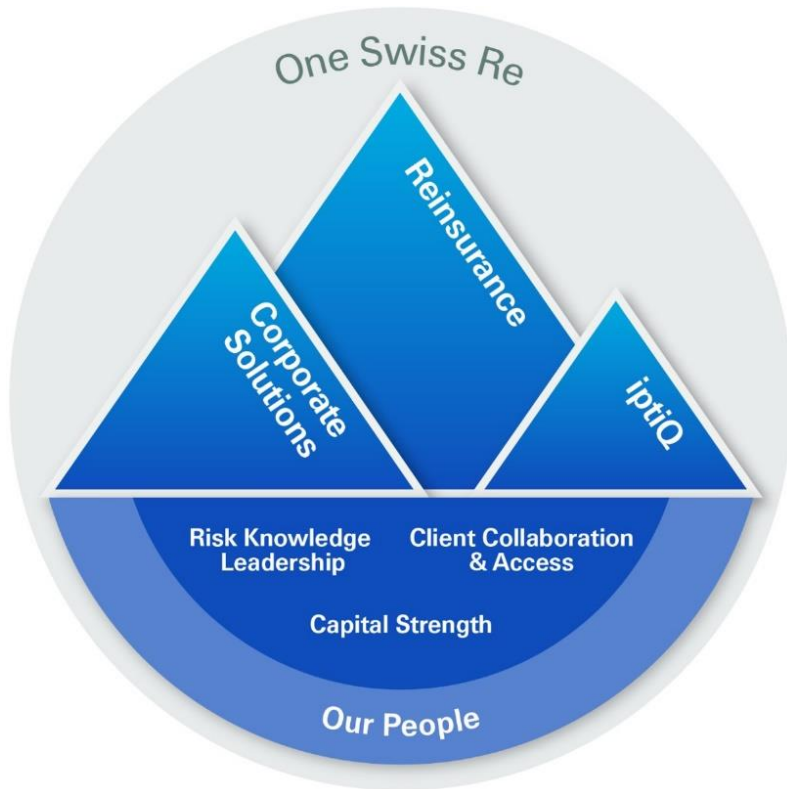
Being a responsible investor **in practice**

