



ANNUAL REPORT 2021

SI Re – Mutually yours
Sustainable, agile, committed

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SI Re at a glance

SIGNAL IDUNA Reinsurance Ltd (SI Re) is a Swiss reinsurer based in Zug.

Our strategy is based on sustainability, agility and long-term client commitment. We are strongly capitalised as evidenced by our «A-» financial strength rating from Fitch.

Board of Directors

Dr. Klaus Sticker, Chairman
Martin Berger
Dr. Otto Bruderer
Hieronymus T. Dormann
Dr. Stefan Kutz
Carl Mäder

Executive Board

Bertrand R. Wollner, Chief Executive Officer
Andreas Gadmer, Chief Risk Officer

Executive Management

Adrian Suter, Head of Finance

Shareholders

SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund

Rating

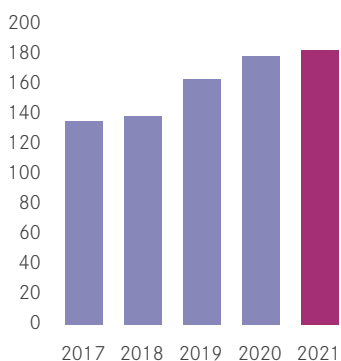
Fitch: A- «Outlook stable»

Auditors

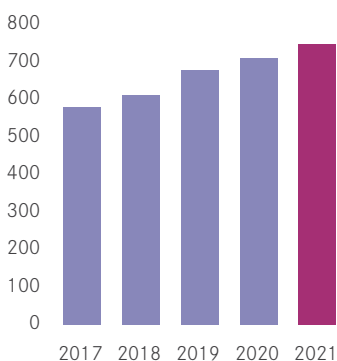
KPMG AG, Zurich

Key figures

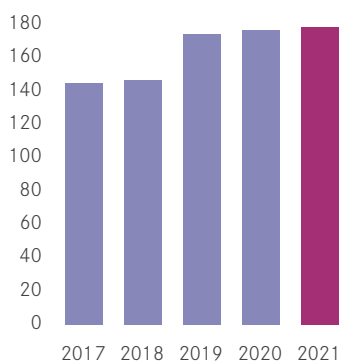
Gross Written Premiums
(in mio. EUR)



Investments
(in mio. EUR)



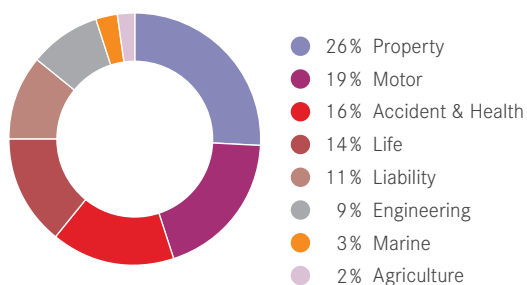
Shareholders' equity
before dividend distribution
(in mio. EUR)



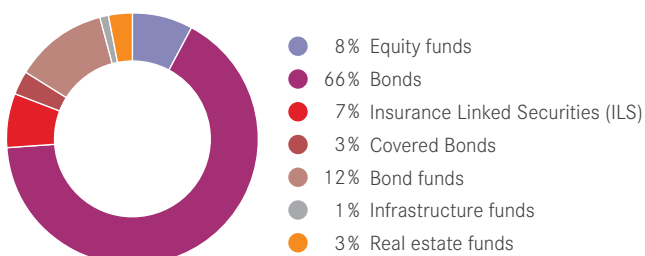
	2021 (in mio. EUR)	2020 (in mio. EUR)
Gross written premiums	183.4	179.5
Net earned premiums	180.9	172.4
Technical result	7.4	6.9
Net investment income, before deduction of technical interest	11.3	11.1
Annual result after taxes	8.4	8.3
Net technical provisions	620.4	576.7
Investments	740.8	705.4
Shareholders' equity (before dividend distribution)	178.7	177.3

Portfolio composition 2021

Lines of business



Investments





Dr. Klaus Sticker

Bertrand R. Wollner

Report of the Board of Directors and the Executive Board

Dear Readers,

SIRe closed the 2021 financial year with another record result. We achieved a net income of EUR 8.4 million. That equates to a 1.8% increase relative to the previous year's result of EUR 8.3 million. As in previous years, we improved our results on a broad range. The balance sheet total increased by EUR 44.7 million to EUR 856.2 million. Our reported shareholder equity of EUR 178.7 million is at the same high level compared to 2020 at 20.9% of the balance sheet total.

This result fills us with pride, as it was achieved in an environment marked by enormous challenges for our industry. Besides the lasting uncertainties related to the losses resulting from the COVID-19 pandemic, insurance also had to absorb insured losses of USD 105 billion, the fourth costliest year on record. Of particular relevance to SIRe in that regard was a sequence of low pressure events unprecedented in the recent past with heavy rainfall and flash flooding, which crossed the west of Germany up to mid-July 2021. The biggest loss event, the low-pressure system «Bernd», triggered insured losses of EUR 11 billion.

Against this backdrop, it is hardly possible to rate our technical result of EUR 7.4 million, 7.0% up on EUR 6.9 million in 2020, highly enough. That corresponds to 4.1% of net earned premiums, compared to 4.0% in the previous year. The net combined ratio improved from 96.9% in 2020 to 96.7% in 2021.

This result stems from our strict risk selection. During the past year – the second financial year under COVID conditions – we were again able to expand our client base by a pleasing 5.6%, having already gained 11.7% new cedents during the previous year. Our net earned premiums grew to EUR 180.9 million. That corresponds to 4.9% growth over 2020.

We hardly changed our lines of business mix last year. Motor insurance appreciated the most with a 2.7% increase. Property rose by 1.5%, while we reduced the liability line by 2.1%. The share of Group business reduced slightly due to the larger significance of external business: from 26.8% in the previous year to 26.5%.

We also maintained our prudent reserving practice during the year under review. The coverage ratio – the ratio of technical provisions to net earned premiums – remained high at 343% and even slightly exceeded the prior-year level of 334.5%.

Our investment holding as at 31 December 2021 was EUR 740.8 million and was thus 5.0% higher than the previous year at EUR 705.4 million. The quality of our fixed-income securities, excluding Insurance Linked Securities (ILS), and of our liquid assets remained at the same high level with an A+ rating. At 75.8%, our fixed-income investments account for the largest share, followed by the bond funds at 12.4%. The ILS share of investments increased from 6.6% in 2020 to 6.9% in 2021.

Overall, we achieved current income from investments of EUR 13.0 million in the reporting year, which was slightly lower than the previous year's income of EUR 13.5 million. Measured in terms of average investments, this corresponds to a return of 1.8% compared to the previous year's return of 2.0%. Thanks to the good investment result, we increased the equalisation provisions for our recognised investments by EUR 2.9 million to EUR 36.6 million. The total return on investment after asset management expenses and prior to allocation to the equalisation provisions was 2.0%, compared to 1.5% in the previous year.

Measured by earned premiums, acquisition costs fell moderately to EUR 55.1 million against EUR 57.9 million in 2020. That equates to a reduction from 33.6% to 30.5% and accounts for the specific features of the life reinsurance business. Three new appointments increased our headcount to 24 persons. Besides additional write-downs for pending projects, our administrative costs thus rose from EUR 7.3 million to EUR 8.1 million. In relation to earned premiums, that corresponds to a slight increase from 4.2% to 4.5%.

SI Re has been rated «A-» by Fitch for years, which was confirmed again in 2021. Our solvency ratio is still significantly higher than what is required by the Swiss Financial Market Supervisory Authority FINMA.

