



USAID-Swiss Re partnership targets hunger, natural disasters

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Washington DC, October 20, 2011 – USAID and Swiss Re today announced a three-year partnership to help vulnerable communities fight hunger, build resilience to climate change, and reduce the costs of natural disasters in the Americas, Africa and Asia.

With better access to customized, market-based insurance products, poor farmers and their families will be better able to prepare for and cope with the impacts of the droughts, floods and other severe weather events that are predicted to become increasingly common as the climate changes. When farmers have better instruments to manage risk, they can more easily obtain the loans needed to invest in technologies that increase their yields and productivity, and have greater incentive to make those investments, knowing that they are buffered from extreme weather events.

The new partnership combines the expertise of Swiss Re, a global leader in innovative risk management solutions, with two USAID efforts: The Global Climate Change Initiative, which aims in part to increase resilience to extreme climate events, and accelerate the global transition to a sustainable, low-carbon economy, and the Feed the Future Initiative, the United States Global Hunger and Food Security effort to help countries develop more resilient and productive agricultural sectors to address the root causes of hunger and under-nutrition.

“Private sector involvement is crucial to USAID’s efforts to reduce poverty and foster long term economic development in the countries where we work,” said USAID Administrator Rajiv Shah. “Swiss Re has been an industry leader in the development of innovative new products to address weather related risks. We welcome this opportunity to join forces to develop affordable, market-based tools to reduce climate vulnerability in poor communities.”

This partnership follows USAID and Swiss Re’s recent announcement to join Oxfam America and the World Food Program to expand the R4 Rural Resilience Initiative from Ethiopia to Senegal. It also builds on the two organizations’ previous collaborations on pilots under the agency’s Index Insurance Innovation Initiative, which invests in research and tests innovations that are improving USAID’s understanding of



how the poor and vulnerable can best use insurance to manage risk.

“Building insurance capacity in developing countries is a critical step to limiting the vulnerability to extreme weather events that impact so many livelihoods,” said Walter Bell, Chairman of Swiss Re America Holding Corporation. “Swiss Re’s innovative solutions, combined with USAID’s technical expertise and extensive development experience, will bring advanced risk management solutions to the communities who need them most.”

Swiss Re Ltd

Swiss Re Ltd is the holding company for the Swiss Re Group. Its shares are listed on the SIX Swiss Exchange and trade under the symbol SREN.

Swiss Reinsurance Company Ltd

Swiss Reinsurance Company Ltd is a leading and highly diversified global reinsurer and part of the Swiss Re group of companies. The company operates through offices in more than 20 countries. Founded in Zurich, Switzerland, in 1863, Swiss Re offers financial services products that enable risk-taking essential to enterprise and progress. The company’s traditional reinsurance products and related services for property and casualty, as well as the life and health business are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Reinsurance Company Ltd is rated “A+” by Standard & Poor’s, “A1” by Moody’s and “A” by A.M. Best.

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, performance, achievements or prospects to be materially different from any future results, performance, achievements 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 sovereign debt of peripheral eurozone 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 under derivative contracts due to actual or perceived deterioration of our financial strength;
- 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 our investment assets;
- changes in Swiss Re’s investment result as a result of changes in our investment policy or the changed composition of our 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 realize 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 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;
- the possibility that Swiss Re's hedging arrangements may not be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting our ability to achieve improved ratings;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;
- mortality and morbidity 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 Swiss Re's ceding companies, and regulatory or legal actions;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions, including, in the case of acquisitions, issues arising in connection with integrating acquired operations;
- changing levels of competition; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

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