Guido Fürer

Member of the Group Executive Committee
Group Chief Investment Officer

ECGI Capitalism Revisited Conference, 16 September 2022

Swiss Re: risk knowledge company that invests in risk pools



Re/insurance

Future: continuing progress towards net-zero targets

UN Business Ambition for 1.5°C pledge

Asset Management

Net-zero Asset Owner Alliance

Operations

Net-zero operations

2030

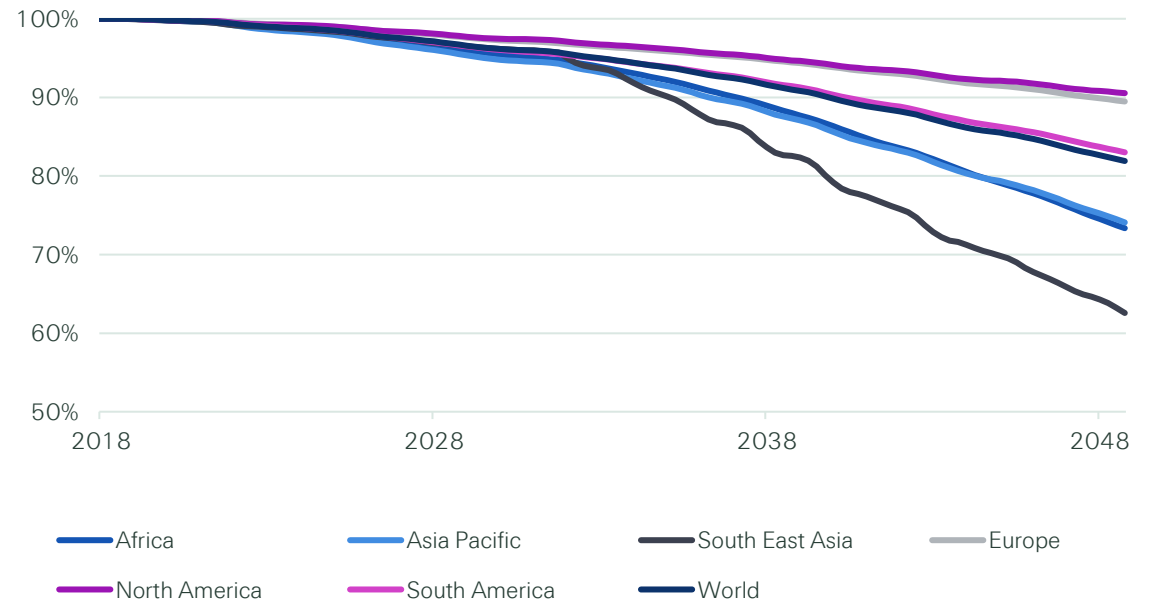
2050

committed to **net-zero by 2050 across our entire business**

Global economy could **lose almost 20% of GDP** if no action taken

Swiss Re Institute
stress-tested how
climate change will
impact **48**
countries,
representing **90%** of
world economy

Estimated GDP impact by mid-century: Severe scenario (3.2°C)



Deep dive into Asset Management: ESG makes **economic sense**

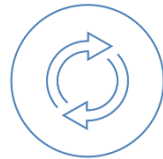
Swiss Re's Responsible Investing strategy

Enhancement



ESG integration focused on ESG risks and opportunities

Inclusion



Positive and direct real-world impact supporting a specific purpose

Exclusion



Risk avoidance based on internal ESG Risk Framework



Climate Action

MSCI ACWI ESG Focus outperformance



	<i>Excess Return</i>	<i>St. deviation</i>	<i>Sharpe Ratio</i>
ESG-based indices	9.4%	13.8%	0.68
Traditional indices	8.8%	13.8%	0.64

Focus on **climate action** and **setting concrete targets** to **achieve net-zero**



Climate Action



Set targets



Take actions



Measure



Report

Targets by 2025

-35%

Carbon intensity reduction

USD +750m

Renewable & social infrastructure

USD 4bn

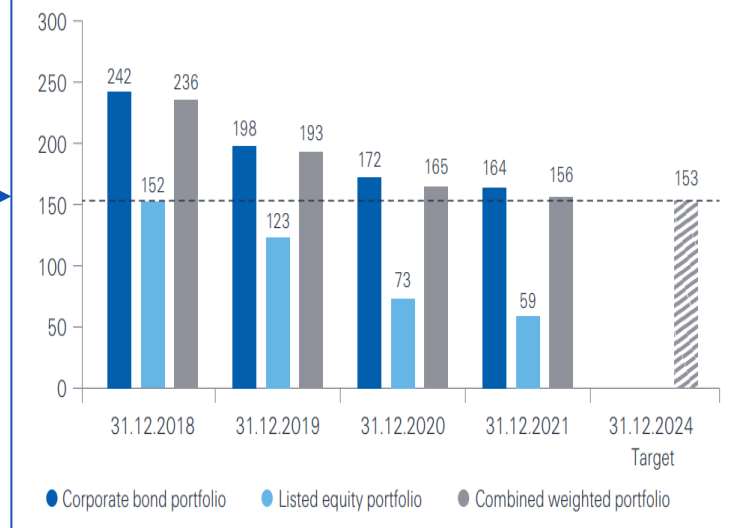
Green, social & sustainability bonds

1.5°C target

Engagement with investee companies

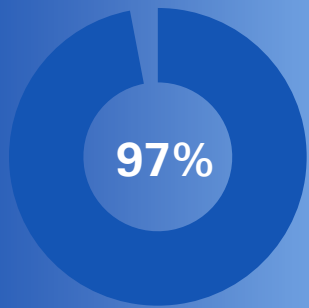
Swiss Re's Carbon Footprint

Weighted average carbon intensity CO₂ tn/USD m revenue



How we engage with the real economy

2021 voting activities



Voting rights of our listed equity assets exercised on 5+ thousand voting items

Our engagement topics



Alignment of Business Model with 1.5°C Target

engaged with

66%

of our listed equity mandate holdings



Enhancement of Transparency: Disclosure of ESG Key metrics

engaged with

60%

of our listed equity mandate holdings

Challenges in this transition journey

Real economy
should
walk the talk

e.g. no greenwashing, Net zero commitments, transition plans, reporting

**Supportive
framework
conditions** are
needed

e.g. harmonized regulation, rating agencies fully accounting for systemic risks

Public policies
should
**incentivise
transition**

e.g. carbon price mechanism, PPPs with sustainability criteria

