Swiss Re

News release

Swiss Re takes further steps towards net-zero emissions

- **Swiss Re implements new guidelines on the oil and gas industry and excludes support for the most carbon-intensive companies**
- **On the investment side, Swiss Re takes further actions to reduce the carbon intensity of its portfolio**
- **For its own operations, Swiss Re commits to net-zero emissions by 2030**

Zurich, 20 February 2020 – Swiss Re today announced further measures to support the transition to a low-carbon economy. The Group will stop providing re/insurance to, and investing in, the most carbon-intensive oil and gas companies. In addition, Swiss Re has taken further actions to reduce the carbon intensity of its investment portfolio. For its own operations, Swiss Re has committed to achieving the goal of net-zero emissions by 2030.

Swiss Re is a signatory to the 'Paris Pledge for Action'. In September 2019, the Group confirmed this position by signing the UN Business Ambition for 1.5°C pledge and initiating the UN-convened Net-Zero Asset Owner Alliance, thereby committing to net-zero emissions by 2050 on the asset and liability side. Today, Swiss Re announced further measures to reduce carbon emissions.

Swiss Re's Group Chief Executive Officer Christian Mumenthaler said: "It is every company's obligation to contribute to the transition towards a low-carbon world, and we take this responsibility very seriously. For the past 40 years Swiss Re has been warning about the effects of climate change and implementing progressive measures to reduce emissions. Today we are announcing our next steps on this journey to decarbonise our entire business model and live up to our net-zero emissions commitments."

Revised oil and gas policy

In 2018, Swiss Re implemented a thermal coal policy as a first step towards a comprehensive carbon steering mechanism. The coal policy is part of its Sustainability Risk Framework established already in 2009. Swiss Re has now also revised the oil and gas policy in the same framework with the aim to reduce Swiss Re's carbon exposure by stopping support for production of oil

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and gas that exceeds a defined lifecycle carbon intensity threshold.[1] As a result of this new policy, Swiss Re will gradually cut business support in underwriting and asset management to the world's 10% most carbon-intensive oil and gas production by 2023. Swiss Re will continue to work with and support the transition of those producers who do not fall under these exclusions.

Further measures to reduce carbon intensity of investment portfolio
As a member of the UN-convened Net-Zero Asset Owner Alliance, Swiss Re has committed to transition its investment portfolio to net-zero greenhouse gas emissions by 2050.

Swiss Re was one of the first in the industry to switch to ESG benchmarks in 2017. Swiss Re divested from companies with an exposure of more than 30% to thermal coal in 2016 and in 2019 added absolute thresholds[2] for mining companies and power utility generators. Through these measures, Swiss Re has achieved a 50% average carbon intensity reduction in its investment portfolio across credits and listed equities since the end of 2015.

As a further measure, Swiss Re has increased its green, social and sustainable bond target from USD 1.5 billion to at least USD 4 billion by 2024.

Commitment to net-zero emissions from own operations by 2030
For its own operations, Swiss Re has committed to reaching net-zero emissions by 2030.

Swiss Re has already been focusing on its own CO_2 emissions and energy consumption for many years and launched its Greenhouse Neutral Programme in 2003 combining the commitment to reduce its CO_2 emissions per employee with offsetting all remaining emissions by purchasing high-quality emission reduction credits.

To reach the target of net-zero emissions by 2030, Swiss Re will further increase its efforts to cut emissions, with a particular focus on business travel. In addition, for every tonne of CO_2 that cannot yet be avoided, another tonne will be removed from the atmosphere and stored permanently. To pay for this new way to compensate emissions, Swiss Re will ramp up its internal carbon levy. A stringent price on carbon will incentivise emission reductions, for example through less travel by air.

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[1] Lifecycle carbon intensity as measured by kilograms of carbon dioxide per barrel of oil equivalent. By 2023, no support will be provided for the 10% most carbon-intensive production.
[2] Mining companies producing at least 20 million tonnes of coal per year and power utility generators with more than 10 GW installed coal fire capacity.

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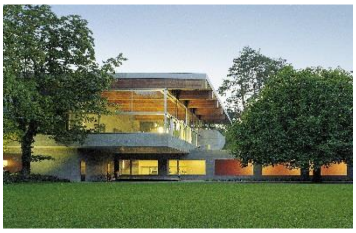
The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim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

For logos and photography of Swiss Re executives, directors or offices go to https://www.swissre.com/media/electronic-press-kit.html

For media 'b-roll' please send an e-mail to media_relations@swissre.com



Cautionary note on forward-looking statements

Certain statements and illustrations contained herein are forward-looking. These statements (including as to plans, objectives, targets, and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements typically are identified by words or phrases such as "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase", "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 the Group's actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- the frequency, severity and development of insured claim events, particularly natural catastrophes, man-made disasters, pandemics, acts of terrorism or acts of war;
- mortality, morbidity and longevity experience;
- the cyclicality of the reinsurance sector;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- increased volatility of, and/or disruption in, global capital and credit markets;
- the Group's ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group's financial strength or otherwise;
- the Group's inability to realize amounts on sales of securities on the Group's balance sheet equivalent to their values recorded for accounting purposes;
- the Group's inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;

- changes in legislation and regulation, or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions;
- policy renewal and lapse rates;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes and certain large man-made losses, 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;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability;
- the outcome of tax audits, the ability to realize tax loss carryforwards and the ability to realize deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
- changes in accounting estimates or assumptions that affect reported amounts of assets, liabilities, revenues or expenses, including contingent assets and liabilities;
- changes in accounting standards, practices or policies;
- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management and other internal procedures in anticipating and managing the foregoing risks.

These factors are not exhaustive. The Group 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.

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