

# Climate Transition Plan

Swiss Re's Climate Transition Plan is an integral part of the Group's Sustainability Report 2024. This document contains the relevant pages of the climate-related disclosures chapter from the report. Text not directly relevant to the Climate Transition Plan has been removed from the pages.

2024

# Climate governance

Swiss Re's climate-related governance is part of its overall sustainability governance, see Sustainability governance, pages 21–24.

# Climate strategy

Swiss Re aims to decarbonise its business and has committed to net-zero GHG emissions by 2050. This forms part of the Group Sustainability Strategy ambition, advancing the net-zero transition, see page 12. For more information on how Swiss Re defines net zero in the absence of widely accepted net-zero standards for financial institutions, see the box on the right.

Swiss Re's impact on climate change is primarily indirect, arising from its globally diversified underwriting and investment activities, which are closely linked to the real economy. In contrast, emissions associated with Swiss Re's operations, comprising its own operations and procurement, are significantly smaller. Planning for the net-zero transition helps Swiss Re manage associated risks while also seizing opportunities in the short, medium and long term.

## Climate Transition Plan

This Climate Transition Plan (CTP) outlines Swiss Re's net-zero transition approach and action plan for decarbonising its business while developing related opportunities.

Swiss Re started to implement climate change mitigating actions more than 20 years ago, initially focusing on operational emissions. The main actions taken across the business to date are highlighted on the next page.

In 2019, Swiss Re committed to reach net-zero GHG emissions by 2050, and subsequently set targets aligned with the Paris Agreement, the Swiss Climate and Innovation Act<sup>3</sup> as well as Switzerland's broader climate goals. The Group's targets for Scope 1, Scope 2 and Scope 3 operational GHG emissions are science-based and informed by the SBTi Corporate Net-Zero Standard. For Scope 3 emissions attributed to financial flows, namely, underwriting and investment activities, the company has set interim targets considering science-based guidance.

The associated targets and methodologies as well as information about progress made are covered separately within the Climate targets and metrics section, see page 71.

### Net zero: what it means for Swiss Re

There are currently no internationally accepted standards that can be used to inform the definition of the net-zero state for financial institutions. The Swiss Climate and Innovation Act<sup>3</sup> informs Swiss Re's overarching definition for the net-zero state:

At the net-zero state, Swiss Re will have net-zero operational emissions, as well as net-zero-aligned financial flows or net-zero-attributed emissions.

In Swiss Re's definition of net zero, the following terms mean:

- Net-zero-aligned financial flows: the underlying activities supported by the financial flows are compatible with a net-zero economy.
- Net-zero emissions: reducing greenhouse gas emissions to the greatest extent possible and balancing the residual emissions through an equivalent amount of negative emissions.
- Negative emissions result from CO<sub>2</sub> that is captured from the air through natural or technological means and stored durably.

The above approach and definitions are based on current knowledge and are subject to changes as circumstances evolve. This is a highly complex area and Swiss Re will continue to assess its approach and definitions in light of developments, including with respect to the actions of clients, businesses and governments, which are not within Swiss Re's control.

<sup>3</sup> Swiss Federal Act on Climate Protection Targets, Innovation and Strengthening Energy Security of 30 September 2022 in force since 1 January 2025 (SR 814.310).

Swiss Re's Climate Transition Plan builds on past targets and actions. Initially, Swiss Re's focus was on reporting, reducing and compensating directly controlled emissions from its own operations. Over time, the company has increasingly prioritised addressing indirect emissions linked to underwriting, investment and procurement (included in Swiss Re's operations). These activities were supported by engagements in working groups with the aim to develop sound methodologies for GHG emission accounting or target setting.

### Milestones achieved on Swiss Re's net-zero journey

	Underwriting	Investments	Operations
Early efforts	<p><b>2009</b></p> <ul style="list-style-type: none"> <li>Established ESG Risk Framework (including Oil and Gas Policy)</li> </ul>	<p><b>2015</b></p> <ul style="list-style-type: none"> <li>Implemented carbon metrics for corporate bond and listed equity portfolio</li> </ul>	<p><b>2003</b></p> <ul style="list-style-type: none"> <li>Started reporting GHG emissions and compensating them with carbon avoidance certificates<sup>4</sup></li> </ul> <p><b>2007</b></p> <ul style="list-style-type: none"> <li>Established COyou2 employee engagement programme</li> </ul> <p><b>2014</b></p> <ul style="list-style-type: none"> <li>Set target to use 100% renewable electricity by 2020<sup>5</sup></li> </ul>
Journey and milestones	<p><b>2018</b></p> <ul style="list-style-type: none"> <li>Introduced Thermal Coal Policy</li> </ul>	<p><b>2016</b></p> <ul style="list-style-type: none"> <li>Introduced thermal coal restrictions</li> </ul> <p><b>2017</b></p> <ul style="list-style-type: none"> <li>Implemented ESG benchmarks with active listed equity and corporate bond managers</li> </ul>	
	<p><b>2019</b> Swiss Re committed to the Science Based Targets initiative (SBTi) to reach Group-wide net-zero GHG emissions by 2050</p>		
	<p><b>2020</b></p> <ul style="list-style-type: none"> <li>Reported carbon intensity of direct insurance portfolio</li> </ul> <p><b>2021</b></p> <ul style="list-style-type: none"> <li>Enhanced Oil and Gas Policy</li> </ul> <p><b>2022</b></p> <ul style="list-style-type: none"> <li>Chaired Partnership for Carbon Accounting Financials (PCAF) working group for insurance-associated emissions (IAE) reporting standard</li> </ul> <p><b>2023</b></p> <ul style="list-style-type: none"> <li>Reported absolute IAE for direct and facultative portfolios<sup>8</sup></li> <li>Set first underwriting climate targets</li> </ul>	<p><b>2019</b></p> <ul style="list-style-type: none"> <li>Co-founded the UN-convened Net-Zero Asset Owner Alliance</li> </ul> <p><b>2020</b></p> <ul style="list-style-type: none"> <li>Implemented Engagement Framework with active listed equity managers</li> <li>Introduced oil and gas restrictions</li> </ul> <p><b>2021</b></p> <ul style="list-style-type: none"> <li>Announced climate targets for investments for the five-year period up to 2025<sup>6</sup></li> </ul> <p><b>2023</b></p> <ul style="list-style-type: none"> <li>Extended scope of Engagement Framework to corporate bond mandates</li> </ul>	<p><b>2020</b></p> <ul style="list-style-type: none"> <li>Achieved 100% renewable electricity use</li> <li>Introduced air travel GHG emission reduction targets</li> </ul> <p><b>2021</b></p> <ul style="list-style-type: none"> <li>Introduced CO2NetZero Programme to reduce own emissions and support carbon removal, enabled by a triple-digit, real internal carbon price</li> <li>Launched NetZeroYou2 Programme for employee climate action engagement</li> </ul> <p><b>2022</b></p> <ul style="list-style-type: none"> <li>Set absolute Scope 1 reduction target for 2030<sup>7</sup></li> </ul> <p><b>2023</b></p> <ul style="list-style-type: none"> <li>Launched vendor engagement pilot</li> </ul>
	Today	<p><b>2024</b></p> <ul style="list-style-type: none"> <li>Engaged with PCAF to develop carbon accounting method for treaty reinsurance</li> </ul>	<p><b>2024</b></p> <ul style="list-style-type: none"> <li>Set climate targets for investments for the five-year period to 2030<sup>9</sup></li> </ul>

<sup>4</sup> GHG emissions reported and compensated were Scope 1, 2 and 3 (business air travel).

<sup>5</sup> As part of the Climate Group's RE100 initiative, of which Swiss Re is a founding member.

<sup>6</sup> 2025 targets guided by the Net-Zero Asset Owner Alliance's Target-Setting Protocol version 1.

<sup>7</sup> Developed targets guided by the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard version 1.0, applicable for the operations of a financial institution.

<sup>8</sup> Scope: in alignment with the Global GHG Accounting & Reporting Standard Part C by the Partnership for Carbon Accounting Financials (PCAF).

<sup>9</sup> 2030 targets guided by the Net-Zero Asset Owner Alliance's Target-Setting Protocol version 4.

### Transition approach

Swiss Re's net-zero transition approach centres on a strategy to decarbonise its business, complemented by a carbon removal strategy and transition-enabling activities (see figure above).

Swiss Re prioritises actions under both strategies in its underwriting, investments and operations based on three interlinked criteria:

- Ability to influence GHG emissions**  
 Historically, Swiss Re has prioritised mitigation efforts for GHG emissions under its direct control, that is its own operational emissions. Financed and insurance-associated emissions can only be influenced indirectly, with the degree of influence varying by asset class (eg corporate vs sovereign bonds) and re/insurance type (eg single-risk vs treaty re/insurance).

- Availability of methodologies and data**

Standardised methodologies and data for carbon accounting and target setting are essential for designing mitigation activities and monitoring their progress. While not all target types require upfront carbon accounting (eg engagement targets), Swiss Re prioritises mitigation efforts for those parts of the business where GHG emissions can be reliably measured. It should be noted that large parts of the reinsurance business, particularly treaty reinsurance, still lack data transparency and relevant methodologies.

- Size of business and emissions materiality**

Swiss Re prioritises mitigation efforts for the most material re/insurance portfolios, asset classes and operational emissions categories, considering both the size of business and emissions materiality.