The Board of Directors proposes to the General Meeting an unchanged dividend of EUR 7.0 million. After adjustment for this sum, our shareholder equity will come to EUR 171.7 million.

We would like to thank our cedents and brokers for their confidence in SI Re. This fills us with pride and is an incentive for the future. A special thank you also to our employees for their flexibility and commitment during these still challenging times.



Dr. Klaus Sticker
Chairman of the Board of Directors



Bertrand R. Wollner
Chief Executive Officer

Review of the 2021 financial year

Business performance

Once again, SIRe exceeded the expectations placed on it. For 19 years, the company has been following a sustained growth path; however last year may well go down in insurance industry annals as one of the most challenging of recent decades. The sector again had to absorb business interruption and life insurance losses from the ongoing COVID-19 pandemic. Travel and marketing activities remained restricted by the continuation of lock-down measures and the sector experienced its fourth costliest natural catastrophe year since 1970 with insured losses of US 105 billion. Europe was particularly affected, as «Bernd», one of a sequence of low-pressure events, caused massive flooding and insured losses of EUR 11 billion in Germany and Belgium in summer 2021.

In spite of these events, the company exceeded its record result of the previous year and achieved net income of EUR 8.4 million, which is 1.8% more than the previous year. Our business activity caused our balance sheet total to rise by EUR 44.7 million from EUR 811.5 million to EUR 856.2 million. Our reported shareholder equity of EUR 178.7 million or 20.9% of the balance sheet total, also remains at a high level similar to the previous year, when shareholder equity came to EUR 177.3 million or 21.8%.

A difficult market environment

Between 2007 and 2016, natural catastrophes caused annual insured losses of USD 48 billion on average. This was mainly due to tropical cyclones, which triggered heavy losses mainly in the US but also increasingly in Asia. Since 2017, annual average natural catastrophe losses have risen rapidly to USD 100 billion. On the one hand, this is due to more heavy windstorms, but also through an increase in secondary perils such as forest fires, severe frost or flooding. These traditionally smaller to average sized frequency losses are mainly localised events and thus difficult to model and price. However, as they are included in securitised investments, these losses have made investors more cautious and thus led to an increase in prices in the retrocession and reinsurance markets.

However, the most expensive insured losses in 2021 were once again caused by a US hurricane. On 29 August 2021, Hurricane «Ida» hit the US Gulf coast with 240 km/h winds and triggered insured losses of USD 36 billion. Overall, there were 21 tropical storms in the North Atlantic, well over the average of just under 14 storms a year from 1990 to 2020. While the claims burden for primary catastrophes remained high, Europe was mainly afflicted by secondary perils. Heavy rainfall in the summer of 2021 caused flooding with major losses, especially in Germany. The low-pressure system «Bernd» turned into a once-in-a-100-year event with total losses of EUR 46 billion or insured losses of EUR 11 billion, thereby making it the costliest natural catastrophe in Europe and Germany to date.

Gross written premiums (in mio. EUR)



Inflation was not even an issue at the start of the year. COVID-19 and growing geopolitical tensions caused supply chain disruptions, soaring commodity prices and higher wage costs. The US Fed at first and subsequently the ECB revised their position. Since the autumn, both institutions have changed their view of short-term, COVID-19-driven inflation in favour of a longer term phenomenon. Inflation in the EU was still 0.7% at the end of 2020. Twelve months later, it had risen to 2.9% for the EU and 4.3% for the US.

The capital markets had a similar rollercoaster experience. In the hope of a quick recovery from the COVID-19 pandemic, the equity markets appreciated in the first half of the year, before coming under pressure with rising inflation. At year-end, expectations of a tighter monetary policy led to rising bond market rates, while the European equity markets concluded the year with a good 15% growth.

Improved prices and conditions

The reinsurance markets started 2021 with a capital base of USD 650 billion, USD 25 billion higher than the previous year. Additional traditional capital flowed into the market in the expectation of rising prices. Alternative capital remained unchanged.

Technical result (in mio. EUR)



The January renewals, which are material to the course of our year, were again overshadowed by concerns over the effects of the COVID-19 pandemic. There was a fundamental re-evaluation of the entire business across all lines and markets. High natural catastrophe losses in 2017 and 2018, plus the sustained low interest phase had already prompted price increases and stricter conditions. The effects of the pandemic accelerated this impact, although the effect was mitigated by the inflow of fresh capital.

SIRe achieved strong price increases and improved conditions across the entire portfolio. We posted a 4.9% increase in net earned premiums for the entire year from EUR 172.4 million to EUR 180.9 million. It is particularly pleasing that we were again able to enlarge our client base. Even under the adverse COVID conditions, which significantly restricted personal meetings or client visits, we gained 5.6% new cedents in 2021.

The composition of our portfolio changed slightly, as motor insurance rose by 2.7 percentage points to 19.3%. Our biggest line – property business – also grew slightly and now accounts for 25.9%, up by 1.5 percentage points. We mainly reduced the share of liability insurance, which fell by 2.1 percentage points to 10.9% and life business, which we reduced by 0.9 percentage points to 13.7%. Group business remained largely unchanged. Corresponding to our increased volume in external business, its share fell by 0.3 percentage points to 26.5%.

Improved technical result in spite of rising market losses

The robustness of our portfolio is shown by our technical result. In spite of record losses from natural catastrophes and the pandemic, we lowered our combined ratio from 96.9% in 2020 to 96.7% in 2021. The technical result improved from EUR 6.9 million in 2020 to EUR 7.4 million in 2021, a 7.0% increase. That corresponds to 4.1 % of net earned premiums, compared to 4.0% in 2020.

The volume of loss events can only be absorbed through a prudent reserving policy. We applied a retrocession cover that we have been writing for several years for the severe flooding catastrophe «Bernd».

Overall, technical provisions rose by EUR 43.7 million to EUR 620.4 million. The coverage ratio – the ratio of technical provisions to net earned premiums – rose slightly to 343%.

Good investment result

SIRe had a good business year on the capital markets. The financial markets were still afflicted in 2021 by the investment malaise of recent years, characterised by the low interest rate environment and volatile equity markets. SIRe realised current income from investments of EUR 13 million in this environment, slightly lower than the EUR 13.5 million in the previous year. That corresponds to a return of 1.8% measured in terms of average investment levels. The return in the previous year was 2.0%.

We made valuation adjustments in our Insurance Linked Securities (ILS) portfolio in response to a typhoon making landfall in the Philippines and a hurricane in the US, which we were able to compensate through equalisation provisions for investments. At the same time, we used our good investment result to increase our equalisation provisions to 4.9% of recognised investments, slightly over the previous year's 4.8%.

The investment holding at the end of 2021 was EUR 740.8 million and thus 5.0% higher than the previous year's level of EUR 705.4 million. The quality of our fixed-income securities, excluding ILS, and of our liquid assets is at the same high level with an A+ rating. Fixed-income investments accounted for a 75.8% share, followed by bond funds at 12.4%. The share of ILS in our investments increased from 6.6% in 2020 to 6.9% in 2021.

We made some minor changes to our investment portfolio in 2021. Due to the low interest income on bonds, we have decided to increase our share of equities to up to 10% in the medium term. Last year, we completed the first step and increased the share from its former 5% to 8%. At the same time, we decided to incrementally increase our real estate holding up to 5% and thus increased the share from 2% to 3% in 2021.

As we can expect further interest rate increases to contain rising inflation in 2022, we have decided to adopt a short position on the assets side of our balance sheet to benefit from a rise in interest rates.

Investments
(in mio. EUR)



Net technical provisions
(in mio. EUR)



Shareholders' equity
before dividend
distribution
(in mio. EUR)



Sustained investment in competence and expertise

In 2021, we lowered our transaction costs in spite of higher premiums to EUR 55.1 million or 30.5% relative to earned premiums. Transaction costs in the previous year came to EUR 57.8 million or 33.6%. These costs reflect the specific features of our life reinsurance business.

