

PartnerRe

PartnerRe Ltd.
Consolidated Financial Statements

For the years ended December 31, 2024 and 2023



PartnerRe Ltd.

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March 18, 2025

Report of Independent Auditors

To the Board of Directors and Shareholders of PartnerRe Ltd.

Opinion

We have audited the accompanying consolidated financial statements of PartnerRe Ltd. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, of shareholders' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplemental information

Accounting principles generally accepted in the United States of America require that the required supplemental information pertaining to *Short-Duration Contracts* disclosures labelled as "Unaudited" within Note 8 on pages 35 to 38 be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and, although not a part of the basic consolidated financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

PrivatehomeCoopers Ltd.

Chartered Professional Accountants

PartnerRe Ltd.
Consolidated Balance Sheets
(Expressed in thousands of U.S. dollars, except parenthetical share data)

	December 31, 2024	December 31, 2023
Assets		
Investments:		
Fixed maturities, at fair value (amortized cost: 2024, \$19,130,631; 2023 \$16,604,693)	\$ 17,584,957	\$ 15,090,056
Short-term investments, at fair value (amortized cost: 2024, \$332,365; 2023, \$1,032,895)	320,268	1,020,257
Equities, at fair value (cost: 2024, \$470,224; 2023, \$532,484)	981,869	917,170
Investments in real estate	55,270	56,188
Other invested assets	3,250,556	3,464,839
Total investments	22,192,920	20,548,510
Cash and cash equivalents (restricted: 2024, \$272,539; 2023: \$97,620)	1,064,699	1,097,423
Accrued investment income	167,103	122,107
Reinsurance balances receivable	3,575,187	3,377,324
Reinsurance recoverable on paid and unpaid losses	1,858,746	1,921,231
Prepaid reinsurance premiums	302,543	215,611
Funds held by reinsured companies	445,337	450,454
Deferred acquisition costs	956,743	1,020,704
Market risk benefit assets, at fair value	142,290	144,636
Deposit assets	131,219	164,189
Net tax assets	589,024	563,368
Goodwill	456,380	456,380
Intangible assets	73,274	81,913
Other assets	181,590	324,639
Total assets	\$ 32,137,055	\$ 30,488,489
Liabilities		
Non-life reserves	\$ 13,909,258	\$ 13,151,309
Life and health reserves	2,977,453	2,859,257
Market risk benefit liabilities, at fair value	900	5,062
Unearned premiums	2,604,284	2,741,755
Other reinsurance balances payable	717,108	655,240
Debt	1,832,262	1,883,585
Deposit liabilities	5,606	6,009
Net tax liabilities	115,525	57,584
Accounts payable, accrued expenses and other	564,305	704,267
Total liabilities	22,726,701	22,064,068
Redeemable noncontrolling interests	5,876	—
Shareholders' Equity		
Common shares (par value \$0.00000001; issued and outstanding: 100,000,000 shares)	—	—
Preferred shares (par value \$1.00; issued and outstanding: 8,000,000 shares; aggregate liquidation value: \$200,000)	8,000	8,000
Additional paid-in capital	1,929,934	1,929,934
Accumulated other comprehensive (loss) income	(42,599)	7,527
Retained earnings	7,509,143	6,478,960
Total shareholders' equity	9,404,478	8,424,421
Total liabilities, redeemable noncontrolling interests and shareholders' equity	\$ 32,137,055	\$ 30,488,489

See accompanying Notes to Consolidated Financial Statements.

PartnerRe Ltd.
Consolidated Statements of Operations and Comprehensive Income
(Expressed in thousands of U.S. dollars)

	For the year ended	
	December 31, 2024	December 31, 2023
Revenues		
Gross premiums written	\$ 9,345,484	\$ 9,102,358
Net premiums written	\$ 7,940,416	\$ 7,928,912
Decrease (increase) in unearned premiums	180,468	(10,152)
Net premiums earned	8,120,884	7,918,760
Net investment income	772,607	645,685
Net realized and unrealized investment gains	179,220	517,426
Other income	55,496	40,965
Total revenues	9,128,207	9,122,836
Expenses		
Losses and loss expenses (liability remeasurement loss: 2024, \$11,500; 2023, \$7,102)	5,610,976	4,990,208
Market risk benefit gains	(6,981)	(7,079)
Acquisition costs	1,517,868	1,563,107
Other expenses	454,666	463,385
Interest expense	56,344	57,532
Amortization of intangible assets	8,534	7,906
Net foreign exchange (gains) losses	(71,668)	42,542
Total expenses	7,569,739	7,117,601
Income before taxes and interest in losses of equity method investments	1,558,468	2,005,235
Income tax (expense) benefit	(79,414)	327,924
Interest in losses of equity method investments	(38,245)	(15,040)
Net income	1,440,809	2,318,119
Net income attributable to redeemable noncontrolling interests	(876)	—
Net income attributable to PartnerRe Ltd.	1,439,933	2,318,119
Preferred dividends	(9,750)	(9,750)
Net income available to PartnerRe Ltd. common shareholder	\$ 1,430,183	\$ 2,308,369
Comprehensive income		
Net income	\$ 1,440,809	\$ 2,318,119
Change in currency translation adjustment	(50,255)	(3,180)
Change in net unrealized gains or losses on investments, net of tax	—	(26)
Change in underfunded pension obligation, net of tax	(3,336)	(15,005)
Change in discount rate for liability for future policy benefits, net of tax	920	(49,984)
Change in instrument-specific credit risk for market risk benefits, net of tax	2,545	4,843
Other comprehensive loss	(50,126)	(63,352)
Comprehensive income	1,390,683	2,254,767
Comprehensive income attributable to redeemable noncontrolling interests	(876)	—
Comprehensive income attributable to PartnerRe Ltd.	\$ 1,389,807	\$ 2,254,767

See accompanying Notes to Consolidated Financial Statements.

PartnerRe Ltd.
Consolidated Statements of Shareholders' Equity
(Expressed in thousands of U.S. dollars)

	For the year ended	
	December 31, 2024	December 31, 2023
Common shares		
Balance at beginning of year	\$ —	\$ —
Balance at end of year	\$ —	\$ —
Preferred shares		
Balance at beginning of year	\$ 8,000	\$ 8,000
Balance at end of year	\$ 8,000	\$ 8,000
Additional paid-in capital		
Balance at beginning of year	\$ 1,929,934	\$ 1,929,934
Balance at end of year	\$ 1,929,934	\$ 1,929,934
Accumulated other comprehensive (loss) income		
Balance at beginning of year	\$ 7,527	\$ 70,879
Currency translation adjustment		
Balance at beginning of year	\$ (19,877)	\$ (16,697)
Change in currency translation adjustment	(50,255)	(3,180)
Balance at end of year	\$ (70,132)	\$ (19,877)
Underfunded pension obligation		
Balance at beginning of year	\$ (9,496)	\$ 5,509
Change in underfunded pension obligation, net of tax	(3,336)	(15,005)
Balance at end of year (net of tax: 2024, \$3,164; 2023, \$2,375)	\$ (12,832)	\$ (9,496)
Unrealized gain on investments		
Balance at beginning of year	\$ —	\$ 26
Change in net unrealized gains or losses on investments, net of tax	—	(26)
Balance at end of year (net of tax: 2024 and 2023: \$nil)	\$ —	\$ —
Discount rate for liability for future policy benefits		
Balance at beginning of year	\$ 35,353	\$ 85,337
Change in discount rate for liability for future policy benefits, net of tax	920	(49,984)
Balance at end of year (net of tax: 2024, \$(4,853); 2023, \$(5,998))	\$ 36,273	\$ 35,353
Instrument-specific credit risk for market risk benefits		
Balance at beginning of year	\$ 1,547	\$ (3,296)
Change in instrument-specific credit risk for market risk benefits, net of tax	2,545	4,843
Balance at end of year (net of tax: 2024, \$(980); 2023, \$245)	\$ 4,092	\$ 1,547
Balance at end of year	\$ (42,599)	\$ 7,527
Retained earnings		
Balance at beginning of year	\$ 6,478,960	\$ 4,388,506
Net income	1,440,809	2,318,119
Net income attributable to redeemable noncontrolling interests	(876)	—
Dividends on common shares	(400,000)	(217,915)
Dividends on preferred shares	(9,750)	(9,750)
Balance at end of year	\$ 7,509,143	\$ 6,478,960
Total shareholders' equity	\$ 9,404,478	\$ 8,424,421

See accompanying Notes to Consolidated Financial Statements.

PartnerRe Ltd.
Consolidated Statements of Cash Flows
(Expressed in thousands of U.S. dollars)

	For the year ended	
	December 31, 2024	December 31, 2023
Cash flows from operating activities		
Net income	\$ 1,439,933	\$ 2,318,119
Adjustments to reconcile net income to net cash provided by operating activities:		
(Accrual of net discount) amortization of net premium on investments	(25,318)	2,878
Amortization of intangible assets	8,534	7,906
Market risk benefit gains	(6,981)	(7,079)
Net realized and unrealized investment gains	(179,220)	(517,426)
Changes in:		
Reinsurance balances, net	(304,275)	(8,986)
Reinsurance recoverable on paid and unpaid losses, net of ceded premiums payable	203,652	39,753
Funds held by reinsured companies	(66,112)	(69,753)
Deferred acquisition costs	32,725	568
Net tax assets and liabilities	31,613	(381,549)
Non-life and life and health reserves	1,237,378	658,698
Unearned premiums, net of prepaid reinsurance premiums	(180,468)	10,152
Other net changes in operating assets and liabilities	(80,369)	182,400
Net cash provided by operating activities	2,111,092	2,235,681
Cash flows from investing activities		
Sales, maturities, paydowns and redemptions of fixed maturities	4,319,140	2,386,311
Purchases of fixed maturities	(7,167,977)	(4,038,399)
Sales, maturities and redemptions of short-term investments	1,569,504	1,064,288
Purchases of short-term investments	(863,841)	(1,513,449)
Sales of equities	90,407	236,303
Purchases of equities	(24,024)	(54,507)
Sales, maturities, distributions and redemptions of other invested assets	1,261,236	728,857
Purchases of other invested assets	(942,310)	(902,693)
Other, net	44,636	(79,717)
Net cash used in investing activities	(1,713,229)	(2,173,006)
Cash flows from financing activities		
Dividends paid to common and preferred shareholders	(409,750)	(227,665)
Redemption of unrestricted Class C common shares ⁽¹⁾	(10,313)	—
Contributions from redeemable noncontrolling interests	5,000	—
Net cash used in financing activities	(415,063)	(227,665)
Effect of foreign exchange rate changes on cash	(15,524)	10,817
Decrease in cash and cash equivalents	(32,724)	(154,173)
Cash and cash equivalents—beginning of year	1,097,423	1,251,596
Cash and cash equivalents—end of year	\$ 1,064,699	\$ 1,097,423
Supplemental cash flow information:		
Taxes paid ⁽²⁾	\$ 96,696	\$ 221,368
Interest paid	\$ 55,830	\$ 57,227

(1) Class C shares are liability-accounted on the Company's Consolidated Balance Sheet. See Note 16 for further details.

(2) Taxes paid net of refunds for the years ended December 31, 2024 and 2023 were \$48 million and \$54 million, respectively.

See accompanying Notes to Consolidated Financial Statements.

PartnerRe Ltd.
Notes to Consolidated Financial Statements

1. Organization

PartnerRe Ltd. was incorporated in August 1993 under the laws of Bermuda. The Company primarily provides reinsurance on a worldwide basis through its principal wholly-owned subsidiaries, including Partner Reinsurance Company Ltd. (PartnerRe Bermuda), Partner Reinsurance Europe SE (PartnerRe Europe), Partner Reinsurance Company of the U.S. (PartnerRe U.S.), Partner Reinsurance Asia Pte. Ltd. (PartnerRe Asia) and PartnerRe Life Reinsurance Company of Canada (PartnerRe Canada). Non-life risks reinsured include agriculture, aviation/space, casualty, catastrophe, energy, engineering, financial risks, marine, motor, multiline, property and U.S. health. Life and health risks include mortality, morbidity, longevity and financial reinsurance solutions. PartnerRe Ltd. and its subsidiaries are collectively referred to hereinafter as PartnerRe, the Company or the PartnerRe Group.

The Company voluntarily delisted its preferred shares from the New York Stock Exchange (NYSE), effective July 21, 2024 and deregistered them under the U.S. Securities Exchange Act of 1934, effective July 22, 2024. As of July 22, 2024, the preferred shares are listed on the Over-the-Counter (OTC) Market (see Note 13).

At December 31, 2024 and 2023, the Company's 100 million common shares (Class A shares) issued to Covéa Coopérations were included in Shareholders' Equity in the Consolidated Balance Sheets (see Note 13). The Company also has Class C common shares (Class C shares) and restricted share units (RSUs) outstanding, all of which are issued to certain executives and directors of the Company and are recognized in Accounts payable, accrued expenses and other in the Consolidated Balance Sheets (see Note 16).

2. Significant Accounting Policies

The Company's Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The Consolidated Financial Statements include the accounts of the Company and its subsidiaries. Intercompany accounts and transactions have been eliminated. Certain reclassifications have been made to prior period amounts to conform to the current year presentation.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes that the amounts included in the Consolidated Financial Statements reflect its best estimates and assumptions, actual results could differ from those estimates. The Company's principal estimates include:

- Non-life reserves;
- Life and health reserves;
- Reinsurance recoverable on unpaid losses;
- Gross and net premiums written and net premiums earned;
- Valuation and recoverability of deferred tax assets;
- Fair value measurements of certain financial instrument assets; and
- Valuation of goodwill

The following are the Company's significant accounting policies:

(a) Premiums

Gross premiums written and earned are based upon reports received from ceding companies, supplemented by the Company's own estimates of premiums written and earned for which ceding company reports have not been received. The determination of premium estimates requires a review of the Company's experience with cedants, familiarity with each market, an understanding of the characteristics of each line of business and management's assessment of the impact of various other factors on the volume of business written and ceded to the Company. Premium estimates are updated as new information is received from cedants and differences between such estimates and actual amounts are recorded in the period in which the estimates are changed or the actual amounts are determined. The magnitude and impact of changes in premium estimates differs for proportional and non-proportional treaties. Although proportional treaties may be subject to larger changes in premium estimates compared to non-proportional treaties, as the Company generally receives cedant statements in arrears and must estimate all premiums for periods ranging from one month to more than one year (depending on the frequency of cedant statements), the impact is mitigated by changes in the cedant's related reported acquisition costs and losses. The impact of the change in estimate on premiums earned and net income

PartnerRe Ltd.
Notes to Consolidated Financial Statements

varies depending on when the change becomes known during the risk period and the underlying profitability of the treaty. Non-proportional treaties generally include a fixed minimum premium and an adjustment premium. While the fixed minimum premiums require no estimation, adjustment premiums are estimated and could be subject to changes in estimates. Changes in premium estimates can be material to net premiums earned in the period to which they are determined as the adjustments may be substantially or fully earned.

Premiums related to non-life business are earned on a basis that is consistent with the risks covered under the terms of the reinsurance contracts, which is generally one to two years. Reinstatement premiums are recognized as written and earned at the time a loss event occurs, where coverage limits for the remaining life of the contract are reinstated under pre-defined contract terms. The accrual of reinstatement premiums is based on management's estimate of losses and loss expenses associated with the loss event. Unearned premiums represent the portion of premiums written which is applicable to the unexpired risks under contracts in force.

Premiums related to traditional and limited payment long-duration contracts are recorded over the premium-paying period on the underlying policies. Premiums on contracts for which there is no significant mortality or critical illness risk are accounted for in a manner consistent with accounting for interest-bearing financial instruments and are not reported as revenues, but rather as direct deposits to the contract. Amounts assessed against reinsured annuity and universal life risks are recognized as revenue in the period assessed. Premiums related to life and health short-duration business are earned on a basis that is consistent with the risks covered under the terms of the reinsurance contracts, which is generally one to two years.

Net premiums written and earned are presented net of ceded premiums.

(b) Losses and Loss Expenses

Non-life reserves

Reserves for non-life business include amounts determined from loss reports on individual treaties (case reserves), additional case reserves when the Company's loss estimate is higher than reported by the cedants (ACRs) and amounts for losses incurred but not yet reported to the Company (IBNR). Such reserves are estimated by management based upon reports received from ceding companies, supplemented by the Company's own actuarial estimates of reserves for which ceding company reports have not been received and based on the Company's own historical experience. To the extent that the Company's own historical experience is inadequate for estimating reserves, such estimates may be determined based upon industry experience and management's judgment. The estimates are regularly reviewed and the ultimate liability may be materially in excess of, or less than, the amounts provided. Any adjustments are reflected in the periods in which they are determined, which may affect the Company's operating results in future periods. See Note 8 for further details.

Life and Health Reserves

Traditional and Limited Payment Long-duration Contracts

For traditional and limited payment long-duration contracts, which includes long-term protection and longevity business, the Company accrues a liability for future policy benefits (LFPB) over time as revenue is recognized based on a net premium ratio. The net premium ratio is the proportion of present value of gross premiums required to provide for all benefits and certain expenses. The LFPB uses the Company's current best estimate assumption of future cash flows discounted at a rate that approximates a single A rated corporate bond yield. Contracts are generally grouped into cohorts by product type, issue year, geographical region, currency and other factors.

Each quarter, the Company reviews its estimate of cash flows expected over the entire life of a group of contracts using actual historical experience and current future best estimate assumptions and if the cash flows change, the LFPB is updated using a net premium ratio. The revised net premium ratio is calculated as of contract inception. This revised net premium ratio will derive a remeasurement gain or loss that is presented as a component of Losses and loss expenses within the Consolidated Statements of Operations. If the net premium ratio exceeds 100% for a given cohort, a corresponding adjustment is recognized immediately in net income. The calculated LFPB cannot be less than zero for a given cohort.

The net premium ratio is not updated for changes in discount rate assumptions, as the impact of changes in quarterly discount rates are recorded in Comprehensive income or loss. The current discount rate assumption for all contracts is derived from a yield curve based on upper-medium grade fixed income securities (single A rated credit). For unobservable discount rates, the Company uses estimates consistent with fair value guidance, maximizing the use of relevant, observable market prices and minimizing the use of unobservable inputs. The locked-in discount rate assumption is utilized for purposes of interest accretion recognized in Losses and loss expenses within the Consolidated Statements of Operations and for updating the net premium ratio. The locked-in discount

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Notes to Consolidated Financial Statements

rate assumption is based on the weighted average upper-medium grade fixed income yields during the first calendar year of the contract.

The most significant cash flow assumptions used are mortality, morbidity and persistency. The Company has elected to lock-in claims expense assumptions at contract inception and those assumptions are not subsequently reviewed or updated. See Note 9 for further information of the effects of changes in assumptions on the remeasurement of the LFPB.

Other Long-duration Contracts

Reserves for other long-duration contracts primarily include interest-sensitive life and investment-type contract liabilities, which are carried at the accumulated contract holder values.

Life and Health Short-duration Contracts

Reserves for life and health short-duration contracts have been established based upon information reported by ceding companies, supplemented by the Company's actuarial estimates, which include mortality, morbidity, critical illness and persistency with appropriate provision to reflect uncertainty.

See Note 9 for further details.

(c) Market Risk Benefits

Market risk benefits (MRBs) are contracts or contract features that both provide protection to the contract holder from other-than-nominal capital market risk and expose the Company to other-than-nominal capital market risk. MRBs include certain contract features that provide minimum guarantees to policyholders, such as guaranteed minimum death benefits (GMDB). MRBs can be in either an asset or a liability position and are presented separately on the Consolidated Balance Sheets as the criteria for right of offset is not met. MRBs are measured at fair value using an option-based valuation model based on current net amounts at risk, market data, Company experience and other factors. Consistent with a fair value income approach, all contractual cash flows specified within the GMDB treaties and expense cash flows that are consistent with the expected expense levels, are projected on a prospective basis. Risk neutral scenarios are used to project and discount cash flows. Changes in fair value related to MRBs are recognized as Market risk benefit gains (losses) except for the portion of the change in fair value due to a change in the instrument-specific credit risk, which is recognized in Other comprehensive income or loss (OCI), both within the Consolidated Statements of Operations and Comprehensive Income (Loss). MRBs are derecognized in the financial statements upon contract termination. At that point, the Company records any amounts (i.e. instrument-specific credit risk changes in MRBs) previously recorded in OCI into net income. See Note 10 for further details.

(d) Deferred Acquisition Costs

Deferred acquisition costs are primarily comprised of incremental brokerage fees, commissions and excise taxes, which vary directly with and are related to, the successful acquisition of reinsurance contracts. All other acquisition related costs, including indirect costs, are expensed as incurred. Acquisition costs are shown net of commissions earned on ceded reinsurance.

Deferred acquisition costs related to non-life contracts are amortized as the related premium is earned. The Company establishes a premium deficiency reserve to the extent the deferred acquisition costs are insufficient to cover the excess of expected losses and loss expenses, settlement costs and deferred acquisition costs over the related unearned premiums. Actual and anticipated losses and loss expenses, other costs and investment income related to underlying premiums are considered in determining the recoverability of these deferred acquisition costs.