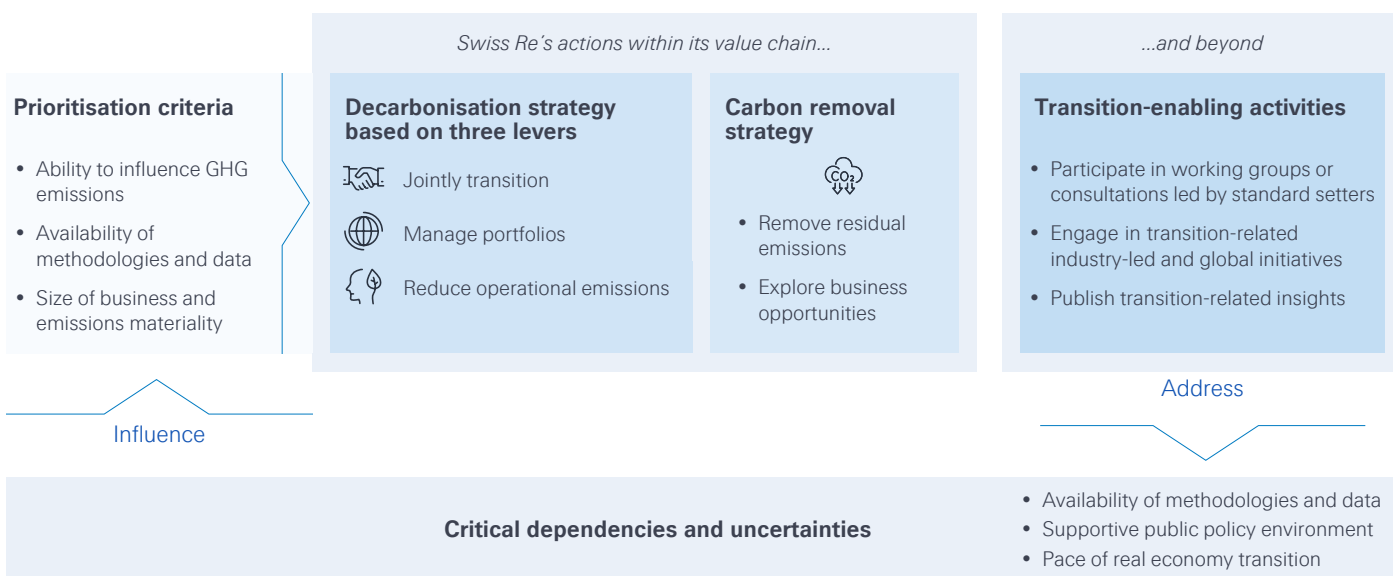
Swiss Re's actions and their prioritisation over time largely depend on developments

driven by external factors, in particular the availability of robust methodologies and reliable data, a supportive public policy environment and generally the pace at which the real economy transitions. The company seeks to address these critical dependencies and uncertainties through several transition-enabling activities. Swiss Re will continue to evaluate the appropriateness of its approach, definitions and targets based on developments in these areas.

### Decarbonisation strategy

Of Swiss Re's reported GHG emissions, close to 99% are linked to its underwriting and investment activities, while the remaining 1% stem from its operations. While Swiss Re is engaging to ease methodological constraints in estimating GHG emissions in underwriting, currently only 18% of its P&C portfolio is quantified. However, 67% of its overall investment portfolio and most of its operational spend is covered in terms of absolute GHG emissions reporting.<sup>10</sup>

## Swiss Re's net-zero transition approach



<sup>10</sup> Underwriting is measured based on gross premiums written. Investments are measured based on accounting value. Certain GHG emissions are not fully calculated due to factors such as data availability and methodology limitations, low emissions materiality or low financial materiality. For more details on reporting methodologies and Swiss Re's most relevant GHG emissions, see Climate targets and metrics, page 82.

Swiss Re has identified three levers for decarbonising its business activities:

- **Jointly transition**

Swiss Re aims to transition together with clients, investees and vendors by encouraging and supporting their transition to net zero. The key action under this lever is engagement on transition status and efforts, in particular through science-based target setting and progress evaluation.

- **Manage portfolios**

Swiss Re intends to grow its risk transfer products and investments that support the net-zero transition.

Actions include strengthening business development and investment in climate solutions such as renewable energy solutions. While working to transition jointly, Swiss Re recognises that some clients, investees and vendors may be unwilling or unable to transition over the medium to long term. In such cases, actions to restrict exposures may be necessary to meet the company's net-zero ambition, such as sector-specific policies or thresholds, and portfolio reallocations.

- **Reduce operational emissions**

Swiss Re continues to manage its own consumption of selected goods and services, increase resource efficiency, use 100% renewable electricity and upskill its employees on climate. Key supporting actions include demand management through internal carbon pricing and the provision of resource-efficient offices.

Since its early efforts, Swiss Re has made significant progress in reducing its own operational emissions, supported by high-quality data, long-standing action plans and direct influence over emissions. More recently, the company has shifted its focus to reducing emissions associated with clients, investees and vendors.

The decarbonisation strategy and Swiss Re's related policies and targets are considered in the financial planning process, see page 59.

#### Carbon removal strategy

Swiss Re recognises that while the net-zero transition primarily requires it to decarbonise its business, there will be residual emissions that need to be removed.

Swiss Re started to purchase and retire carbon removal certificates in 2021 to compensate a share of its in-scope operational GHG emissions.<sup>11</sup> As part of its targets, Swiss Re aims to linearly increase the share of carbon removal certificates over time until it reaches 100% in 2030. For more information on the selection of carbon certificates see the CO2NetZero Programme, page 58, and Climate targets and metrics, page 81.

There is currently no widely accepted guidance or standard for removing residual emissions from underwriting and investment activities. However, the company's ability to achieve net zero will ultimately depend on the timely availability of the necessary carbon removal capacity.

In the meantime, Swiss Re views carbon removal as a crucial climate solution for the world to achieve net zero, which could also offer business opportunities.

#### Transition-enabling activities

Swiss Re pursues a number of activities to address its transition-related critical dependencies and uncertainties:

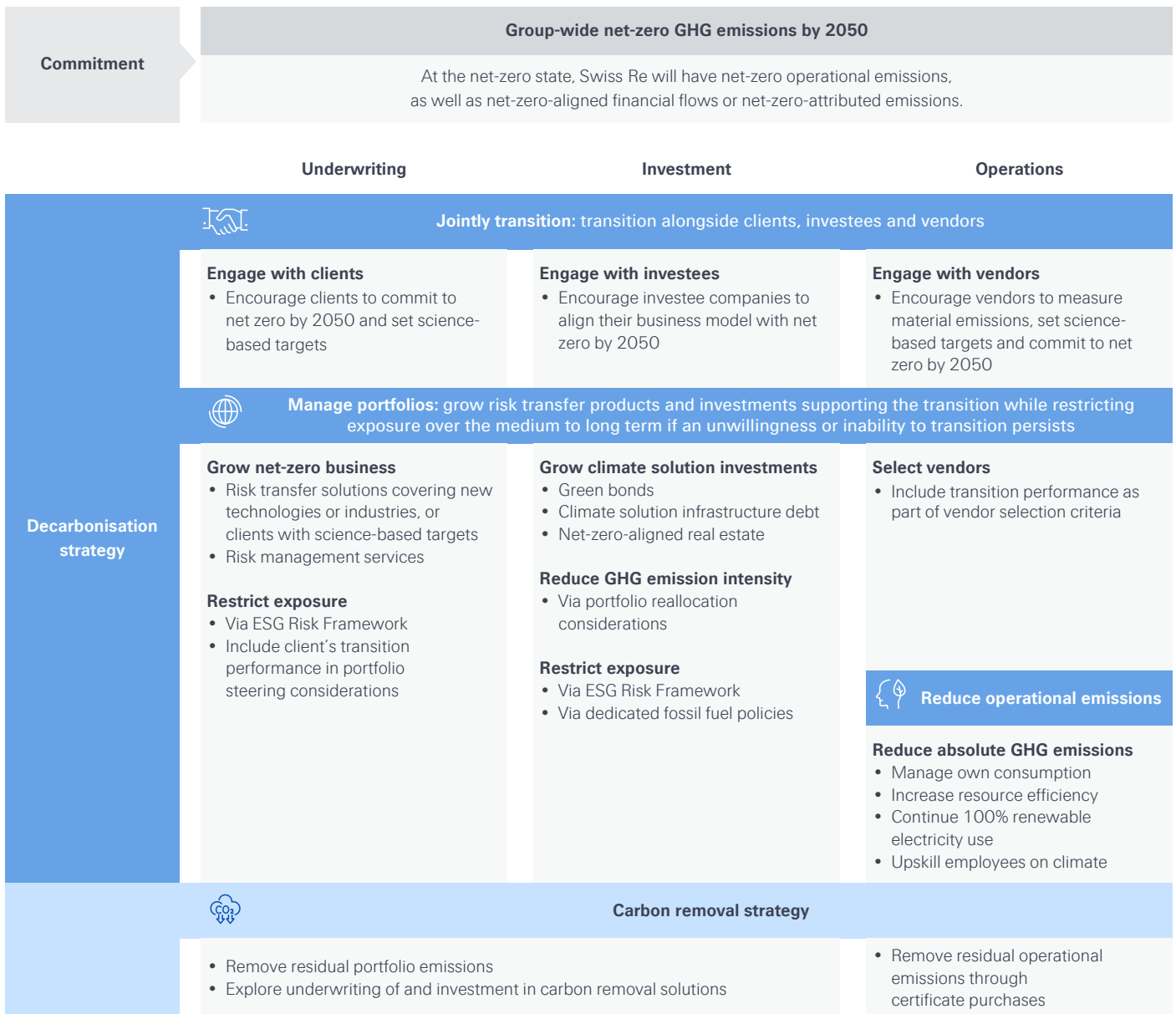
- Contribute to developing sound methodologies and reliable data by participating in working groups or consultation processes led by standard setters and data providers (eg Science Based Targets initiative's Financial Institutions Net-Zero standard, Partnership for Carbon Accounting Financials, Net-Zero Asset Owner Alliance).
- Engage for public policies that support the real economy transition – and hence Swiss Re's transition – to net zero, mostly via memberships and working groups in key transition-related industry-led and global initiatives (see list in Memberships, pages 107–108).
- Publish transition-related insights and research from a re/insurance industry perspective to contribute to the broader global transition (see Client engagement in Sustainability, page 41).

