

Press release

Swiss Re and Chinese tech giant Baidu partner to advance the ecosystem of autonomous driving with risk expertise and insurance innovation

Beijing, 19 November 2021 — Swiss Re has entered into a partnership with Chinese tech giant Baidu to provide risk management expertise and innovative insurance products for Baidu’s autonomous driving business.

The partnership between Swiss Re and Baidu aims to further develop the autonomous driving industry and create a new industry paradigm. It allows reinsurers such as Swiss Re to tailor autonomous driving insurance products to meet the needs of technology companies. This partnership will advance risk management research and insurance protection for autonomous vehicles, representing an important step forward in building a comprehensive ecosystem of mobility services.

Russell Higginbotham, CEO Reinsurance Asia & Regional President Asia, said: “Our partnership with Baidu is a milestone in Swiss Re’s efforts to access new risk pools and close the protection gap through Swiss Re’s risk management expertise and innovation capabilities. By combining our respective risk knowledge and insights, we hope to jointly explore and develop innovative products and solutions, catalyse the transformation of the autonomous driving value chain and further advance the mobility ecosystem.”



A vehicle equipped with Apollo Valet Parking

The first focus of this partnership was the launch of autonomous valet parking insurance, the industry’s first ever insurance solution for Apollo Valet Parking

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(AVP) – an automated valet parking product designed by Baidu Apollo. Future collaboration between Swiss Re and Baidu will cover risk management research and insurance innovation for autonomous driving computing platforms, intelligent cockpits, robotaxi (driverless taxis) and other automated driving products.

Autonomous driving poses new challenges to the insurance industry, including rapid technological upgrades, increasingly diversified risks and limitation of data availability. This partnership will develop insurance solutions covering the entire value chain of autonomous driving, including the selection of risk factors, product pricing, claims and underwriting data standards. The solutions will be customised based on Baidu's advanced technology and the data insights brought by Swiss Re and Baidu.

Andrea Keller, Head of Automotive & Mobility Solutions at Swiss Re, said: "Together with our partner Baidu, we analyse how automated cars perceive their surroundings and how they process that information and respond to it. Our goal is to understand how such vehicles behave differently than human-driven ones and quantify these differences. Ultimately, we aim to bring motor insurance products to the next level of innovation."

As a leading global reinsurer, Swiss Re has a long history of making forward-looking investments in risk expertise of autonomous driving. Swiss Re has worked closely with global leading technology companies, OEMs and testing centers to obtain a deeper understanding of vehicle behavior and performance and to build customised insurance products and solutions. Swiss Re strives to provide comprehensive support and services to the mobility ecosystem – from product design, pricing and underwriting to portfolio management and claims.

Swiss Re

The Swiss Re Group is a leading global provider 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 aging populations to cybercrime. Swiss Re Group aims to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, and founded in 1863, Swiss Re Group operates through a network of around 80 offices globally.

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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 cyclical nature 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 realise 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 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, 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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