Deferred acquisition costs related to traditional and limited payment long-duration contracts are amortized over the expected term of the underlying contracts, on a constant level basis, at the cohort level. Acquisition costs related to unexpected contract terminations are written off. Assumptions used to amortize these acquisition costs are consistent with the related liability for future policy benefits. These acquisition costs are not evaluated for recoverability and are not subject to impairment testing.

Amortization of deferred acquisition costs is included in Acquisition costs within the Consolidated Statements of Operations.

(e) Reinsurance

The Company purchases retrocessional contracts to reduce its exposure to risk of losses on reinsurance assumed. Ceded premiums, which represent the cost of retrocessional protection purchased by the Company, are expensed over the coverage period. Prepaid reinsurance premiums represent the portion of premiums ceded applicable to the unexpired term of policies in force.

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Notes to Consolidated Financial Statements

Reinsurance recoverable on paid and unpaid losses involves actuarial estimates consistent with those used to establish the associated liabilities for non-life and life and health reserves and are recorded net of a valuation allowance for estimated uncollectible recoveries.

Retroactive reinsurance reimburses a ceding company for liabilities incurred as a result of past insurable events covered under contracts subject to the reinsurance. Premiums paid for retroactive reinsurance coverage meeting the conditions of reinsurance accounting are reported as reinsurance recoverables. To the extent that recorded liabilities on an underlying reinsurance contract exceed premiums paid for retroactive coverage, a deferred gain is recognized in Accounts payable, accrued expenses and other on the Company's Consolidated Balance Sheets and amortized over the estimated remaining settlement period of the underlying contract. Any such amortization is included in Losses and loss expenses in the Consolidated Statements of Operations.

(f) Funds Held by Reinsured Companies

The Company writes certain business on a funds held basis. Under such contractual arrangements, the cedant retains the premiums that would have otherwise been paid to the Company and the Company is credited with investment income on these funds. The Company generally earns investment income on the funds held balances based upon a predetermined interest rate, either fixed contractually at the inception of the contract or based upon a recognized index (e.g. SOFR). However, in certain circumstances, the Company may receive an investment return based upon either the result of a pool of assets held by the cedant, generally used to collateralize the funds held balance, or the investment return earned by the cedant on its entire investment portfolio. In these arrangements, investment returns are typically reflected in Net investment income in the Company's Consolidated Statements of Operations. In these arrangements, the Company is exposed, to a limited extent, to the underlying credit risk of the pool of assets inasmuch as the underlying policies may have guaranteed minimum returns. In such cases, an embedded derivative exists and its fair value is recorded by the Company as an increase or decrease to the funds held balance.

(g) Deposit Assets and Liabilities

In the normal course of its operations, the Company writes certain contracts that do not meet the risk transfer provisions of U.S. GAAP. While these contracts do not meet risk transfer provisions for accounting purposes, there is a remote possibility that the Company will suffer a loss. The Company accounts for these contracts using the deposit accounting method originally recording deposit assets or liabilities for an amount equivalent to the consideration paid or received, respectively. The difference between the consideration received and the estimated liability for unpaid losses is determined upon entering into the contract and, if a loss, recognized into income immediately and if a gain, the gain is deferred and earned over the expected settlement period of the contract, with the unearned portion recorded as a component of deposit liabilities. Actuarial studies are used to estimate the liabilities under these contracts and the appropriate accretion rates to increase or decrease the liabilities over the term of the contracts. The change in the estimated liability for the period is recorded in Other income or loss in the Consolidated Statements of Operations. Under some of these contracts, cedants retain the assets on a funds-held basis. In those cases, the Company records those assets as deposit assets and records the related income in Net investment income in the Consolidated Statements of Operations. Also included in Deposit assets are receivables included as an element of certain life reinsurance agreements that do not meet risk transfer.

(h) Investments

The Company elects the fair value option for Fixed maturities, Short-term investments and Equities with changes in fair value recorded in Net realized and unrealized investment gains or losses in the Consolidated Statements of Operations. Short-term investments comprise securities with a maturity greater than three months but less than one year from the date of purchase.

Investments in real estate includes real estate that is directly held by the Company, which is recorded at cost less any write down for impairment, where applicable. Real estate assets held for investment are reviewed for impairment at least annually, or more frequently when events or changes in circumstances indicate the carrying value may not be recoverable and exceeds its estimated fair value.

The Company recognizes Other invested assets at fair value, except for those that are accounted for using the equity method of accounting. Other invested assets consist of equity investments in non-publicly traded companies such as limited liability companies and limited partnerships (or similar structures); privately placed corporate loans, notes and loans receivable and notes securitization; and derivative financial instruments. Non-publicly traded entities in which the Company has significant influence, including an ownership of more than 20% and less than 50% of the voting rights and limited partnerships (or similar structures) in which the Company has more than a minor interest (typically more than 3% to 5%), are accounted for using either the equity method or the fair value option. Where the equity method is used, the Company's share of profits or losses of the investee are recorded in Interest

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in earnings or losses of equity method investments in the Consolidated Statements of Operations. The Company has not elected the fair value option for these equity method investees as the carrying values already approximate fair value. Where the fair value option is elected, the investment is recognized in the Consolidated Balance Sheets at fair value with changes in fair value recorded in Net realized and unrealized investment gains or losses in the Consolidated Statements of Operations. See Note 2(o) below for significant accounting policy for derivatives.

The Company defines fair value as the price received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company measures the fair value of financial instruments according to a fair value hierarchy that prioritizes the information used to measure fair value into three broad levels. The Company's policy is to recognize transfers between the hierarchy levels at the beginning of the period. Refer to Note 3 for the valuation techniques used by the Company.

The Company invests in various funds where the net asset value (NAV) is used as a basis for determining fair value. The Company applies the practical expedient relating to investments in certain entities that calculate NAV per share (or its equivalent) and therefore measure the fair value of these fund investments based on that NAV per share, or its equivalent. Refer to Note 3 for the valuation methods and assumptions used by the Company.

Net investment income includes interest and dividend income, amortization of premiums and discounts on fixed maturities and short-term investments and is net of investment expenses and withholding taxes. Investment income is recognized when earned and accrued to the balance sheet date. Realized gains or losses on the disposal of investments are determined on a first-in, first-out basis. Investment purchases and sales are recorded on a trade-date basis.

(i) Cash and Cash Equivalents

Cash equivalents are carried at fair value and include fixed income securities that, from the date of purchase, have a maturity of three months or less.

(j) Business Combinations

The Company accounts for transactions in which it obtains control over one or more businesses using the acquisition method. The purchase price is allocated to identifiable assets and liabilities, including any intangible assets, based on their estimated fair value at the acquisition date. The estimates of fair values for assets and liabilities acquired are determined based on various market and income analyses and appraisals. Any excess of the purchase price over the fair value of net assets acquired is recorded as Goodwill in the Company's Consolidated Balance Sheets, while any excess of the fair value of net assets acquired over the purchase price is recorded as a gain in the Consolidated Statements of Operations. All costs associated with an acquisition are expensed as incurred.

(k) Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net assets acquired in a business combination. The Company assesses the appropriateness of its valuation of goodwill on an annual basis (as of December 31) or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. If, as a result of the assessment, the Company determines that the value of its goodwill is impaired, goodwill will be written down in the period in which the determination is made.

(l) Intangible Assets

Intangible assets represent the fair value adjustments related to renewal rights and customer relationships; value of life business acquired; and U.S. licenses arising from acquisitions. Definite-lived intangible assets are amortized over their useful lives and the Amortization of intangible assets is recorded in the Consolidated Statement of Operations. Indefinite-lived intangible assets are not subject to amortization. The carrying values of indefinite-lived intangible assets are reviewed for indicators of impairment on an annual basis (as of December 31) or more frequently if events or changes in circumstances indicate that impairment may exist. Impairment is recognized if the carrying values of the intangible assets are not recoverable from their undiscounted cash flows and is measured as the difference between the carrying value and the fair value.

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(m) Income Taxes

Certain subsidiaries and branches of the Company operate in jurisdictions where they are subject to taxation. Current and deferred income taxes are charged or credited to Net income or loss or, in certain cases, to Accumulated other comprehensive income or loss, based upon enacted tax laws and rates applicable in the relevant jurisdiction in the period in which the tax becomes accruable or realizable. Deferred income taxes are provided for all temporary differences between the bases of assets and liabilities used in the Consolidated Balance Sheets and those used in the various jurisdictional tax returns.

In measuring if deferred income taxes are realizable, all available evidence is considered to determine whether, based on the weight of that evidence, a valuation allowance is needed for some portion or all of a deferred tax asset. The Company has projected future taxable income in the tax jurisdictions in which the deferred tax assets arise based on management's projections of premium and investment income, capital gains and losses, and technical and expense ratios. Based on these projections and an analysis of the ability to utilize loss and foreign tax credits carryforwards at the taxable entity level, management evaluates the need for a valuation allowance. When management's assessment indicates that it is more likely than not that deferred tax assets will not be realized, a valuation allowance is recorded against the deferred tax assets. Where appropriate, the valuation allowance assessment considers tax planning strategies.

The Company has assumed that the future reversal of deferred tax liabilities will result in an increase in taxes payable in future years. Underlying this assumption is an expectation that the Company will continue to be subject to taxation in the various tax jurisdictions and that the Company will continue to generate taxable revenues in excess of deductions.

The Company recognizes a tax benefit relating to uncertain tax positions only where the position is more likely than not to be sustained assuming examination by tax authorities. A liability is recognized for any tax benefit (along with any interest and penalty, if applicable) claimed in a tax return in excess of the amount recognized in the financial statements under U.S. GAAP. Any changes in amounts recognized are recorded in the period in which they are determined.

The Company complies with all applicable local tax legislation and regulations. In the event that there is a change in current tax law, the impact of such change is recorded in Income tax expense or benefit within the Consolidated Statements of Operations in the period of enactment. Such impact would include any impact of the Company's reassessment of the recoverability of the deferred tax asset.

(n) Foreign Exchange

In recording foreign currency transactions, revenue and expense items in a currency other than the functional currency are converted into the functional currency at the average rates of exchange for the period. Monetary assets and liabilities originating in currencies other than the functional currency are remeasured into the functional currency at the rates of exchange in effect at the balance sheet dates. The resulting foreign exchange transaction gains or losses are included in Net foreign exchange gains or losses in the Consolidated Statements of Operations. Non-monetary assets and liabilities denominated in foreign currency are not subsequently remeasured.

The reporting currency of the Company is the U.S. dollar. The national currencies of the Company's subsidiaries and branches are generally their functional currencies, except for the Company's Bermuda subsidiaries, its branches in Switzerland and the United Kingdom and its Singapore subsidiary and branches, whose functional currency is the U.S. dollar. In translating the financial statements of those subsidiaries or branches whose functional currency is other than the U.S. dollar, assets and liabilities are converted into U.S. dollars using the rates of exchange in effect at the balance sheet dates and revenues and expenses are converted using the average foreign exchange rates for the period. The effect of translation adjustments are reported in the Consolidated Balance Sheets as Currency translation adjustment, a separate component of Accumulated other comprehensive income or loss. The change in currency translation adjustment is reflected in Other comprehensive income or loss.

(o) Derivatives

The Company's investment strategy allows for the use of certain derivative instruments, subject to strict limitations. The Company may use derivative financial instruments such as foreign exchange forward contracts, foreign currency option contracts, futures contracts, to-be-announced mortgage-backed securities (TBAs), total return swaps, interest rate swaps, insurance-linked securities and credit default swaps for the purpose of managing overall currency risk, market exposures and portfolio duration, for hedging certain investments, or for enhancing investment performance that would be allowed under the Company's investment policy if implemented in other ways.

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On the date the Company enters into a derivative contract, management determines whether or not the derivative is to be used and designated as a hedge of an identified underlying risk exposure (a designated hedge). The Company's derivative instruments are recorded in Other invested assets in the Consolidated Balance Sheets at fair value, with gains and losses associated with changes in fair value recognized in either Net realized and unrealized investment gains or losses or Net foreign exchange gains or losses in the Consolidated Statements of Operations, or in Other comprehensive income or loss, depending on the nature and designation of the derivative instrument (see also Note 5).

In the case of designated hedging strategies, the Company formally documents all relationships between designated hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. In this documentation, the Company specifically identifies the asset or liability that has been designated as a hedged item and states how the hedging instrument is expected to hedge the risks related to the hedged item. The Company formally measures effectiveness of its designated hedging relationships both at the hedge inception and on an ongoing basis.

The Company will discontinue hedge accounting prospectively if it is determined that the derivative is no longer effective in hedging the exposure to variability in expected future cash flows that is attributable to the risk it was meant to hedge; if the derivative instrument expires, is sold, or is otherwise terminated; or if the Company removes the designation of the hedge. To the extent that the Company discontinues hedge accounting because, based on management's assessment, the derivative no longer qualifies as an effective hedge, or the Company otherwise de-designates the hedge, the derivative will continue to be carried in the Consolidated Balance Sheet at its fair value, with changes in its fair value recognized in the Consolidated Statements of Operations, or in Other comprehensive income or loss, depending on the type of derivative held.

(p) Pensions

The Company recognizes an asset or a liability in the Consolidated Balance Sheets for the funded status of its defined benefit plans that are overfunded or underfunded, respectively, measured as the difference between the fair value of plan assets and the pension obligation and recognizes changes in the funded status of defined benefit plans in the year in which the changes occur as a component of Accumulated other comprehensive income or loss, net of tax.

(q) Variable Interest Entities

The Company is involved in the normal course of business with variable interest entities (VIEs). An assessment is performed as of the date the Company becomes initially involved in the VIE followed by a reassessment upon certain events related to its involvement in the VIE. The Company consolidates a VIE when it is the primary beneficiary having a controlling financial interest as a result of having the power to direct the activities that most significantly impact the economic performance of the VIE and the obligation to absorb losses, or right to receive benefits, that could potentially be significant to the VIE.

(r) Segment Reporting

The Company monitors the performance of its operations in three segments: Property & Casualty (P&C), Specialty and Life and Health. Segments represent markets that are reasonably homogeneous in terms of client types, buying patterns, underlying risk patterns or approach to risk management.

Since the Company does not manage its assets by segment, neither assets nor net investment income are allocated to the P&C and Specialty segments. However, because of the long-duration profile of some of the Company's life products, allocated net investment income is considered in management's assessment of the profitability of the Life and Health segment. The following items are not considered in evaluating the results of the P&C, Specialty and Life and Health segments: Net realized and unrealized investment gains or losses, Market risk benefit gains or losses, Interest expense, Loss on redemption of debt, Amortization of intangible assets, Net foreign exchange gains or losses, Income tax expense or benefit and Interest in earnings and losses of equity method investments. These items are included in the Corporate and Other component, which is comprised of the Company's investment and corporate activities, including other expenses.

(s) Share-Based Incentives

The Company is authorized to issue Class C common shares and restricted share units to certain executives and directors. The compensation cost for grants of Class C common shares and restricted share units is measured at fair value and expensed over the period for which the employee is required to provide services in exchange for the award, up to three years from the date of grant. The Company has elected to recognize forfeitures as they occur. Class C common shares and restricted share units are accounted for as liabilities and included in Accounts payable, accrued expenses and other on the Consolidated Balance Sheets. See Note 16 for further details.

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(t) Recent Accounting Pronouncements

Recently adopted

Reference Rate Reform

In March 2020, the FASB issued guidance which provides optional expedients and exceptions for applying U.S. GAAP to modification of contracts, hedging relationships and other transactions that reference the London Interbank Offered Rate (LIBOR) or another reference rate expected to be discontinued because of reference rate reform. Along with the optional expedients, the amendments include a general principle that permits an entity to consider contract modifications due to reference rate reform to be an event that does not require contract re-measurement at the modification date or reassessment of a previous accounting determination. In 2022, the sunset date of this guidance was deferred to December 31, 2024, with guidance permitted to be adopted over time as reference rate reform activities occur. The Company adopted the guidance prior to the sunset date of December 31, 2024. The adoption did not have a material impact on the Company's Consolidated Financial Statements.

Fair Value Measurement

In June 2022, the FASB issued updated guidance to address diversity in practice by clarifying that a contractual sale restriction should not be considered in the measurement of the fair value of an equity security. It also requires entities with investments in equity securities subject to contractual sale restrictions to disclose certain qualitative and quantitative information about such securities. The guidance is effective for fiscal years beginning after December 15, 2023 and the Company adopted the guidance prospectively effective January 1, 2024. The adoption did not have a material impact on the Company's Consolidated Financial Statements.

Segment Disclosures

In November 2023, the FASB issued guidance to address improvements to reportable segment disclosures. Improvements primarily include the following annual disclosures: i) significant segment expenses that are regularly provided to the chief operating decision maker (CODM) and included within each reported measure of segment profit or loss and ii) other segment items and description of its composition. The guidance is effective for fiscal years beginning after December 15, 2023 and the Company adopted this guidance retrospectively effective January 1, 2024. As the guidance is disclosure-related only, it did not have a material impact on the Company's Consolidated Financial Statements. Refer to Note 21 for the relevant disclosures.

Not yet adopted

Income Tax Disclosures

In December 2023, the FASB issued guidance to improve income tax disclosures. The guidance requires additional information primarily related to a company's effective tax rate reconciliation and income taxes paid. The guidance is effective for fiscal years beginning after December 15, 2024 with the option to apply the guidance retrospectively and early adoption permitted. The Company is currently evaluating the impact of adopting this guidance on its Consolidated Financial Statement disclosures.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued new guidance aimed at enhancing expense disclosures. The guidance requires disclosure of specific types of expenses included in the expense captions presented on the face of the income statement. The guidance is effective for fiscal years beginning after December 15, 2026 with the option to apply the guidance retrospectively, and early adoption permitted. The Company is currently evaluating the impact of adopting this guidance on its Consolidated Financial Statement disclosures.

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3. Fair Value

(a) Assets and Liabilities Measured at Fair Value

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value by maximizing the use of observable inputs and minimizing the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing an asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about what market participants would use in pricing the asset or liability based on the best information available in the circumstances. The level in the hierarchy within which a given fair value measurement falls is determined based on the lowest level input that is significant to the measurement.

The Company determines the appropriate level in the hierarchy for each asset and liability that it measures at fair value. In determining fair value, the Company uses various valuation approaches, including market, income and cost approaches. The hierarchy is broken down into three levels based on the observability of inputs as follows:

- Level 1 inputs—Unadjusted, quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

The Company's assets and liabilities that it measures at fair value using Level 1 inputs generally include equities listed on a major exchange.

- Level 2 inputs—Quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets and significant directly or indirectly observable inputs, other than quoted prices, used in industry accepted models.

The Company's assets and liabilities that it measures at fair value using Level 2 inputs generally include: U.S. government issued bonds; U.S. government sponsored enterprises bonds; certain U.S. state, territory and municipal entities bonds; non-U.S. sovereign government, supranational and government related bonds; investment grade and high yield corporate bonds; mortgage-backed and certain asset-backed securities; short-term investments; certain preferred equities; certain privately placed corporate loans; and certain derivative assets and liabilities.

- Level 3 inputs—Unobservable inputs.

The Company's assets and liabilities that it measures at fair value using Level 3 inputs generally include: inactively traded fixed maturities including U.S. state, territory and municipal bonds; special purpose financing asset-backed bonds; unlisted equity securities; certain privately placed corporate loans, notes and loans receivable and notes securitizations; certain real estate company investments; certain fund investments included in Other invested assets; certain other derivatives, including weather derivatives, longevity insurance-linked securities, options and warrants and total return swaps included in Other invested assets; and market risk benefit assets and liabilities.