<sup>11</sup> GHG emissions in scope include Scope 1, Scope 2 (market-based) and selected Scope 3 categories (category 3 – fuel- and energy-related activities; category 5 – waste generated in operations; category 6 – business travel; in category 1 – purchased goods and services: copy paper and water).

**Action plan**

This section outlines Swiss Re’s actions within underwriting, investments and operations, which are also summarised in the visual below.

**Swiss Re’s journey to net zero**



### Underwriting

In underwriting, Swiss Re has set interim climate targets that apply to selected single-risk P&C re/insurance portfolios. For these portfolios, Swiss Re has direct access to the original insureds (level of influence), transition-relevant data and GHG accounting standards are available (methods and data), and Swiss Re has sizeable business, including in high-emitting sectors (size of business and emissions materiality). In 2024, single-risk re/insurance accounted for 26% by gross written premium (GWP) of Swiss Re's total P&C re/insurance business, with the remaining 74% relating to treaty-like reinsurance business.<sup>12</sup>

### Single-risk re/insurance

Swiss Re's climate alignment targets cover 2025 and 2030 with the aim to gradually increase the share of GWP aligned to net zero by 2050 in selected single-risk P&C re/insurance portfolios. Over time, as companies reduce their GHG emissions, Swiss Re's insurance-associated emissions for in-scope portfolios should also decline, assuming a constant portfolio and stable re/insurance market conditions. In 2024, the targets covered 23% of the total GWP of the single-risk P&C re/insurance portfolio or 6% of the total P&C business (see Climate targets and metrics, page 71, for details).

**Jointly transition:** At the current stage of the target period, Swiss Re is assessing its single-risk re/insurance clients' transition status. This helps portfolio owners and client managers prioritise which clients to engage with on the topic of net-zero alignment.

**Manage portfolios:** If engagement with clients proves ineffective, portfolio steering may become necessary later in the target period. This kind of client-specific portfolio steering would complement the existing transition-related exposure restrictions set out in the Thermal Coal and Oil and Gas policies that form part of Swiss Re's ESG Risk Framework (see page 32).

### Treaty reinsurance

In treaty reinsurance, the reinsurer has only limited information about a portfolio's original insured persons or companies. In addition, there are currently no generally accepted standards for carbon accounting or climate target setting for treaty reinsurance business.

Due to these limitations, Swiss Re has not yet set targets for its treaty business. However, in 2024, Swiss Re engaged with PCAF to develop carbon accounting methods for treaty reinsurance (see Climate targets and metrics, page 73).

**Jointly transition:** By screening public ESG-related information, Swiss Re is assessing the transition status of selected cedents to create a foundation for potential further engagement and support measures.

**Manage portfolios:** Transition-related portfolio management of treaty business is currently limited to the application of relevant policies under Swiss Re's ESG Risk Framework, in particular the Thermal Coal Policy (see page 33).

### Opportunities

**Manage portfolios:** The global transition to net zero presents business opportunities for Swiss Re, particularly in renewable energy technologies, where strong growth in related insurance premium volumes is expected until 2035.<sup>13</sup>

While small compared to its overall business, Swiss Re offers a range of re/insurance products that help clients manage the risks associated with various types of renewable energy projects. Since 2023, P&C Re has been running its Centre of Competence for Renewable Energy, complementing Corporate Solutions' extensive experience and expertise in providing direct insurance for renewable energy projects.

In 2024, Swiss Re wrote single-risk re/insurance for 21 573 wind and solar power plants (14 772 in 2023). Additionally, Swiss Re wrote cover for 329 other renewable power plants, including hydropower, geothermal, marine/tidal and biomass plants (301 in 2023).<sup>14</sup> This represents a considerable overall increase of 45% compared with the previous year, reflecting strong market dynamics in the renewable energy sector and Swiss Re's continuous focus on this segment.

<sup>12</sup> Single-risk reinsurance is typically used for larger commercial assets that extend beyond what is covered by a treaty reinsurance contract.

<sup>13</sup> *sigma* 5/2022: Maintaining resilience as a new world order takes shape, Swiss Re.

<sup>14</sup> The total number of renewable energy power plants for which single-risk re/insurance cover was written during the year for property and engineering lines of business includes wind, solar, hydro, biomass, geothermal and marine/tidal. The renewable energy transactions described should be understood as representing only a fraction of the total single-risk property and engineering re/insurance portfolio.

### Investments

To address the risks and opportunities arising from climate change, Swiss Re's Responsible Investing strategy includes climate action (see Responsible investing, page 43). Swiss Re aims to transition its investment portfolio to net-zero GHG emissions by 2050, supported by the decarbonisation levers jointly transition and manage portfolios.

In 2020, Swiss Re set initial interim climate targets for 2025 which were achieved as of year-end 2024. In 2024, Swiss Re set new interim targets for 2030, guided by the Net-Zero Asset Owner Alliance's (NZAOA) Target-Setting Protocol version 4 (see Climate targets and metrics, page 74).<sup>15</sup>

**Jointly transition:** Swiss Re considers engagement with the real economy an integral part of its contribution to limiting global warming to 1.5°C. It has therefore implemented an internally developed Engagement Framework to engage investee companies in its corporate bond and listed equity portfolios and aims to further focus engagement on the implementation of a climate transition plan. Close collaboration with the external investment managers of both asset classes is crucial to executing the Engagement Framework. Beyond that, Swiss Re also aims to engage with external investment managers across asset classes on their development and execution of a climate transition plan.

For more information on Swiss Re's Stewardship activities, see Responsible investing, page 46.

**Manage portfolios:** Swiss Re monitors and manages the GHG intensity of its direct corporate bond and listed equity portfolio, and has defined interim emission reduction targets for this portfolio. This portfolio accounts for 32% of the total investment portfolio.

Swiss Re uses portfolio reallocations to manage GHG intensities and restrictions to actively address stranded asset risk. Portfolio reallocations focus on sector weighting and security selection within the investment portfolio, potentially shifting invested capital based on the GHG intensities of the underlying assets.

In terms of restrictions, Swiss Re does not invest in fossil fuel-related companies that exceed certain thresholds. It aims to exit coal mining and coal-fired power generation companies for the corporate bond and listed equity portfolios via normal portfolio reallocations by 2030 (see Climate risk management, page 69).

Swiss Re primarily invests in fixed income securities such as government bonds and credit bonds for the purpose of asset-liability management (see Responsible investing, page 43). Swiss Re monitors the GHG emissions of its sovereign bond portfolio, which are largely driven by the regional composition of the underwriting portfolio due to asset-liability matching considerations.<sup>16</sup>

For Swiss Re's real estate portfolio, the emission reduction ambition is informed by the Carbon Risk Real Estate Monitor (CRREM) decarbonisation pathways reflecting 1.5°C global warming. Property-specific measures, such as refurbishments, support targeted emissions reduction.

For details on targets and metrics supporting the above-mentioned actions, see pages 74–78.

### Opportunities

**Manage portfolios:** Swiss Re considers investment opportunities that align with its risk appetite and have the potential to generate attractive long-term returns. Investments that address climate change mitigation may present portfolio diversification opportunities, which Swiss Re expects to materialise primarily in the short and medium term, while a smaller proportion also applies in the long term.<sup>17</sup>

Swiss Re aims to invest in green bonds whose proceeds are used exclusively to finance projects that support a low-emissions economy and/or protect the environment. Swiss Re's internal and external investment managers are contractually required to favour such bonds over traditional bonds, provided all other factors are equal. This approach has proven effective in advancing Swiss Re's green, social and sustainability bond investment target, as reflected in the positive development of the amount invested in green bonds over the past years.

Additionally, Swiss Re aims to finance climate solution infrastructure projects that generate attractive risk-adjusted returns. This includes loans to finance projects that support climate change mitigation, including transition enablement, and adaptation.

Swiss Re conducts assessments of the current and future status of new real estate investments with respect to net-zero alignment and the use of sustainable materials. Investment properties that Swiss Re already holds are assessed against the CRREM benchmark.

For details on targets and metrics related to these opportunities, see page 79.

<sup>15</sup> The achievement of 2025 targets was measured at year-end 2024, and is being reported in 2025 as part of this report. The achievement of 2030 targets will be measured at year-end 2029, and will be reported in 2030.

<sup>16</sup> Sovereign bonds are understood as a subset of government bonds, defined as per the NZAOA Target-Setting Protocol version 4.

<sup>17</sup> Short term: next five years; medium term: up to ten years; long term: over ten years.

**Operations**

For over 20 years, Swiss Re has placed a strong focus on reducing its own operational GHG emissions and energy consumption. Between 2003 and 2019, the Group more than halved its GHG emissions intensity per FTE and reduced total energy consumption per FTE by almost 70%.<sup>18</sup> While overall GHG emissions from Swiss Re’s operations (comprising own operations and procurement) are low compared to those from underwriting and investments, the company is committed to continue reducing its operational emissions.

Swiss Re has the greatest influence over its Scope 1 and Scope 2 emissions. However, the largest portion of operational emissions stem from Scope 3, in particular purchased goods and services, over which Swiss Re has limited direct influence. Business air travel is the second-largest Scope 3 emission category. For further details on GHG emissions by category, see Appendix, Sustainability data, page 99. Current interim targets cover more than 90% of reported operational emissions. Different decarbonisation levers are implemented to meet these targets depending on the level of influence and data availability.

**CO2NetZero Programme**

Since 2021, Swiss Re has been steering GHG emissions in its own operations through the CO2NetZero Programme. The programme consists of a dual strategy of reducing GHG emissions to the greatest extent and as swiftly as possible, and

gradually moving from carbon avoidance to carbon removal<sup>19</sup> to compensate the remaining emissions in scope.<sup>20</sup> The action plan for the Programme is encapsulated in the motto “Do our best, remove the rest”.

