

Delivering on our targets

George Quinn, Group CFO
Bank of America Merrill Lynch 24th Annual Financials CEO Conference
London, September 25, 2019

Zurich Insurance Group



Key messages

A strong global franchise

We have a uniquely diversified business with strong franchises and well balanced access to distribution backed by a strong balance sheet

Delivering on our targets

We are well on track to exceed our 2017-2019 targets

Improving profitability

Our strategy is delivering a growing and less volatile business that is well positioned for the future direction of the industry

Fit for the future

Our customer focus combined with improved efficiency and strong distribution capabilities positions us well to take advantage of future growth opportunities

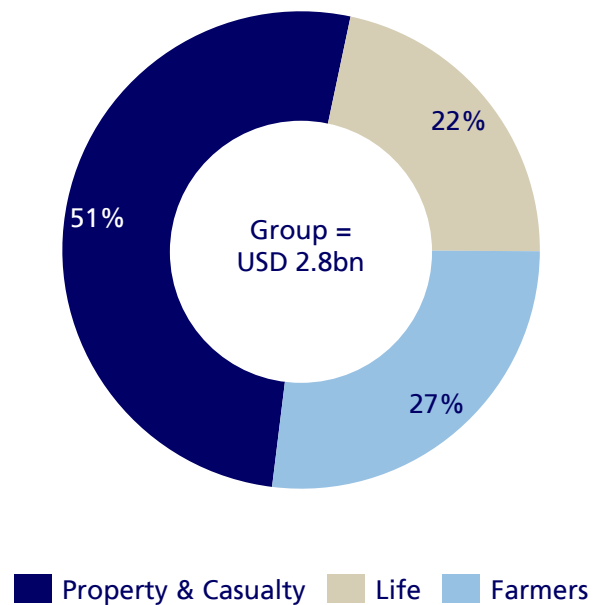
Shareholder focused

Our cash generative and capital efficient business model supports an attractive dividend payout of approximately 75% of NIAS