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At December 31, 2024 and 2023, the Company's assets and liabilities measured at fair value were classified between Levels 1, 2 and 3 as follows (in thousands of U.S. dollars):

December 31, 2024	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3) ⁽²⁾	Fair value based on NAV as practical expedient	Total
Assets (liabilities)					
Fixed maturities					
U.S. government and government sponsored enterprises	\$ —	\$ 1,491,014	\$ —	\$ —	\$ 1,491,014
U.S. states, territories and municipalities	—	7,457	40,152	—	47,609
Non-U.S. sovereign government, supranational and government related	—	2,539,981	—	—	2,539,981
Corporate bonds	—	8,219,787	—	—	8,219,787
Asset-backed securities	—	—	14,032	—	14,032
Residential mortgage-backed securities	—	5,272,534	—	—	5,272,534
Fixed maturities	\$ —	\$ 17,530,773	\$ 54,184	\$ —	\$ 17,584,957
Short-term investments	\$ —	\$ 320,268	\$ —	\$ —	\$ 320,268
Equities					
Real estate	\$ 47,422	\$ —	\$ 997	\$ —	\$ 48,419
Diversified	3	—	28,449	—	28,452
Consumer cyclical	1,984	—	18	—	2,002
Consumer non-cyclical	—	—	1,907	—	1,907
Industrials	—	—	160	—	160
Insurance	—	147	—	—	147
Finance	—	—	117	—	117
Fund investments	—	—	—	900,665	900,665
Equities	\$ 49,409	\$ 147	\$ 31,648	\$ 900,665	\$ 981,869
Other invested assets					
Derivative assets					
Foreign exchange forward contracts	\$ —	\$ 25,515	\$ —	\$ —	\$ 25,515
Insurance-linked securities	—	—	7,244	—	7,244
Options and warrants	—	—	3,166	—	3,166
Other					
Corporate loans ⁽¹⁾	—	988,734	75,590	—	1,064,324
Notes and loans receivable and notes securitization	—	—	1,615	—	1,615
Real estate company investment	—	—	457,209	—	457,209
Fund investments	—	—	55,617	1,445,542	1,501,159
Derivative liabilities					
Foreign exchange forward contracts	—	(29,994)	—	—	(29,994)
Interest rate swaps	—	(489)	—	—	(489)
Other invested assets	\$ —	\$ 983,766	\$ 600,441	\$ 1,445,542	\$ 3,029,749
Total investments measured at fair value	\$ 49,409	\$ 18,834,954	\$ 686,273	\$ 2,346,207	\$ 21,916,843
Market risk benefits, net ⁽³⁾	\$ —	\$ —	\$ 141,390	\$ —	\$ 141,390
Net assets measured at fair value	\$ 49,409	\$ 18,834,954	\$ 827,663	\$ 2,346,207	\$ 22,058,233

(1) Corporate loans includes a portfolio of third-party, individually managed privately issued corporate loans that are managed under externally managed mandates with a fair value of \$1.0 billion and \$1.1 billion at December 31, 2024 and 2023, respectively. The mandates primarily invest in U.S. dollar floating rate, first lien, senior secured broadly syndicated loans issued by obligors with a minimum debt of \$300 million. Corporate loans also includes \$0.1 billion and \$0.3 billion of other privately issued corporate loans at December 31, 2024 and 2023, respectively.

(2) The reconciliations of the beginning and ending balances for investments measured at fair value using Level 3 inputs are presented in the succeeding tables.

(3) Refer to Note 10 for details on the changes in the MRBs measured at fair value for the years ended December 31, 2024 and 2023.

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December 31, 2023	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Fair value based on NAV as practical expedient	Total
Assets (liabilities)					
Fixed maturities					
U.S. government and government sponsored enterprises	\$ —	\$ 1,736,952	\$ —	\$ —	\$ 1,736,952
U.S. states, territories and municipalities	—	8,850	42,792	—	51,642
Non-U.S. sovereign government, supranational and government related	—	1,780,318	—	—	1,780,318
Corporate bonds	—	6,777,767	—	—	6,777,767
Asset-backed securities	—	—	15,022	—	15,022
Residential mortgage-backed securities	—	4,728,355	—	—	4,728,355
Fixed maturities	\$ —	\$ 15,032,242	\$ 57,814	\$ —	\$ 15,090,056
Short-term investments	\$ —	\$ 1,020,257	\$ —	\$ —	\$ 1,020,257
Equities					
Real estate	\$ 39,015	\$ —	\$ 2,844	\$ —	\$ 41,859
Diversified	—	—	15,823	—	15,823
Consumer non-cyclical	653	—	8,574	—	9,227
Consumer cyclical	3,095	—	28	—	3,123
Energy	2	—	1,698	—	1,700
Insurance	—	140	—	—	140
Finance	—	—	125	—	125
Industrials	4	—	6	—	10
Fund investments	—	—	—	845,163	845,163
Equities	\$ 42,769	\$ 140	\$ 29,098	\$ 845,163	\$ 917,170
Other invested assets					
Derivative assets					
Foreign exchange forward contracts	\$ —	\$ 31,565	\$ —	\$ —	\$ 31,565
Insurance-linked securities	—	—	7,235	—	7,235
Options and warrants	—	—	4,390	—	4,390
Other					
Corporate loans	—	1,141,657	231,189	—	1,372,846
Notes and loans receivable and notes securitization	—	—	1,664	—	1,664
Real estate company investment	—	—	471,156	—	471,156
Fund investments	—	—	43,198	1,347,876	1,391,074
Derivative liabilities					
Foreign exchange forward contracts	—	(27,669)	—	—	(27,669)
Interest rate swaps	—	(849)	—	—	(849)
Other invested assets	\$ —	\$ 1,144,704	\$ 758,832	\$ 1,347,876	\$ 3,251,412
Total investments measured at fair value	\$ 42,769	\$ 17,197,343	\$ 845,744	\$ 2,193,039	\$ 20,278,895
Market risk benefits, net	\$ —	\$ —	\$ 139,574	\$ —	\$ 139,574
Net assets measured at fair value	\$ 42,769	\$ 17,197,343	\$ 985,318	\$ 2,193,039	\$ 20,418,469

Other invested assets included in the fair value tables above at December 31, 2024 and 2023, exclude investments that are accounted for using the equity method of accounting of \$221 million and \$213 million, respectively (see Note 4(f) for further details).

At December 31, 2024 and 2023, the carrying value of accrued investment income approximated fair value due to its short-term nature.

At December 31, 2024 and 2023, the fair values of financial instrument assets recorded in the Consolidated Balance Sheets not described above approximated their carrying values.

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The reconciliations of the beginning and ending balances for investments measured at fair value using Level 3 inputs for the years ended December 31, 2024 and 2023, were as follows (in thousands of U.S. dollars):

For the year ended December 31, 2024	Balance at beginning of year	(Losses) gains included in net income	Purchases	Settlements and sales ⁽¹⁾	Net transfers out of Level 3	Balance at end of year	Change in unrealized (losses) gains relating to assets held at end of year
Fixed maturities							
U.S. states, territories and municipalities	\$ 42,792	\$ (2,640)	\$ —	\$ —	\$ —	\$ 40,152	\$ (2,639)
Asset-backed securities	15,022	—	—	(990)	—	14,032	—
Fixed maturities	\$ 57,814	\$ (2,640)	\$ —	\$ (990)	\$ —	\$ 54,184	\$ (2,639)
Equities							
Real estate	\$ 2,844	\$ (1,847)	\$ —	\$ —	\$ —	\$ 997	\$ (1,848)
Diversified	15,823	(429)	13,055	—	—	28,449	(429)
Consumer cyclical	28	(10)	—	—	—	18	(10)
Consumer non-cyclical	8,574	(6,917)	250	—	—	1,907	(6,916)
Industrials	6	(440)	594	—	—	160	(441)
Finance	125	(8)	—	—	—	117	(8)
Energy	1,698	312	—	(2,010)	—	—	—
Equities	\$ 29,098	\$ (9,339)	\$ 13,899	\$ (2,010)	\$ —	\$ 31,648	\$ (9,652)
Other invested assets							
Derivatives, net	\$ 11,625	\$ 94	\$ —	\$ (1,309)	\$ —	\$ 10,410	\$ —
Corporate loans	231,189	(3,286)	21,850	(174,163)	—	75,590	3,629
Notes and loans receivable and notes securitization	1,664	(1)	—	(48)	—	1,615	(1)
Fund investments	43,198	7,452	5,000	(33)	—	55,617	7,452
Real estate company investment	471,156	(13,947)	—	—	—	457,209	(13,947)
Other invested assets	\$ 758,832	\$ (9,688)	\$ 26,850	\$ (175,553)	\$ —	\$ 600,441	\$ (2,867)
Total	\$ 845,744	\$ (21,667)	\$ 40,749	\$ (178,553)	\$ —	\$ 686,273	\$ (15,158)

(1) Includes sales of Equities and Other invested assets of \$2 million and \$176 million, respectively. Sales of Other invested assets included sales of corporate loans of \$174 million and sales of derivatives of \$2 million.

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For the year ended December 31, 2023	Balance at beginning of year	(Losses) gains included in net income	Purchases	Settlements and sales ⁽¹⁾	Net transfers out of Level 3	Balance at end of year	Change in unrealized (losses) gains relating to assets held at end of year
Fixed maturities							
U.S. states, territories and municipalities	\$ 48,747	\$ (340)	\$ —	\$ (5,615)	\$ —	\$ 42,792	\$ (1,730)
Asset-backed securities	15,930	—	—	(908)	—	15,022	—
Fixed maturities	\$ 64,677	\$ (340)	\$ —	\$ (6,523)	\$ —	\$ 57,814	\$ (1,730)
Short-term investments	\$ 6,907	\$ —	\$ —	\$ (6,907)	\$ —	\$ —	\$ —
Equities							
Real estate	\$ 1,814	\$ 1,030	\$ —	\$ —	\$ —	\$ 2,844	\$ 1,030
Diversified	9,667	323	5,835	(2)	—	15,823	321
Consumer cyclical	28	—	—	—	—	28	—
Consumer non-cyclical	10,081	(1,507)	—	—	—	8,574	(1,507)
Industrials	76	(41)	—	(29)	—	6	(41)
Finance	120	5	—	—	—	125	5
Energy	1,514	184	—	—	—	1,698	184
Equities	\$ 23,300	\$ (6)	\$ 5,835	\$ (31)	\$ —	\$ 29,098	\$ (8)
Other invested assets							
Derivatives, net	\$ 15,348	\$ 577	\$ —	\$ (4,300)	\$ —	\$ 11,625	\$ —
Corporate loans	287,278	9,546	2,630	(24,843)	(43,422)	231,189	7,792
Notes and loans receivable and notes securitization	3,166	90	—	(1,592)	—	1,664	49
Fund investments	36,274	8,257	—	(1,333)	—	43,198	8,257
Real estate company investment	491,602	(20,446)	—	—	—	471,156	(20,446)
Other invested assets	\$ 833,668	\$ (1,976)	\$ 2,630	\$ (32,068)	\$ (43,422)	\$ 758,832	\$ (4,348)
Total	\$ 928,552	\$ (2,322)	\$ 8,465	\$ (45,529)	\$ (43,422)	\$ 845,744	\$ (6,086)

(1) Includes sales of Fixed maturities and Other invested assets of \$6 million and \$30 million, respectively. Sales of Fixed maturities were comprised of U.S. states, territories and municipalities. Sales of Other invested assets included sales of corporate loans of \$25 million, sales of derivatives of \$4 million and sales of notes and loans receivable and notes securitization of \$1 million.

There were no transfers to and from Level 3 during the year ended December 31, 2024. During the year ended December 31, 2023, fifteen corporate loans valued at \$43 million were transferred from Level 3 to Level 2 due to the availability of quoted prices for similar securities in active markets.

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The significant unobservable inputs used in the valuation of assets and liabilities measured at fair value using Level 3 inputs at December 31, 2024 and 2023 were as follows (fair value in thousands of U.S. dollars):

December 31, 2024	Fair value	Valuation techniques	Unobservable inputs	Range (Weighted average ⁽¹⁾)
Fixed maturities				
U.S. states, territories and municipalities	\$ 40,152	Discounted cash flow	Credit spreads	2.5% – 2.7% (2.5%)
Other invested assets				
Insurance-linked securities – longevity swaps	7,244	Discounted cash flow	Credit spreads	5.6% (5.6%)
Fund investments	4,659	Discounted cash flow	Effective yield	1.0% (1.0%)
Real estate company investment	457,209	Income capitalization	Estimated rental value (per sq ft)	\$97 – \$103 (\$101)
			Net initial yield	4.2% – 5.3% (4.8%)
			Reversionary yield	5.1% – 6.6% (5.8%)
		Comparable method	Sale value (per sq ft)	\$3,191 – \$5,863 (\$5,520)
Market risk benefits, net	141,390	Option pricing techniques	Mortality rates	0.02% – 100.0% (0.5%)
			Lapse rates	1.8% – 36.7% (5.8%)
			Equity implied long-term volatility	17.8% – 26.6% (20.6%)
			Swaption implied long-term volatility	62.1% – 77.8% (71.1%)

December 31, 2023	Fair value	Valuation techniques	Unobservable inputs	Range (Weighted average ⁽¹⁾)
Fixed maturities				
U.S. states, territories and municipalities	\$ 42,792	Discounted cash flow	Credit spreads	2.5% – 2.7% (2.6%)
Other invested assets				
Insurance-linked securities – longevity swaps	7,235	Discounted cash flow	Credit spreads	6.0% (6.0%)
Fund investments	4,529	Discounted cash flow	Effective yield	0.7% (0.7%)
Real estate company investment	471,156	Income capitalization	Estimated rental value (per sq ft)	\$96 – \$102 (\$100)
			Net initial yield	3.6% – 5.4% (4.8%)
			Reversionary yield	5.0% – 6.4% (5.7%)
		Comparable method	Sale value (per sq ft)	\$3,072 – \$5,848 (\$5,171)
Market risk benefits, net	139,574	Option pricing techniques	Mortality rates	0.02% – 100.0% (0.5%)
			Lapse rates	3.1% – 25.0% (5.0%)
			Equity implied long-term volatility	18.9% – 28.7% (22.5%)
			Swaption implied long-term volatility	54.6% – 77.7% (76.5%)

(1) Unobservable inputs were weighted by the relative fair value.

The tables above do not include assets and liabilities that are measured using unobservable inputs (Level 3) where the unobservable inputs were obtained from external sources and used without adjustment. These include asset-backed securities (included in Fixed maturities); equities (included within Equities), certain notes and loans receivables and certain fund investments (included within Other invested assets), certain privately placed corporate loans (included within Other invested assets) and certain derivatives.

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Changes in the fair value of the Company’s assets and liabilities subject to the fair value option during the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	2024	2023
Fixed maturities and short-term investments	\$ (37,358)	\$ 390,712
Equities	127,496	43,420
Other invested assets	42,311	(29,064)
Total included in net realized and unrealized investment gains	\$ 132,449	\$ 405,068

The change in the fair value of Other invested assets subject to the fair value option does not include certain derivatives.

The following methods and assumptions were used by the Company in estimating the fair value of each class of assets and liabilities recorded in the Consolidated Balance Sheets. There have been no material changes in the Company’s valuation techniques during the periods presented.

Fixed maturities

- *U.S. government and government sponsored enterprises*—consists primarily of bonds issued by the U.S. Treasury and debt securities issued by government sponsored enterprises and federally owned or established corporations. These securities are generally priced by independent pricing services. The independent pricing services may use actual transaction prices for securities that have been actively traded. For securities that have not been actively traded, each pricing source has its own proprietary method to determine the fair value, which may incorporate option adjusted spreads (OAS), interest rate data and market news. The Company generally classifies these securities in Level 2.
- *U.S. states, territories and municipalities*—consists primarily of bonds issued by U.S. states, territories and municipalities and the Federal Home Loan Mortgage Corporation. Certain of the bonds that are issued by municipal housing authorities and the Federal Home Loan Mortgage Corporation are not actively traded and are priced based on internal models using unobservable inputs (credit spreads). Accordingly, the Company classifies these securities in Level 3. A significant increase (decrease) in credit spreads in isolation could result in a significantly lower (higher) fair value measurement. The remaining securities are generally priced by independent pricing services using the techniques described for U.S. government and government sponsored enterprises above. The Company generally classifies these securities in Level 2.
- *Non-U.S. sovereign government, supranational and government related*—consists primarily of bonds issued by non-U.S. national governments and their agencies, non-U.S. regional governments and supranational organizations. These securities are generally priced by independent pricing services using the techniques described for U.S. government and government sponsored enterprises above. The Company generally classifies these securities in Level 2.
- *Corporate*—consists primarily of bonds issued by U.S. and foreign corporations covering a variety of industries and issuing countries. Corporate securities also include real estate investment trusts, catastrophe bonds, longevity and mortality bonds and government guaranteed corporate debt. These securities are generally priced by independent pricing services and brokers. The pricing provider incorporates information including credit spreads, interest rate data and market news into the valuation of each security. The Company generally classifies these securities in Level 2. When a corporate security is inactively traded or the valuation model uses unobservable inputs, the Company classifies the security in Level 3.
- *Asset-backed securities*—consists of special purpose financing securities, which are generally inactively traded and are priced based on valuation models using unobservable inputs (credit spreads). The Company generally classifies these securities in Level 3. A significant increase (decrease) in credit spreads in isolation could result in a significantly lower (higher) fair value measurement.
- *Residential mortgage-backed securities*—primarily consists of bonds issued by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, as well as private, non-agency issuers. These residential mortgage-backed securities are generally priced by independent pricing services and brokers. When current market trades are not available, the pricing provider or the Company will employ proprietary models with observable inputs including other trade information, prepayment speeds, yield curves and credit spreads. The Company generally classifies these securities in Level 2.

In general, the methods employed by the independent pricing services to determine the fair value of the securities that have not been actively traded primarily involve the use of “matrix pricing” in which the independent pricing source applies the credit spread for a comparable security that has traded recently to the current yield curve to determine a reasonable fair value. The Company generally uses one pricing source per security and uses a pricing service ranking to consistently select the most appropriate pricing

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service in instances where it receives multiple quotes on the same security. When fair values are unavailable from these independent pricing sources, quotes are obtained directly from broker-dealers who are active in the corresponding markets. Most of the Company's fixed maturities are priced from the pricing services or dealer quotes. The Company will typically not make adjustments to prices received from pricing services or dealer quotes; however, in instances where the quoted external price for a security uses significant unobservable inputs, the Company will classify that security as Level 3. The methods used to develop and substantiate the unobservable inputs used are based on the Company's valuation policy and are dependent upon the facts and circumstances surrounding the individual investments which are generally transaction specific. The Company's inactively traded fixed maturities are classified as Level 3. For all fixed maturity investments, the bid price is used for estimating fair value.

Short-term investments

Short-term investments are valued in a manner similar to the Company's fixed maturity investments and are generally classified in Level 2 or 3 depending on the inputs used in the valuation of the asset.

Equities

Equity securities include U.S. and foreign common and preferred stocks, real estate investment trusts and certain fund investments. Publicly traded equities are generally classified in Level 1 as the Company uses prices received from independent pricing sources based on quoted prices in active markets. Equities classified as Level 2 are preferred equities. Equities classified as Level 3 are generally inactively traded common stocks. For these investments, the Company utilizes prices from third-party sources without adjustment. Fund investments are valued using net asset valuations as a practical expedient as discussed in further detail below.

Other invested assets

The Company's foreign exchange forward contracts, interest rate swaps, TBAs and certain privately placed corporate loans are generally classified as Level 2 within the fair value hierarchy and are priced by independent pricing services.

Included in the Company's Level 3 classification, in general, are certain derivatives, such as weather derivative insurance-linked securities; certain privately placed corporate loans; notes and loans receivable and note securitizations; certain fund investments; and a real estate company investment. For Level 3 instruments, the Company will generally (i) receive a price based on a manager's or trustee's valuation for the asset; (ii) develop an internal discounted cash flow model to measure fair value; (iii) use market return information, adjusted if necessary and weighted using management's judgment, from comparable selected publicly traded equity funds in a similar region and of a similar size, or (iv) receive the valuation information and techniques used by real estate company investments. Where the Company receives prices from the manager or trustee, these prices are based on the manager's or trustee's estimate of fair value for the assets and are generally audited on an annual basis. Where the Company develops its own discounted cash flow models, the inputs will be specific to the asset in question, based on appropriate historical information, adjusted as necessary and using appropriate discount rates. When the Company utilizes significant unobservable inputs including market return information, information is weighted using managements' judgement, obtained from comparable selected publicly traded companies in the same industry, in a similar region and of similar size and effective yields. Significant increases (decreases) in these inputs in isolation could result in a significantly higher (lower) fair value measurement for an asset. When the Company uses the valuation information and techniques used by real estate company investments, it independently evaluates the valuation techniques being utilized by the entity to ensure techniques are consistent with U.S. GAAP. Valuation techniques include the income capitalization technique or the comparable method and are based on the properties' highest and best use, with typical market based assumptions, such as estimated rental values, net initial yield, reversionary yield and sales values. A significant increase (decrease) in estimated rental values, reversionary yield and/or sales values could result in a significantly higher (lower) fair value measurement for an asset, while a significant increase (decrease) in net initial yield could result in a significantly lower (higher) fair value measurement for an asset.

Significant unobservable inputs used in the fair value measurement of Other invested assets classified as Level 3 also include credit spreads. Significant increases (decreases) in this input in isolation could result in a significantly lower (higher) fair value measurement.

Fund investments included in Other invested assets are generally valued using net asset valuations as a practical expedient as discussed in further detail below.

As part of the Company's modeling to determine the fair value of an investment, other than for those measured using net asset valuations as a practical expedient, the Company also uses credit risk as an input to models, however, the majority of the Company's counterparties are investment grade rated institutions and the failure of any one counterparty would not have a significant impact on the Company's Consolidated Financial Statements.

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Market risk benefit assets and liabilities

MRBs are classified as Level 3 fair value measurements as the fair value is measured using an option-based valuation model based on certain unobservable inputs. The most significant unobservable inputs underlying the valuation of MRBs includes long-term implied volatility, mortality rates and lapse rates.

Unobservable inputs for mortality rates are base mortality and mortality improvements assumptions. Base mortality assumptions differ by treaty and are derived from experience. Improvement mortality assumptions are based on the CMI Mortality Projections Model which is a publicly available tool from the UK Institute and Faculty of Actuaries. The net MRB asset increases as base mortality decreases and improvement mortality increases.