For its own operations, Swiss Re’s transition path to net zero consists of two phases: a near-term phase (until 2030) and a long-term phase (beyond 2030).<sup>21</sup>

Swiss Re focuses on reducing GHG emissions within its own operations by setting science-based targets that are aligned with a 1.5°C-compatible pathway. The Group has set near-term targets for Scope 1, Scope 2 and Scope 3 – category 6 (business air travel).

**Reduce operational emissions:** Climate change mitigation actions to support these targets include reducing energy consumption and direct GHG emissions, maintaining 100% renewable electricity use and continuing to reduce GHG emissions from business air travel. In addition, Swiss Re has implemented initiatives such as advancing sustainable gastronomy at its corporate restaurants, as explained on the Swiss Re [website](#). Through the NetZeroYou2 Programme, the company encourages its employees to measure, reduce and compensate their own carbon footprint (see People and operations, page 87).

**Carbon removal strategy:** Swiss Re continues to purchase and retire carbon avoidance and carbon removal certificates to compensate its remaining operational emissions in scope,<sup>20</sup> linearly increasing the minimum share of carbon removal certificates in the mix from 0% in 2020 to 100% in 2030.

With this approach, Swiss Re aims to support the development of the carbon removal market to achieve the scale deemed necessary for reaching a net-zero state.

Swiss Re places a real internal price on carbon, named the Carbon Steering Levy. This was introduced at USD 100 per tonne CO<sub>2</sub>e in 2021, and the plan is to linearly increase the levy to USD 200 per tonne of CO<sub>2</sub>e by 2030. The Carbon Steering Levy serves as an overarching element of the CO2NetZero Programme by incentivising concrete actions on emissions reduction (“Do our best”). It is also expected to generate the funds required to cover the rising cost of carbon certificates used for compensating emissions (“Remove the rest”). Higher costs are expected due to the increasing share of carbon removal certificates, which are more expensive than those for carbon avoidance.

**Vendor Emissions Programme**

**Jointly transition:** Swiss Re is committed to decarbonising its supply chain through the Vendor Emissions Programme. This initiative involves collaborating with direct vendors to measure and reduce emissions, set science-based targets and ultimately achieve net-zero emissions. Swiss Re is a member of the CDP Supply Chain programme to support this initiative and has set a target to increase the share of spend on vendors with science-based targets by 2027.<sup>22</sup>

For information on related metrics, targets and progress for own operations and procurement, see Climate targets and metrics, pages 80–81.

**Key measures of the CO2NetZero Programme**

Do our best, ...	...remove the rest.
Operating the internal carbon price (Carbon Steering Levy)	
<ul style="list-style-type: none"> <li>Reducing total energy consumption and direct GHG emissions</li> <li>Using 100% renewable electricity</li> <li>Reducing business air travel</li> <li>Advancing sustainability in gastronomy services</li> </ul>	<ul style="list-style-type: none"> <li>Moving from carbon avoidance to carbon removal to compensate the remaining in-scope GHG emissions by 2030</li> </ul>

<sup>18</sup> Intensity metrics calculated on a full-time equivalent (FTE) basis. The GHG emissions covered are Scope 1 and Scope 2 emissions related to energy consumption, as well as those related to business air travel (Scope 3, category 6).

<sup>19</sup> Compensation through carbon avoidance: emitters pay third parties to avoid or reduce someone else’s emissions. Compensation through carbon removal (or negative emissions): emitters pay third parties to remove CO<sub>2</sub> from the atmosphere through natural or technological means, and store it durably.

<sup>20</sup> GHG emissions in scope include Scope 1, Scope 2 (market-based) and selected Scope 3 categories (category 3 – fuel- and energy-related activities; category 5 – waste generated in operations; category 6 – business travel; in category 1 – purchased goods and services: copy paper and water).

<sup>21</sup> The terms “near term” and “long term” refer to the definitions in the SBTi Corporate Net-Zero Standard version 1.0.

<sup>22</sup> Target scope covers vendors relating to non-technical expenses. Science-based targets (SBTs) define a clear emissions reduction pathway, in line with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels.

## Climate targets and metrics

Swiss Re uses several targets and metrics to deliver against its commitment to net zero, as well as to assess and manage climate-related risks and opportunities.

As climate-related targets form part of a highly dynamic area, Swiss Re will continue to assess its targets, approaches and definitions in response to emerging developments, including with respect to the actions of re/insurance clients, businesses and governments, which are not within Swiss Re's control.

### Underwriting

Swiss Re has specific targets to reduce the carbon footprint of selected single-risk re/insurance portfolios supporting its commitment to net-zero GHG emissions by 2050. For these single-risk portfolios, Swiss Re has direct access to the original insureds, transition-relevant data and standards are available, and Swiss Re has sizeable business including in high-emitting sectors. Complementary metrics are disclosed which Swiss Re uses to identify, assess and manage climate-related risks and opportunities across the entire underwriting portfolio.

#### Find related data in the Appendix

 Sustainability Report 2024

Climate targets	Target year	Unit	Progress in 2024
Phase out thermal coal-related re/insurance: Achieve complete phase-out of thermal coal-related re/insurance business in OECD countries by 2030, and in the rest of the world by 2040.	2030 2040	n/a	Continued to engage with clients on current thermal coal thresholds for single-risk business, and the thresholds for treaty business introduced in 2023 (see page 33).
Climate alignment target covering single-risk re/insurance for listed companies in all sectors, except fossil fuels: <ul style="list-style-type: none"> <li>By 2030, 60% of gross written premiums (GWP) from listed companies in Swiss Re's single-risk property, general liability and commercial motor portfolios (excl. fossil fuels) is to come from corporates with science-based targets (SBTs) validated by a third party. The target scope includes listed companies (underlying risks in the case of reinsurance) with headquarters in OECD countries.<sup>50</sup></li> </ul>	2030	%	43% of GWP in scope from companies with SBTs validated by a third party in 2024. 37% in 2023 (restated due to changes in methodology, see page 72).
Climate alignment target covering single-risk re/insurance to oil and gas producers committed to align to net zero by 2050: <ul style="list-style-type: none"> <li>By 2025, 50% of Swiss Re's GWP from oil and gas producers in its single-risk property and general liability portfolios is to come from companies committed to align to net zero by 2050.</li> <li>By 2030, 100% of Swiss Re's GWP from oil and gas producers in its single-risk property and general liability portfolios is to come from companies committed to align to net zero by 2050.<sup>51</sup></li> </ul>	2025: 50% 2030: 100%	%	59% of GWP in scope from oil and gas producers committed to align to net zero by 2050 in 2024. 57% in 2023 (restated due to changes in methodology, see page 72).

<sup>50</sup> Science-based targets (SBTs) define a clear emissions reduction pathway, in line with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels.

<sup>51</sup> Producers refers to companies with an annual oil and gas production of more than 10 million barrels of oil equivalent as per Rystad data. Transactions that cover activities unrelated to oil and gas, for example, renewable energy, are out of scope. Definition of "committed to align to net zero by 2050": have 2050 net-zero targets (including Scope 3) and near/medium-term reduction targets (including Scope 1, 2 and/or 3) with the adoption of both near- and long-term commitments viewed as demonstrating credibility.

## Decarbonisation

### Phase-out of thermal coal-related re/insurance

The methodology and progress on this target is covered in the description of the Thermal Coal Policy in Business conduct & overarching policies, page 33.

### Climate alignment target covering single-risk re/insurance for listed companies in all sectors except fossil fuel

**Methodology:** This target is based on the Portfolio Coverage Approach (PCA). According to this approach, the share of premium coming from clients with validated SBTs for reducing GHG emissions in line with limiting global warming to 1.5°C must be increased. The share required for Swiss Re's 2030 PCA target must be on a linear path to 100% of business with SBTs within the target boundary by 2040. In 2024, the target covered 21% of the total gross written premiums (GWP) of the single-risk P&C re/insurance portfolio. Swiss Re chose to use the PCA rather than, for example, a GHG emission reduction target because the chosen approach is industry agnostic and can be applied to almost all business lines and portfolios. As no SBT methodologies exist for the oil and gas industry at present, this sector was carved out from the PCA target, and a separate target was formulated.

**Progress:** In 2024, the share of GWP from companies with SBTs validated by a third party was 43%, up from 37% in the previous year. The value for 2023 has been revised down by one percentage point, due to switching from the "Coverage Year" to "Underwriting Year" accounting principle.

### Climate alignment target covering single-risk re/insurance to oil and gas producers committed to align to net zero by 2050

**Methodology:** Given the lack of generally accepted standards, Swiss Re developed its own target for the oil and gas industry. The target applies to oil and gas producers, defined as companies with an annual oil and gas production of more than 10 million barrels of oil equivalent based on Rystad data. Transactions involving these companies that pertain to activities unrelated to oil and gas, such as renewable energy, are out of scope.

In 2024, the target covered 1% of the total GWP of the single-risk P&C re/insurance portfolio. When engaging with clients on net-zero alignment, the definition of "committed to align to net zero by 2050" requires that an oil and gas producer has 2050 net-zero targets (including Scope 3) and near/medium-term reduction targets (including Scope 1, 2 and/or 3). The adoption of both near- and long-term commitments is considered as demonstrating credibility. Swiss Re expects to continuously assess this definition in light of evolving data availability and science-based guidance. Swiss Re believes it has set a very stringent oil and gas target definition by requiring oil and gas producers' Scope 3 targets to cover category 11 (use of sold products).

**Progress:** In 2024, the share of GWP in scope from oil and gas producers committed to align to net zero by 2050 was 59%. Swiss Re continued to refine its methodology for assessing the alignment status of its client under this oil and gas target to better take into account the complex legal entity structures present in the oil and gas industry (eg via subsidiaries and joint ventures). These methodology adjustments were mainly driven by improved data availability related to ownership structures of Swiss Re's oil and gas transactions. This better understanding also triggered a change in how Swiss Re propagates client commitment statuses to oil and gas transactions related to joint ventures (for details see Appendix, Climate-related disclosures, page 95). The above methodological changes led to an upward revision of 8 percentage points for the 2023 value.