SIRe permanently invests in the expertise and competence of its staff. In 2021, we increased our headcount to 24 persons (average 22.5). Our administrative costs rose accordingly, in addition to extra write-downs and projects, from EUR 7.3 million or 4.2% of earned premiums in 2020 to EUR 8.1 million or 4.5% of earned premiums in 2021. SIRe therefore still has an extraordinarily competitive cost ratio in the reinsurance sector.

Unchanged dividend

SIRe again achieved an outstanding annual result in an extraordinarily competitive market environment. The Board of Directors has decided to propose to the General Meeting an unchanged high dividend of EUR 7.0 million. After its distribution, SIRe shareholder equity will equal EUR 171.7 million.

Risk management assessment

SIRe employs modern company-specific risk management and internal control systems. They are structured to reflect the complexity and size of the company. Risk management at SIRe involves consistently implementing the requirements of the Swiss Solvency Test (SST) of the Swiss Financial Supervisory Market Authority FINMA. We also apply our own internal corporate risk management model. In addition, SIRe is integrated in the SIGNAL IDUNA Group risk management framework.

The risk management process is the responsibility of the company's risk manager, who provides the Executive Board with a half-yearly risk report based on information contained in the risk catalogue. The risk report analyses the company's overall risk position and examines the development and quantification of technical, financial and company-wide risks.

The Executive Board reports twice a year on the findings of the report to the Board of Directors at its regular board meetings.

Outlook: January renewals mark a good start to 2022

Following a hard market phase in past years and available reinsurance capacity of USD 660 billion (source Aon), some cedents had hoped for a softening in prices and conditions at this January's renewals. There was no scope for that against a backdrop of insufficient margins, historically low prices and a heavy natural catastrophe claims burden in Europe. This led ultimately to more stringent conditions, and rates were adjusted to reflect the higher exposure, claims experience and higher retrocession prices. According to the British broker Howden, global prices for catastrophe cover were up 9%, higher than the prior-year increase of 6%.

SIRe achieved an outstanding result in the January 1, 2022 renewal round. We improved our premium volume by 8.5% to EUR 182.4 million by consistently adhering to our approach of discontinuing or restructuring business that did not meet our risk and profitability requirements. As a result, we achieved improved rates and conditions as in previous years.

We accomplished average price increases of 18% in our natural catastrophe portfolio. We also wrote 3.1% new business. Non-proportional business development was particularly pleasing, as SIRe posted 7.5% growth over the previous year. We had already grown by 14.4% in that area in the previous year. As in past years, we continued to expand our client base by obtaining 4.4% new cedents.

We are cautious regarding the prospects for 2022. The central banks started to incrementally tighten the monetary reins in March. They will withdraw the excess liquidity from the capital markets with the biggest monetary policy experiment in history in order to counter excessive inflation in a simultaneously weakening economic situation.

On the asset side, this presents insurers with significant challenges as the sector's mainly long-term oriented investment portfolios will not adjust so quickly to the changed conditions. If interest rates, operating and claims costs rise at the same time, it will add a lot of pressure to insurers' balance sheets. It will be up to underwriting to offset those losses. The industry will accordingly have to position itself for a hard market that may well persist for some time.

Renewals
(in mio. EUR)





Balance sheet

(EUR)

Assets

	Notes	31. 12. 2021 EUR	31. 12. 2020 EUR
Fixed-income securities	9	561'292'397	554'603'589
Other investments	10	179'555'087	150'810'053
Total investments		740'847'485	705'413'642
Deposits on ceded reinsurance business		18'022'960	17'382'578
Cash and cash equivalents		38'600'747	32'638'325
Tangible assets		891'180	1'020'157
Intangible assets		0	333'496
Receivables from insurance operations	6	53'329'877	49'759'039
Other receivables		9'075	145'790
Accrued income and prepaid expenses		4'482'684	4'819'818
Total assets		856'184'008	811'512'845

Liabilities and shareholders' equity

Technical provisions	11	620'424'816	576'676'368
Non-technical provisions	12	42'126'683	40'536'431
Liabilities from insurance operations	7	14'260'788	16'186'455
Other liabilities	8	215'175	521'904
Accrued expenses and deferred income		459'562	326'514
Total liabilities		677'487'024	634'247'672
Share capital		83'166'999	83'166'999
Legal capital reserves		69'190'126	69'190'126
General legal reserves		4'998'337	4'998'337
Free reserves		21'341'522	19'909'710
Total shareholders' equity	3	178'696'984	177'265'173
Total liabilities and shareholders' equity		856'184'008	811'512'845

Income statement

(EUR)

	Notes	2021 EUR	2020 EUR
Gross written premiums		183'447'928	179'493'350
Reinsurer's share of gross written premiums		-1'725'000	-1'575'000
Net written premiums		181'722'928	177'918'350
Net changes in reserves for unearned premiums		-905'963	-5'627'986
Reinsurer's share of net changes in reserves for unearned premiums		62'500	93'750
Net earned premiums		180'879'465	172'384'114
Other income from insurance operations – technical interest		1'485'402	1'594'949
Total income from technical insurance operations		182'364'866	173'979'062
Payments for insurance claims, gross		-78'820'354	-75'042'301
Reinsurer's share of payments for insurance claims		-	-
Net change in technical provisions	13	-46'607'170	-33'315'376
Reinsurer's share of change in technical provisions	13	6'468'691	-
Total expenses on insurance claims for own account		-118'958'833	-108'357'677
Acquisition costs and administration expenses	14	-63'270'284	-65'127'352
Reinsurer's share of acquisition costs and administration expenses		-	-
Acquisition costs and administration expenses for own account		-63'270'284	-65'127'352
Other technical expenses for own account		-878'270	-871'963
Total expenses due to technical insurance operations		-183'107'387	-174'356'992
Income from investments	15	18'918'242	16'127'374
Expenses on investments	16	-8'587'644	-6'118'919
Investment result		10'330'598	10'008'455
Other financial income		66'398	16'881
Other financial expenses		-205'480	-252'166
Operating result		9'448'995	9'395'240
Other income		655	1'010
Other expenses		-78'359	-114'844
Net income before tax		9'371'291	9'281'406
Direct tax		-939'480	-996'508
Net income		8'431'811	8'284'898

Cash flow statement

(EUR)

	2021 EUR	2020 EUR
Net income	8'431'811	8'284'898
Accrual of technical provisions	43'748'448	36'461'194
Valuation adjustments on tangible and intangible assets	599'519	375'551
Realised gains and losses on fixed-income securities	-1'296'505	-1'967'930
Realised gains and losses on other investments	-838'640	-
Write-ups and write-downs on fixed income securities	-2'433'723	6'562'019
Write-ups and write-downs on other investments	-3'015'607	4'494'967
Change in equalisation provisions on investments	2'912'092	-1'218'905
Change in non-technical provisions	-1'321'839	1'489'813
Change in balances resulting from technical accounts	-6'136'888	-8'685'951
Changes in other assets	136'716	-50'107
Change in accrued income	337'134	347'899
Change in other liabilities	-306'729	308'866
Change in accrued expenses	133'048	-62'007
Cash flow from operating activities	40'948'835	46'340'308
Fixed-income securities	-2'958'580	-11'581'012
Other investments	-24'890'788	-29'233'528
Tangible and intangible assets	-137'047	-148'446
Cash flow from investment activities	-27'986'414	-40'962'986
Dividend distribution	-7'000'000	-5'600'000
Cash flow from financing activities	-7'000'000	-5'600'000
Net cash flow	5'962'421	-222'678
Cash on 1 January	32'638'325	32'861'003
Cash on 31 December	38'600'747	32'638'325
Change in cash	5'962'421	-222'678

Notes to the financial statements

(EUR)

1. General

SIGNAL IDUNA Reinsurance Ltd of Zug (Switzerland) is a subsidiary of SIGNAL IDUNA Group, Dortmund/Hamburg. 100% of the shares are owned by SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund.