Unobservable inputs for lapse rates refer to the assumptions reflecting the ability of the policyholders to actively manage their savings by withdrawing deposits on an in-force contract, either fully or partially. These assumptions are defined at treaty, age and policy duration level. These rates are derived from treaty experience of the policyholders' behaviors and updated on an annual basis. Increases in lapse rates will have a volume effect on the net MRB reserve, generally reducing the net asset (increasing the net liability).

Unobservable inputs for equity long-term implied volatilities refer to the value towards which the equity implied volatilities converge beyond the last liquid point. An increase in long-term equity implied volatility means higher long-term projected equity risk and a higher probability of triggering the guaranteed minimum death benefit. This will generally lead to a decrease of the net MRB asset.

Unobservable inputs for swaption long-term implied volatilities refer to the value towards which the swaption implied volatilities converge beyond the last liquid point. An increase in long-term swaption implied volatility means higher long-term projected interest rates risk and a higher probability of triggering the guaranteed minimum death benefit. This will generally lead to a decrease of the net MRB asset.

Measuring the Fair Value of Investments Using Net Asset Valuations as a Practical Expedient

The table below reflects the Company's portfolio of investments measured using net asset valuations as a practical expedient at December 31, 2024 and 2023 (in thousands of US dollars):

	December 31, 2024		December 31, 2023		Redemption Frequency	Redemption Notice Period
	Carrying Value ⁽¹⁾	Remaining Unfunded Commitment	Carrying Value ⁽¹⁾	Remaining Unfunded Commitment		
Public equity funds	\$ 778,679	\$ —	\$ 648,080	\$ —	See below	See below
Private equity funds	443,791	85,762	452,387	106,060	See below	See below
Private credit funds	429,189	121,411	430,788	228,451	See below	See below
Multi-strategy funds	694,548	73,339	661,784	110,396	See below	See below
Total fund investments	\$ 2,346,207	\$ 280,512	\$ 2,193,039	\$ 444,907		

(1) The table above only reflects the Company's investments valued at fair value based on the NAV as a practical expedient, which includes fund investments of \$901 million included in Equities and \$1,445 million included in Other invested assets at December 31, 2024 and fund investments of \$845 million included in Equities and \$1,348 million included in Other invested assets at December 31, 2023.

Investment Strategies and redemption terms and conditions of the various funds included in the above table are as follows:

Public Equity Funds— The Company's investments in public equity funds include long/short funds and also funds invested in geographically diverse regions such as Asia, seeking higher risk-adjusted returns, that primarily invest in public equities. The Company generally has the right to redeem these funds during a quarterly redemption period with 30 - 60 days' prior notice, some of which are subject to redemption thresholds and redemption fees. During 2022, the Company agreed it would not sell certain investments for a three year period. The carrying value of these investments amounts to \$708 million and \$575 million at December 31, 2024 and December 31, 2023, respectively.

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Private Equity Funds— The Company's investments in private equity funds include limited partnerships or similar interests that invest in private equity assets. The Company generally has no right to redeem its interest in any of these private equity funds in advance of dissolution of the applicable limited partnerships. Instead, distributions are received by the Company in connection with the exit from the underlying private equity investments of the fund. It is estimated that the majority of the underlying assets of the limited partnerships would liquidate over 5 to 10 years from inception of the limited partnership.

Private Credit Funds— The Company's investments in private credit funds include funds and limited partnerships or similar interests that invest in private credit instruments, including senior secured bank loan funds, secondaries and mezzanine investments. The Company generally has no right to redeem its interest in any of these private credit funds in advance of dissolution of the applicable limited partnerships. Instead, distributions are received by the Company in connection with the liquidation or maturity of the underlying private credit assets of the fund. It is estimated that the majority of the underlying assets of the limited partnerships would liquidate over 5 to 10 years from inception of the limited partnership.

Multi-Strategy Funds— The Company's investments in multi-strategy funds include limited partnerships or similar interests that invest across diverse asset classes, including equities, bonds, credit markets and real estate. For one multi-strategy fund with a carrying value of \$220 million and \$235 million at December 31, 2024 and 2023, respectively, the Company does have quarterly redemption rights subject to a 60 days' prior notice and a gate policy. During 2022, the Company agreed it would not sell this investment for a three year period. The Company generally has no right to redeem its interest in any of the remaining multi-strategy limited partnership funds in advance of dissolution. Instead, distributions are received by the Company in connection with the liquidation or maturity of the underlying assets of the fund. It is estimated the majority of the underlying assets of the limited partnerships would liquidate over 5 to 10 years from inception of the limited partnership.

The fair values of these public equity, private equity, private credit and multi-strategy funds are estimated using net asset valuations as advised by external fund managers or third party administrators. NAVs are based on the manager's or administrator's valuation of the underlying assets of the fund in accordance with the fund's governing documents and in accordance with U.S. GAAP. For NAV fund valuations, valuation statements are typically released on a reporting lag and accordingly, the Company estimates the value of these funds using the most recent fund valuations as adjusted for capital calls, redemptions, drawdowns and distributions. NAV estimates may not be available from all fund managers, therefore the Company typically has a reporting lag in its fair value measurements of these funds.

The fair values of these funds are measured using the NAV as a practical expedient, therefore the fair values of these funds have not been categorized within the fair value hierarchy.

(b) Fair Value of Financial Instrument Liabilities

At December 31, 2024 and 2023, the carrying values of financial instrument liabilities recorded in the Consolidated Balance Sheets approximate their fair values, with the exception of the Company's senior notes and junior subordinated notes. The fair value of the senior notes as of December 31, 2024 and 2023 was calculated based on discounted cash flow models using observable market yields and contractual cash flows based on the aggregate principal amount outstanding. The fair value of the junior subordinated notes as of December 31, 2024 and 2023 was calculated based on market data valuation models using observable inputs based on the aggregate principal amount outstanding of the debt.

See Note 12 for further details related to the Company's debt, including the carrying values and fair values.

At December 31, 2024 and 2023, the Company's senior notes and junior subordinated notes were classified as Level 2 in the fair value hierarchy.

Disclosures about the fair value of financial instrument liabilities exclude insurance contracts. GMDB liabilities classified as MRBs have been described above under Market risk benefit assets and liabilities.

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4. Investments

(a) Net Realized and Unrealized Investment Gains

The components of the net realized and unrealized investment gains for the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	2024	2023
Net realized investment losses on fixed maturities and short-term investments	\$ (8,659)	\$ (4,041)
Net realized investment gains on equities	12,915	121,378
Net realized investment gains (losses) on other invested assets	32,423	(6,188)
Net realized investment gains	\$ 36,679	\$ 111,149
Change in net unrealized investment (losses) gains on fixed maturities and short-term investments	\$ (37,358)	\$ 390,712
Change in net unrealized investment gains on equities	127,496	43,420
Change in net unrealized investment gains (losses) on other invested assets	51,729	(20,975)
Net other realized and unrealized investment gains (losses)	674	(1,761)
Change in net unrealized investment gains	\$ 142,541	\$ 411,396
Impairment loss on investments in real estate	\$ —	\$ (5,119)
Net realized and unrealized investment gains	\$ 179,220	\$ 517,426

(b) Net Investment Income

The components of net investment income for the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	2024	2023
Fixed maturities	\$ 597,516	\$ 424,205
Short-term investments and cash and cash equivalents	63,071	75,467
Other invested assets	141,624	176,065
Equities	16,290	19,693
Funds held and other ⁽¹⁾	6,027	6,950
Investment expenses	(51,921)	(56,695)
Net investment income	\$ 772,607	\$ 645,685

(1) The Company generally earns investment income on funds held by reinsured companies based upon a predetermined interest rate, either fixed contractually at the inception of the contract or based upon a recognized index. Interest rates ranged from 0.5% to 5.6% and 0.2% to 10.5% for the years ended December 31, 2024 and 2023, respectively.

(c) Pledged and Restricted Assets

At December 31, 2024 and 2023, approximately \$273 million and \$98 million, respectively, of cash and cash equivalents and approximately \$6,072 million and \$6,341 million, respectively, of securities were deposited, pledged or held in escrow accounts in favor of ceding companies, intercompany agreements and other counterparties or government authorities to comply with reinsurance contract provisions and insurance laws.

(d) Receivables for Securities Sold and Payables for Securities Purchased

At December 31, 2024 and 2023, receivables for securities sold of \$51 million and \$187 million, respectively, were recorded within Other assets. At December 31, 2024 and 2023, payables for securities purchased of \$113 million and \$221 million, respectively, were recorded within Accounts payable, accrued expenses and other in the Consolidated Balance Sheets.

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(e) Variable Interest Entities

The Company holds variable interests in VIEs including certain limited liability companies or partnerships, trusts, fixed maturity investments and asset-backed securities. The holdings in these VIEs are reported within Fixed maturities and Other invested assets in the Company's Consolidated Balance Sheets. The Company's involvement in these entities is, for the most part, passive in nature. The Company's maximum exposure to loss with respect to these investments is limited to the amounts invested in and advanced to the VIEs and any unfunded commitments (see Note 18(c)). As at December 31, 2024 and 2023, the Company did not have material consolidated VIEs.

(f) Other Invested Assets

At December 31, 2024 and 2023, the Company had carrying values of \$1,980 million and \$1,883 million, respectively, of investments that were either accounted for under the equity method of accounting or would have been accounted for under the equity method if the Company had not chosen to apply the fair value option.

At December 31, 2024 and 2023, the Company held a 36% shareholding in the privately held United Kingdom real estate investment and development group, Almacantar Group Limited (Almacantar). The total carrying value of this investment was \$457 million and \$471 million, at December 31, 2024 and 2023, respectively. This investment is accounted for under the fair value option and included within Other invested assets in the Consolidated Balance Sheets.

The Company's equity method investments are comprised primarily of passive investment interests focusing in the real estate sector. The Company had equity method investments of \$221 million and \$213 million at December 31, 2024 and 2023, respectively, included within Other invested assets in the Consolidated Balance Sheets. Dividends on equity method investments for 2024 and 2023 were \$0.4 million and \$3 million, respectively.

5. Derivatives

The Company's objectives for holding or issuing derivatives are as follows:

Foreign Exchange Forward Contracts—The Company utilizes foreign exchange forward contracts as part of its overall currency risk management and investment strategies.

Insurance-linked Securities—The Company enters into various derivatives for which the underlying risks reference parametric weather risks, pandemic outbreaks and mortality, in addition to longevity total return swaps for which the underlying risks reference longevity risks.

Total Return and Interest Rate Swaps—The Company enters into total return swaps referencing certain investments in Other invested assets. The Company enters into interest rate swaps to mitigate the interest rate risk on certain of the total return swaps and certain fixed maturity investments.

To-Be-Announced Mortgage-Backed Securities (TBAs), Options and Warrants—The Company utilizes TBAs, options and warrants as part of its overall investment strategy and to enhance investment performance.

There were no derivatives designated as hedges for the years ended December 31, 2024 and 2023. The net fair values of derivatives included in Other invested assets within the Company's Consolidated Balance Sheets and the related net notional exposures at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

December 31, 2024	Asset derivatives at fair value	Liability derivatives at fair value	Net derivatives	
			Fair value	Net notional exposure
Derivatives not designated as hedges				
Foreign exchange forward contracts	\$ 25,515	\$ (29,994)	\$ (4,479)	\$ 4,502,160
Insurance-linked securities ⁽¹⁾	7,244	—	7,244	8,800
Interest rate swaps ⁽²⁾	—	(489)	(489)	—
Options and warrants	3,166	—	3,166	9,042
Total derivatives not designated as hedges	\$ 35,925	\$ (30,483)	\$ 5,442	

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December 31, 2023	Asset derivatives at fair value	Liability derivatives at fair value	Net derivatives	
			Fair value	Net notional exposure
Derivatives not designated as hedges				
Foreign exchange forward contracts	\$ 31,565	\$ (27,669)	\$ 3,896	\$ 4,205,417
Insurance-linked securities ⁽¹⁾	7,235	—	7,235	9,700
Interest rate swaps ⁽²⁾	—	(849)	(849)	—
Options and warrants	4,390	—	4,390	8,898
Total derivatives not designated as hedges	\$ 43,190	\$ (28,518)	\$ 14,672	

(1) Insurance-linked securities include longevity swaps for which the notional amounts are not reflective of the overall potential exposure of the swaps. The net notional exposure above includes the Company's best estimate of the present value of future expected claims.

(2) The Company enters into interest rate swaps to mitigate notional exposures on certain total return swaps and certain fixed maturities. The net notional exposure for interest rate swaps above relates to fixed maturities.

The gains and losses in the Consolidated Statements of Operations for derivatives not designated as hedges for the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	2024	2023
Foreign exchange forward contracts	\$ (33,525)	\$ (38,858)
Total included in Net foreign exchange losses	\$ (33,525)	\$ (38,858)
Insurance-linked securities	\$ 139	\$ (1,754)
Total return swaps	—	(5)
Interest rate swaps	360	(951)
TBAs	37	448
Other	86	—
Total included in Net realized and unrealized investment gains (losses)	\$ 622	\$ (2,262)
Total derivatives not designated as hedges	\$ (32,903)	\$ (41,120)

Offsetting of Derivatives

The gross and net fair values of derivatives that are subject to offsetting in the Consolidated Balance Sheets at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

December 31, 2024	Gross amounts recognized ⁽¹⁾	Gross amounts offset in the balance sheet	Net amounts of assets/liabilities presented in the balance sheet	Gross amounts not offset in the balance sheet		Net amount
				Financial instruments collateral	Cash collateral received/ pledged	
Total derivative assets	\$ 35,925	\$ —	\$ 35,925	\$ (2,069)	\$ (22,384)	\$ 11,472
Total derivative liabilities	\$ (30,483)	\$ —	\$ (30,483)	\$ 11,794	\$ —	\$ (18,689)
December 31, 2023						
Total derivative assets	\$ 43,190	\$ —	\$ 43,190	\$ (7,720)	\$ (34,027)	\$ 1,443
Total derivative liabilities	\$ (28,518)	\$ —	\$ (28,518)	\$ 16,220	\$ —	\$ (12,298)

(1) Amounts include all derivative instruments, irrespective of whether there is a legally enforceable master netting arrangement in place.

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6. Goodwill and Intangible Assets

The Company's goodwill related to the acquisitions of PartnerRe SA, Winterthur Re, Paris Re and Presidio and intangible assets related to the acquisitions of Paris Re, Presidio and Aurigen at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	Goodwill	Definite-lived intangible assets	Indefinite-lived intangible assets	Total intangible assets
Balance at December 31, 2022	\$ 456,380	\$ 80,214	\$ 9,555	\$ 89,769
Foreign currency translation	—	50	—	50
Intangible assets amortization	n/a	(7,906)	n/a	(7,906)
Balance at December 31, 2023	\$ 456,380	\$ 72,358	\$ 9,555	\$ 81,913
Foreign currency translation	—	(105)	—	(105)
Intangible assets amortization	n/a	(8,534)	n/a	(8,534)
Balance at December 31, 2024	\$ 456,380	\$ 63,719	\$ 9,555	\$ 73,274

n/a: Not applicable

The gross carrying value and accumulated amortization of intangible assets included in the Consolidated Balance Sheets at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	December 31, 2024			December 31, 2023		
	Gross carrying value	Accumulated amortization	Net carrying value	Gross carrying value	Accumulated amortization	Net carrying value
Definite-lived intangible assets:						
Renewal rights	\$ 48,163	\$ (46,685)	\$ 1,478	\$ 48,163	\$ (44,985)	\$ 3,178
Customer relationships	67,556	(65,070)	2,486	67,661	(60,532)	7,129
Life VOBA	75,583	(15,828)	59,755	75,583	(13,532)	62,051
Total definite-lived intangible assets	\$ 191,302	\$ (127,583)	\$ 63,719	\$ 191,407	\$ (119,049)	\$ 72,358
Indefinite-lived intangible assets:						
Insurance licenses	9,555	n/a	9,555	9,555	n/a	9,555
Total intangible assets	\$ 200,857	\$ (127,583)	\$ 73,274	\$ 200,962	\$ (119,049)	\$ 81,913

n/a: Not applicable

Definite-lived intangible assets are amortized over a period of 10-13 years for renewal rights and customer relationships and 100 years for life value of business acquired (VOBA).

The allocation of goodwill to the Company's segments at December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
P&C segment	\$ 242,376	\$ 242,376
Specialty segment	196,047	196,047
Life and Health segment	17,957	17,957
Total	\$ 456,380	\$ 456,380

PartnerRe Ltd.
Notes to Consolidated Financial Statements

The estimated future amortization expense related to the Company's definite-lived intangible assets is as follows (in thousands of U.S. dollars):

Year	VOBA	Other definite-lived intangible assets	Total definite-lived intangible assets
2025	\$ 2,070	\$ 3,964	\$ 6,034
2026	1,892	—	1,892
2027	2,238	—	2,238
2028	2,247	—	2,247
2029	2,270	—	2,270
Thereafter	49,038	—	49,038
Total	\$ 59,755	\$ 3,964	\$ 63,719

7. Deferred Acquisition Costs

Deferred acquisition costs comprises capitalized costs of \$636 million and \$700 million related to Non-life business and \$320 million and \$321 million related to Life and health business at December 31, 2024 and 2023, respectively.

The reconciliation of beginning and ending balances of deferred acquisition costs for the Company's traditional and limited payment long-duration contracts within the Life and health business for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
Long-term protection		
Balance at beginning of year	\$ 320,606	\$ 311,362
Capitalizations	51,269	38,056
Amortization expense	(32,499)	(32,012)
Foreign exchange effect	(19,021)	3,200
Balance at end of year	\$ 320,355	\$ 320,606

8. Non-life Reserves

Non-life reserves are categorized into three types of reserves: case reserves, ACRs and IBNR reserves. Case reserves represent unpaid losses reported by the Company's cedants and recorded by the Company. ACRs are established for particular circumstances where, on the basis of individual loss reports, the Company estimates that the particular loss or collection of losses covered by a treaty may be greater than those advised by the cedant. IBNR reserves represent a provision for claims that have been incurred but not yet reported to the Company, as well as future loss development on losses already reported, in excess of the case reserves and ACRs. See also Note 2(b). The Company's gross liability for non-life reserves at December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	December 31, 2024	December 31, 2023
Case reserves	\$ 5,293,840	\$ 5,148,325
ACRs	205,654	190,071
IBNR reserves	8,409,764	7,812,913
Non-life reserves	\$ 13,909,258	\$ 13,151,309

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The reconciliation of the beginning and ending gross and net liability for non-life reserves for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
Gross liability at beginning of year	\$ 13,151,309	\$ 12,725,631
Reinsurance recoverable at beginning of year	1,765,247	1,851,811
Net liability at beginning of year	11,386,062	10,873,820
Net incurred losses related to:		
Current year	3,338,346	3,229,633
Prior years	183,939	(47,293)
	3,522,285	3,182,340
Net paid losses related to:		
Current year	(417,227)	(416,151)
Prior years	(2,273,854)	(2,316,451)
	(2,691,081)	(2,732,602)
Retroactive reinsurance recoverable adjustment	(53,063)	(93,378)
Effects of foreign exchange rate changes and other	42,220	155,882
Net liability at end of year	12,206,423	11,386,062
Reinsurance recoverable at end of year	1,702,835	1,765,247
Gross liability at end of year	\$ 13,909,258	\$ 13,151,309

Prior Years' Reserve Development

For the year ended December 31, 2024, the Company reported net unfavorable loss development for prior accident years resulting from adverse loss emergence in the P&C segment, which was partially offset by favorable loss emergence in the Specialty segment. The adverse loss emergence within the P&C segment was across multiple accident years, mainly driven by the casualty business, partially offset by favorable loss emergence in the catastrophe, property and U.S. health business. The favorable loss emergence within the Specialty segment was across multiple accident years, predominantly from the financial risks, engineering and marine business.

For the year ended December 31, 2023, the Company reported net favorable loss development for prior accident years resulting from favorable loss emergence in both the P&C and Specialty segments. The favorable loss emergence within the P&C segment was across multiple accident years, mainly driven by the catastrophe and U.S. health business, partially offset by adverse loss emergence in the casualty business. The favorable loss emergence within the Specialty segment was across multiple accident years, predominantly from the financial risks, agriculture and multiline business, which was partially offset by adverse loss emergence in the aviation and marine business.

Retroactive Reinsurance Recoverable

During the second quarter of 2021, the Company entered into a loss portfolio transfer and adverse development cover agreement related to prior underwriting years on the Company's U.S. casualty and auto business within the P&C segment. Premium paid for the loss portfolio transfer and adverse development cover agreement resulted in a cash transfer for the premium at inception of the agreement and a reinsurance recoverable of \$341 million and \$485 million at December 31, 2024 and 2023, respectively. At December 31, 2024 and 2023, as a result of adverse prior years reserve development ceded under this agreement, a deferred gain of \$92 million and \$99 million, respectively, was recorded in Accounts payable, accrued expenses and other in the Consolidated Balance Sheets. This transaction is presented retrospectively in the net loss and loss expenses incurred development table for the casualty business below. Reinsurance recoveries under this transaction are attributed to calendar year and accident year based on the underlying distribution of losses subject to the agreement.