A well diversified business with high quality sources of earnings

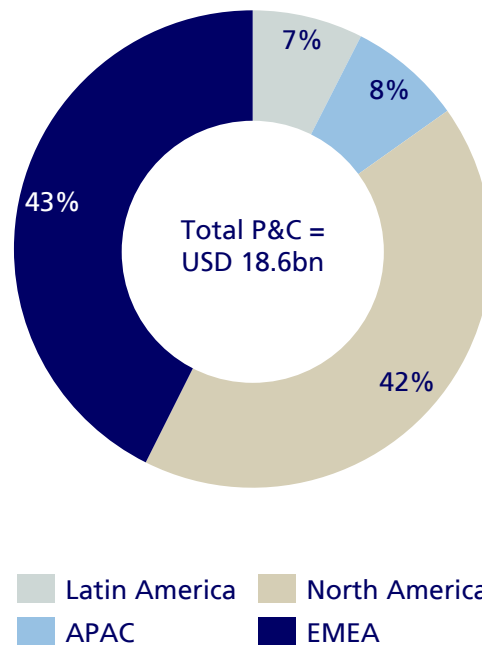
A TRULY COMPOSITE INSURER

HY-19 Business Operating Profit by business (%)¹



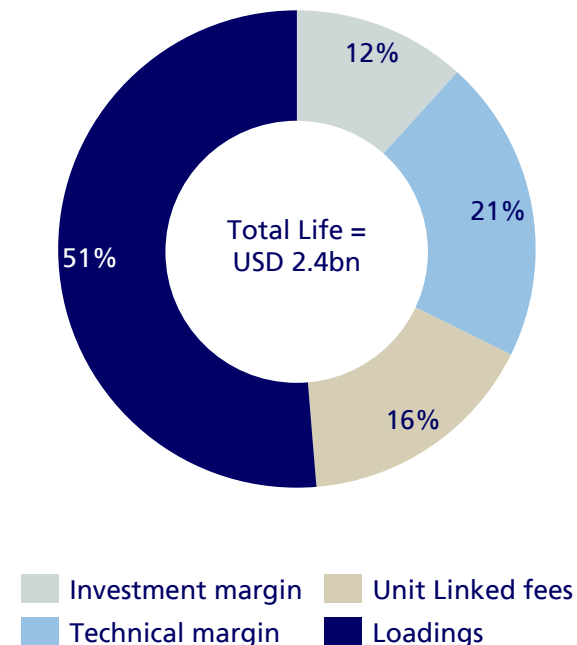
BALANCED P&C FOOTPRINT

HY-19 P&C GWP by region (%)²



HIGH QUALITY LIFE EARNINGS MIX

HY-19 Life gross margin breakdown (%)³

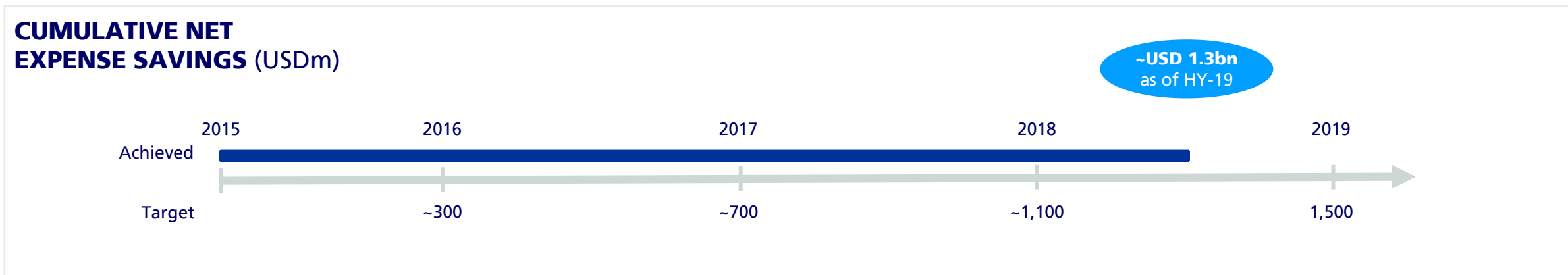
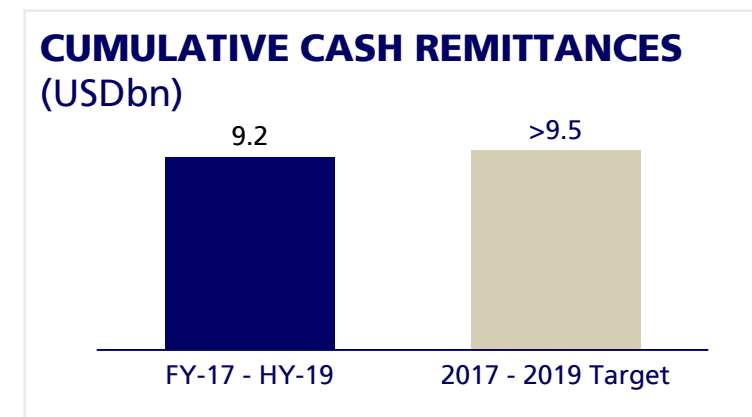
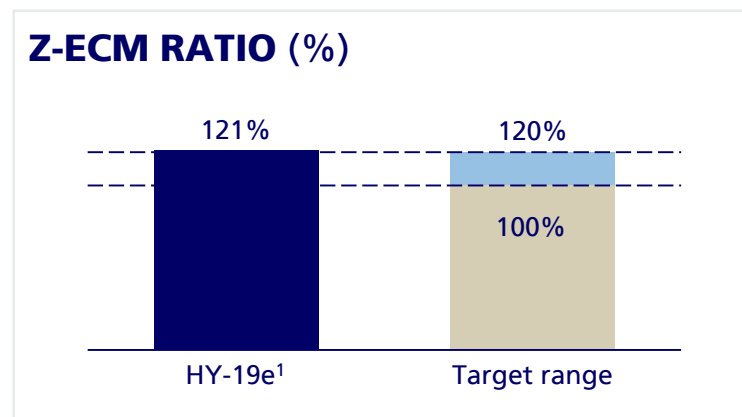
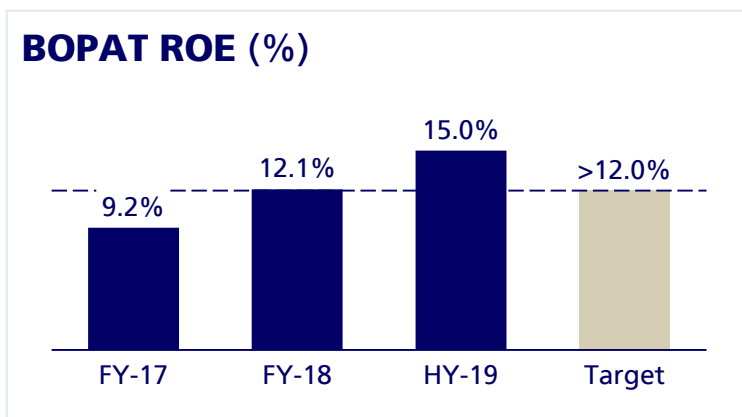


¹ The split by business excludes Group Functions & Operations and Non-Core Businesses.