The annual average number of full-time posts (FTE) at SIGNAL IDUNA Reinsurance Ltd is less than 50 persons.

Book-keeping and accounting are presented in Euros. Pursuant to Art. 958d, paragraph 3, CO, figures must also be presented in Swiss Francs.

2. Accounting and valuation principles

Time period

Reinsurance business comprises the cedants' of the financial year. Estimates were made and taken into account in the financial statements for cedent accounts not yet available at the time the closing was generated. Other income and expenses are included in the corresponding financial year.

Foreign currency translation

As is common practice in the international reinsurance business, accounts are denominated in the original currencies. For the purposes of the balance sheet, translations are made into Euros at year-end exchange rates; income statement amounts are translated at the relevant quarterly exchange rates. The resulting exchange-rate differences are recognised in the income statement. Net non-realised gains derived from foreign-currency translations are reserved. The main rates are:

<i>Currency</i>	<i>31. 12. 2021</i>	<i>31. 12. 2020</i>
EUR/USD	1.13700	1.22160
EUR/GBP	0.84113	0.89374
EUR/CHF	1.03752	1.08120

Investments

Bonds, covered bonds and Insurance Linked Securities (ILS) are valued using the linear cost amortisation method. The difference between the purchase price and the redemption value is distributed evenly over the remaining time to maturity and is recorded in the income statement as write-ups or write-downs. Any credit impairments are accounted for through value adjustment. The fixed-term deposits are recorded up to acquisition cost. Shares in bond, equity and real estate funds are carried at fair value on the balance sheet date. Infrastructure funds are recorded at acquisition cost or at the net investment value, if lower.

Receivables

Receivables, deposits and other assets are carried at nominal value. In questionable cases, the value of the positions is reduced as appropriate.

Technical provisions

Unearned premiums, provisions for future insurance benefits and other technical provisions are based on information supplied by cedants. Final calculations conducted internally may result in the original reported provisions being strengthened. Additional provisions are created based on estimates for claims incurred but not yet reported. In addition, equalization provisions are accrued to offset business volatility.

Premium and claim portfolio movements

Premiums consist of premium portfolio inflows and outflows, and claims paid consist of the corresponding claims portfolio inflows and outflows.

Non-technical provisions

In the spirit of prudent risk management – and in order to ensure the long-term health of the company against a backdrop of rising investment risk – provisions are established for:

- Fixed equalisation provision for fixed-income investments. This provision will be built up prudently and over a long time horizon.
- Provisions for real estate funds. The build-up of this provision is oriented toward the development of the net investment value and is based on an assessment of the risks in the real estate market.
- The equalisation provision on Insurance Linked Securities (ILS) is designed to cover a large loss event on one of the ILS investments in our portfolio.

The provision for taxes includes liabilities relating to taxes on income and capital at year-end as well as estimated income tax on years that have not yet been assessed for tax purposes.

Technical interest, non-life reinsurance

The interest recorded in the technical income statement corresponds to the income from technical interest calculated in the pricing for the entire portfolio of reinsurance contracts. It is calculated by currency and as accrued, using the risk-free interest rate curve in effect at the time of pricing.

NOTES TO THE FINANCIAL STATEMENTS (EUR)

3. Statement of shareholders' equity

	<i>Share capital</i>	<i>Legal capital reserves</i>	<i>General legal reserves</i>	<i>Free reserves</i>	<i>Total</i>
	<i>EUR</i>	<i>EUR</i>	<i>EUR</i>	<i>EUR</i>	<i>EUR</i>
As at 31.12.2019	83'166'999	69'190'126	4'998'337	17'224'812	174'580'274
Movements during 2020					
- Appropriation of profits from prior year - dividend	-	-	-	-5'600'000	-5'600'000
- Result for 2020	-	-	-	8'284'898	8'284'898
As at 31.12.2020	83'166'999	69'190'126	4'998'337	19'909'710	177'265'173
Movements during 2021					
- Appropriation of profits from prior year - dividend	-	-	-	-7'000'000	-7'000'000
- Result for 2021	-	-	-	8'431'811	8'431'811
As at 31.12.2021	83'166'999	69'190'126	4'998'337	21'341'522	178'696'984

4. Total amount of equities used to secure own liabilities and assets under reservation of ownership

Technical provisions and other liabilities secured by pledged securities
or current accounts:

	<i>31. 12. 2021 EUR</i>	<i>31. 12. 2020 EUR</i>
Securities	216'080'508	214'410'924
Current account	141'250	226'250
Total book value of pledged assets	216'221'758	214'637'174

The Zürcher Kantonalbank, Zurich, has granted SIGNAL IDUNA Reinsurance Ltd a credit facility of up to EUR 120.5 million (CHF 125 million). The credit facility is available in various currencies and secures deposits, guarantees and letters of credit issued by this credit institution on our behalf. On the balance sheet date, 31 December 2021, EUR 47.1 million (CHF 48.8 million) of the above credit facility had been used.

A number of securities are held at BNP Paribas and HSBC, which are used to guarantee the technical provisions. This amount totalled EUR 130.0 million on the balance sheet date, 31 December 2021.

5. Off-balance-sheet leasing commitments

Rental contract for office space with a set term until 30 September 2023: EUR 536'478 (CHF 556'607)
(previous year: EUR 808'979 and CHF 874'668 respectively).

6. Receivables from insurance operations

	31. 12. 2021 EUR	31. 12. 2020 EUR
Receivables from agents and intermediaries	25'769'241	26'729'356
Receivables from insurance companies (third parties)	24'318'211	19'955'595
Receivables from Group companies	3'242'426	3'074'088
Total receivables from insurance operations	53'329'877	49'759'039

7. Liabilities from insurance operations

	31. 12. 2021 EUR	31. 12. 2020 EUR
Liabilities to agents and intermediaries	-6'900'116	-6'729'938
Liabilities to insurance companies (third parties)	-7'194'312	-6'564'445
Liabilities to Group companies	-166'361	-2'892'073
Total liabilities from insurance operations	-14'260'788	-16'186'455

8. Other liabilities

	31. 12. 2021 EUR	31. 12. 2020 EUR
Other liabilities to third parties	-215'175	-343'955
Other liabilities to Group companies	-	-177'949
Total other liabilities	-215'175	-521'904

9. Fixed-income securities

	31. 12. 2021 EUR	31. 12. 2020 EUR
Bonds	488'100'043	464'866'362
Covered bonds	21'761'684	34'250'315
Fixed-term deposits	414'630	9'004'600
Insurance Linked Securities (ILS)	51'016'041	46'482'311
Total fixed-income securities	561'292'397	554'603'589

NOTES TO THE FINANCIAL STATEMENTS (EUR)

10. Other investment assets

	31. 12. 2021 EUR	31. 12. 2020 EUR
Other investments – recorded at fair values	171'641'357	143'595'022
Bond funds	91'543'803	92'374'161
Equity funds	56'848'399	35'252'674
Real estate funds	23'249'155	15'968'187
Other investments – valued at the lower of cost or market	7'913'730	7'215'031
Infrastructure funds	7'913'730	7'215'031
Total other investments	179'555'087	150'810'053

As of 31 December 2021, there were capital commitments not yet called for real estate and infrastructure funds to the amount of EUR 14'535'995.