Asbestos and Environmental Claims

The Company's net non-life reserves at December 31, 2024 and 2023 included \$37 million and \$40 million, respectively, related to asbestos and environmental claims. The gross liability for such claims at December 31, 2024 and 2023 was \$43 million and \$47 million, respectively.

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Ultimate loss estimates for such claims cannot be estimated using traditional reserving techniques and there are significant uncertainties in estimating the Company's potential losses for these claims. In view of the legal and tort environment that affect the development of such claims, the uncertainties inherent in estimating asbestos and environmental claims are not likely to be resolved in the near future. There can be no assurance that the reserves established by the Company will not be adversely affected by development of other latent exposures and further, there can be no assurance that the reserves established by the Company will be adequate. The Company does, however, actively evaluate potential exposure to asbestos and environmental claims and establishes additional reserves as appropriate. The Company believes that it has made a reasonable provision for these exposures and is unaware of any specific issues that would materially affect its unpaid losses and loss expense reserves related to this exposure.

Non-life Reserving Methods

The reserving methods commonly employed by the Company are summarized as follows:

Chain Ladder (CL) Development Methods (Reported or Paid)

These methods use the underlying assumption that losses reported (paid) for each underwriting year at a particular development stage follow a stable pattern. The CL development method assumes that on average, every underwriting year will display the same percentage of ultimate liabilities reported by the Company's cedants at 24 months after the inception of the underwriting year. The percentages reported (paid) are established for each development stage after examining historical averages from the loss development data. These are sometimes supplemented by external benchmark information. Ultimate liabilities are estimated by multiplying the actual reported (paid) losses by the reciprocal of the assumed reported (paid) percentage. Reserves are then calculated by subtracting paid claims from the estimated ultimate liabilities.

Expected Loss Ratio (ELR) Method

This method estimates ultimate losses for an underwriting year by applying an estimated loss ratio to the earned premium for that underwriting year. Although the method is insensitive to actual reported or paid losses, it can often be useful at the early stages of development when very few losses have been reported or paid and the principal sources of information available to the Company consist of information obtained during pricing and qualitative information supplied by the cedant. However, the lack of sensitivity to reported or paid losses means that the method is usually inappropriate at later stages of development.

Bornhuetter-Ferguson (B-F) Methods (Reported or Paid)

These methods aim to address the variability at early stages of development and incorporates external information such as pricing. The B-F methods are more sensitive to reported and paid losses than the ELR method and can be seen as a blend of the ELR and CL development methods. Unreported (unpaid) claims are calculated using an expected reporting (payment) pattern and an externally determined estimate of ultimate liabilities (usually determined by multiplying an a priori loss ratio with estimates of premium volume). The accuracy of the a priori loss ratio is a critical assumption in this method. Usually a priori loss ratios are initially determined on the basis of pricing information, but may also be adjusted to reflect other information that subsequently emerges about underlying loss experience.

Loss Event Specific Method

The ultimate losses estimated under this method are derived from estimates of specific events based on reported claims, client and broker discussions, review of potential exposures, market loss estimates, modeled analysis and other event specific criteria.

Method Weights

In determining the loss reserves, the Company often relies on a blend of the results from two or more methods (e.g., weighted averages). The judgment as to which of the above method(s) is most appropriate for a particular underwriting year and reserving cell could change over time as new information emerges regarding underlying loss activity and other data issues. Furthermore, as each line is typically composed of several reserving cells, it is likely that the reserves for the line will be dependent on several reserving methods. This is because reserves for a line are the result of aggregating the reserves for each constituent reserving cell and that a different method could be selected for each reserving cell.

The principal reserving methods used for each of the Specialty segment and P&C segment were ELR, Reported/Paid B-F and Reported/Paid CL, with the exception of catastrophe risks within the P&C segment where the principal reserving methods used were ELR based on exposure analysis and loss event specific methods.

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Notes to Consolidated Financial Statements

Non-life Net Incurred and Paid Losses and Loss Expense Development

The net incurred and paid losses and loss expenses development by accident year for each of the years ended December 31, 2015 through 2024 and the total of IBNR plus expected development on reported claims included within the net incurred claims amounts, as at each of the years ended December 31, 2015 through 2024, are presented in the tables below (in thousands of U.S. dollars). The tables below reflect losses incurred and paid losses translated to U.S. dollars at the exchange rate as of the balance sheet date whereas the Losses and loss expenses in the Consolidated Statements of Operations reflect losses incurred at the average exchange rate for the period.

The reconciliation of the net incurred and paid claims development information below to the Non-life reserves in the Consolidated Balance Sheet at December 31, 2024 was as follows (in thousands of U.S. dollars):

	December 31, 2024
Total outstanding liability for unpaid claims	
Property	\$ 1,569,694
Casualty	7,247,723
Specialty	3,073,692
Total outstanding liabilities for unpaid claims	\$ 11,891,109
U.S. health net reserves ⁽¹⁾	177,790
Unallocated loss expenses	135,321
Other	2,203
Total other liabilities	\$ 315,314
Net liability at end of year	\$ 12,206,423
Reinsurance recoverable on unpaid claims	
Property	\$ 709,472
Casualty	620,463
Specialty	372,900
Reinsurance recoverable at end of year	\$ 1,702,835
Gross liability at end of year	\$ 13,909,258

(1) U.S. health business is not meaningful to include in the development tables as the estimated average duration of the health reserves is less than one year and substantially all claims are expected to be paid within two years, based on historical payout patterns.

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Notes to Consolidated Financial Statements

NET INCURRED LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - NON-LIFE

For the year ended December 31,

Accident year											December 31, 2024
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total of IBNR plus expected development on reported claims
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
2015	\$2,502,854	\$2,611,184	\$2,527,784	\$2,550,830	\$2,520,182	\$2,475,960	\$2,451,141	\$2,432,324	\$2,435,356	\$2,440,850	\$ 74,500
2016		2,451,204	2,559,851	2,516,126	2,486,199	2,467,920	2,484,069	2,476,383	2,472,778	2,479,035	94,770
2017			2,549,737	2,801,179	2,698,916	2,651,730	2,663,904	2,658,571	2,660,319	2,674,414	160,690
2018				2,596,552	2,974,243	2,969,810	2,972,766	3,009,359	3,015,217	3,034,153	273,936
2019					2,931,280	3,519,556	3,510,991	3,523,443	3,531,407	3,574,580	510,075
2020						4,186,395	3,586,462	3,499,097	3,480,994	3,494,443	697,855
2021							2,880,141	2,829,876	2,836,450	2,876,198	1,156,063
2022								3,410,844	3,374,321	3,412,592	1,329,748
2023									3,115,830	3,121,675	1,556,264
2024										3,149,311	1,101,055
Total										\$30,257,251	\$ 6,954,956

NET PAID LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - NON-LIFE

For the year ended December 31,

Accident year										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
2015	\$ 306,562	\$1,159,655	\$1,564,173	\$1,798,537	\$1,959,722	\$2,067,935	\$2,142,234	\$2,198,481	\$2,240,255	\$2,269,040
2016		321,351	1,272,443	1,627,697	1,893,694	2,030,728	2,123,169	2,211,977	2,302,984	2,351,484
2017			394,394	1,421,140	1,804,959	2,072,838	2,195,236	2,314,529	2,436,391	2,512,337
2018				271,827	1,276,542	1,811,055	2,093,543	2,283,931	2,490,887	2,594,590
2019					462,939	1,438,793	1,961,928	2,341,116	2,640,483	2,911,057
2020						480,122	1,277,034	1,805,063	2,106,017	2,319,657
2021							373,191	1,088,143	1,531,660	1,856,229
2022								394,598	914,038	1,344,915
2023									397,510	940,013
2024										395,298
Total										\$19,494,620
Net reserves for accident years and exposures included in the triangles										\$10,762,631
All outstanding liabilities before accident year 2015, net of reinsurance										1,128,478
Total outstanding liabilities for unpaid claims										\$11,891,109

AVERAGE ANNUAL PERCENTAGE PAYOUT OF INCURRED CLAIMS BY AGE, NET OF REINSURANCE - NON-LIFE
(unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Non-life	13%	27%	15%	10%	6%	6%	4%	3%	2%	1%

PartnerRe Ltd.
Notes to Consolidated Financial Statements

NET INCURRED LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - PROPERTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	December 31, 2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	Total of IBNR plus expected development on reported claims
2015	\$ 537,193	\$ 565,816	\$ 537,792	\$ 528,106	\$ 524,147	\$ 519,568	\$ 525,203	\$ 523,475	\$ 524,453	\$ 524,004	\$ 3,446
2016		663,490	681,050	644,349	625,873	622,562	624,375	623,593	620,491	620,014	1,986
2017			971,607	1,022,186	952,613	923,025	915,166	910,105	909,849	909,193	11,393
2018				805,960	820,675	799,735	778,867	766,591	766,684	765,889	8,448
2019					703,097	782,453	720,079	711,928	714,189	710,161	22,179
2020						1,252,575	1,070,935	1,061,772	1,056,274	1,042,922	95,212
2021							919,517	918,629	914,749	905,100	219,246
2022								944,920	859,807	837,859	292,141
2023									415,801	376,941	256,673
2024										616,501	479,661
Total										\$7,308,584	\$ 1,390,385

NET PAID LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - PROPERTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
2015	\$ 85,015	\$ 330,876	\$ 435,539	\$ 469,036	\$ 481,879	\$ 489,195	\$ 498,557	\$ 501,524	\$ 503,399	\$ 505,653
2016		132,914	446,804	538,988	579,381	595,159	604,980	609,257	613,854	617,836
2017			214,026	694,240	805,627	853,945	862,942	870,638	882,726	886,703
2018				81,830	494,608	628,458	666,919	687,439	709,211	717,242
2019					78,527	426,566	545,163	586,587	627,924	664,921
2020						115,165	515,030	681,851	772,952	865,754
2021							121,453	491,546	639,577	736,678
2022								103,876	279,970	455,737
2023									91,499	240,910
2024										82,613
Total										\$5,774,047
Net reserves for accident years and exposures included in the triangles										\$1,534,537
All outstanding liabilities before accident year 2015, net of reinsurance										35,157
Total outstanding liabilities for unpaid claims										\$1,569,694

AVERAGE ANNUAL PERCENTAGE PAYOUT OF INCURRED CLAIMS BY AGE, NET OF REINSURANCE - PROPERTY
(unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Property	14%	41%	16%	7%	4%	2%	1%	1%	1%	—%

PartnerRe Ltd.
Notes to Consolidated Financial Statements

NET INCURRED LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - CASUALTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	December 31, 2024 Total of IBNR plus expected development on reported claims
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
2015	\$ 699,327	\$ 783,275	\$ 761,091	\$ 803,497	\$ 770,242	\$ 751,652	\$ 726,451	\$ 714,608	\$ 717,382	\$ 724,938	\$ 53,638
2016		670,767	756,954	767,366	747,814	740,047	750,268	747,402	747,434	756,231	71,903
2017			621,095	743,114	720,966	709,881	716,862	720,732	724,138	741,740	114,601
2018				767,559	905,491	895,978	903,353	920,169	927,658	952,702	210,971
2019					999,955	1,226,210	1,272,980	1,273,687	1,282,398	1,334,917	452,446
2020						1,344,430	1,115,751	1,094,890	1,086,082	1,118,974	541,213
2021							1,013,896	967,726	987,435	1,058,089	748,753
2022								1,495,131	1,561,575	1,653,698	828,310
2023									1,698,981	1,799,863	920,616
2024										1,425,855	258,679
Total										\$11,567,007	\$ 4,201,130

NET PAID LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - CASUALTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
2015	\$ 73,252	\$ 184,520	\$ 303,213	\$ 398,790	\$ 505,067	\$ 577,907	\$ 627,964	\$ 667,748	\$ 702,472	\$ 720,603
2016		28,304	140,081	244,560	369,651	455,982	520,069	586,050	667,058	703,239
2017			55,617	157,792	246,615	334,296	411,806	488,164	596,996	658,361
2018				59,105	201,190	323,510	425,887	532,717	699,190	767,718
2019					100,639	274,821	430,192	580,304	731,677	833,312
2020						112,281	176,740	304,592	410,337	468,284
2021							80,434	225,846	329,578	426,599
2022								120,660	173,769	249,423
2023									171,996	217,725
2024										178,632
Total										\$5,223,896
Net reserves for accident years and exposures included in the triangles										\$6,343,111
All outstanding liabilities before accident year 2015, net of reinsurance										904,612
Total outstanding liabilities for unpaid claims										\$7,247,723

AVERAGE ANNUAL PERCENTAGE PAYOUT OF INCURRED CLAIMS BY AGE, NET OF REINSURANCE - CASUALTY
(unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Casualty	9%	10%	11%	12%	11%	11%	9%	8%	5%	3%

PartnerRe Ltd.
Notes to Consolidated Financial Statements

NET INCURRED LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - SPECIALTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	December 31, 2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	Total of IBNR plus expected development on reported claims
2015	\$1,266,334	\$1,262,093	\$1,228,901	\$1,219,227	\$1,225,793	\$1,204,740	\$1,199,487	\$1,194,241	\$1,193,521	\$1,191,908	\$ 17,416
2016		1,116,947	1,121,847	1,104,411	1,112,512	1,105,311	1,109,426	1,105,388	1,104,853	1,102,790	20,881
2017			957,035	1,035,879	1,025,337	1,018,824	1,031,876	1,027,734	1,026,332	1,023,481	34,696
2018				1,023,033	1,248,077	1,274,097	1,290,546	1,322,599	1,320,875	1,315,562	54,517
2019					1,228,228	1,510,893	1,517,932	1,537,828	1,534,820	1,529,502	35,450
2020						1,589,390	1,399,776	1,342,435	1,338,638	1,332,547	61,430
2021							946,728	943,521	934,266	913,009	188,064
2022								970,793	952,939	921,035	209,297
2023									1,001,048	944,871	378,975
2024										1,106,955	362,715
Total										\$11,381,660	\$ 1,363,441

NET PAID LOSSES AND LOSS EXPENSES DEVELOPMENT TABLE - SPECIALTY

For the year ended December 31,

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
2015	\$ 148,295	\$ 644,259	\$ 825,421	\$ 930,711	\$ 972,776	\$1,000,833	\$1,015,713	\$1,029,209	\$1,034,384	\$1,042,784
2016		160,133	685,558	844,149	944,662	979,587	998,120	1,016,670	1,022,072	1,030,409
2017			124,751	569,108	752,717	884,597	920,488	955,727	956,669	967,273
2018				130,892	580,744	859,087	1,000,737	1,063,775	1,082,486	1,109,630
2019					283,773	737,406	986,573	1,174,225	1,280,882	1,412,824
2020						252,676	585,264	818,620	922,728	985,619
2021							171,304	370,751	562,505	692,952
2022								170,062	460,299	639,755
2023									134,015	481,378
2024										134,053
Total										\$8,496,677
Net reserves for accident years and exposures included in the triangles										\$2,884,983
All outstanding liabilities before accident year 2015, net of reinsurance										188,709
Total outstanding liabilities for unpaid claims										\$3,073,692

AVERAGE ANNUAL PERCENTAGE PAYOUT OF INCURRED CLAIMS BY AGE, NET OF REINSURANCE - SPECIALTY
(unaudited)

Years	1	2	3	4	5	6	7	8	9	10
Specialty	15%	34%	18%	11%	5%	4%	1%	1%	1%	1%

The Company is predominantly a reinsurer of primary insurers and does not have access to claim frequency information held by its cedants due to the majority of the Company's business being written on a proportional basis. As such, the Company considers it impracticable to disclose information on the frequency of claims.

PartnerRe Ltd.
Notes to Consolidated Financial Statements

9. Life and Health Reserves

The Company's gross and net liability for life and health reserves at December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	December 31, 2024	December 31, 2023
Long-term protection	\$ 1,450,151	\$ 1,432,088
Longevity	441,343	466,037
Total traditional and limited payment long-duration life and health reserves	\$ 1,891,494	\$ 1,898,125
Other long-duration life and health reserves	98,583	116,918
Short-term life and health reserves	934,938	816,626
Total life and health reserves, net	\$ 2,925,015	\$ 2,831,669
Reinsurance recoverable	52,438	27,588
Life and health reserves, gross	\$ 2,977,453	\$ 2,859,257

Traditional and Limited Payment Long-duration Contracts

The reconciliation of the beginning and ending net liability for the Company's life and health reserves for traditional and limited payment long-duration contracts for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024		2023	
	Long-term Protection	Longevity	Long-term Protection	Longevity
Present Value of Expected Net Premiums				
Balance, beginning of year	\$ 8,513,198	\$ 10,405,665	\$ 7,181,905	\$ 6,859,347
Beginning balance at original discount rate	10,752,085	12,320,169	9,912,178	9,468,464
Effect of changes in cash flow assumptions	97,186	(31,223)	(46,073)	1,341
Effect of actual variances from expected experience	(166,686)	(46,269)	129,081	(100,539)
Foreign exchange and other	5,780	(36,506)	7,693	(77,951)
Adjusted beginning of year balance	10,688,365	12,206,171	10,002,879	9,291,315
Issuances	1,785,612	—	907,176	3,106,448
Interest accrual	307,832	346,513	249,381	303,087
Net premiums collected	(656,446)	(1,021,841)	(564,741)	(1,012,723)
Foreign exchange and other	(585,232)	(288,722)	157,390	632,042
Ending balance at original discount rate	11,540,131	11,242,121	10,752,085	12,320,169
Effect of changes in discount rate assumptions	(2,108,330)	(1,977,409)	(2,238,887)	(1,914,504)
Balance, end of year	\$ 9,431,801	\$ 9,264,712	\$ 8,513,198	\$ 10,405,665
Present Value of Expected Future Policy Benefits				
Balance, beginning of year	\$ 9,948,505	\$ 10,873,399	\$ 8,444,212	\$ 7,167,340
Beginning balance at original discount rate	12,257,942	12,725,282	11,279,091	9,735,709
Effect of changes in cash flow assumptions	101,869	(29,361)	(29,989)	1,671
Effect of actual variances from expected experience	(151,022)	(55,971)	124,864	(113,205)
Foreign exchange and other	(1,727)	(40,688)	24,331	(89,722)
Adjusted beginning of year balance	12,207,062	12,599,262	11,398,297	9,534,453
Issuances	1,785,906	—	910,154	3,111,518
Interest accrual	329,731	349,096	269,802	308,484
Benefit payments	(593,442)	(1,035,817)	(521,918)	(885,792)
Foreign exchange and other	(658,106)	(296,576)	201,607	656,619
Ending balance at original discount rate	13,071,151	11,615,965	12,257,942	12,725,282
Effect of changes in discount rate assumptions	(2,165,971)	(1,912,173)	(2,309,437)	(1,851,883)
Balance, end of year	\$ 10,905,180	\$ 9,703,792	\$ 9,948,505	\$ 10,873,399
Cumulative impact of flooring	\$ 11,607	\$ 5,805	\$ 4,037	\$ 1,828
Liability for future policy benefits, after flooring adjustment	\$ 1,484,986	\$ 444,885	\$ 1,439,344	\$ 469,562
Less: reinsurance recoverable	34,835	3,542	7,256	3,525
Net liability for future policy benefits, after reinsurance recoverable	\$ 1,450,151	\$ 441,343	\$ 1,432,088	\$ 466,037

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The amount of undiscounted and discounted expected future gross premiums and expected future benefit payments for traditional and limited payment long-duration contracts for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	December 31, 2024	December 31, 2023
Long-term Protection		
Undiscounted expected future gross premiums	\$ 25,641,921	\$ 22,577,821
Undiscounted expected future benefit payments	\$ 22,431,872	\$ 19,981,172
Discounted expected future gross premiums	\$ 11,988,499	\$ 10,835,854
Discounted expected future benefit payments	\$ 10,905,180	\$ 9,948,505
	December 31, 2024	December 31, 2023
Longevity		
Undiscounted expected future gross premiums	\$ 16,448,726	\$ 17,998,514
Undiscounted expected future benefit payments	\$ 15,430,429	\$ 16,929,038
Discounted expected future gross premiums	\$ 10,073,343	\$ 11,284,884
Discounted expected future benefit payments	\$ 9,703,792	\$ 10,873,399

The total gross premiums and interest expense recognized in the Consolidated Statements of Operations for traditional and limited payment long-duration contracts for the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	Gross Premiums		Interest Expense	
	2024	2023	2024	2023
Long-term protection	\$ 864,835	\$ 744,428	\$ 21,899	\$ 20,421
Longevity	1,105,629	1,094,934	2,583	5,397
Total	\$ 1,970,464	\$ 1,839,362	\$ 24,482	\$ 25,818

The weighted-average interest rates for traditional and limited payment long-duration contracts for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Long-term Protection		
Interest accretion rate	3.03 %	2.63 %
Current discount rate	4.69 %	4.48 %
	2024	2023
Longevity		
Interest accretion rate	2.96 %	2.95 %
Current discount rate	5.14 %	4.83 %

The weighted-average duration of reserves for long-term protection was 4.5 years and 4.2 years for the years ended December 31, 2024 and 2023, respectively. The weighted average duration of reserves for Longevity has been split into the fixed premium leg and the floating claims leg, with the fixed premium leg having a duration of 7.4 years and 7.6 years and the floating claims leg having a duration of 7.3 years and 7.5 years for the years ended December 31, 2024 and 2023, respectively.