² The split by region excludes Group Reinsurance and Eliminations.

³ Excluding Farmers Life.

On track to exceed all Group targets



¹ HY-19 Z-ECM reflects midpoint estimate with an error margin of +/- 5ppts.

Continued execution on all strategic priorities

NEW DISTRIBUTION PARTNERSHIPS



REALLOCATION OF CAPITAL

ACQUISITIONS



DISPOSALS



SUPPORTING A BETTER SOCIETY



Signatory of UN business pledge to limit global temperature rise

INNOVATIVE PROPOSITIONS

Cover-More +28% Sales¹ +1.1m #cust.¹

klinc >4,100 #customers¹

coverwallet Spain, Switzerland, UK, Spain, Italy, Italy

Other SME propositions



Winner of Gold award – Efma Accenture Innovation in Insurance Awards

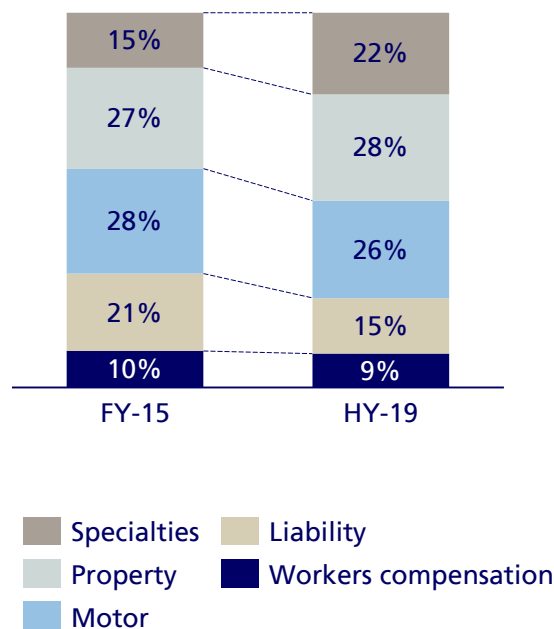
STRENGTHENED CUSTOMER FOCUS

	NPS ²	RETENTION ²
³	▲ +2	◀ 0
	◀ 0	▲ +4
	▼ -4	▲ +1
	▼ -6	▲ +4
	▲ +5	◀ 0
	▲ +1	▲ +2

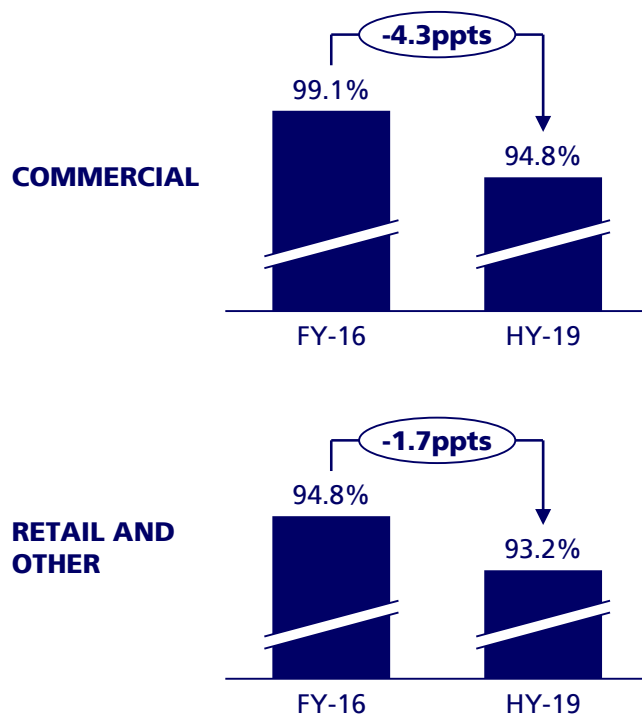
¹ For Cover-More, sales and customer count growth HY-19 vs HY-18. For Klinc, customer count since launch in July 2018, as of HY-19.
² Retail NPS (HY-19 vs. FY-18) and customer retention (HY-19 vs. HY-18). For Farmers Exchanges, retention refers to the rolling 3-months periods (i.e. discrete Q2-19 vs. Q2-18).
³ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