Adjusting for the methodological changes, the share of oil and gas producers committed to align increased from the restated previous-year value of 57% to 59% in 2024, driven mainly by portfolio reallocations.

<sup>52</sup> An IAE estimate for iptiQ's direct insurance personal motor portfolio for 2022 indicated roughly 200 000 tonnes of CO<sub>2</sub> emissions. Due to Swiss Re's agreement to sell iptiQ's European P&C business, these figures are not reported in the data appendix.

## Investments

As part of its transition to a net-zero GHG emissions investment portfolio by 2050, Swiss Re sets interim targets and regularly reports on progress. Initial interim targets were set in 2020 for 2025 guided by the NZAOA Target-Setting Protocol (TSP) version 1.

The achievement of 2025 targets was measured at year-end 2024. As shown in the table below, Swiss Re achieved all 2025 targets. For details on progress on targets and other supporting metrics, see pages 76–79, as well as related data in Appendix, Sustainability data, pages 97–98.

In 2024, Swiss Re set new interim targets for 2030 guided by the NZAOA TSP version 4, to be achieved by year-end 2029 (see box on the next page).

Climate targets	Target year <sup>54</sup>	Unit	Progress in 2024
<b>Sub-portfolio targets</b>			
Reduce the weighted average GHG intensity of Swiss Re's corporate bond and listed equity portfolio by 35% (base year 2018). <sup>55</sup>	2025	tonnes CO <sub>2</sub> e/ USD million revenue	Achieved. 50% reduction as of 2024, relative to base year 2018 (see page 76). 45% reduction as of 2023.
Reduce the weighted average GHG intensity of Swiss Re's Swiss and German real estate portfolio by 5% (base year 2019). <sup>56</sup>	2025	kg CO <sub>2</sub> e/m <sup>2</sup>	Achieved. 11% reduction as of 2023, relative to base year 2019 (see page 77). 12% reduction as of 2022. <sup>57</sup>
<b>Climate solutions investment targets</b>			
Hold at least USD 4 billion of green, social and sustainability bonds.	2025	USD billion	Achieved. USD 4.4 billion invested as of year-end 2024 (see page 79). USD 4.4 billion as of year-end 2023.
Deploy additional capital of at least USD 750 million in social and renewable energy infrastructure debt, including energy efficiency (base year 2019). <sup>58</sup>	2025	USD million	Achieved. Additional USD 751 million deployed as of year-end 2022, relative to base year 2019 and reported in 2023 (see page 79).

<sup>54</sup> The achievement of 2025 targets was measured at year-end 2024, and is reported in 2025 as part of this report.

<sup>55</sup> Covering Scope 1 and 2 GHG emissions.

<sup>56</sup> Covering Scope 1, 2 and 3 operational GHG emissions. Base year corrected to 2019 – target and reported data remains accurate.

<sup>57</sup> Swiss and German real estate portfolio: emission data availability is subject to a one-year lag. 2023 is the most recent year for which data for the in-scope portfolio is available and is used for year-end 2024 target achievement measurement.

<sup>58</sup> Based on original face values.

## 2030 climate targets for investments

Swiss Re set new climate targets for investments in 2024, to be achieved by year-end 2029. Based on the NZAOA TSP methodology (version 4), these targets reflect an increased emission reduction ambition for the in-scope portfolios, along with a continued commitment to climate solution investments and engagement activities.

New targets	Target year <sup>59</sup>	Unit
<b>Sub-portfolio targets</b>		
Reduce the weighted average GHG intensity (Scope 1 and 2 GHG emissions) of the direct corporate bond and listed equity portfolio by 55% (relative to base year 2018).	2030	tonnes CO <sub>2</sub> e/ USD million revenue
Reduce the weighted average GHG intensity (Scope 1, 2 and 3 operational GHG emissions) of the core direct real estate portfolio by 25% (relative to base year 2022).	2030	kg CO <sub>2</sub> e/m <sup>2</sup>
<b>Climate solutions investments targets</b>		
Hold at least 5% of the public fixed income portfolio in green, social and sustainability bonds. <sup>60</sup>	2030	%
Commit additional capital of at least USD 750 million in climate solution and social infrastructure debt (relative to base year 2024). <sup>61</sup>	2030	USD million
<b>Engagement targets</b>		
Engage with 20 of the top GHG-intensity-emitting issuers (per GHG intensity portfolio contribution) in each of the direct corporate bond and listed equity portfolios.	2030	number
Engage with at least four mandated external asset managers on developing and executing a climate transition plan.	2030	number

### Sub-portfolio targets

#### Corporate bonds and listed equity

Swiss Re defined a new target for the direct corporate bond and listed equity portfolio, and now aims to reduce its weighted average GHG intensity (Scope 1 and 2 emissions) by 55% by year-end 2029. At the base year (2018), the direct corporate bond and listed equity portfolio's GHG intensity was 236 tonnes CO<sub>2</sub>e/USD million revenue. At year-end 2024, the respective value amounted to 117 CO<sub>2</sub>e/USD million revenue. This ambition is informed by IPCC pathways consistent with global warming of 1.5°C.<sup>62</sup> The direct corporate bond and listed equity portfolio comprises 32% of the total investment portfolio as of year-end 2024.

#### Real estate

For its core direct real estate portfolio, Swiss Re aims to reduce the weighted average operational GHG intensity (Scope 1, 2 and 3 emissions) by 25% by year-end 2029. At the base year (2022), the core direct real estate portfolio's GHG intensity was 20.6kg CO<sub>2</sub>e/m (19.0kg CO<sub>2</sub>e/m<sup>2</sup> in 2023). The emission reduction ambition is

informed by the CRREM decarbonisation pathways. For the new target, Swiss Re was able to increase the target coverage due to improved data availability. The new target coverage comprises 93% of the total direct real estate portfolio based on market value as of year-end 2024, up from 69% in the 2020–2025 target-setting period.

#### Climate solution investments targets

##### Public fixed income<sup>60</sup>

By year-end 2029, Swiss Re aims to hold at least 5% of the public fixed income portfolio in green, social and sustainability bonds. To count towards this target, bonds must meet all four components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) and/or ICMA Social Bond Principles (SBP). At year-end 2024, the green, social and sustainability bond portfolio amounted to USD 4.4 billion, whereof a significant portion is set to mature before the target year 2030. Target achievement will be measured as a percentage of the public fixed income portfolio at year-end 2029.

##### Infrastructure debt

Swiss Re has set a target to commit at least USD 750 million of additional capital towards climate solution and social

infrastructure debt by year-end 2029 relative to base year 2024.<sup>61</sup> The Sustainable Development Investments (SDI) Taxonomy of the SDI Asset Owner Platform informs which investments can be counted towards the defined target.

#### Engagement targets

##### Investee company engagement

By year-end 2029, Swiss Re aims to engage with 20 of the top GHG-intensity-emitting issuers (per portfolio contribution) in each of the direct corporate bond and listed equity portfolios. Emphasis is being placed on the topic "Alignment of the Business Model with Net Zero by 2050", focusing on the implementation of a climate transition plan by the investee company. For engagement activities in 2024, see Responsible investing, pages 45–46.

##### Investment manager engagement

Swiss Re aims to engage at least four mandated external investment managers across all asset classes on developing and executing a climate transition plan. The target covers engagement carried out in the 2025–2029 period.

<sup>59</sup> The achievement of 2030 targets will be measured at year-end 2029 and reported in 2030.

<sup>60</sup> The public fixed income portfolio is composed of credit bonds and government bonds.

<sup>61</sup> Based on original face values.

<sup>62</sup> *Fifth Assessment Report. Global Warming of 1.5°C: An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global GHG emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty*, Summary for Policymakers, IPCC, 2018.

### Decarbonisation

#### Corporate bonds and listed equity GHG intensity of the corporate bond and listed equity portfolios

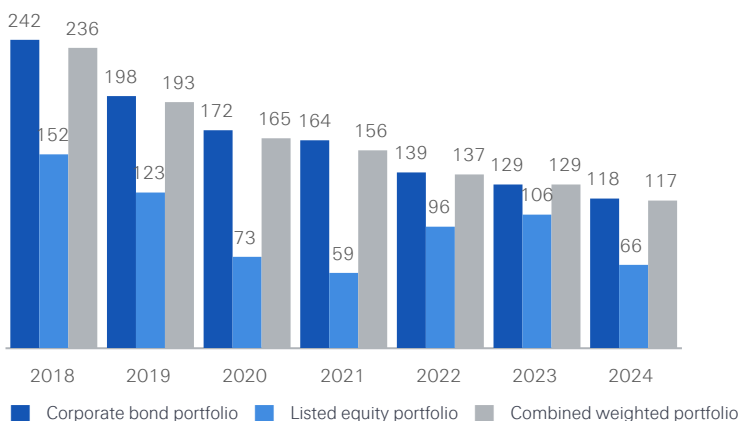
**Methodology:** Swiss Re set its emission reduction target for its corporate bond and listed equity portfolios (including ETFs, excluding Participations)<sup>63</sup> based on GHG intensity (revenue-based weighted average GHG intensity) which is a widely accepted market methodology.<sup>64</sup> These assets cover 32% of the total investment portfolio.<sup>65</sup> GHG intensity is particularly useful for quantifying the GHG emissions of multi-asset portfolios and is a measure of choice for comparisons over time between portfolios and against benchmarks. For its calculations, Swiss Re used Scope 1 and 2 emission data from MSCI ESG as at January 2025, based on holdings as at 31 December 2024.<sup>66</sup>

Swiss Re monitors Scope 3 emissions for its corporate bond and listed equity portfolios with the aim to better understand data availability and quality. This has revealed that in contrast to Scope 1 and 2 emissions data, Scope 3 figures pose challenges in terms of quality, consistency and stability over time. Further improvements in the availability and quality of underlying data are needed in order to derive and use meaningful Scope 3 outputs.