11. Technical provisions

	EUR Gross	EUR Retro	EUR Net
31. 12. 2021			
Unearned premiums	-15'077'673	718'750	-14'358'923
Provision for outstanding claims	-515'023'339	6'468'691	-508'554'648
Other technical provisions	-82'052'261	-	-82'052'261
Provision for future life benefits	-15'458'984	-	-15'458'984
Total technical provisions	-627'612'257	7'187'441	-620'424'816
31. 12. 2020			
Unearned premiums	-15'190'714	656'250	-14'534'464
Provision for outstanding claims	-479'807'607	-	-479'807'607
Other technical provisions	-67'040'874	-	-67'040'874
Provision for future life benefits	-15'293'424	-	-15'293'424
Total technical provisions	-577'332'618	656'250	-576'676'368

12. Non-technical provisions

	31. 12. 2021 EUR	31. 12. 2020 EUR
Equalisation provision on investments	-36'642'777	-33'730'685
Unrealised foreign exchange gains	-3'544'696	-5'022'114
Tax	-992'965	-1'004'773
Miscellaneous	-946'246	-778'858
Total non-technical provisions	-42'126'683	-40'536'431

13. Changes to technical provisions

	EUR Gross	EUR Retro	EUR Net
2021			
Provision for outstanding claims	-48'426'774	6'468'691	-41'958'083
Other technical provisions	1'985'164	-	1'985'164
Provision for future life benefits	-165'560	-	-165'560
Total changes to technical provisions	-46'607'170	6'468'691	-40'138'479
2020			
Provision for outstanding claims	-35'329'596	-	-35'329'596
Other technical provisions	2'355'953	-	2'355'953
Provision for future life benefits	-341'733	-	-341'733
Total changes to technical provisions	-33'315'376	-	-33'315'376

14. Acquisition costs and administration expenses

	2021 EUR	2020 EUR
Commissions and profit commissions	-55'141'527	-57'848'510
Personnel expenses	-5'168'585	-4'638'152
Depreciation	-599'519	-375'551
Other administrative expenses	-2'360'652	-2'265'139
Total acquisition costs and administration expenses	-63'270'284	-65'127'352

NOTES TO THE FINANCIAL STATEMENTS (EUR)

15. Information regarding income from investments, per reported asset class

	<i>Current income</i>	<i>Write-ups</i>	<i>Realised gains</i>	<i>Total income from investments</i>
2021				
<i>EUR</i>				
Bonds	6'838'962	-	1'300'073	8'139'035
Covered bonds	661'982	-	-	661'982
Insurance Linked Securities	2'196'293	-	4'958	2'201'251
Bond funds	1'367'638	-	-	1'367'638
Equity funds	1'143'366	3'638'409	838'640	5'620'415
Real estate funds	557'410	171'820	-	729'230
Infrastructure funds	190'735	-	-	190'735
Fixed-term deposits	7'957	-	-	7'957
		-	-	0
Total	12'964'343	3'810'229	2'143'670	18'918'242
2020				
<i>EUR</i>				
Bonds	7'379'493	-	2'004'136	9'383'629
Covered bonds	829'060	-	-	829'060
Insurance Linked Securities	2'244'617	-	56	2'244'672
Bond funds	1'214'712	439'230	-	1'653'942
Equity funds	1'007'586	-	-	1'007'586
Real estate funds	363'202	198'933	-	562'135
Infrastructure funds	158'663	-	-	158'663
Fixed-term deposits	287'687	-	-	287'687
	-	-	-	-
Total	13'485'020	638'163	2'004'191	16'127'374

16. Information regarding expenses on investments, per reported asset class

	<i>Write-downs and valuation adjustments</i>	<i>Formation/ Accrual of equalisation provision</i>	<i>Realised losses</i>	<i>Technical interest debited Non-life insurance</i>	<i>Asset management expenses</i>	<i>Total expenses on investments</i>
2021						
<i>EUR</i>						
Bonds	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Insurance						
Linked Securities	-2'990'200	798'294	-8'525	-	-	-2'200'431
Bond funds	-830'357	-	-	-	-	-830'357
Equity funds	-52'420	-3'440'000	-	-	-	-3'492'420
Real estate funds	-146'729	-25'091	-	-	-	-171'820
Infrastructure funds	-29'432	-	-	-	-	-29'432
Fixed-term deposits	-	-	-	-	-	-
	-	-	-	-961'268	-901'917	-1'863'185
Total	-4'049'137	-2'666'797	-8'525	-961'268	-901'917	-8'587'644
2020						
<i>EUR</i>						
Bonds	-	1'817'000	-	-	-	1'817'000
Covered bonds	-	-	-	-	-	-
Insurance						
Linked Securities	-	-675'345	-36'262	-	-	-711'607
Bond funds	-850'626	-	-	-	-	-850'626
Equity funds	-4'217'058	-	-	-	-	-4'217'058
Real estate funds	-65'446	-133'487	-	-	-	-198'933
Infrastructure funds	-	-	-	-	-	-
Fixed-term deposits	-	-	-	-	-	-
	-	-	-	-1'079'930	-877'765	-1'957'695
Total	-5'133'130	1'008'168	-36'262	-1'079'930	-877'765	-6'118'919

NOTES TO THE FINANCIAL STATEMENTS (EUR)

17. Information on the auditor's fee

	2021 EUR	2020 EUR
Audit services	83'501	51'738
Other services	-	19'905

18. Information on gross premiums

	2021 %	2020 %
Property	25.9	24.4
Motor	19.3	16.6
Accident & Health	15.9	16.2
Life	13.7	14.6
Liability	10.9	13.0
Engineering	9.3	9.9
Marine	3.4	3.9
Agriculture	1.5	1.4
Cyber	0.1	0.0
Total	100.0	100.0
Group business accounts for percentage of total gross premiums	26.5	26.8

19. Information on the technical result

	2021 EUR	2020 EUR
Net earned premiums	180'879'465	172'384'114
Technical interest	1'485'402	1'594'949
Commissions and profit commissions	-55'141'527	-57'848'510
Expenses on insurance claims for own account	-118'958'833	-108'357'677
Other technical income and expenses	-878'270	-871'963
Total technical result	7'386'236	6'900'913
Combined Ratio (without technical interest)	96.7%	96.9%

20. Significant events after the balance sheet date

There are no events after the balance sheet date that have a material impact on the financial statements.



Balance sheet

(CHF)

Assets

	Notes	31. 12. 2021 CHF	31. 12. 2020 CHF
Fixed-income securities	9	582'352'088	599'637'400
Other investments	10	186'291'994	163'055'829
Total investments		768'644'082	762'693'229
Deposits on ceded reinsurance business		18'699'182	18'794'043
Cash and cash equivalents		40'049'047	35'288'557
Tangible assets		924'617	1'102'993
Intangible assets		-	360'576
Receivables from insurance operations	6	55'330'814	53'799'473
Other receivables		9'415	157'629
Accrued income and prepaid expenses		4'650'875	5'211'187
Total assets		888'308'032	877'407'688

Liabilities and shareholders' equity

Technical provisions	11	643'703'155	623'502'489
Non-technical provisions	12	43'707'276	43'827'989
Liabilities from insurance operations	7	14'795'853	17'500'796
Other liabilities	8	223'248	564'283
Accrued expenses and deferred income		476'805	353'027
Total liabilities		702'906'337	685'748'583
Share capital		100'000'000	100'000'000
Legal capital reserves		80'915'458	80'915'458
General legal reserves		6'010'000	6'010'000
Free reserves		22'804'224	21'772'892
Conversion difference		-24'327'988	-17'039'245
Total shareholders' equity	3	185'401'695	191'659'105
Total liabilities and shareholders' equity		888'308'032	877'407'688

