



Swiss Re announces GBP 1.4 billion longevity insurance cover for AkzoNobel's UK pension fund

Contact:

Media Relations, Zurich
Telephone +41 43 285 7171

Corporate Communications, Asia
Telephone +852 2582 3912

Corporate Communications, New York
Telephone +1 914 828 6511

Investor Relations, Zurich
Telephone +41 43 285 4444

Swiss Re Ltd
Mythenquai 50/60
P.O. Box
CH-8002 Zurich

Telephone +41 43 285 2121
Fax +41 43 285 2999
www.swissre.com

- **Longevity insurance contract covers GBP 1.4 billion (USD 2.2 billion) of liabilities and almost 17 000 members of one of AkzoNobel's UK pension funds**
- **Swiss Re solidifies position as re-/insurer of choice for longevity**

London, 24 May 2012 – Swiss Re has completed a GBP 1.4 billion longevity insurance contract with one of the UK pension funds of Akzo Nobel N.V., written through Swiss Re's UK subsidiary ReAssure Ltd. The agreement reinforces Swiss Re's position as a leader in the longevity market, where it remains the only insurer to have successfully deployed large net capacity to take on longevity risk directly from a pension fund.

The agreement covers close to 17 000 individuals and their future contingent beneficiaries who were members of the Akzo Nobel (CPS) Pension Scheme at 1 August 2011.

Costas Yiasoumi, Head Longevity Solutions, Swiss Re Corporate Solutions, says: "We are proud to once again take the lead in longevity insurance. We offer a unique proposition. Whereas the UK pension longevity market tends to be dominated by intermediaries who write and then sell on the exposure, this deal stands out in that all of the longevity exposure is held on our own balance sheet."

This deal is consistent with Swiss Re's pioneering work in the longevity insurance market. In 2007, the company was a leader in the longevity hedge market with its benchmark transaction with Friends Provident. In 2009, it closed a GBP 1.0 billion longevity insurance contract for the Royal County of Berkshire Pension Fund. In 2010, the company issued USD 50 million of longevity trend risk bonds to the capital markets through the Kortis Capital Ltd. ("Kortis") securitisation programme.

The latest transaction confirms that pension funds and insurers are becoming more comfortable with longevity solutions. It also highlights Swiss Re's ability to put its large net capacity to work by creating innovative solutions for both public and corporate sector clients.

Alison Martin, Member of Swiss Re's Group Management Board and Head of Life & Health, says: "The pension funds of corporate and public sector organisations are gaining a better understanding of the potential risks arising from their longevity exposures. As a natural



home for longevity risk and with a track record in innovation, Swiss Re is in a unique position to engage directly with these funds and create the solutions they need."

"Our strong mortality position means that Swiss Re has capacity to take on more longevity risk, and maintain our position as the re-/insurer of choice in the UK and abroad."

AkzoNobel and the trustees chose Swiss Re having evaluated proposals from different counterparties.

Costas Yiasoumi says: "Longevity contracts are very long-dated and pension fund trustees need counterparties that are in this market for the long haul. As a well-diversified re-/insurer with a 150-year track record, we were able to give AkzoNobel, the pension plan trustees and its advisors the necessary confidence for the long-term."

Notes to editors

For more information on this transaction and/or access to experts related to this release please contact Swiss Re media relations at media_relations@swissre.com or +41(0)43 285 7171.

Swiss Re

The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer. Dealing direct and working through brokers, its global client base consists of insurance companies, mid-to-large-sized corporations and public sector clients. From standard products to tailor-made coverage across all lines of business, Swiss Re deploys its capital strength, expertise and innovation power to enable the risk taking upon which enterprise and progress in society depend. Founded in Zurich, Switzerland, in 1863, Swiss Re serves clients through a network of over 60 offices globally and is rated "AA-" by Standard & Poor's, "A1" by Moody's and "A+" by A.M. Best. Registered shares in the Swiss Re Group holding company, Swiss Re Ltd, are listed on the SIX Swiss Exchange and trade under the symbol SREN. For more information about Swiss Re Group, please visit: www.swissre.com or follow us on Twitter [@SwissRe](https://twitter.com/SwissRe).

Swiss Re Corporate Solutions

Swiss Re Corporate Solutions offers innovative, high-quality insurance capacity to mid-sized and large multinational corporations across the globe. Our offerings range from standard risk transfer covers and multi-line programmes, to highly customised solutions tailored to the needs of our clients. Swiss Re Corporate Solutions serves customers from over 40 offices worldwide and is backed by the financial strength of the Swiss Re Group. For more information about Swiss Re Corporate Solutions, please visit: www.swissre.com/corporatesolutions.

AkzoNobel

AkzoNobel is the largest global paint and coatings company and a major producer of specialty chemicals. We supply industries and consumers worldwide with innovative products and are passionate about developing sustainable answers for our customers. Our portfolio includes well known brands such as Dulux, Sikkens, International and Eka. Headquartered in Amsterdam, the Netherlands, we are a Global Fortune 500 company and are consistently ranked as one of the leaders in the area of sustainability. With operations in more than 80 countries, our 55,000 people around the world are committed to excellence and delivering Tomorrow's Answers Today™.



Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. Forward-looking statements typically are identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as "will", "should", "would" and "could". These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Swiss Re's actual results of operations, financial condition, solvency ratios, liquidity position or prospects to be materially different from any future results of operations, financial condition, solvency ratios, liquidity position or prospects expressed or implied by such statements.

Such factors include, among others:

- further instability affecting the global financial system and developments related thereto, including as a result of concerns over, or adverse developments relating to, sovereign debt of euro area countries;
- further deterioration in global economic conditions;
- Swiss Re's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of Swiss Re's financial strength or otherwise;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on Swiss Re's investment assets;
- changes in Swiss Re's investment result as a result of changes in its investment policy or the changed composition of its investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- uncertainties in valuing credit default swaps and other credit-related instruments;
- possible inability to realise amounts on sales of securities on Swiss Re's balance sheet equivalent to their mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings;
- the possibility that Swiss Re's hedging arrangements may not be effective;
- the lowering or loss of financial strength or other ratings of Swiss Re companies, and developments adversely affecting Swiss Re's ability to achieve improved ratings;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- policy renewal and lapse rates;
- extraordinary events affecting Swiss Re's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting Swiss Re or its ceding companies;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions;
- changing levels of competition;
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks; and
- challenges in implementation, adverse responses of counterparties, regulators or rating agencies, or other issues arising from, or otherwise relating to, the changes in Swiss Re's corporate structure.



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

This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities in any jurisdiction, including the United States. Any such offer will only be made by means of a prospectus or offering memorandum, and in compliance with applicable securities laws.