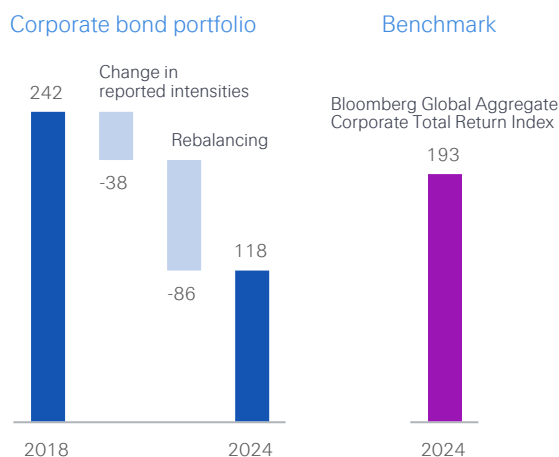
**Progress:** The GHG intensity of Swiss Re’s combined corporate bond and listed equity portfolio was 117 tonnes CO<sub>2</sub>e/USD million revenue as at year-end 2024, and decreased by 50% relative to base year 2018 (2023: -45%). Swiss Re therefore achieved its 2025 target to reduce the GHG intensity of its corporate bond and listed equity portfolio by at least 35%.

As shown in the graph below, the corporate bond emission intensity reduction of 124 tonnes CO<sub>2</sub>e/USD million revenue since the end of 2018 was mainly driven by portfolio rebalancing activities (-86 tonnes CO<sub>2</sub>e/USD million revenue) consisting of selective reductions in emission-intensive companies. The change in investee company-reported intensities (-38 tonnes CO<sub>2</sub>e/USD million revenue) also contributed to the reduction. Furthermore, Swiss Re’s GHG intensity of 118 tonnes CO<sub>2</sub>e/USD million revenue is well below the corresponding corporate bond benchmark of 193 tonnes CO<sub>2</sub>e/USD million revenue, which is largely driven by Swiss Re’s underweight in emission-intensive holdings (see graph below). For more details, see Appendix, Sustainability data, page 98.

**GHG intensity of the corporate bond and listed equity portfolios<sup>65</sup>**  
(tonnes CO<sub>2</sub>e/USD million revenue, as of year-end)



**Corporate bond portfolio: drivers of GHG intensity reduction from 2018 to 2024 and vs 2024 benchmark**  
(tonnes CO<sub>2</sub>e/USD million revenue)



<sup>63</sup> Participations: minority equity investments consisting of listed and private equity positions.

<sup>64</sup> As per NZAOA TSP version 1: GHG intensity = (company CO<sub>2</sub>e emissions/company revenue)\*(investment/portfolio).

<sup>65</sup> It should be noted that the listed equity positions’ percentage share relative to the investments in scope is small.

<sup>66</sup> Greenhouse gases measured as CO<sub>2</sub> equivalents (CO<sub>2</sub>e) as per the GHG Protocol definition (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>) as far as data is available.

*Absolute financed GHG emissions of the corporate bond and listed equity portfolio*

**Methodology:** In addition to GHG intensity, Swiss Re also tracks absolute financed GHG emissions for its corporate bond and listed equity portfolio (Scope 1 and 2, excluding ETFs).<sup>67</sup> For 2024, Swiss Re used data from MSCI ESG as at January 2025, based on holdings as at 31 December 2024.

**Progress:** At the end of 2024, the absolute financed emissions of the corporate bond and listed equity portfolio amounted to 1.3 million tonnes CO<sub>2</sub>e and remained stable compared to year-end 2023 with 1.3 million tonnes CO<sub>2</sub>e.

**Real estate**

*GHG intensity of the Swiss and German real estate portfolio*

**Methodology:** Swiss Re’s emission intensity reduction target to be achieved by year-end 2024 focused on the combined Swiss and German portfolio, which made up 69% of the market value of the total direct real estate portfolio as at year-end 2024 (see Climate metrics page 79).

It includes properties that were operational and part of the portfolio for the entirety of each reporting year. Real estate GHG emissions are calculated using the Carbon Risk Real Estate Monitor (CRREM) methodology and are based on location-based emission factors. The data is sourced from tenant and energy provider records, as well as external advisor estimates and parameters.<sup>68</sup>

The weighted average GHG intensity of the Swiss and German real estate portfolio (m<sup>2</sup>-based) includes annual Scope 1, 2 and 3 operational GHG emissions) and is benchmarked against decarbonisation pathways reflecting 1.5°C global warming provided by CRREM. The CRREM pathways are in line with the Paris Agreement and are based on the breakdown of the global GHG budget into individual country and property type-specific carbon budgets.

**Progress:** The figure below shows the 11% reduction in GHG intensity relative to 2019 as of year-end 2023 (2022: 12%), which is well below the 1.5°C decarbonisation pathway.

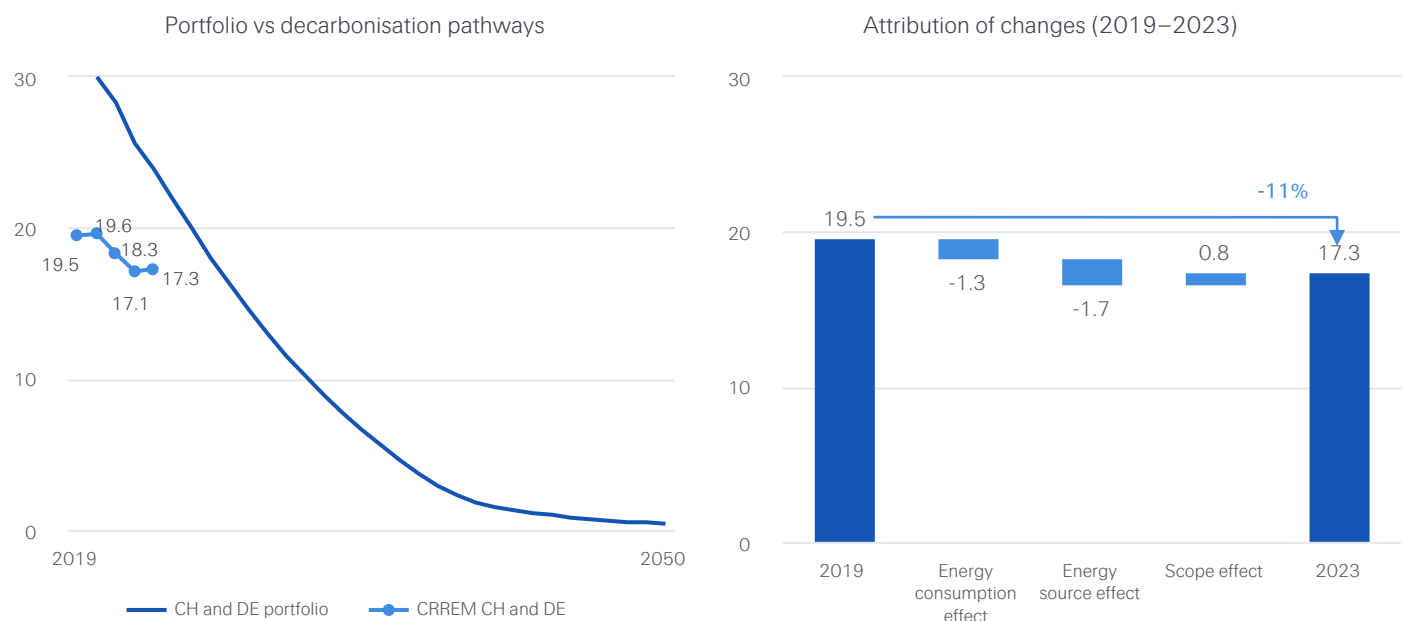
Swiss Re achieved its year-end 2024 emission reduction target for its Swiss and German real estate portfolio.<sup>69</sup> Two factors contributed to the decrease in GHG intensity: reduced energy intensity and a less GHG-intensive energy source mix. The negative impact of the scope effect was mainly driven by the sale of properties with a GHG intensity below the portfolio average, which also explains the difference in reduction compared to 2022 (see graphs below).

*Absolute financed GHG emissions of the Swiss and German real estate portfolio*

**Methodology:** See above GHG intensity of the Swiss and German real estate portfolio.

**Progress:** The absolute financed emissions of the Swiss and German real estate portfolio amounted to 10 600 tonnes CO<sub>2</sub>e in 2023, calculated as the sum of individual whole buildings’ Scope 1, 2 and 3 operational emissions (down from 11 500 tonnes CO<sub>2</sub>e in 2022).

**Swiss (CH) and German (DE) real estate portfolio operational GHG intensity (kg CO<sub>2</sub>e/m<sup>2</sup>/year)<sup>70</sup>**



Source: Swiss Re, CRREM

<sup>67</sup> As per NZAOA TSP version 1: absolute financed CO<sub>2</sub>e emissions = company CO<sub>2</sub>e emissions multiplied by the investor’s ownership percentage (market value of the investment/enterprise value of the company). It should be noted that the listed equity positions’ percentage share relative to the investments in scope is small.

<sup>68</sup> Reporting climate-adjusted carbon intensity, based on the Accumulated Temperature Difference method in accordance with the Real Estate Investment Data Association.

<sup>69</sup> Emission data availability is subject to a one-year lag. 2023 is the most recent year for which data for the in-scope portfolio is available and is used for year-end 2024 target achievement measurement.

<sup>70</sup> Reported figures include estimations of GHG emissions (driven by data availability).

### Climate solution investments

#### Green bonds

**Methodology:** Green bonds are part of Swiss Re's target to have a green, social and sustainability bond portfolio of at least USD 4 billion by the end of 2024. Swiss Re only considers bonds to be contributing to target achievement if they meet all four components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) and/or ICMA Social Bond Principles (SBP). Bonds not passing the annual review were not included in the reporting of Swiss Re's green, social and sustainability bond holdings (see Responsible investing, page 47).