Income statement

(CHF)

	Notes	2021 CHF	2020 CHF
Gross written premiums		190'330'894	194'068'210
Reinsurer's share of gross written premiums		-1'789'722	-1'702'890
Net written premiums		188'541'172	192'365'320
Net changes in reserves for unearned premiums		-939'955	-6'084'978
Reinsurer's share of net changes in reserves for unearned premiums		64'845	101'363
Net earned premiums		187'666'062	186'381'704
Other income from insurance operations – technical interest		1'541'134	1'724'458
Total income from technical insurance operations		189'207'196	188'106'162
Payments for insurance claims, gross		-81'777'694	-81'135'736
Reinsurer's share of payments for insurance claims		-	-
Net change in technical provisions	13	-48'355'871	-36'020'584
Reinsurer's share of change in technical provisions	13	6'711'396	-
Total expenses on insurance claims for own account		-123'422'169	-117'156'320
Acquisition costs and administration expenses	14	-65'644'185	-70'415'693
Reinsurer's share of acquisition costs and administration expenses		-	-
Acquisition costs and administration expenses for own account		-65'644'185	-70'415'693
Other technical expenses for own account		-911'223	-942'767
Total expenses due to technical insurance operations		-189'977'576	-188'514'780
Income from investments	15	19'628'054	17'436'917
Expenses on investments	16	-8'909'853	-6'615'776
Investment result		10'718'202	10'821'142
Other financial income		68'890	18'251
Other financial expenses		-213'190	-272'641
Operating result		9'803'521	10'158'134
Other income		679	1'092
Other expenses		-81'299	-124'169
Net income before tax		9'722'902	10'035'056
Direct tax		-974'729	-1'077'424
Net income		8'748'173	8'957'632

Cash flow statement

(CHF)

	2021 CHF	2020 CHF
Net income	8'748'173	8'957'632
Accrual of technical provisions	45'389'889	39'421'843
Valuation adjustments on tangible and intangible assets	622'013	406'046
Realised gains and losses on fixed-income securities	-1'345'150	-2'127'726
Realised gains and losses on other investments	-870'106	-
Write-ups and write-downs on fixed income securities	-2'525'037	7'094'854
Write-ups and write-downs on other investments	-3'128'752	4'859'958
Change in equalisation provisions on investments	3'021'353	-1'317'880
Change in non-technical provisions	-1'371'434	1'610'786
Change in balances resulting from technical accounts	-6'367'144	-9'391'250
Changes in other assets	141'845	-54'175
Change in accrued income	349'783	376'149
Change in other liabilities	-318'238	333'946
Change in accrued expenses	138'040	-67'042
Cash flow from operating activities	42'485'236	50'103'141
Fixed-income securities	-3'069'586	-12'521'390
Other investments	-25'824'690	-31'607'291
Tangible and intangible assets	-142'189	-160'500
Cash flow from investment activities	-29'036'464	-44'289'180
Dividend distribution	-7'262'640	-6'360'893
Cash flow from financing activities	-7'262'640	-6'360'893
Net cash flow	6'186'131	-546'932
Cash on 1 January	35'288'557	35'656'489
Exchange rate difference on cash and cash equivalents	1'425'642	-179'001
Cash on 31 December	40'049'047	35'288'557
Change in cash	6'186'131	-546'932

Notes to the financial statements

(CHF)

1. General

SIGNAL IDUNA Reinsurance Ltd of Zug (Switzerland) is a subsidiary of SIGNAL IDUNA Group, Dortmund/Hamburg. 100% of the shares are owned by SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund.

The annual average number of full-time posts (FTE) at SIGNAL IDUNA Reinsurance Ltd is less than 50 persons.

Book-keeping and accounting are presented in Euros. Pursuant to Art. 958d, paragraph 3, CO, figures must also be presented in Swiss Francs.

2. Accounting and valuation principles

Time period

Reinsurance business comprises the cedants' of the financial year. Estimates were made and taken into account in the financial statements for cedent accounts not yet available at the time the closing was generated. Other income and expenses are included in the corresponding financial year.

Foreign currency translation

As is common practice in the international reinsurance business, accounts are denominated in the original currencies. For the purposes of the balance sheet, translations are made into Euros at year-end exchange rates; income statement amounts are translated at the relevant quarterly exchange rates. The resulting exchange-rate differences are recognised in the income statement. Net non-realised gains derived from foreign-currency translations are reserved. The main rates are:

<i>Currency</i>	<i>31. 12. 2021</i>	<i>31. 12. 2020</i>
EUR/USD	1.13700	1.22160
EUR/GBP	0.84113	0.89374
EUR/CHF	1.03752	1.08120

Investments

Bonds, covered bonds and Insurance Linked Securities (ILS) are valued using the linear cost amortisation method. The difference between the purchase price and the redemption value is distributed evenly over the remaining time to maturity and is recorded in the income statement as write-ups or write-downs. Any credit impairments are accounted for through value adjustment. The fixed-term deposits are recorded up to acquisition cost. Shares in bond, equity and real estate funds are carried at fair value on the balance sheet date. Infrastructure funds are recorded at acquisition cost or at the net investment value, if lower.

Receivables

Receivables, deposits and other assets are carried at nominal value. In questionable cases, the value of the positions is reduced as appropriate.

Technical provisions

Unearned premiums, provisions for future insurance benefits and other technical provisions are based on information supplied by cedants. Final calculations conducted internally may result in the original reported provisions being strengthened. Additional provisions are created based on estimates for claims incurred but not yet reported. In addition, equalization provisions are accrued to offset business volatility.

Premium and claim portfolio movements

Premiums consist of premium portfolio inflows and outflows, and claims paid consist of the corresponding claims portfolio inflows and outflows.

Non-technical provisions

In the spirit of prudent risk management – and in order to ensure the long-term health of the company against a backdrop of rising investment risk – provisions are established for:

- Fixed equalisation provision for fixed-income investments. This provision will be built up prudently and over a long time horizon.
- Provisions for real estate funds. The build-up of this provision is oriented toward the development of the net investment value and is based on an assessment of the risks in the real estate market.
- The equalisation provision on Insurance Linked Securities (ILS) is designed to cover a large loss event on one of the ILS investments in our portfolio.

The provision for taxes includes liabilities relating to taxes on income and capital at year-end as well as estimated income tax on years that have not yet been assessed for tax purposes.

Technical interest, non-life reinsurance

The interest recorded in the technical income statement corresponds to the income from technical interest calculated in the pricing for the entire portfolio of reinsurance contracts. It is calculated by currency and as accrued, using the risk-free interest rate curve in effect at the time of pricing.

NOTES TO THE FINANCIAL STATEMENTS (CHF)

3. Statement of shareholders' equity

	<i>Share capital</i>	<i>Legal capital reserves</i>	<i>General legal reserves</i>	<i>Free reserves</i>	<i>Conversion difference</i>	<i>Total</i>
	<i>CHF</i>	<i>CHF</i>	<i>CHF</i>	<i>CHF</i>	<i>CHF</i>	<i>CHF</i>
As at 31.12.2019	100'000'000	80'915'458	6'010'000	19'176'153	-16'669'793	189'431'818
Movements during 2020						
- Appropriation of profits from prior year – dividend	-	-	-	-6'360'893	-	-6'360'893
- Result for 2020	-	-	-	8'957'632	-	8'957'632
Conversion difference					-369'452	-369'452
As at 31.12.2020	100'000'000	80'915'458	6'010'000	21'772'892	-17'039'245	191'659'105
Movements during 2021						
- Appropriation of profits from prior year – dividend	-	-	-	-7'716'840	-	-7'716'840
- Result for 2021	-	-	-	8'748'173	-	8'748'173
Conversion difference					-7'288'742	-7'288'742
As at 31.12.2021	100'000'000	80'915'458	6'010'000	22'804'224	-24'327'988	185'401'695

4. Total amount of equities used to secure own liabilities and assets under reservation of ownership

Technical provisions and other liabilities secured by pledged securities
or current accounts:

	<i>31.12.2021 CHF</i>	<i>31.12.2020 CHF</i>
Securities	224'187'849	198'724'190
Current account	146'550	237'720
Total book value of pledged assets	224'334'399	198'961'910

The Zürcher Kantonalbank, Zurich, has granted SIGNAL IDUNA Reinsurance Ltd a credit facility of up to CHF 125 million. The credit facility is available in various currencies and secures deposits, guarantees and letters of credit issued by this credit institution on our behalf. On the balance sheet date, 31 December 2021, CHF 48.8 of the above credit facility had been used.

