

## Press release

# Swiss Re closes second alternative capital transaction with J.P. Morgan

- **Swiss Re partners with J.P. Morgan to secure USD 700 million protection for severe underwriting losses**
- **The alternative capital transaction extends Swiss Re's ability to pursue growth opportunities in an attractive reinsurance market**

**Zurich, 7 March 2023 – Swiss Re has successfully closed a multi-year stop-loss transaction with funding led by J.P. Morgan. The deal provides Swiss Re with USD 700 million in underwriting protection, supporting the Group's pursuit of profitable growth. The financing builds upon an innovative hybrid transaction concluded with J.P. Morgan in April 2022, which was the first of its kind to combine bank financing and insurance-linked securities (ILS).**

Philipp Rüede, Head of Swiss Re Alternative Capital Partners, said: "This transaction with J.P. Morgan effectively provides Swiss Re with cost-efficient capital that can be deployed in the current attractive market. This deal also represents another important step on Swiss Re's Alternative Capital Partners' journey, where we are increasingly using alternative capital to address our wider capital management needs, with the objective of lowering Swiss Re's cost of equity."

The stop-loss transaction provides protection for severe underwriting losses across the Swiss Re Group for the financial years 2023–2027. In addition to enabling Swiss Re to grow its business in favourable market conditions, the transaction is expected to have a positive benefit for Swiss Re's regulatory and ratings capital requirements.

The transaction utilises a newly established segregated account of the existing Matterhorn Re Ltd. special purpose insurer vehicle. The segregated account is financed via an initial USD 700 million facility supported by J.P. Morgan and its institutional investor base. The transaction has been structured with the potential to increase to USD 1 billion in size.

The transaction is fully collateralised, with the proceeds to be held in notes issued by the European Bank for Reconstruction and Development, which has Aaa/AAA/AAA (Moody's/S&P/Fitch, all stable) ratings.

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### Additional information

For press releases, logos and photography of Swiss Re executives, directors or offices go to [www.swissre.com/media](http://www.swissre.com/media)

Swiss Re's Alternative Capital Partners division encompasses Swiss Re's sell-side ILS capabilities and its retrocession management, allowing the Group to leverage a broad range of third-party capital as it grows its business. By doing so, Swiss Re is able to keep its exposures within clearly defined risk limits and improve the diversification of risk retained on its balance sheet.

#### **About Swiss Re**

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 80 offices globally.

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