Long-term Protection

Significant assumptions used to calculate the LFPB for long-term protection include mortality, morbidity and persistency, and both locked-in and current discount rates.

In 2024, the Company undertook a review of significant assumptions and primarily made changes to mortality. Mortality assumption updates primarily reflected adverse future mortality improvements and claims experience. Current discount rates were updated from 2023 resulting in a slight increase to the LFPB.

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Notes to Consolidated Financial Statements

In 2023, the Company undertook a review of significant assumptions and primarily made changes to mortality and morbidity. Mortality assumption updates primarily reflected mixed future mortality improvements and claims experience on certain treaties that largely offset. Morbidity assumption updates primarily reflected adverse claims experience on a specific treaty. Current discount rates were updated from 2022 resulting in a slight increase to the LFPB.

Impacts to expected net premiums and expected future policy benefits due to assumption changes in 2024 and 2023 can be observed in the LFPB rollforward tables at December 31, 2024 and 2023.

Longevity

Significant assumptions used to calculate the LFPB for Longevity include mortality, and both locked-in and current discount rates.

In 2024, the Company undertook a review of significant mortality improvement assumptions. Mortality improvement assumption updates primarily reflected favorable claims experience. Current discount rates were updated from 2023, resulting in a slight decrease to the LFPB.

In 2023, the Company undertook a review of significant assumptions and updated mortality improvement assumptions to reflect favorable developments prior to COVID-19. Current discount rates were updated from 2022, resulting in a slight decrease to the LFPB.

Impacts to expected net premiums and expected future policy benefits due to assumption changes in 2024 and 2023 can be observed in the LFPB rollforward tables at December 31, 2024 and 2023.

Life and Health Short-duration Reserves

The reconciliation of the beginning and ending gross and net liability of the life and health reserves for short-duration contracts for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
Gross liability at beginning of year	\$ 833,433	\$ 797,100
Reinsurance recoverable at beginning of year	16,807	1,122
Net liability at beginning of year	816,626	795,978
Net incurred losses	403,386	187,078
Net losses paid	(221,439)	(190,082)
Effects of foreign exchange rate changes and other	(63,635)	23,652
Net liability at end of year	934,938	816,626
Reinsurance recoverable at end of year	14,061	16,807
Gross liability at end of year	\$ 948,999	\$ 833,433

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10. Market Risk Benefits

MRBs, which relate to our GMDB business, are measured at fair value using an option-based valuation model based on current net amounts at risk, market data, Company experience and other factors. Declines in the equity markets, increased volatility and a low interest rate environment increase the Company's exposure to liabilities under the guaranteed features. The net amount at risk for GMDB is defined as the current guaranteed benefit amount in excess of the current contract value.

The reconciliation of beginning and ending balances of market risk benefits for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
	GMDB	
Balance, beginning of year	\$ 139,574	\$ 122,016
Effect of changes in the instrument-specific credit risk	(1,302)	3,676
Balance, beginning of year, before effect of changes in the instrument-specific credit risk	138,272	125,692
Issuances	2,171	5,625
Interest accrual	6,510	6,081
Attributed fees collected	(30,130)	(29,273)
Benefit payments	2,544	3,799
Actual policyholder behavior different from expected behaviors	6,171	(8,415)
Effect of changes in future expected policyholder behavior	(2,584)	(12,111)
Effect of changes in other future assumptions	7,234	5,844
Effect of changes in interest rates	(3,894)	(12,722)
Effect of changes in equity index volatility	4,120	11,716
Effect of changes in equity markets	1,581	14,550
Foreign exchange impact	(8,935)	5,501
Other	13,258	21,985
Balance, end of year, before effect of changes in the instrument-specific credit risk	\$ 136,318	\$ 138,272
Effect of changes in the instrument-specific credit risk	5,072	1,302
Balance, end of year	\$ 141,390	\$ 139,574
Net amount at risk	\$ 169,446	\$ 251,293
Weighted-average attained age of contract holders	62 years	61 years

The reconciliation of market risk benefit asset (liability) to the Company's Consolidated Balance Sheets at December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	December 31, 2024			December 31, 2023		
	Asset	Liability	Net	Asset	Liability	Net
Market risk benefits	\$ 142,290	\$ 900	\$ 141,390	\$ 144,636	\$ 5,062	\$ 139,574

In 2024, the Company recognized an increase in the net MRB asset primarily due to the impacts of new business and actual and future expected policyholder activity, partially offset by foreign exchange impacts.

For 2023, the Company recognized market risk benefit gains primarily due to an increase in equity markets and a decrease in equity index volatility, both of which reduce the chance of GMDB being at risk and increases the net MRB asset. The Company also recognized the impacts of new business and actual and future expected policyholder activity.

See Note 3 for additional information related to the fair value measurement of MRBs.

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11. Reinsurance

(a) Reinsurance Recoverable on Paid and Unpaid Losses

The Company uses retrocessional agreements to reduce its exposure to risk of loss on reinsurance assumed. These agreements provide for recovery from retrocessionaires of a portion of losses and loss expenses. The Company remains liable to its cedants to the extent that the retrocessionaires do not meet their obligations under these agreements and therefore the Company evaluates the financial condition of its reinsurers and monitors concentration of credit risk on an ongoing basis. The Company actively manages its reinsurance exposures by generally selecting either collateralized retrocessionaires or counterparties that have a credit rating of A- or higher.

The Company established Lorenz Re Ltd. (Lorenz Re), a special purpose insurer registered as a segregated accounts company in Bermuda, as part of its third party capital platform to provide third party investors with access to portfolios of risk in the global reinsurance markets. Lorenz Re operates by providing fully collateralized reinsurance capacity to certain of the Company's operating subsidiaries in respect of multiple lines of business. Lorenz Re raises capital primarily from third party investors seeking exposure to the global reinsurance markets by issuing non-voting redeemable preferred shares in its individual segregated accounts. The proceeds from issuance of these preferred shares are deposited into trust accounts collateralizing varying portfolios of potential reinsurance recoverables, which have established investment guidelines that generally require assets to be held as either cash and cash equivalents or in U.S. government issued securities of high credit quality. For the years ended December 31, 2024 and 2023, the Company ceded premium written to Lorenz Re's segregated cells of \$392 million and \$529 million, respectively, and recorded a Reinsurance recoverable on paid and unpaid losses from the segregated cells of \$666 million and \$767 million as at December 31, 2024 and 2023, respectively.

In assessing an allowance for reinsurance recoverable balances, the Company considers historical information, financial strength and credit ratings of reinsurers, collateralization amounts and the remaining expected life of reinsurance recoverable balances to determine the appropriateness of the allowance. Historically, the Company has not experienced material credit losses from retrocessional agreements. In assessing future default for reinsurance recoverable balances, the Company evaluates the valuation allowance under the probability of default and loss given default method and utilizes counterparty credit ratings from major rating agencies, as well as assesses the current market conditions and reasonable and supportable forecasts for the likelihood of default. At December 31, 2024 and 2023, the Company's allowance for credit losses on its reinsurance recoverable balance was \$3 million.

(b) Ceded Reinsurance

Net premiums written, net premiums earned and losses and loss expenses are reported net of reinsurance in the Company's Consolidated Statements of Operations. Direct, assumed, ceded and net amounts for the years ended December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	2024		
	Premiums Written	Premiums Earned	Losses and Loss Expenses
Non-life	\$ 432,177	\$ 423,098	\$ 352,943
Life and Health	—	—	—
Direct	\$ 432,177	\$ 423,098	\$ 352,943
Non-life	\$ 6,409,589	\$ 6,517,999	\$ 3,724,014
Life and Health	2,503,718	2,503,743	2,128,984
Assumed	\$ 8,913,307	\$ 9,021,742	\$ 5,852,998
Non-life	\$ 1,349,561	\$ 1,268,664	\$ 554,672
Life and Health	55,507	55,292	40,293
Ceded	\$ 1,405,068	\$ 1,323,956	\$ 594,965
Non-life	\$ 5,492,205	\$ 5,672,433	\$ 3,522,285
Life and Health	2,448,211	2,448,451	2,088,691
Net	\$ 7,940,416	\$ 8,120,884	\$ 5,610,976

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	2023		
	Premiums Written	Premiums Earned	Losses and Loss Expenses
Non-life	\$ 347,351	\$ 372,230	\$ 188,912
Life and Health	—	—	—
Direct	\$ 347,351	\$ 372,230	\$ 188,912
Non-life	\$ 6,646,273	\$ 6,643,101	\$ 3,346,078
Life and Health	2,108,734	2,108,711	1,838,714
Assumed	\$ 8,755,007	\$ 8,751,812	\$ 5,184,792
Non-life	\$ 1,145,301	\$ 1,176,865	\$ 352,650
Life and Health	28,145	28,417	30,846
Ceded	\$ 1,173,446	\$ 1,205,282	\$ 383,496
Non-life	\$ 5,848,323	\$ 5,838,466	\$ 3,182,340
Life and Health	2,080,589	2,080,294	1,807,868
Net	\$ 7,928,912	\$ 7,918,760	\$ 4,990,208

12. Debt

The debt outstanding and the carrying value recorded in the Consolidated Balance Sheets at December 31, 2024 and 2023 was comprised as follows (in thousands):

	Commitment	December 31, 2024		December 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Debt related to senior notes					
Senior notes due 2026	€ 750,000	\$ 779,354	\$ 762,398	\$ 829,304	\$ 790,081
Senior notes due 2029	\$ 500,000	497,978	483,637	497,525	484,790
Junior subordinated notes due 2050	\$ 500,000	495,025	462,390	494,832	432,685
Capital efficient notes due 2066	\$ 59,905	59,905	54,907	61,924	55,237
Debt		\$ 1,832,262	\$ 1,763,332	\$ 1,883,585	\$ 1,762,793

Senior notes due 2026

In September 2016, PartnerRe Ireland Finance DAC, an indirect wholly-owned financing subsidiary of the Company, issued €750 million aggregate principal amount of 1.250% senior notes at a price of 99.144% of the principal amount, which are listed in the main securities market of the Irish Stock Exchange. Interest is payable annually commencing on September 15, 2017. These senior notes may be redeemed at the option of the issuer, in whole or in part, at any time. Unless previously redeemed, the notes mature on September 15, 2026. These senior notes are ranked as senior unsecured obligations of PartnerRe Ireland Finance DAC. PartnerRe Ltd. has fully and unconditionally guaranteed all obligations of PartnerRe Ireland Finance DAC under these senior notes. PartnerRe Ltd.'s obligations under this guarantee are senior and unsecured and rank equally with all other senior unsecured indebtedness.

Senior notes due 2029

In June 2019, PartnerRe Finance B LLC, an indirect wholly-owned financing subsidiary of the Company, issued \$500 million aggregate principal amount of 3.700% senior notes at a price of 99.783% of the principal amount. The net proceeds of the issuance, after consideration of the offering discount and underwriting expenses and commissions, totaled \$496 million. These senior notes may be redeemed at the option of the issuer, in whole or in part, at any time, with early redemption requiring the payment of a make-whole premium. Commencing on January 2, 2020, interest on these notes is payable semi-annually at an annual fixed rate of 3.700%. Unless previously redeemed, the notes mature on July 2, 2029. These senior notes are ranked as senior unsecured

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obligations of PartnerRe Finance B LLC and PartnerRe Ltd. has fully and unconditionally guaranteed all obligations of PartnerRe Finance B LLC related to these senior notes. PartnerRe Ltd.'s obligations under this guarantee are senior and unsecured and rank equally with all other senior unsecured indebtedness.

Junior subordinated notes due 2050

In September 2020, PartnerRe Finance B LLC issued \$500 million aggregate principal amount of 4.500% fixed-rate reset junior subordinated notes at par. The net proceeds of the issuance, after consideration of the underwriting expenses, commissions and other expenses, totaled \$494 million. Commencing on April 1, 2021, interest on these notes is payable semi-annually at an annual fixed rate of 4.500% until the first reset date on October 1, 2030. From the first reset date and resetting every five years thereafter, the notes will bear interest at an annual rate equal to the five-year treasury rate plus 3.815%. These junior subordinated notes may be redeemed at the option of the issuer, in whole or in part, at any time, with early redemption outside of a par call period requiring the payment of a make-whole premium. Par call periods occur between April 1 and October 1 in each year in which the interest rate resets. Early redemption prior to October 1, 2025 is subject to the Bermuda Monetary Authority's approval. Unless previously redeemed, the notes mature on October 1, 2050. These notes are ranked as unsecured junior subordinated obligations and will rank junior in right of payment to all outstanding and future senior indebtedness of PartnerRe Finance B LLC. PartnerRe Ltd. has fully and unconditionally guaranteed all obligations of PartnerRe Finance B LLC related to these junior subordinated notes. PartnerRe Ltd.'s obligations under this guarantee are unsecured junior subordinated obligations and rank junior in right of payment to all its outstanding and future senior indebtedness and equally in right of payment with all outstanding and future unsecured indebtedness that is by its terms equal in right of payment to the junior subordinated notes.

Capital efficient notes due 2066

In November 2006, PartnerRe Finance II Inc., an indirect wholly-owned financing subsidiary of the Company, issued Fixed-to-Floating Rate Junior Subordinated Capital Efficient Notes (CENts) with a principal amount of \$250 million. In March 2009, \$187 million of the principal amount was extinguished, with an additional \$900 thousand of the principal amount extinguished in June 2019, \$560 thousand in December 2022 and \$2 million in January 2024. As a result, the remaining aggregate principal amount of the CENts as at December 31, 2024 and 2023 was \$60 million and \$62 million, respectively. Interest on the CENts is payable quarterly at an annual rate of 3-month SOFR plus a margin equal to 2.325% and an additional spread adjustment of 0.26161% (due to the transition of the benchmark from LIBOR), reset quarterly. Since December 1, 2016, PartnerRe Finance II Inc. has had the right to defer one or more interest payments for up to ten years to December 1, 2026. The CENts are currently redeemable at the option of the issuer, in whole or in part and are ranked as junior subordinated unsecured obligations of PartnerRe Finance II Inc. PartnerRe Ltd. has fully and unconditionally guaranteed all obligations of PartnerRe Finance II Inc. related to these junior subordinated notes. PartnerRe Ltd.'s obligations under this guarantee are unsecured junior subordinated obligations and rank junior in right of payment to all its outstanding and future senior indebtedness and equally in right of payment with all outstanding and future unsecured indebtedness that is by its terms equal in right of payment to the junior subordinated notes.

Debt repurchases

We or our affiliates may, at any time and from time to time, seek to retire or purchase our outstanding debt, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will be upon such terms and at such prices as we may determine and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

13. Shareholders' Equity

Authorized Shares

At December 31, 2024 and 2023, the total authorized share capital (common and preferred) of the Company was \$200 million.

Common Shares

At December 31, 2024 and 2023, 100 million authorized and issued Class A common shares of \$0.00000001 par value each were owned by Covéa Coopérations.

See Note 16 for discussion of Class C common shares.

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Redeemable Preferred Shares

On March 15, 2021, the Company issued 8,000,000 4.875% Series J fixed rate non-cumulative redeemable preferred shares at a par value of \$1.00 per share and a redemption price of \$200 million. The Company incurred issuance costs directly attributable to the preferred shares of \$6 million. The Series J preferred shares will remain outstanding into perpetuity, unless and until the Company decides to redeem them. The shares are not callable by the Company until March 15, 2026. On and after March 15, 2026, the Series J Preferred Shares will be redeemable at the Company's option, in whole or from time to time in part, at a redemption price equal to \$25 per Series J Preferred Share, plus declared and unpaid dividends. Dividends on the Series J preferred shares are non-cumulative and are payable quarterly in arrears. In the event of liquidation of the Company, the Series J preferred shares rank senior to the common shares and the holders of the preferred shares would receive a distribution of \$25 per share plus any declared but unpaid dividends. The Series J preferred shares were the only preferred shares issued and outstanding at December 31, 2024 and 2023.

14. Dividend Restrictions and Statutory Requirements

The Company's ability to pay common and preferred shareholders' dividends and its corporate expenses is dependent mainly on cash dividends from PartnerRe Bermuda, PartnerRe Europe, PartnerRe U.S., PartnerRe Asia and PartnerRe Canada (collectively, the reinsurance subsidiaries), which are the Company's most significant subsidiaries. The payment of such dividends by the reinsurance subsidiaries to the Company is limited under Bermuda, Irish, Canadian and Singapore laws and certain statutes of various U.S. states in which PartnerRe U.S. is domiciled. The restrictions are generally based on net income and/or certain levels of surplus as determined in accordance with the relevant statutory accounting practices. The Company's dividend policy is to declare and pay a dividend on its common shares at consistent levels each quarter. During 2024, the Company declared and paid common share dividends totaling \$400 million. At December 31, 2024, given the Company complied with its Bermuda solvency requirements, there were no other restrictions on the Company's ability to pay common and preferred shareholders' dividends from its retained earnings, except for the reinsurance subsidiaries' dividend restrictions described below.

The reinsurance subsidiaries are required to file annual statements with insurance regulatory authorities prepared on an accounting basis prescribed or permitted by such authorities (statutory basis), maintain minimum levels of solvency and liquidity and comply with risk-based capital requirements and licensing rules. At December 31, 2024, the reinsurance subsidiaries' solvency, liquidity and risk-based capital amounts were in excess of the minimum levels required. The typical adjustments to insurance statutory basis amounts to convert to U.S. GAAP include the elimination of certain statutory reserves, deferral of certain acquisition costs, recognition of goodwill, intangible assets and deferred income taxes that are limited on a statutory basis, valuation of bonds at fair value, the deferral of gains on retroactive reinsurance on non-life business and presentation of ceded reinsurance balances gross of assumed balances.

PartnerRe Bermuda may declare dividends subject to it continuing to meet its minimum solvency and minimum liquidity ratios, which are to hold statutory capital and surplus equal to or exceeding the Target Capital Level, which is equivalent to 120% of the Enhanced Capital Requirement (ECR) and to maintain a minimum general business liquidity ratio equal to the value of its relevant assets at not less than 75% of the amount of its relevant liabilities. The ECR is calculated with reference to the Bermuda Solvency Capital Requirement (BSCR) model, which is a risk-based capital model. As at December 31, 2024, the maximum dividend that PartnerRe Bermuda can pay without prior regulatory approval is approximately \$1,371 million. The reporting deadline for the annual submission is April 30, 2025.

PartnerRe Europe is subject to the Solvency II European Directive (Solvency II Regulations). The Solvency II Regulations relate to the solvency standards applicable to insurers and reinsurers and lay down, at the level of PartnerRe Europe, the minimum amounts of financial resources required in order to cover the risks to which it is exposed and the principles that should guide its overall risk management and reporting. PartnerRe Europe may declare dividends subject to it continuing to meet its Solvency II requirements, which are to hold available capital, calculated on a Solvency II balance sheet basis, in excess of the Solvency Capital Requirement (SCR). The maximum dividend is limited to "profits available for distribution", which consist of accumulated realized profits less accumulated realized losses. The reporting deadline for the annual Solvency II submission is April 8, 2025.

PartnerRe U.S. may declare dividends subject to it continuing to meet its minimum solvency and capital requirements and is generally limited to paying dividends from earned surplus. In connection with the acquisition by Covéa Coopérations, it was agreed that PartnerRe U.S. would not take action to declare or distribute any dividend for the two year period from July 12, 2022 to July 12, 2024 without the prior approval of the New York State Department of Financial Services. That restriction has now expired and the maximum dividend that can be declared and paid without prior approval is limited to the lesser of adjusted net investment income or 10% of its total statutory capital and surplus as of the most recently filed annual statement. The reporting deadline for the annual filing is March 1, 2025.

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PartnerRe Asia may declare dividends from unappropriated profits subject to meeting the capital requirements, as laid out by the Monetary Authority of Singapore. As a licensed reinsurer, PartnerRe Asia is required to maintain minimum capital of SGD25 million. In addition, PartnerRe Asia is required to establish and maintain separate insurance funds for each class of business that it writes, for both Singapore and offshore policies. The solvency requirement in respect of each insurance fund shall at all times be not less than the total risk requirement of the fund (determined by reference to three components being insurance risks, asset portfolio risks and operational risks) and above 100% of the total risk requirement on a Company basis. The declaration of a dividend by PartnerRe Asia is subject to conditions and requirements being met as specified under the Companies Act and the Insurance Act and its associated regulations. The filing date for the annual submission is March 31, 2025.

PartnerRe Canada may declare dividends subject to it continuing to meet its capital requirements and maintaining adequate and appropriate forms of liquidity in addition to complying with related regulations. Dividends and capital distributions are subject to regulations under the Insurance Companies Act (Canada) and the requirements of the Office of the Superintendent of Financial Institutions (OSFI). The reporting deadline for the annual filing is March 1, 2025.

The statutory financial statements and returns of the Company's reinsurance subsidiaries as at and for the year ended, December 31, 2024 are due to be submitted to the relevant regulatory authorities later in 2025, with different filing dates in each jurisdiction. In certain jurisdictions, the statutory financial statements and returns are subject to the review and final approval of the relevant regulatory authorities. As a result, the comparative figures in the tables below reflect final figures submitted to regulatory authorities for 2023.