A number of securities are held at BNP Paribas and HSBC, which are used to guarantee the technical provisions. This amount totalled CHF 134.9 million on the balance sheet date, 31 December 2021.

5. Off-balance-sheet leasing commitments

Rental contract for office space with a set term until 30 September 2023: CHF 556'607 (previous year: CHF 874'668)

6. Receivables from insurance operations

	31. 12. 2021 CHF	31. 12. 2020 CHF
Receivables from agents and intermediaries	26'736'103	28'899'780
Receivables from insurance companies (third parties)	25'230'630	21'575'990
Receivables from Group companies	3'364'081	3'323'704
Total receivables from insurance operations	55'330'814	53'799'473

7. Liabilities from insurance operations

	31. 12. 2021 CHF	31. 12. 2020 CHF
Liabilities to agents and intermediaries	-7'159'008	-7'276'409
Liabilities to insurance companies (third parties)	-7'464'242	-7'097'478
Liabilities to Group companies	-172'602	-3'126'909
Total liabilities from insurance operations	-14'795'853	-17'500'796

8. Other liabilities

	31. 12. 2021 CHF	31. 12. 2020 CHF
Other liabilities to third parties	-223'248	-371'884
Other liabilities to Group companies	-	-192'398
Total other liabilities	-223'248	-564'283

9. Fixed-income securities

	31. 12. 2021 CHF	31. 12. 2020 CHF
Bonds	506'413'557	502'613'511
Covered bonds	22'578'182	37'031'441
Fixed-term deposits	430'187	9'735'774
Insurance Linked Securities (ILS)	52'930'162	50'256'675
Total fixed-income securities	582'352'088	599'637'400

NOTES TO THE FINANCIAL STATEMENTS (CHF)

10. Other investment assets

	31. 12. 2021 CHF	31. 12. 2020 CHF
Other investments – recorded at fair values	178'081'341	155'254'937
Bond funds	94'978'527	99'874'943
Equity funds	58'981'350	38'115'191
Real estate funds	24'121'463	17'264'804
Other investments – valued at the lower of cost or market	8'210'654	7'800'892
Infrastructure funds	8'210'654	7'800'892
Total other investments	186'291'994	163'055'829

As of 31 December 2021, there were capital commitments not yet called for real estate and infrastructure funds to the amount of CHF 15'081'386.

11. Technical provisions

	CHF Gross	CHF Retro	CHF Net
31. 12. 2021			
Unearned premiums	-15'643'388	745'718	-14'897'670
Provision for outstanding claims	-534'347'014	6'711'396	-527'635'618
Other technical provisions	-85'130'862	-	-85'130'862
Provision for future life benefits	-16'039'005	-	-16'039'005
Total technical provisions	-651'160'269	7'457'114	-643'703'155
31. 12. 2020			
Unearned premiums	-16'422'789	709'538	-15'713'251
Provision for outstanding claims	-518'767'984	-	-518'767'984
Other technical provisions	-72'486'004	-	-72'486'004
Provision for future life benefits	-16'535'250	-	-16'535'250
Total technical provisions	-623'502'489	-	-623'502'489

12. Non-technical provisions

	31. 12. 2021 CHF	31. 12. 2020 CHF
Equalisation provision on investments	-38'017'614	-36'469'617
Unrealised foreign exchange gains	-3'677'693	-5'429'910
Tax	-1'030'221	-1'086'361
Miscellaneous	-981'749	-842'102
Total non-technical provisions	-43'707'276	-43'827'989

13. Changes to technical provisions

2021	CHF Gross	CHF Retro	CHF Net
Provision for outstanding claims	-50'243'747	6'711'396	-43'532'351
Other technical provisions	2'059'648	-	2'059'648
Provision for future life benefits	-171'772	-	-171'772
Total changes to technical provisions	-48'355'871	6'711'396	-41'644'475
2020	CHF Gross	CHF Retro	CHF Net
Provision for outstanding claims	-38'198'359	-	-38'198'359
Other technical provisions	2'547'257	-	2'547'257
Provision for future life benefits	-369'482	-	-369'482
Total changes to technical provisions	-36'020'584	-	-36'020'584

14. Acquisition costs and administration expenses

	2021 CHF	2020 CHF
Commissions and profit commissions	-57'210'437	-62'545'809
Personnel expenses	-5'362'510	-5'014'770
Depreciation	-622'013	-406'046
Other administrative expenses	-2'449'224	-2'449'068
Total acquisition costs and administration expenses	-65'644'185	-70'415'693

NOTES TO THE FINANCIAL STATEMENTS (CHF)

15. Information regarding income from investments, per reported asset class

2021	<i>Current income</i>	<i>Write-ups</i>	<i>Realised gains</i>	<i>Total income from investments</i>
<i>CHF</i>				
Bonds	7'095'560	-	1'348'852	8'444'412
Covered bonds	686'819	-	-	686'819
Insurance Linked Securities	2'278'698	-	5'144	2'283'842
Bond funds	1'418'951	-	-	1'418'951
Equity funds	1'186'265	3'774'922	870'106	5'831'293
Real estate funds	578'324	178'267	-	756'591
Infrastructure funds	197'892	-	-	197'892
Fixed-term deposits	8'255	-	-	8'255
	-	-	-	-
Total	13'450'765	3'953'189	2'224'101	19'628'054
 2020				
<i>CHF</i>				
Bonds	7'978'708	-	2'166'872	10'145'579
Covered bonds	896'380	-	-	896'380
Insurance Linked Securities	2'426'880	-	60	2'426'940
Bond funds	1'313'347	474'895	-	1'788'242
Equity funds	1'089'402	-	-	1'089'402
Real estate funds	392'694	215'087	-	607'781
Infrastructure funds	171'546	-	-	171'546
Fixed-term deposits	311'048	-	-	311'048
	-	-	-	-
Total	14'580'003	689'982	2'166'932	17'436'917

16. Information regarding expenses on investments, per reported asset class

	<i>Write-downs and valuation adjustments</i>	<i>Accrual of equalisation provision</i>	<i>Realised losses</i>	<i>Technical interest debited Non-life insurance</i>	<i>Asset management expenses</i>	<i>Total expenses on investments</i>
2021						
<i>CHF</i>						
Bonds	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-
Insurance						
Linked Securities	-3'102'392	828'246	-8'845	-	-	-2'282'991
Bond funds	-861'512	-	-	-	-	-861'512
Equity funds	-54'387	-3'569'069	-	-	-	-3'623'456
Real estate funds	-152'234	-26'032	-	-	-	-178'266
Infrastructure funds	-30'536	-	-	-	-	-30'536
Fixed-term deposits	-	-	-	-	-	-
	-	-	-	-997'335	-935'757	-1'933'091
Total	-4'201'061	-2'766'856	-8'845	-997'335	-935'757	-8'909'853
2020						
<i>CHF</i>						
Bonds	-	1'964'540	-	-	-	1'964'540
Covered bonds	-	-	-	-	-	-
Insurance						
Linked Securities	-	-730'183	-39'206	-	-	-769'389
Bond funds	-919'697	-	-	-	-	-919'697
Equity funds	-4'559'484	-	-	-	-	-4'559'484
Real estate funds	-70'760	-144'326	-	-	-	-215'086
Infrastructure funds	-	-	-	-	-	-
Fixed-term deposits	-	-	-	-	-	-
	-	-	-	-1'167'620	-949'040	-2'116'660
Total	-5'549'940	1'090'031	-39'206	-1'167'620	-949'040	-6'615'776