The P&C strategy is working with improved profitability and reduced volatility

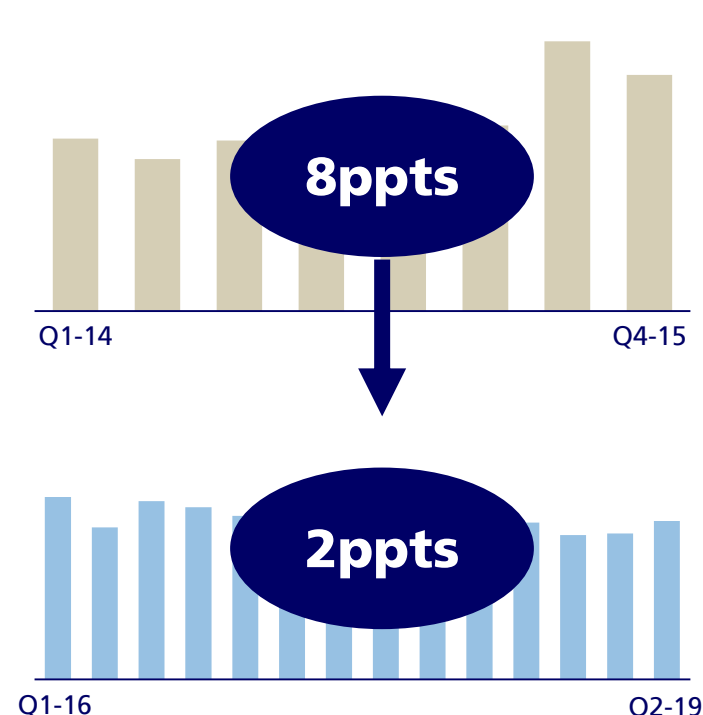
P&C BUSINESS MIX (% NEP)