The statutory net income (loss) of PartnerRe Bermuda, PartnerRe Europe, PartnerRe U.S., PartnerRe Asia and PartnerRe Canada for the years ended December 31, 2024 and 2023 was as follows (in millions of U.S. dollars):

	2024	2023
PartnerRe Bermuda	\$ 1,397	\$ 1,190
PartnerRe Europe	\$ 107	\$ 383
PartnerRe U.S.	\$ (9)	\$ 220
PartnerRe Asia	\$ 76	\$ 48
PartnerRe Canada	\$ 7	\$ 13

The required and actual statutory capital and surplus of PartnerRe Bermuda, PartnerRe Europe, PartnerRe U.S., PartnerRe Asia and PartnerRe Canada at December 31, 2024 and 2023 was as follows (in millions of U.S. dollars):

	PartnerRe Bermuda ⁽¹⁾		PartnerRe Europe		PartnerRe U.S.		PartnerRe Asia		PartnerRe Canada	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Required statutory capital and surplus	\$ 3,225	\$ 2,813	\$ 1,433	\$ 1,564	\$ 1,567	\$ 1,472	\$ 60	\$ 56	\$ 1,250	\$ 1,221
Actual statutory capital and surplus	\$ 7,639	\$ 7,098	\$ 2,353	\$ 2,971	\$ 2,155	\$ 2,182	\$ 358	\$ 265	\$ 1,573	\$ 1,606

(1) Required statutory capital and surplus is calculated at the Target Capital Level

In addition to the required statutory capital and surplus requirements for the reinsurance subsidiaries in the table above, the Company is required to assess its solvency capital needs both at a PartnerRe Group and subsidiary level. The Company's capital requirements determine the amount of capital available to be declared as dividends to its shareholders. As Group Supervisor of the Company, the Bermuda Monetary Authority (BMA) is tasked with assessing the financial condition of the PartnerRe Group and coordinates the dissemination of information to other relevant authorities for the purpose of assisting in their regulatory functions and the enforcement of regulatory action against the Company or any of its subsidiaries, including the power to impose restrictions on the ability of the relevant subsidiaries to declare dividends to the Company and the ability of the Company to pay dividends to shareholders. In addition, the Company is required to maintain the Group ECR imposed by the BMA under Bermuda law. The Company is currently completing the 2024 PartnerRe Group BSCR, which must be filed with the BMA on or before May 31, 2025 and at this time, we expect we will exceed the ECR.

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15. Taxation

The Company and its Bermuda domiciled subsidiaries are not subject to Bermuda income or profit tax, withholding tax, capital gains tax or capital transfer tax in Bermuda for the years ended December 31, 2024 and 2023, under current Bermuda law. However, on December 27, 2023, Bermuda enacted the Corporate Income Tax Act 2023 (the CIT Act). Entities subject to tax under the CIT Act are the Bermuda constituent entities of multi-national groups. A multi-national group is defined under the CIT Act as a group with entities in more than one jurisdiction with consolidated revenues of at least €750 million for two of the four previous fiscal years. If Bermuda constituent entities of a multi-national group are subject to tax under the CIT Act, such tax is charged at a rate of 15 percent of the net income of such constituent entities (as determined in accordance with the CIT Act, after adjusting for any relevant foreign tax credits applicable to the Bermuda constituent entities). No tax is chargeable under the CIT Act until tax years starting on or after January 1, 2025. The CIT Act also includes a provision referred to as the economic transition adjustment, which is intended to provide a fair and equitable transition into the tax regime and results in a deferred tax benefit for the Company. Pursuant to this legislation, as at December 31, 2023, the Company estimated a \$487 million deferred tax asset in relation to the economic transition adjustment and a \$55 million deferred tax liability in relation to the future tax impact of temporary differences between book and tax value. As at December 31, 2024, the deferred tax liability increased to \$65 million. Most of the net \$422 million deferred tax asset is expected to be utilized predominantly over a 10-year period.

The Company has subsidiaries and branches that operate in various other jurisdictions around the world that are subject to tax in the jurisdictions in which they operate. The significant jurisdictions in which the Company's subsidiaries and branches are subject to tax are Canada, France, Hong Kong, Ireland, Singapore, Switzerland, United Kingdom and the U.S. A number of these jurisdictions have enacted legislation implementing qualified domestic minimum top-up tax rules which became effective on January 1, 2024. Some other jurisdictions have adopted similar legislation which becomes effective January 1, 2025.

Income tax returns are open for examination for the tax years 2018-2024 in the U.S and Hong Kong; 2020-2024 in Canada, Ireland, Singapore and United Kingdom; 2021-2024 in Switzerland; and 2023-2024 in France. As a global organization, the Company may be subject to a variety of transfer pricing or permanent establishment challenges by taxing authorities in various jurisdictions. While management believes that adequate provision has been made in the Consolidated Financial Statements for any potential assessments that may result from tax examinations for all open tax years, the completion of tax examinations for open years may result in changes to the amounts recognized in the Consolidated Financial Statements.

Income tax expense (benefit) for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
Current income tax expense		
U.S.	\$ 12,641	\$ 40,840
Non U.S.	29,226	11,621
Total current income tax expense	\$ 41,867	\$ 52,461
Deferred income tax expense (benefit)		
U.S.	\$ (7,083)	\$ 8,048
Non U.S.	46,481	(390,065)
Total deferred income tax expense (benefit)	\$ 39,398	\$ (382,017)
Unrecognized tax (benefit) expense		
U.S.	\$ —	\$ —
Non U.S.	(1,851)	1,632
Total unrecognized tax (benefit) expense	\$ (1,851)	\$ 1,632
Total income tax expense (benefit)		
U.S.	\$ 5,558	\$ 48,888
Non U.S.	73,856	(376,812)
Total income tax expense (benefit)	\$ 79,414	\$ (327,924)

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A reconciliation of the actual income tax rate to the amount computed by applying the effective tax rate of 0% under Bermuda (the Company's domicile) law to income before taxes was as follows for the years ended December 31, 2024 and 2023 (in thousands of U.S. dollars):

	2024	2023
Reconciliation of effective tax rate (% of income before taxes)		
Expected tax rate	0.0 %	0.0 %
Foreign taxes at local expected tax rates	3.7	12.4
Impact of foreign exchange gains or losses	1.1	(1.1)
Unrecognized tax (benefit) expense	(0.1)	0.1
Tax-exempt income and expenses not deductible	(0.3)	(3.8)
Foreign branch tax	0.2	2.0
Valuation allowance	0.2	(4.3)
Tax legislation change	—	(21.9)
Other	0.4	0.1
Actual tax rate	5.2 %	(16.5)%

Following the enactment in 2023 of the CIT Act, a net \$432 million deferred tax asset was recorded in 2023 as described in further detail above. This had a 21.9 point reduction on the effective tax rate in 2023 and is included within the Tax legislation change line in the table above. During 2024 this net deferred tax asset decreased to \$422 million.

The components of net tax assets and liabilities at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	December 31, 2024	December 31, 2023
Net tax assets	\$ 589,024	\$ 563,368
Net tax liabilities	(115,525)	(57,584)
Net tax assets	\$ 473,499	\$ 505,784
	December 31, 2024	December 31, 2023
Net current tax assets	\$ 111,128	\$ 109,538
Net deferred tax assets	372,396	408,884
Net unrecognized tax benefit	(10,025)	(12,638)
Net tax assets	\$ 473,499	\$ 505,784

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Deferred tax assets and liabilities reflect the tax impact of temporary differences between the carrying amounts of assets and liabilities for financial reporting and income tax purposes. Significant components of the net deferred tax assets and liabilities at December 31, 2024 and 2023 were as follows (in thousands of U.S. dollars):

	December 31, 2024	December 31, 2023
Deferred tax assets		
Foreign tax credit carryforwards	\$ 169,527	\$ 176,904
Tax loss carryforwards	117,389	104,546
Unearned premiums	37,094	44,878
Coinsurance funds held	7,533	6,237
Unrealized depreciation and timing differences on investments	69,343	96,108
Bermuda economic transition adjustment	487,265	487,265
Other deferred tax assets	35,538	45,019
	<u>\$ 923,689</u>	<u>\$ 960,957</u>
Valuation allowance	(316,959)	(325,150)
Deferred tax assets	\$ 606,730	\$ 635,807
Deferred tax liabilities		
Deferred acquisition costs	\$ 78,759	\$ 94,144
Goodwill and other intangibles	63,349	55,067
Coinsurance reserves	17,923	16,065
Discounting of loss reserves and adjustment to life policy reserves	25,903	44,406
Equalization reserves	16,238	13,732
Unrealized appreciation and timing differences on foreign exchange revaluations	27,825	—
Other deferred tax liabilities	4,337	3,509
Deferred tax liabilities	\$ 234,334	\$ 226,923
Net deferred tax assets	\$ 372,396	\$ 408,884

Realization of deferred tax assets is dependent on generating sufficient taxable income in future periods. Although realization is not assured, management believes that it is more likely than not that the deferred tax assets will be realized. The valuation allowance recorded at December 31, 2024 primarily relates to a foreign tax credit carryforward of \$169 million in Ireland, a net unrealized investment loss position in the United States generating a deferred tax asset of \$114 million and net deferred tax assets of \$21 million in the United States. The valuation allowance recorded at December 31, 2023 relates to a foreign tax credit carryforward of \$177 million in Ireland, a net unrealized investment loss position in the United States generating a deferred tax asset of \$114 million and net deferred tax assets of \$32 million in the United States.

At December 31, 2024, the deferred tax assets included \$27 million in aggregate tax loss carryforwards (after valuation allowance) including: \$14 million in Canada, \$6 million in Singapore, \$4 million in Switzerland, \$2 million in the United States and \$1 million in the United Kingdom. At December 31, 2023, the deferred tax assets included \$27 million in aggregate tax loss carryforwards (after valuation allowance) including: \$15 million in Singapore, \$6 million in the United Kingdom, \$3 million in Switzerland and \$3 million in the United States. The loss carryforwards at both December 31, 2024 and December 31, 2023 can be carried forward for an unlimited period of time except Canada which is limited to twenty years and Switzerland which is limited to seven years.

The total amount of unrecognized tax benefits for the years ended December 31, 2024 and 2023 was as follows (in thousands of U.S. dollars):

	2024	2023
Balance at January 1	\$ 12,638	\$ 10,709
Changes in tax positions taken during a prior year	2,779	4,773
Settlements	(4,630)	(2,547)
Impact of the change in foreign currency exchange rates	(762)	(297)
Balance at December 31	\$ 10,025	\$ 12,638

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For the years ended December 31, 2024 and 2023, there were no new uncertain tax positions taken. For the years ended December 31, 2024 and 2023, there were no unrecognized tax benefits that, if recognized, would create a temporary difference between the reported amount of an item in the Company's Consolidated Balance Sheets and its tax basis. The Company recognizes interest and penalties as Income tax expense (benefit) in the Consolidated Statements of Operations.

At December 31, 2024, none of the unrecognized tax benefits are expected to reverse within twelve months.

16. Share-Based Incentives

The Company is authorized to issue Class C common shares and restricted share units to certain executives and directors of the Company.

Class C Shares and Restricted Share Unit Plan

During 2021, the Company designated a new class of voting Class C shares and also adopted a related restricted share unit plan and French sub-plan which provides for the award of restricted share units to certain executives of the Company (each a "Participant"). Effective January 1, 2024, the Company's Board of Directors approved the Second Amended and Restated 2021 RSU Plan and the Amended and Restated PartnerRe Restricted Stock Units Sub Plan 2021 for French Participants (collectively the RSU Plan).

Grants under the RSU Plan are split evenly between restricted share units and performance share units (collectively referred to as RSUs) which are adjusted for personal performance (range of 75% to 125% of target) and Company performance (range of 50% to 150% of target), respectively, after one year following the date of grant. RSUs are generally granted on March 1 of a given year and the target number of RSUs initially granted is generally determined based on a long-term incentive (LTI) target award amount divided by the latest U.S. GAAP book value (or common shareholder's equity) per share published as of December 31.

The RSUs are granted at \$nil consideration and cliff vest after a three year vesting period from the date of grant, in accordance with the terms set out in the RSU Agreement and the RSU Plan provided to the Participant. An acceleration of the vesting period will occur under certain circumstances, including death or permanent disability of the Participant or change of control for the Company. Notwithstanding these provisions, the Company's Board of Directors has authority to accelerate the vesting period at its own discretion. The RSUs are eligible for imputed dividends which are subject to the same forfeiture provisions as the related RSUs. RSUs do not entitle the holder to any voting rights for the Company. RSUs are settled in unrestricted Class C shares following the vesting date.

Class C shares can also be purchased by or granted to certain executives or non-executive directors of the Company, provided requisite approvals have been granted, at the discretion of the Company's Board of Directors. Purchases of Class C shares are based on the latest U.S. GAAP book value as of the applicable valuation date.

Unrestricted Class C shares can be sold back to the Company at a redemption price based on the Company's U.S. GAAP book value per share as of the applicable valuation date, at the discretion of the Company as further defined in the RSU Agreement and RSU Plan. The RSU Plan requires that the Participant can only sell Class C shares back to the Company provided that the Participant at a minimum holds cumulative Class C shares and RSUs in the lesser amount of (i) two times their gross annual LTI target value or (ii) \$1,000,000, unless otherwise agreed (the "Minimum Holding Requirement").

Summary of Activity

Restricted Class C shares and RSUs granted are recognized at fair value over the requisite service period. The Company has elected to recognize forfeitures as they occur rather than estimating service-based forfeitures over the requisite service period.

Included in Accounts payable, accrued expenses and other in the Consolidated Balance Sheets at December 31, 2024 and 2023 was a liability of \$30 million and \$27 million, respectively, for Class C shares and RSUs. The compensation expense related to Class C shares and RSUs for the years ended December 31, 2024 and 2023 was \$14 million and \$21 million, respectively, included in Other expenses in the Company's Consolidated Statements of Operations.

As of December 31, 2024, there was \$13 million of total unrecognized compensation cost related to RSUs, which will be recognized on a weighted average basis during the next 1.8 years.

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The following tables provide activity summaries of the Company's Class C shares and RSUs outstanding:

	RSUs ⁽¹⁾
Outstanding December 31, 2022	265,805
Forfeitures	(29,044)
Vested	(42,838)
Granted	222,093
Outstanding December 31, 2023	416,016
Forfeitures	(22,743)
Vested	(94,641)
Granted	138,649
Outstanding December 31, 2024	437,281

(1) For RSUs, the number of grants in the table are shown at the maximum number that can be attained if the performance conditions are fully met for personal and Company performance. Grants falling below the maximum attainable as a result of not fully meeting the performance conditions are included within forfeitures.

	Restricted Class C shares	Unrestricted Class C shares	Total Class C shares
Outstanding December 31, 2022	7,666	—	7,666
Granted	7,722	—	7,722
RSUs and imputed dividends settled in Class C shares	—	44,459	44,459
Outstanding December 31, 2023	15,388	44,459	59,847
Granted	6,057	—	6,057
Repurchased	—	(44,077)	(44,077)
RSUs and imputed dividends settled in Class C shares	—	17,655	17,655
Outstanding December 31, 2024	21,445	18,037	39,482

17. Retirement Benefit Arrangements

For employee retirement benefits, the Company maintains certain defined contribution plans and other active and frozen defined benefit plans.

Defined Contribution Plans

Contributions are made by the Company and, in some locations, these contributions are supplemented by the local plan participants. Contributions are based on a percentage of the participant's base salary depending upon competitive local market practice and vesting provisions meeting legal compliance standards and market trends. The accumulated benefits for the majority of these plans vest immediately or over a period of up to four years. As required by law, certain retirement plans also provide for death and disability benefits and lump sum indemnities to employees upon retirement.

The Company incurred expenses for these defined contribution arrangements of \$16 million and \$14 million for the years ended December 31, 2024 and 2023, respectively, included within Other expenses in the Company's Consolidated Statements of Operations.

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Active Defined Benefit Plan

The majority of the defined benefit obligation at December 31, 2024 relates to a hybrid plan accounted for as a defined benefit plan under U.S. GAAP for the Company's Zurich office employees (the Zurich Plan).

At December 31, 2024 and 2023, the funded status of the Zurich Plan was as follows (in thousands of U.S. dollars):

	2024	2023
Underfunded pension obligation at beginning of year	\$ 23,797	\$ 9,538
Change in pension obligation		
Service cost	\$ 7,953	\$ 7,300
Interest cost	2,558	3,707
Plan participants' contributions	4,383	4,194
Actuarial losses	12,038	18,002
Plan amendments	—	(2,606)
Benefits paid	7,543	1,775
Foreign currency adjustments	(15,255)	18,500
Settlements	(19,763)	(13,064)
Change in pension obligation	\$ (543)	\$ 37,808
Change in fair value of plan assets		
Actual return on plan assets	\$ 15,091	\$ 5,590
Employer contributions	8,948	8,396
Plan participants' contributions	4,383	4,194
Benefits paid	7,543	1,775
Foreign currency adjustments	(13,668)	16,658
Settlements	(19,763)	(13,064)
Change in fair value of plan assets	\$ 2,534	\$ 23,549
Underfunded pension obligation at end of year	\$ 20,720	\$ 23,797
Additional information:		
Projected benefit obligation at end of year ⁽¹⁾	\$ 206,793	\$ 207,336
Fair value of plan assets at end of year	\$ 186,073	\$ 183,539
Underfunded pension obligation at end of year	\$ 20,720	\$ 23,797
Accumulated pension obligation at end of year ⁽²⁾	\$ 198,331	\$ 200,462

(1) Represents the actuarial present value of all benefits attributed to employee service rendered to December 31, measured using assumptions as to future compensation levels

(2) Represents the actuarial present value of benefits (whether vested or non-vested) attributed to employee service rendered and compensation to December 31, with no assumption about future compensation levels

At December 31, 2024 and 2023, the underfunded pension obligation of \$21 million and \$24 million, respectively, was included in Accounts payable, accrued expenses and other in the Consolidated Balance Sheets. The amounts included in Accumulated other comprehensive (loss) income at December 31, 2024 and 2023 were cumulative losses of \$11 million (net of \$3 million of taxes) and \$8 million (net of \$2 million of taxes), respectively.

The net periodic benefit cost reported in Other expenses in the Consolidated Statements of Operations for the years ended December 31, 2024 and 2023 was \$2 million and \$3 million, respectively.

The projected benefit obligation decreased by \$1 million during 2024, primarily due to settlements of \$20 million and foreign currency adjustments of \$15 million due to the weakening in the value of the Swiss Franc versus the U.S. dollar during the year, partially offset by actuarial losses of \$12 million due to an update of actuarial assumptions to reflect a decline in discount rates, service costs of \$8 million and benefits paid of \$8 million. This was further impacted by increases of the fair value of plan assets of \$3 million, driven by actual return on plan assets of \$15 million, employer contributions of \$9 million and benefits paid of \$8

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million, partially offset by settlements of \$20 million and foreign currency adjustments of \$14 million. In 2023, the increase in the projected benefit obligation was primarily due to an update of actuarial assumptions of \$18 million to reflect a decline in discount rates and foreign currency adjustments of \$19 million due to the strengthening in the value of the Swiss Franc versus the U.S. dollar during the year, partially offset by settlements of \$13 million. This was offset by increases of the fair value of plan assets of \$24 million, driven by foreign currency adjustments of \$17 million and employer contributions of \$8 million, partially offset by settlements of \$13 million.

The investment strategy for the plan is to achieve a consistent long-term return, which will provide sufficient funding for future pension obligations while limiting risk. The expected long-term rate of return on plan assets is based on the expected asset allocation and assumptions concerning long-term interest rates, inflation rates and risk premiums for equities above the risk-free rates of return. These assumptions take into consideration historical long-term rates of return for the relevant asset categories. The investment strategy is reviewed regularly.

The Zurich Plan is a partially insured scheme participating in a single investment pool under the pension provider. As at December 31, 2024 and 2023, the coverage ratio was 110% and 103%, respectively, based on the performance of the assets. The fair value of the Zurich Plan's assets, comprised of an investment pool of funds and including cash, at December 31, 2024 and 2023 was \$186 million and \$184 million, respectively. The partially insured funds comprise the accumulated pension plan contributions and investment returns thereon. The majority of these funds meet the definition of Level 2 inputs of the fair value hierarchy as defined in Note 3(a). The actual return on plan assets for the years ended December 31, 2024 and 2023 was a gain of \$15 million and \$6 million, respectively.