**Progress:** As at year-end 2024, Swiss Re held USD 4.4 billion in green, social and sustainability bonds (of which USD 3.3 billion of green bonds), thus achieving the year-end 2024 target. For annual progress since target inception in 2019, see the graph on the top right. The graph below it shows that as of year-end 2024, the green bond portfolio was diversified across issuer types.

#### Infrastructure debt

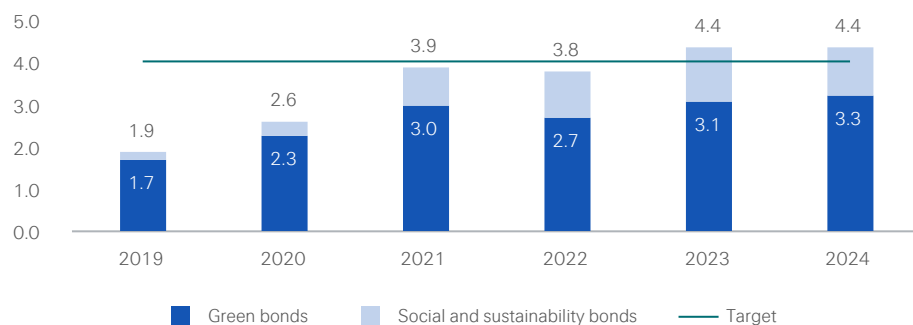
**Methodology:** As of year-end 2024, Swiss Re held USD 0.6 billion in renewable energy debt, of which 55% was invested in solar energy generation and 45% in wind farms. Additionally, Swiss Re invested around USD 61 million in energy efficiency projects.

**Progress:** Swiss Re achieved its target to deploy additional capital of USD 750 million<sup>71</sup> in social and renewable energy, including energy efficiency infrastructure debt, relative to base year 2019 by year-end 2022. Between the base year and year-end 2024, USD 1.1 billion was deployed in social and renewable energy infrastructure debt, including energy efficiency.

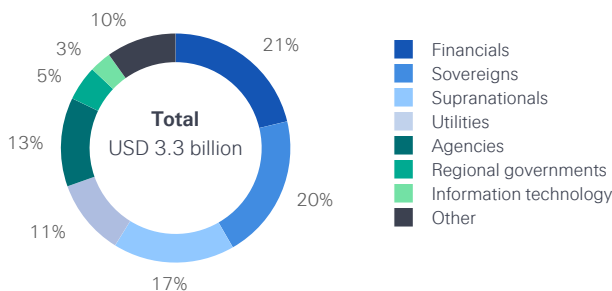
#### Real estate

**Methodology:** For real estate investments, Swiss Re considers climate-related aspects such as energy efficiency. In doing so, Swiss Re considers region-specific building certifications such as MINERGIE in Switzerland, LEED and Energystar in the US, as well as BREEAM and DGNB in Western (including UK) and Central Eastern Europe.

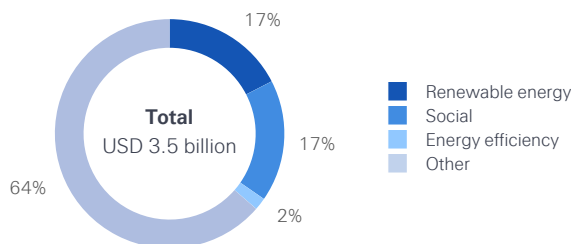
### Green, social and sustainability bond holdings since target inception (USD billion)



### Green bonds per sector



### Infrastructure debt portfolio



**Progress:** Swiss Re's real estate investment portfolio comprises commercial and residential buildings with a total market value of USD 5 billion as of year-end 2024. Its largest presence is in Switzerland and Germany.

As of year-end 2024, 24% of the total real estate portfolio, based on market value, consisted of certified buildings (compared with 21% in 2023).

<sup>71</sup> Based on original face values.

## Operations

Swiss Re's near-term targets, up to 2030, were guided by the Science Based Targets initiative's (SBTi) Corporate Net-Zero Standard, which applies to the operations of financial institutions.<sup>72</sup>

Climate targets	Target year	Unit	Progress in 2024
Reduce absolute Scope 1 GHG emissions of own operations by 53% (base year 2018).	2030	%	49% reduction in absolute Scope 1 GHG emissions relative to base year 2018 (see below). 49% reduction reported for 2023.
Maintain 100% renewable electricity use for Swiss Re's operations. <sup>73</sup>	Every year, since 2020	%	Achieved. 100% renewable electricity use maintained through solar installations, virtual power purchase agreements, green tariffs or high-quality renewable electricity certificates (see page 81). 100% in 2023.
Reduce absolute GHG emissions from business air travel by at least 50% in 2024, and by at least 60% in 2025, 2026 and 2027 (in each case relative to base year 2018).	2024: 50% 2025, 2026, 2027: 60%	%	Achieved. 63% reduction in absolute GHG emissions from business air travel relative to base year 2018 (see page 81). 64% reduction reported for 2023.
Compensate remaining in-scope GHG emissions from operations with carbon certificates, linearly increasing the carbon removal share from 0% in 2020 to 100% in 2030. <sup>74</sup>	2025: 50% 2030: 100%	%	43% of total GHG emissions in scope compensated with carbon removal certificates, and the remaining 57% with carbon avoidance certificates (see page 81). 34% in 2023.
67% of vendors by spend to have science-based targets by 2027. <sup>75</sup>	2027	%	46% of vendors by spend have science-based targets (see page 81). n/a in 2023.

### Decarbonisation

#### Absolute reduction of Scope 1 GHG emissions

**Methodology:** The target covers all Scope 1 GHG emissions.

**Progress:** In 2024, Scope 1 GHG emissions were 49% lower compared with the 2018 base year and remained roughly unchanged from 2023. Key measures implemented in recent years contributed to the reduction of these emissions compared with 2018. Measures to reduce overall energy consumption and fossil fuel dependency include optimising the workplace-related

footprint by reducing space utilisation and creating more flexible and modern office environments, and moving to more energy efficient buildings (both leased and owned) with lower or no use of fossil fuels.

In 2024, Swiss Re's office locations consumed a similar amount of energy from fossil fuels as in 2023, resulting in comparable GHG emissions generated from this source, which is the main contributor to Scope 1 GHG emissions. Emissions from internal road transport were lower due to optimised company shuttle services and the ongoing electrification of Swiss Re's car

fleet. However, this was offset by an increase in fugitive emissions from refrigerants used in technical equipment, leading to higher GHG emissions from this source.

Since 2015, more than 90% of Swiss Re's office locations, measured on an FTE basis, have been covered by an ISO 14001-certified global environmental management system. In addition, Swiss Re has received ISO 50001 certification for the energy management system at its main European locations.

<sup>72</sup> All targets were guided by the SBTi Corporate Net-Zero Standard version 1.0, except for the vendor-related target, which follows version 1.2. Near-term is defined as per version 1.0 of the Standard.

<sup>73</sup> This is a "renewable electricity procurement target" to actively source renewable electricity at a rate that is consistent with well below 2°C global warming scenarios. This is considered by the Science Based Targets initiative (SBTi) to be an acceptable alternative to Scope 2 emission reduction targets per the SBTi Corporate Net-Zero Standard.

<sup>74</sup> GHG emissions in scope include Scope 1, Scope 2 (market-based) and selected Scope 3 categories (category 3 – fuel- and energy-related activities; category 5 – waste generated in operations; category 6 – business travel; in category 1 – purchased goods and services: copy paper and water).

<sup>75</sup> Target scope covers vendors relating to non-technical expenses. Science-based targets (SBTs) define a clear emissions reduction pathway, in line with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels.

### Maintain 100% renewable electricity use in Swiss Re's operations

**Methodology:** The target covers absolute Scope 2 GHG emissions (market-based) from purchased electricity.

**Progress:** In 2024, like every year since the end of 2020, Swiss Re used 100% renewable electricity in its own operations in line with its commitment under the Climate Group's RE100 initiative.

For the procurement of 100% renewable electricity, Swiss Re applies an internal standard that defines the minimum environmental attributes. Swiss Re prioritises bringing new renewable assets onto the grid (known as "additionality"), preferably through its own installations for renewable electricity generation or long-term virtual power purchase agreements. Where neither option is feasible, Swiss Re sources high-quality renewable electricity certificates.

The following solutions, which illustrate the Group's efforts to continue to use 100% renewable electricity, were in place in 2024:

- Solar photovoltaic installations at the office locations in Armonk (US), Bangalore (IN), Folkestone (UK) and Zurich (CH).
- A virtual power purchase agreement with the Green River wind farm (US) covering all of the Group's electricity consumption in the US and Canada.
- A power purchase agreement with the landlord of the Bangalore (IN) office to obtain electricity from another solar photovoltaic installation.
- Green tariffs with local electricity providers and the purchase of unbundled renewable electricity certificates for remaining office locations.

### Absolute reduction of GHG emissions from business air travel

**Methodology:** The target covers the GHG emissions from business air travel, representing more than 95% of Scope 3 – category 6 GHG emissions.

**Progress:** In 2024, the Group's GHG emissions from business air travel were 63% lower than in 2018, exceeding the targeted reduction of 50%. This is mainly attributable to optimising the balance between in-person and virtual meetings; increasing the Carbon Steering Levy; and setting stringent annual CO<sub>2</sub>e budgets for business flights across all Business Units and Group Functions. Swiss Re has previously implemented state-of-the-art video conferencing equipment and IT interoperability solutions to support these efforts.

To ensure effective monitoring and management of business air travel, both the levy and the CO<sub>2</sub>e budgets have been integrated into the Group's travel planning, booking and reporting systems. An internal dashboard shows real-time consumption against these budgets, displaying associated emissions and levy costs. This transparency enhances awareness of the impact of each business trip, creating a strong incentive to reconsider whether a particular trip is necessary.