AY COMBINED RATIO EXCLUDING CATASTROPHES (%)¹



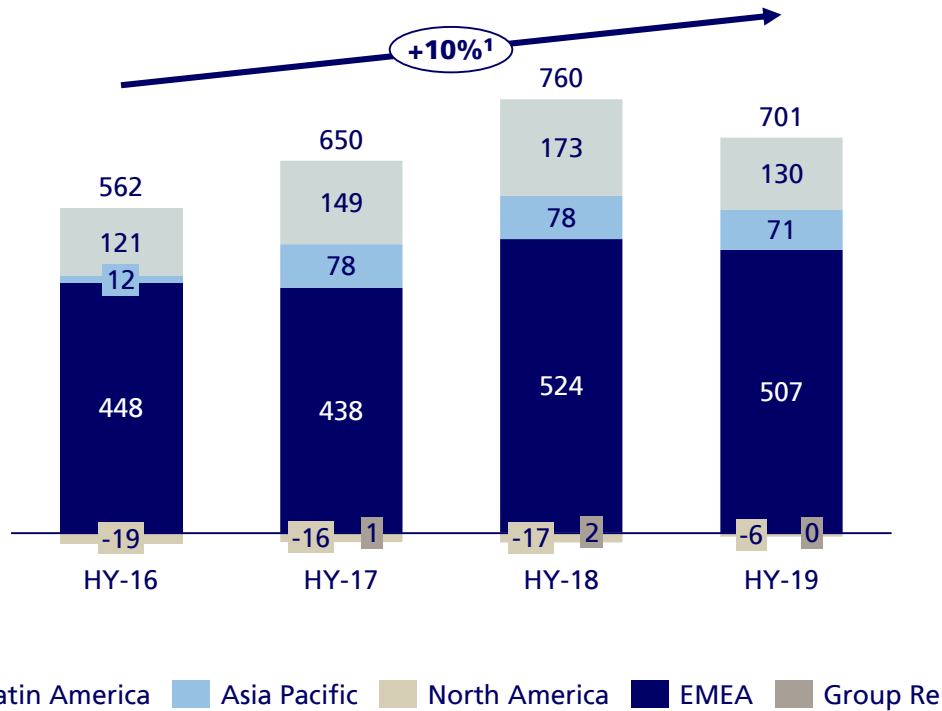
LARGE LOSS VOLATILITY (ppts)²



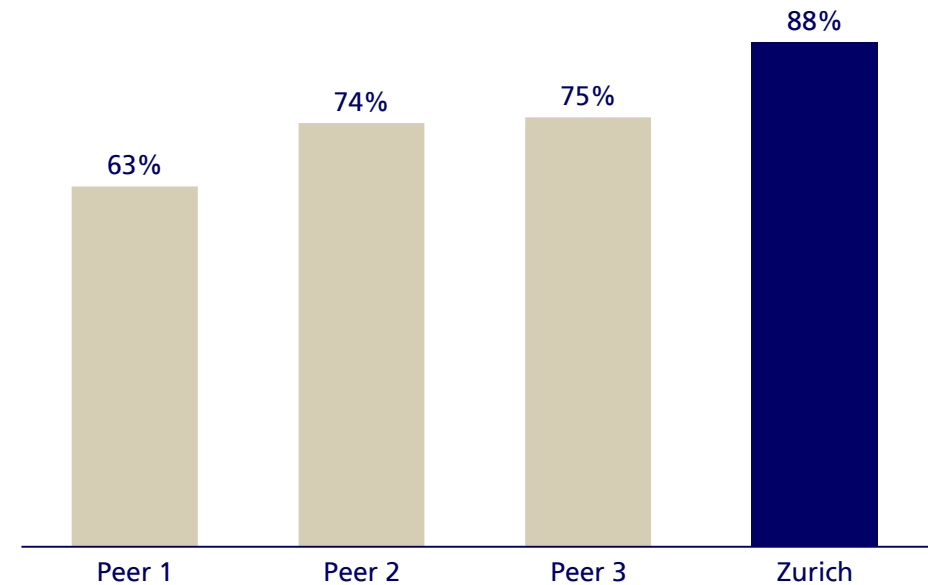
¹ Accident year combined ratio excludes prior year reserve development (PYD). Catastrophes (Cat) include major and mid-sized catastrophes including significant weather-related events.
² Volatility is measured as difference between lowest and highest ratio for the indicated period.

We have a growing Life business with less reliance on investment margins

LIFE BOP (USDbn)



SHARE OF REVENUES FROM FEES, LOADINGS AND TECHNICAL MARGINS (% , AVERAGE FY16-18)²



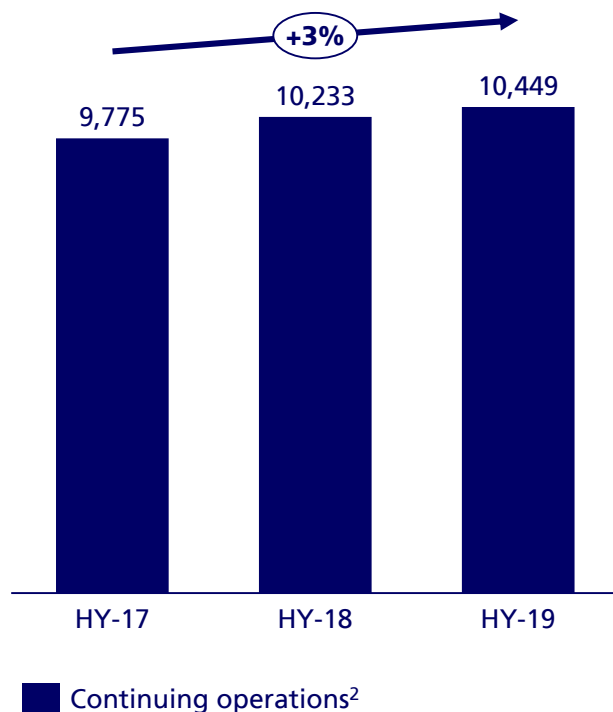
¹ CAGR in constant FX (HY-19).

² Based on source of earnings disclosures. Peers: Allianz, Axa, Generali.

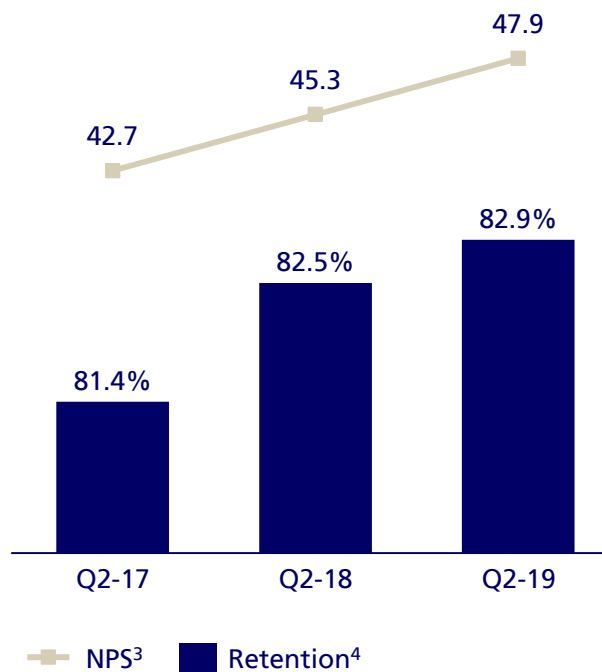
Farmers is delivering consistent growth and progressing on key strategic priorities