The assumptions used to determine the Zurich Plan's pension obligation and net periodic benefit cost for the years ended December 31, 2024 and 2023 were as follows:

	2024		2023	
	Pension obligation	Net periodic benefit cost	Pension obligation	Net periodic benefit cost
Discount rate	0.95 %	1.30 %	1.30 %	2.20 %
Interest crediting rate	2.00 %	1.30 %	1.30 %	2.20 %
Expected long-term return on plan assets	—	4.75 %	—	5.00 %
Rate of compensation increase	2.00 %	2.25 %	2.25 %	2.25 %

At December 31, 2024, estimated employer contributions to be paid in 2025 related to the Zurich Plan were \$9 million and future benefit payments were estimated to be paid as follows (in thousands of U.S. dollars):

Year	Amount
2025	\$ 12,593
2026	\$ 11,390
2027	\$ 11,022
2028	\$ 10,893
2029	\$ 10,496
2030 to 2034	\$ 54,630

18. Commitments and Contingencies

(a) Concentration of Credit Risk

Fixed maturities

The Company's investment portfolio is managed following prudent standards of diversification and a prudent investment philosophy. The Company is not exposed to any significant credit concentration risk on its investments, except for debt securities issued by the U.S. government and government sponsored enterprises and other highly rated non-U.S. sovereign governments' securities. At December 31, 2024 and 2023, other than the U.S. government and U.S. government sponsored enterprises, the Company's fixed maturity investment portfolio did not contain exposure to any non-U.S. sovereign government or any other issuer that accounted for more than 10% of the Company's shareholders' equity. The Company keeps cash and cash equivalents in several banks and ensures that there are no significant concentrations of credit risk in any one bank.

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Derivatives

The Company's investment strategy allows for the use of derivative instruments, subject to strict limitations. Derivative instruments may be used to replicate investment positions and for the purpose of managing overall currency risk, market exposures and portfolio duration, for hedging certain investments, or for enhancing investment performance that would be allowed under the Company's investment policy if implemented in other ways. The Company is exposed to credit risk in the event of non-performance by the counterparties to the Company's derivative contracts. However, the Company diversifies the counterparties to its derivative contracts to reduce credit risk and because the counterparties to these contracts are high credit quality international banks, the Company does not anticipate non-performance. These contracts are generally of short duration and settle on a net basis. The difference between the contract amounts and the related market value represents the Company's maximum credit exposure.

Underwriting operations

The Company is also exposed to credit risk in its underwriting operations, most notably in the financial risks line. Loss experience in these lines of business is cyclical and is affected by the state of the general economic environment. The Company provides its clients in these lines of business with reinsurance protection against credit deterioration, defaults or other types of financial non-performance of or by the underlying credits that are the subject of the reinsurance provided and, accordingly, the Company is exposed to the credit risk of those credits. The Company mitigates the risks associated with these credit-sensitive lines of business through the use of risk management techniques such as risk diversification, careful monitoring of risk aggregations and accumulations and, at times, through the use of retrocessional reinsurance protection and the purchase of credit default, total return and interest rate swaps.

The Company has exposure to credit risk as it relates to its business written through brokers, if any of the Company's brokers is unable to fulfill their contractual obligations with respect to payments to the Company. In addition, in some jurisdictions, if the broker fails to make payments to the insured under the Company's policy, the Company might remain liable to the insured for the deficiency. The Company's exposure to such credit risk is somewhat mitigated in certain jurisdictions by contractual terms.

The Company has exposure to credit risk related to reinsurance balances receivable, reinsurance recoverable on paid and unpaid losses, funds held by reinsured companies and deposit assets. The credit risk exposure related to these balances is mitigated by several factors, including but not limited to, credit checks performed as part of the underwriting process, monitoring of aged receivable balances and, in certain cases, the contractual right to offset amounts payable by the Company to the counterparty against amounts due to the Company from the counterparty.

In assessing future default for reinsurance balances receivable, the Company evaluates the valuation allowance under the loss rate method and utilizes historic loss activity, adjusted for its assessment of current market conditions and reasonable and supportable forecasts on loss rates. At December 31, 2024 and 2023, the Company's allowance for credit losses for its reinsurance balances receivable was \$11 million. In assessing an allowance for funds held by reinsured companies and deposit assets, the Company considers historical information and the financial strength and credit ratings of counterparties to determine the appropriateness of the allowance. In assessing future default for these balances, the Company evaluates the valuation allowance under the probability of default and loss given default method and utilizes counterparty credit ratings from major rating agencies, as well as assessing the current market conditions and reasonable and supportable forecasts for the likelihood of default. At December 31, 2024 and 2023, the Company's allowance for credit losses was \$4 million for funds held by reinsured companies. At December 31, 2024 and 2023, the Company's allowance for deposit assets was \$nil and \$1 million, respectively. See Note 11 for discussion of credit risk related to reinsurance recoverable on paid and unpaid losses.

(b) Lease Arrangements

The Company leases office space under operating leases expiring in various years through 2038. At the lease commencement, the Company determines the classification of each lease as either a finance lease or an operating lease. The Company currently only has leases classified as operating and the lease expense is recognized on a straight-line basis over the lease term. Operating lease right-of-use assets and operating lease liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term. Variable lease payments are excluded from these lease payments to the extent they are not based on consumer price index or a market index and are recognized in the period in which the obligation for those payments is incurred.

Many of the Company's lease terms include options to extend or terminate the lease at the discretion of the Company and are reflected in the lease measurement only if the Company is reasonably certain of exercising those options. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

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The Company has lease agreements with lease and non-lease components, such as common-area maintenance costs. The Company has elected the practical expedient to account for lease components together with non-lease components as a single lease component for all real estate leases.

As most leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments.

The following table summarizes the balances related to the Company's total lease expense and provides supplemental other information related to operating leases for the years ended December 31, 2024 and 2023 (in thousands of U.S. dollars):

	2024	2023
Operating lease costs	\$ 13,182	\$ 13,478
Variable lease costs	1,556	1,660
Sublease income	(148)	(140)
Total lease costs	\$ 14,590	\$ 14,998
Other information:		
Operating lease right-of-use assets ⁽¹⁾	\$ 63,706	\$ 68,400
Operating lease liabilities ⁽²⁾	\$ 70,760	\$ 78,881
Operating lease right-of-use assets obtained in exchange for lease obligations, non-cash	\$ 9,192	\$ 6,517
Operating cash outflows from operating leases	\$ 14,966	\$ 13,834
Weighted-average remaining lease term on operating leases ⁽³⁾	7.0 Yrs	7.4 Yrs
Weighted-average discount rate on operating leases ⁽⁴⁾	2.8 %	2.5 %

(1) Included in Other assets in the Consolidated Balance Sheets

(2) Included in Accounts payable, accrued expenses and other in the Consolidated Balance Sheets

(3) Weighted-average remaining lease term is calculated on the basis of the remaining lease term and the lease liability balance for each lease as of the reporting date

(4) Weighted-average discount rate is calculated on the basis of the discount rate for the lease that was used to calculate the lease liability balance for each lease as of the reporting date and the remaining balance of the lease payments for each lease as of the reporting date

The following table shows the contractual maturities of the Company's operating lease liabilities at December 31, 2024 (in thousands of U.S. dollars):

Year	Expected cash flows
2025	\$ 14,909
2026	14,830
2027	13,594
2028	9,306
2029	5,826
2030 to 2038	19,097
Discount	(6,802)
Total discounted operating lease liabilities	\$ 70,760

The Company has additional lease commitments of \$1 million related to a lease that will not commence until 2025, with a contractual lease term of 10 years. As this lease has not yet commenced, the related commitment is not included in the maturity table above or in the Consolidated Balance Sheets at December 31, 2024.

(c) Other Agreements

The Company has entered into maintenance agreements and service agreements that provide for business and information technology support and computer equipment. Future payments under these contracts amount to \$47 million, with \$25 million and \$10 million to be paid during 2025 and 2026, respectively, and the remainder to be paid through to 2029.

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The Company has entered into certain investments, including investments in VIEs (see Note 4(e)), with unfunded capital commitments. As of December 31, 2024, the Company expects to fund capital commitments totaling \$335 million with \$227 million, \$80 million, \$13 million, \$8 million and \$7 million expected to be paid during 2025, 2026, 2027, 2028 and 2029, respectively.

In exchange for a fee, the Company has committed to provide statutory reserve support to a third party by funding loans if certain events occur. At December 31, 2024, the Company does not believe that it will be required to provide any funding under this commitment, as the occurrence of the defined events is considered remote.

(d) Legal Proceedings

Litigation

The Company's reinsurance subsidiaries and the insurance and reinsurance industry in general, are subject to litigation and arbitration in the normal course of their business operations. In addition to claims litigation and disputes, the Company and its subsidiaries may be subject to lawsuits and regulatory actions in the normal course of business that do not arise from or directly relate to claims on reinsurance contracts. While the outcome of any such litigation cannot be predicted with certainty, the Company will dispute all allegations against the Company and/or its subsidiaries that management believes are without merit.

At December 31, 2024, the Company was not a party to any litigation or arbitration that it believes could have a material adverse effect on the financial condition, results of operations or liquidity of the Company.

19. Credit Agreements

In the normal course of its operations, the Company enters into agreements with financial institutions to obtain unsecured and secured letter of credit facilities. At December 31, 2024, the total amount of such credit facilities available to the Company was approximately \$1,137 million with the significant facilities as follows:

- \$400 million combined credit facility, with the first \$100 million being unsecured and any further utilization secured. This credit facility matures each year on October 23 and automatically extends for a further year, unless canceled by either counterparty.
- \$225 million secured and committed credit facility that matures on November 25, 2027.
- \$200 million secured credit facility, that matures each year on December 21 and automatically extends for a further year unless canceled by either counterparty.
- \$175 million unsecured and committed credit facility, that matures on December 19, 2026.
- \$135 million secured credit facility related to issued letters of credit, that had not yet expired under facilities that matured on December 31, 2024.

Under the terms of certain reinsurance agreements, irrevocable letters of credit were issued for a total of \$95 million on an unsecured basis and \$430 million on a secured basis at December 31, 2024 in respect of losses and unearned premium reserves. The committed secured credit facilities maintained by the Company are used for the issuance of letters of credit which must be fully secured with either cash, government bonds and/or investment grade bonds.

The agreements include default covenants, which could require the Company to fully secure the outstanding letters of credit to the extent that the facility is not already fully secured and/or result in the Company not being allowed to issue any new letters of credit.

At December 31, 2024, no conditions of default existed under these facilities.

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Notes to Consolidated Financial Statements

20. Related Party Transactions

The transactions between related parties discussed below were entered into at arm's-length.

(a) Transactions with Covéa Group

Covéa Coopérations is part of the Covéa Group, which meets the definition of a related party. In this context, the Covéa Group covers Covéa (the parent company of the Covéa Group, whose legal form is SGAM, i.e. a mutual insurance group company), its affiliated mutual companies, Covéa Coopérations and their subsidiaries and affiliates included in their consolidated financial statements.

During 2024, the Company declared and paid to the Covéa Coopérations common share dividends totaling \$400 million. During 2023, \$200 million common share dividends were declared and paid to Covéa Coopérations. In addition to the common share dividends, a deemed dividend of \$18 million was paid to Covéa Coopérations during 2023 related to the Company acquiring renewal rights associated with an identified set of reinsurance treaties written by Covéa Coopérations. The Company is providing run-off services to Covéa Coopérations for the related in-force business until the natural expiry of those policies. For the years ended December 31, 2024 and 2023, the Company earned \$4 million and \$3 million, respectively, related to services provided.

In the normal course of its underwriting activities, the Company entered into assumed reinsurance agreements with certain affiliates of the Covéa Group.

Effective July 1, 2024, the Company entered into a consulting services agreement with Covéa Coopérations regarding advisory services related to certain real estate investments. The Company incurred approximately \$1 million for services received in 2024.

Included in the Consolidated Statements of Operations for the years ended December 31, 2024 and 2023 were the following transactions related to the Covéa Group (in thousands of U.S. dollars):

	2024	2023
Gross premiums written	\$ 64,463	\$ 10,759
Net premiums written	\$ 64,463	\$ 10,759
(Increase) decrease in unearned premiums	\$ (119)	\$ 305
Net premiums earned	\$ 64,344	\$ 11,064
Losses and loss expenses	\$ 73,938	\$ 21,697
Acquisition costs	\$ 5,606	\$ 33

Included in the Consolidated Balance Sheets at December 31, 2024 and 2023 were the following balances related to the Covéa Group (in thousands of U.S. dollars):

	2024	2023
Reinsurance balances receivable	\$ 58,750	\$ 3,781
Funds held by reinsured companies	\$ 423	\$ —
Non-life reserves	\$ 94,719	\$ 107,736
Life and health reserves	\$ 54,457	\$ 5,798
Unearned premiums	\$ 454	\$ 335
Other reinsurance balances payable	\$ 747	\$ 206

(b) Other

In the normal course of its underwriting activities, the Company has entered into reinsurance agreements with companies affiliated with the Company. Refer to Note 11 for further details.

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Notes to Consolidated Financial Statements

21. Segment Information

The Company monitors the performance of its operations in three segments: Property and Casualty (P&C), Specialty and Life and Health. The business in the P&C and Specialty segments is collectively referred to as Non-life business. P&C, Specialty and Life and Health each separately represent markets that are reasonably homogeneous in terms of client types, buying patterns, underlying risk patterns and approach to risk management.

The P&C segment is comprised of property and casualty business underwritten, including property catastrophe, facultative and U.S. health risks. The Specialty segment is comprised of specialty business underwritten, including treaty and facultative contracts. The Life and Health segment is comprised of mortality, morbidity, longevity and financial reinsurance solutions businesses.

Non-life business and the Life and Health segment each have executive leaders who are responsible for the overall performance of their respective segments and who are directly accountable to the Company's chief operating decision maker (CODM), the chief executive officer. The CODM is ultimately responsible for reviewing the business to assess performance, make operating decisions and allocate resources. The Company reports the results of its operations consistent with the manner in which the CODM reviews the business.

Management, which includes the CODM, measures results for the P&C and Specialty segments on the basis of the loss ratio, acquisition ratio, technical ratio, other expense ratio and combined ratio (all defined below). Management measures results for the Life and Health segment on the basis of the net allocated underwriting result, which includes underwriting result and net investment income allocated to life business. Following the appointment of a new CODM in 2024 and changes in the segment information provided to the CODM, certain Other expenses previously classified under Corporate and Other have been reallocated across segments. Comparative figures for the prior year have been recast accordingly.

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Notes to Consolidated Financial Statements

The segment results for the years ended December 31, 2024 and 2023 are presented below (in millions of U.S. dollars, except ratios).

Segment Information
For the year ended December 31, 2024

	P&C segment	Specialty segment	Total Non-life	Life and Health segment	Corporate and Other	Total
Gross premiums written	\$ 4,624	\$ 2,218	\$ 6,842	\$ 2,503	\$ —	\$ 9,345
Net premiums written	\$ 3,591	\$ 1,901	\$ 5,492	\$ 2,449	\$ —	\$ 7,941
Decrease (increase) in unearned premiums	191	(11)	180	—	—	180
Net premiums earned	\$ 3,782	\$ 1,890	\$ 5,672	\$ 2,449	\$ —	\$ 8,121
Losses and loss expenses	(2,552)	(970)	(3,522)	(2,089)	—	(5,611)
Acquisition costs	(835)	(517)	(1,352)	(166)	—	(1,518)
Technical result	\$ 395	\$ 403	\$ 798	\$ 194	\$ —	\$ 992
Other income	—	—	—	54	1	55
Other expenses	(194)	(72)	(266)	(152)	(37)	(455)
Underwriting result	\$ 201	\$ 331	\$ 532	\$ 96	n/a	\$ 592
Net investment income				94	679	773
Net allocated underwriting result				\$ 190	n/a	n/a
Market risk benefit gains					7	7
Net realized and unrealized investment gains					179	179
Interest expense					(56)	(56)
Amortization of intangible assets					(9)	(9)
Net foreign exchange gains					72	72
Income tax expense					(79)	(79)
Interest in losses of equity method investments					(38)	(38)
Net income					n/a	<u>\$ 1,441</u>
Loss ratio ⁽¹⁾	67.5 %	51.3 %	62.1 %			
Acquisition ratio ⁽⁴⁾	22.1	27.4	23.8			
Technical ratio ⁽³⁾	89.6 %	78.7 %	85.9 %			
Other expense ratio ⁽⁴⁾	5.1	3.8	4.7			
Combined ratio ⁽⁵⁾	<u>94.7 %</u>	<u>82.5 %</u>	<u>90.6 %</u>			

n/a: Not applicable

(1) Loss ratio is obtained by dividing losses and loss expenses by net premiums earned.

(2) Acquisition ratio is obtained by dividing acquisition costs by net premiums earned.

(3) Technical ratio is defined as the sum of the loss ratio and the acquisition ratio.

(4) Other expense ratio is obtained by dividing other expenses by net premiums earned.

(5) Combined ratio is defined as the sum of the technical ratio and the other expense ratio.

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Segment Information
For the year ended December 31, 2023

	P&C segment	Specialty segment	Total Non-life	Life and Health segment	Corporate and Other	Total
Gross premiums written	\$ 4,771	\$ 2,223	\$ 6,994	\$ 2,108	\$ —	\$ 9,102
Net premiums written	\$ 3,909	\$ 1,939	\$ 5,848	\$ 2,081	\$ —	\$ 7,929
Decrease (increase) in unearned premiums	37	(47)	(10)	—	—	(10)
Net premiums earned	\$ 3,946	\$ 1,892	\$ 5,838	\$ 2,081	\$ —	\$ 7,919
Losses and loss expenses	(2,196)	(986)	(3,182)	(1,808)	—	(4,990)
Acquisition costs	(960)	(494)	(1,454)	(109)	—	(1,563)
Technical result	\$ 790	\$ 412	\$ 1,202	\$ 164	\$ —	\$ 1,366
Other income	—	—	—	40	1	41
Other expenses ⁽¹⁾	(167)	(69)	(236)	(154)	(73)	(463)
Underwriting result	\$ 623	\$ 343	\$ 966	\$ 50	n/a	\$ 944
Net investment income				73	573	646
Net allocated underwriting result				\$ 123	n/a	n/a
Market risk benefit gains					7	7
Net realized and unrealized investment gains					517	517
Interest expense					(58)	(58)
Amortization of intangible assets					(8)	(8)
Net foreign exchange losses					(43)	(43)
Income tax benefit					328	328
Interest in losses of equity method investments					(15)	(15)
Net income					n/a	<u>\$ 2,318</u>
Loss ratio	55.7 %	52.1 %	54.5 %			
Acquisition ratio	24.3	26.1	24.9			
Technical ratio	80.0 %	78.2 %	79.4 %			
Other expense ratio	4.2	3.6	4.0			
Combined ratio	<u>84.2 %</u>	<u>81.8 %</u>	<u>83.4 %</u>			

(1) Allocation of other expenses across segments has been revised in 2024 under the new CODM. The comparative disclosures as of December 31, 2023 have been recast to align with the methodology at December 31, 2024.

The following table provides the geographic distribution of gross premiums written by region for the years ended December 31, 2024 and 2023 (in millions of U.S. dollars, except percentages):

	2024		2023	
North America	\$ 5,015	54 %	\$ 5,089	56 %
Europe	3,087	33	2,916	32
Asia, Australia and New Zealand	857	9	744	8
Latin America and the Caribbean	271	3	249	3
Middle East, Africa and Other	115	1	104	1
Total	<u>\$ 9,345</u>	<u>100 %</u>	<u>\$ 9,102</u>	<u>100 %</u>

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The following table provides the gross premiums written by segment and line of business for the years ended December 31, 2024 and 2023 (in millions of U.S. dollars):

	2024	2023
P&C		
Casualty	\$ 1,972	\$ 2,391
Catastrophe	1,244	1,077
Property	804	783
U.S. health	390	355
Multiline and other	136	105
Motor	78	60
Total P&C	\$ 4,624	\$ 4,771
Specialty		
Financial risks	\$ 750	\$ 693
Energy	461	406
Property	402	449
Aviation and space	322	360
Marine	192	203
Agriculture	38	47
Engineering	31	34
Multiline and other	22	31
Total Specialty	\$ 2,218	\$ 2,223
Life and Health	\$ 2,503	\$ 2,108
Total	\$ 9,345	\$ 9,102

The Company produces its business both through brokers and through direct relationships with insurance company clients. None of the Company's cedants individually accounted for more than 10% of total gross premiums written during each of the years ended December 31, 2024 and 2023.

The Company has two brokers that individually accounted for 10% or more of its gross premiums written during the years ended December 31, 2024 and 2023, as follows:

	2024	2023
Aon PLC	24 %	26 %
Marsh & McLennan Companies, Inc	24 %	25 %

The following table summarizes the percentage of gross premiums written through these two brokers by segment for the years ended December 31, 2024 and 2023:

	2024	2023
P&C	64 %	65 %
Specialty	62 %	65 %
Life and Health	7 %	5 %

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Notes to Consolidated Financial Statements

22. Subsequent Events

The Company has exposure to the January 2025 California wildfires and expects its loss to be in line with its usual market share.

On February 13, 2025, the Company's Board of Directors declared a dividend for the period December 15, 2024 – March 14, 2025 of \$0.3046875 per share on the Company's 4.875% Fixed Rate Non-Cumulative Redeemable Preferred Shares, Series J. The dividend was payable on March 17, 2025 to shareholders of record on February 27, 2025.

The Company have evaluated subsequent events from the balance sheet date through to March 18, 2025, which is the date the consolidated financial statements were available to be issued. Other than the items described above, there were no other material subsequent events arising during this period.

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