Swiss Re's efforts in this area have been recognised externally, and received the highest-possible rating in the 2024 Travel Smart Ranking, a campaign led by the European NGO Transport & Environment to promote the reduction of GHG emissions from corporate air travel.<sup>76</sup>

### Compensate remaining GHG emissions in scope from operations with carbon certificates

**Methodology:** Swiss Re has set a target to compensate remaining GHG emissions in scope from operations with carbon certificates, linearly increasing the carbon removal share from 0% in 2020 to 100% in 2030.<sup>77</sup>

**Progress:** In 2024, Swiss Re's operational GHG emissions in scope for compensation with carbon certificates amounted to around 29 000 tonnes of CO<sub>2</sub>e. The share of carbon removal certificates in the mix was 43%, meaning that the Group's target for the reporting year of at least 40% was achieved.

Swiss Re determines the overall quality of carbon certificates based on the Standard on Carbon Certificate Purchases. Carbon certificates are sourced from a variety of suppliers and can be classified into two main project types: "displace coal consumption" for carbon avoidance; and "biochar" for carbon removal. For carbon avoidance, Swiss Re exclusively supports Gold-Standard certified projects, with most certificates stemming from a project in China. Read more on Swiss Re's strategy and approach on carbon certificate purchases on the Swiss Re website.

### Swiss Re's strategy and approach on carbon certificates purchase

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

### Share of vendors by spend with science-based targets

**Methodology:** Swiss Re targets a share of at least 67% of vendors by spend to have science-based targets by 2027.<sup>78</sup>

**Progress:** By the end of 2024, 46% of vendors by spend had science-based targets in place. For details on vendor-engagement activities, see Action plan, page 58.

### Carbon Steering Levy

**Methodology:** The Carbon Steering Levy is Swiss Re's real internal carbon price on both direct and selected indirect operational GHG emissions. It covers Scope 1, Scope 2 and part of operational Scope 3 GHG emissions (business travel, fuel and energy-related activities, waste, copy paper and water), across all of the Group's Business Units, functions and locations under the company's operational control.

**Progress:** In 2024, the internal price per tonne of CO<sub>2</sub>e was set at USD 134 – up from USD 123 in 2023. This increase is part of Swiss Re's plan to linearly raise the levy up to USD 200 per tonne of CO<sub>2</sub>e by 2030, which reflects the expected market price for high-quality carbon removal certificates at that point in time.

<sup>76</sup> The Travel Smart Ranking ranks 322 US, European and Indian companies according to ten indicators relating to air travel emissions, reduction targets and reporting. Swiss Re is one of a select group of companies that makes up the gold standard of the Travel Smart Ranking (category A) by meeting all of the Travel Smart requirements.

<sup>77</sup> GHG emissions in scope include Scope 1, Scope 2 (market-based) and selected Scope 3 categories (category 3 – fuel- and energy-related activities; category 5 – waste generated in operations; category 6 – business travel; in category 1 – purchased goods and services: copy paper and water).

<sup>78</sup> Target scope covers vendors relating to non-technical expenses. Science-based targets (SBTs) define a clear emissions reduction pathway, in line with what the latest climate science deems necessary to limit global warming to 1.5°C above pre-industrial levels.



# Independent limited assurance report on Swiss Re Ltd's Sustainability Report 2024

## To the Board of Directors of Swiss Re Ltd, Zurich

We have undertaken a limited assurance engagement on Swiss Re Ltd's (hereinafter "Swiss Re") Sustainability Report 2024 for the year ended 31 December 2024 (hereinafter "Sustainability Report 2024").

### Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the '*Summary of the Work we Performed as the Basis for our Assurance Conclusion*' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Report 2024 is not prepared, in all material respects, in accordance with the Sustainability Reporting Criteria.

Our assurance engagement and our conclusion do not extend to information in respect of earlier periods or future looking information included in the Sustainability Report 2024, information included in the Swiss Re Financial Report 2024 (hereinafter "Financial Report 2024"), information linked from the Sustainability Report 2024, information linked from the Financial Report 2024, or any images, audio files or embedded videos, nor to the requirements of Article 964d–964l of the Swiss Code of Obligations (Swiss CO).

### Understanding how Swiss Re has Prepared the Sustainability Report 2024

Swiss Re prepared the Sustainability Report 2024 using the following criteria (hereinafter referred to as the "Sustainability Reporting Criteria"):

- For the sections referenced within the "Swiss CO: reference table" on pages 112–113 – Article 964b (1) and (2) of the Swiss CO and Swiss Re internally developed criteria as described within the Sustainability Report 2024;
- For the sections referenced within the "TCFD: reference table" on page 114 – Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as well as Article 3 of the Swiss Ordinance on Climate Disclosures, and Swiss Re internally developed criteria as described within the Sustainability Report 2024;
- For greenhouse gas (GHG) emissions reported on pages 99–101 – Greenhouse Gas Protocol;
- For financed emissions reported on page 98 – Global GHG Accounting & Reporting Standard Part A by the Partnership for Carbon Accounting Financials;
- For insurance-associated emissions reported on page 95 – Global GHG Accounting & Reporting Standard Part C by the Partnership for Carbon Accounting Financials;
- For Green, social and sustainability bonds reported on page 97 – International Capital Market Association (ICMA) Green Bond Principles (GBP) and Social Bond Principles (SBP);
- For all remaining sections not mentioned above – Swiss Re internally developed criteria as described within the Sustainability Report 2024.

Consequently, the Sustainability Report 2024 needs to be read and understood together with these criteria.

### **Inherent Limitations in Preparing the Sustainability Report 2024**

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur in disclosures in the Sustainability Report 2024 and not be detected. Our engagement is not designed to detect all internal control weaknesses in the preparation of the Sustainability Report 2024 because the engagement was not performed on a continuous basis throughout the period and the audit procedures performed were on a test basis.

With respect to the carbon certificates in the Sustainability Report 2024 we have performed procedures as to whether these retired CO<sub>2</sub> certificates relate to the current period, and whether the description of them in the Sustainability Report 2024 is consistent with their related documentation. We have not, however, performed any procedures regarding the assumptions used in the calculation methodology for these certificates, and express no opinion about whether the retired CO<sub>2</sub> certificates have resulted, or will result in, carbon emissions being avoided or removed.

### **Swiss Re's Responsibilities**

The Board of Directors of Swiss Re is responsible for:

- selecting or establishing suitable criteria for preparing the Sustainability Report 2024, taking into account applicable law and regulations related to reporting the sustainability information;
- preparing the Sustainability Report 2024 in accordance with the Sustainability Reporting Criteria; and
- designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Report 2024 that is free from material misstatement, whether due to fraud or error.

### **Our Responsibilities**

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Sustainability Report 2024 is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our independent conclusion to the Board of Directors of Swiss Re.

As we are engaged to form an independent conclusion on the Sustainability Report 2024 as prepared by the Board of Directors, we are not permitted to be involved in the preparation of the Sustainability Report 2024 as doing so may compromise our independence.

### **Professional Standards Applied**

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB).

### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent and multidisciplinary team including assurance practitioners and sustainability experts. We remain solely responsible for our assurance conclusion.

### Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Report 2024 is likely to arise. The procedures we performed were based on our professional judgment. Carrying out our limited assurance engagement on the Sustainability Report 2024 included, among others:

- assessment of the design and implementation of systems, processes and internal controls for determining, processing and monitoring sustainability performance data, including the consolidation of data;
- inquiries of employees responsible for the determination and consolidation as well as the implementation of internal control procedures regarding the selected disclosures;
- inspection of selected internal and external documents to determine whether quantitative and qualitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- assessment of the data collection, validation and reporting processes as well as the reliability of the reported data on a test basis and through testing of selected calculations;
- analytical assessment of the data and trends of the quantitative disclosures; and
- assessment of the completeness of the Sustainability Report 2024 regarding the disclosures required by Article 964b (1) and (2) of the Swiss CO and Article 3 of the Swiss Ordinance on Climate Disclosures.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

KPMG AG



Corina Wipfler  
Licensed Audit Expert



Saskia Weiss  
Licensed Audit Expert

Zurich, 12 March 2025

KPMG Ltd, Badenerstrasse 172, CH-8036 Zürich

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## 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 inflation rates, 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;
- elevated geopolitical risks or tensions which may consist of conflicts arising in and between, or otherwise impacting, countries that are operationally and/or financially material to the Group or significant elections that may result in domestic and/or regional political tensions as well as contributing to or causing macro-economic events or developments as described above;
- the frequency, severity and development of, and losses associated with, insured claim events, particularly natural catastrophes, human-made disasters, pandemics, social inflation litigation, acts of terrorism or acts of war, including the ongoing wars and conflicts in the Middle East, 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 adherence to standards related to environmental, social and governance (“ESG”), sustainability and corporate social responsibility (“CSR”) matters, ability to fully achieve goals, targets, ambitions or stakeholder expectations related to such matters and ability to adapt to the evolving expectations of investors, shareholders, business partners, or third parties, including regulators and public authorities, as well as CSR, ESG and/or sustainability recommendations, standards, norms, metrics or regulatory requirements;
- 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;
- the Group’s ability to attract, retain and train highly skilled and technically qualified employees at the senior management level as well as in key operational roles;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- central bank intervention in the financial markets, trade wars or other tariffs and 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 ability to realise amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- the Group’s ability 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, giving up of, or the decision not to participate in 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, including in Life & Health and in Property & Casualty Reinsurance due to higher costs caused by pandemic-related or inflation and supply chain issues;
- changes in our policy renewal and lapse rates and their impact on the Group's business;
- 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, including the Group's recent adoption of IFRS;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition in the markets and geographies in which the Group competes;
- 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 or the recent adoption of IFRS as well as other internal procedures in anticipating and managing the foregoing risks.

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

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