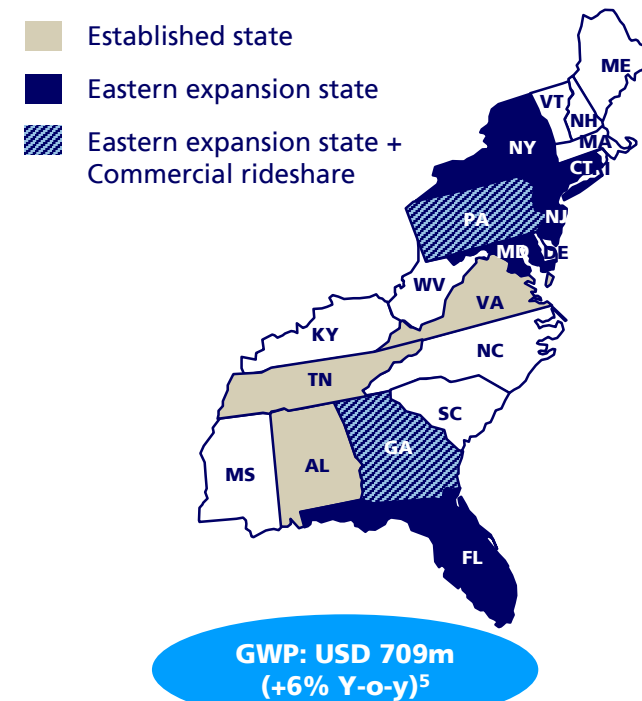
FARMERS EXCHANGES GWP (USDm)¹



NPS³ AND RETENTION⁴



EASTERN EXPANSION



¹ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

² Excludes discontinued operations (21st Century outside of California and Hawaii, business insurance independent agents, and other businesses).

³ Net Promoter Score. Survey based measure of customer loyalty for Farmers exclusive agent customers (personal lines and business insurance) on a YTD average basis.

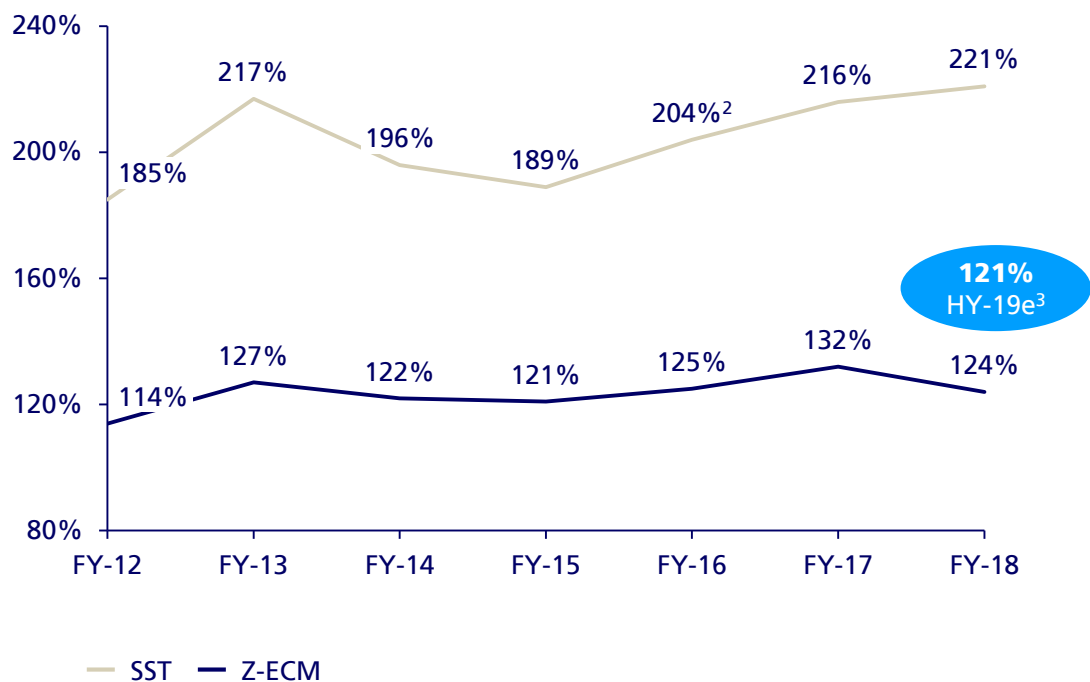
⁴ Reflects rolling 3-months 13/1 combined policy survival rate for the Farmers exclusive agent channel, excluding Bristol West and Farmers Specialty Auto; based on weighted average GWP.