NOTES TO THE FINANCIAL STATEMENTS (CHF)

17. Information on the auditor's fee

	2021 CHF	2020 CHF
Audit services	86'634	55'939
Other services	-	21'521

18. Information on gross premiums

	2021 %	2020 %
Property	25.9	24.4
Motor	19.3	16.6
Accident & Health	15.9	16.2
Life	13.7	14.6
Liability	10.9	13.0
Engineering	9.3	9.9
Marine	3.4	3.9
Agriculture	1.5	1.4
Cyber	0.1	0.0
Total	100.0	100.0
Group business accounts for percentage of total gross premiums	26.5	26.8

19. Information on the technical result

	2021 CHF	2020 CHF
Net earned premiums	187'666'062	186'381'704
Technical interest	1'541'134	1'724'458
Commissions and profit commissions	-57'210'437	-62'545'809
Expenses on insurance claims for own account	-123'422'169	-117'156'320
Other technical income and expenses	-911'223	-942'767
Total technical result	7'663'368	7'461'267
Combined Ratio (without technical interest)	96.7%	96.9%

20. Significant events after the balance sheet date

There are no events after the balance sheet date that have a material impact on the financial statements.



Proposal for the appropriation of profits

(EUR)

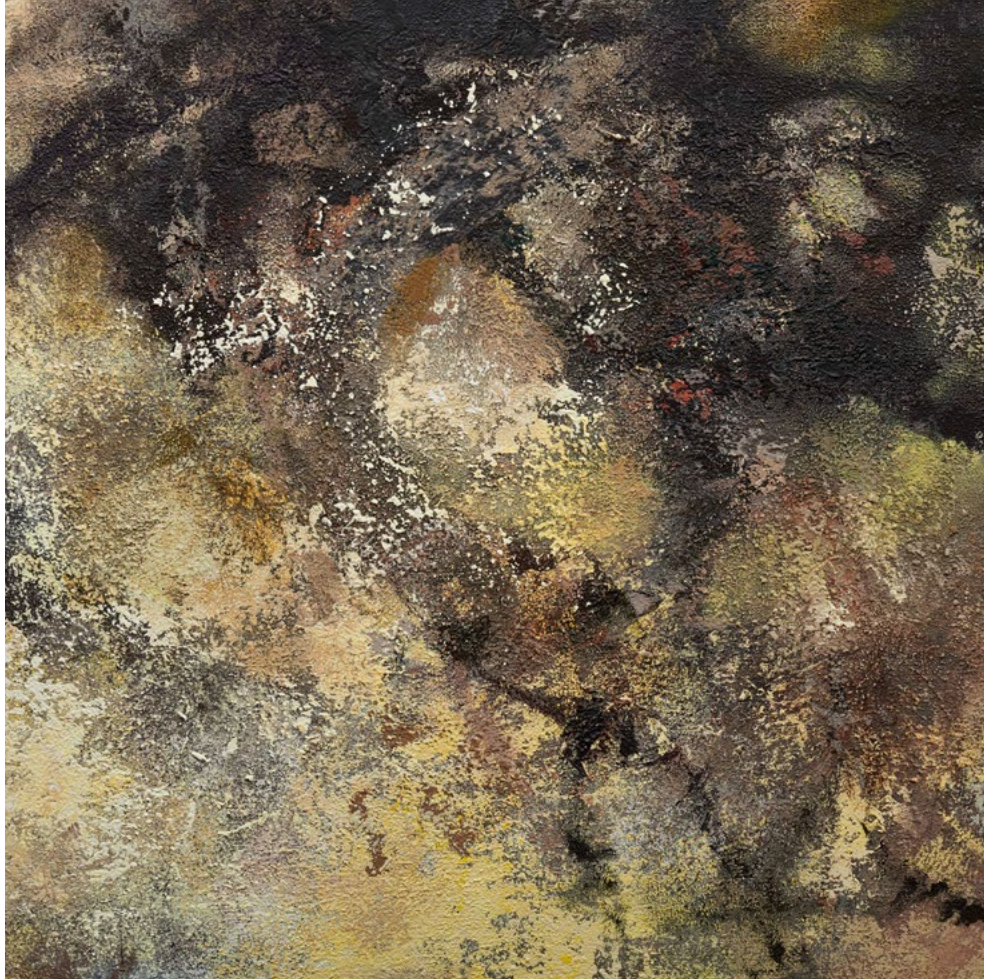
EUR

Voluntary profit reserves after appropriation of profits for 2020	12'909'710
Net income for 2021	8'431'811
Free reserves available to the General Meeting	21'341'522

The Board of Directors proposes to the General Meeting that the available free reserves be appropriated as follows:

Dividend distribution	7'000'000
Free reserves carried forward to new account	14'341'522

Note: The amount of the dividend is limited to the total in Swiss Francs of the free reserves available to the General Meeting. This amount is CHF 22'804'224.



Proposal for the appropriation of profits

(CHF)

CHF

Voluntary profit reserves after appropriation of profits for 2020	14'056'052
Net income for 2021	8'748'173
Free reserves available to the General Meeting	22'804'224

The Board of Directors proposes to the General Meeting that the available free reserves be appropriated as follows:

Dividend distribution	7'621'578
Free reserves carried forward to new account	15'182'647

Note: The amount of the dividend is limited to the total in Swiss Francs of the free reserves available to the General Meeting. This amount is CHF 22'804'224.

Auditor's report

Report of the statutory auditor
to the General Meeting of
SIGNAL IDUNA Reinsurance Ltd
Zug

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of SIGNAL IDUNA Reinsurance, which comprise the balance sheet, income statement, cash flow statement and notes for the year ended 31 December 2021.

Board of Directors' Responsibility

The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Rainer Pfaffenzeller
Licensed Audit Expert
Auditor in Charge

Rico Marti
Licensed Audit Expert

Zurich, 29 April 2022



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Umschlag: «Gewölbe» detail
Page 14: «Dschungel» detail
Page 28: «Dschungel» detail
Page 42: «Dämmerung» detail
Page 44: «Lichtung»
Page 48: «Dschungel» detail

Born in 1954, Susanne Keller is a freelance artist living and working in the old town of Zurich, Switzerland. After studying at the School of Art and Design in Zurich, she completed her degree in Art History in Florence in 1982. Upon graduation, Susanne moved into her first studio in Winterthur. She has been working in Zurich since 1983.

Her passion, talent and ability find expression in her creations, in expressive composition and layering of colours, in tension and in depth as well as the interplay of the elements of her work with the mysterious and the dynamic. Her positive personality grants her pictures a wealth of strength, thereby evoking unforeseen emotions.

Since 1991, she has increasingly been managing larger projects and her work can be found in public spaces (KiöR, Kunst am Bau) in Switzerland and its neighbouring countries. Since 1982 she has also presented her work in numerous exhibitions in the USA, Korea, Belgium, France and Germany, etc.

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