⁵ Farmers Exchanges continuing operations GWP in the Eastern expansion states, including Commercial rideshare.

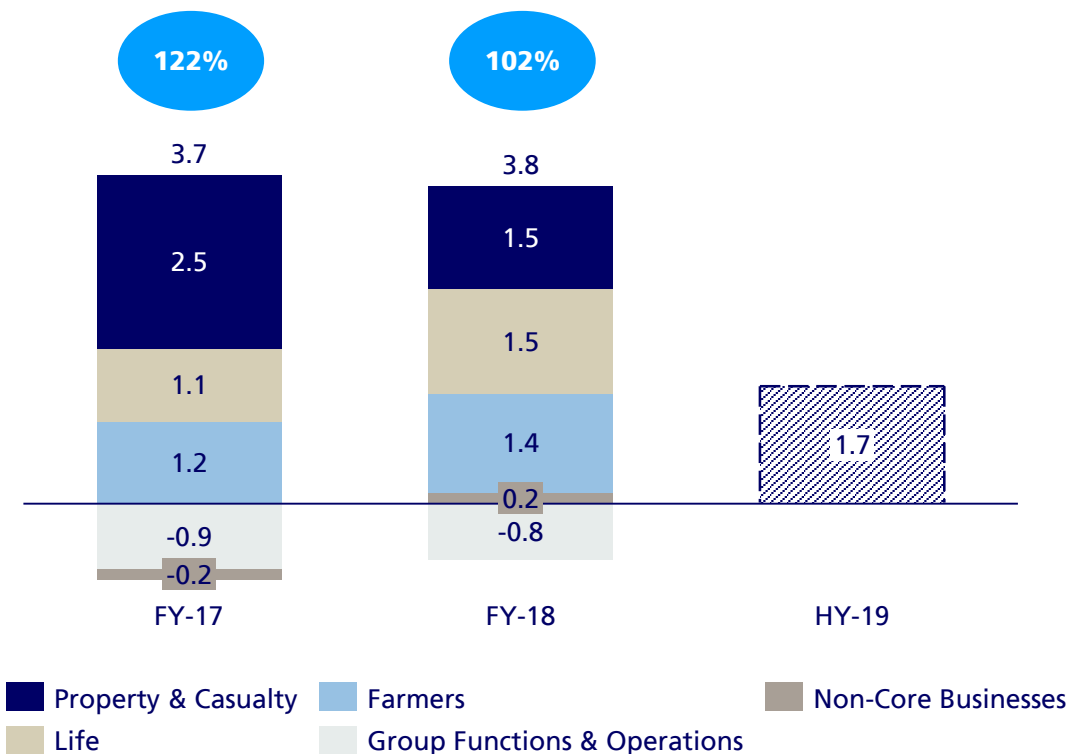
Very strong capital, with a high level of conversion of earnings to cash supporting our attractive dividend payout



Z-ECM AND SST RATIO¹ (%)



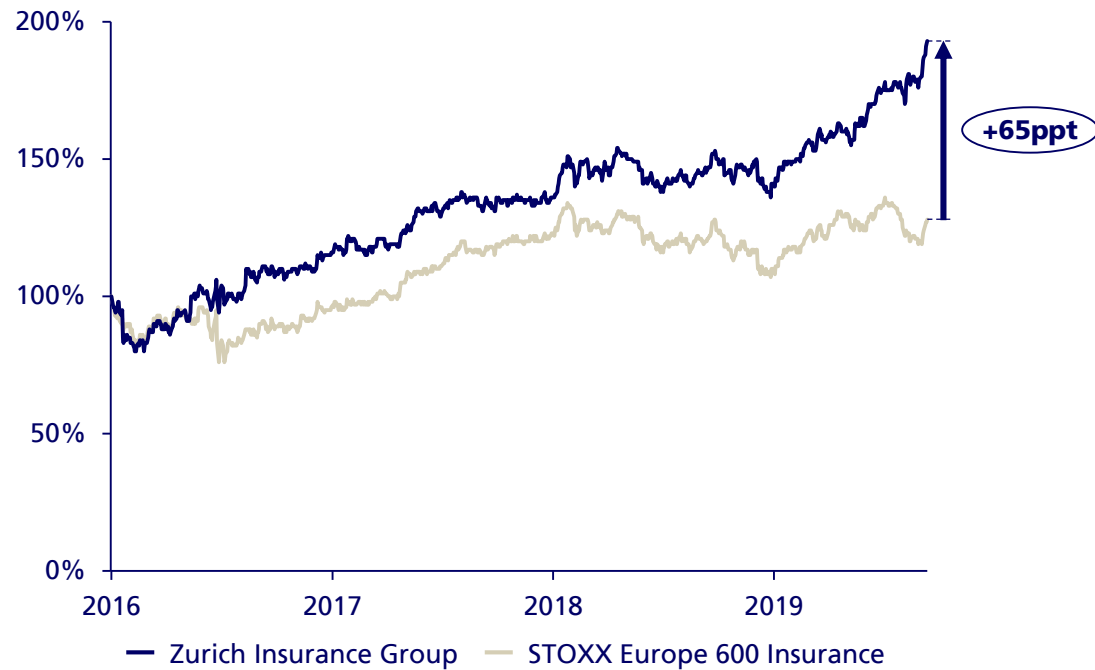
NET CASH REMITTANCES (% of NIAS & USDbn)



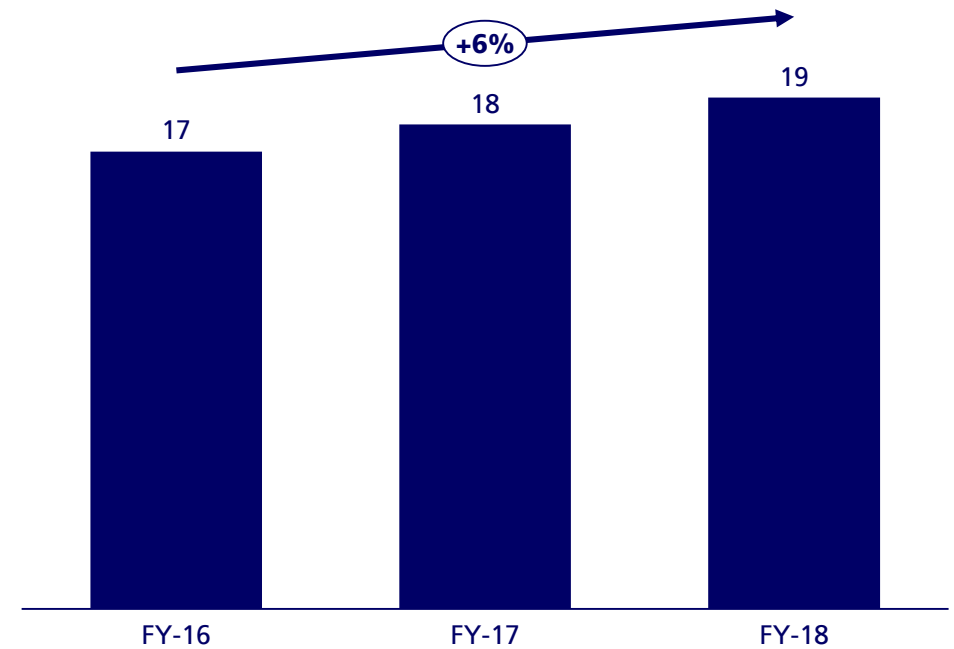
¹ The Swiss Solvency Test (SST) ratio is calculated based on the Group's internal model, as agreed with the Swiss Financial Market Supervisory Authority (FINMA). The ratio as of January 1, 2019, has been filed with FINMA and is subject to review by FINMA.
² After restatement for model changes (FY-16 SST ratio of 227% before restatements).
³ HY-19 Z-ECM reflects midpoint estimate with an error margin of +/- 5ppts.

Delivering for our shareholders

TOTAL SHAREHOLDER RETURN IN USD (SINCE JAN 1, 2016)



DIVIDEND PER SHARE (CHF)



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- November 7, Update for the nine months ended September 30, 2019
- November 14, Investor Day 2019

