Progressing towards our 2013 targets

Investor Day

Zurich, 29 November 2012

Agenda

09:45	Welcome	Debra Broek
09:45 – 10:05	Introduction	Martin Senn
10:05 – 10:50	General Insurance	Mike Kerner
10:50 – 11:20	Global Life	Kevin Hogan
11:20 – 11:35	Break	
11:35 – 12:05	Finance Perspective	Pierre Wauthier
12:05 – 12:35	Global Life – Free Capital	Nick Burnet
12:35 – 13:15	Q&A session	
13:15 – 14:05	Lunch	
14:05 – 14:35	Farmers	Jeff Dailey
14:35 – 15:50	Opportunities in Latin America	Antonio Cássio dos Santos , José Orlando, Javier Lorenzo
15:50 – 16:30	Q&A Session	
16:30	Final remarks	Martin Senn

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Introduction

Martin Senn
CEO Zurich Insurance Group

Key messages

- Strategic targets are unchanged
- Delivering stronger growth and improved underlying profitability
- Continuing to diversify into high potential growth markets

Progressing on our strategy to deliver our 2013 targets

We remain committed to our strategic targets

General Insurance (GI)
Improve Combined Ratio by 3 - 4 pts relative to global competitors and hold market position

Global Life
Rank Top 5 of European-based global peers by New Business Value

Farmers
Maintain top tier market share growth in U.S. Personal Lines

- **BOPAT-ROE of 16% strategic ambition**
- **Run rate cost reduction of USD 500m in mature markets**
- **Delivering attractive Total Shareholder Return**

Strong track record for Zurich

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Cash Flow from segments	Dividend	Market Capitalization
USD 4.0bn	**CHF 17**	**USD 36.8bn**
Forecast 31 December 2012	Dividend paid in April 2012	As of 26 November 2012
Shareholders' Equity	**NIAS ROE[2]**	**BOPAT ROE[3]**
USD 34.1bn	**11.0%**	**10.2%**
As of 30 September 2012	As of 30 September 2012	As of 30 September 2012

BV/share CAGR[1]

+5% in CHF
+10% in USD

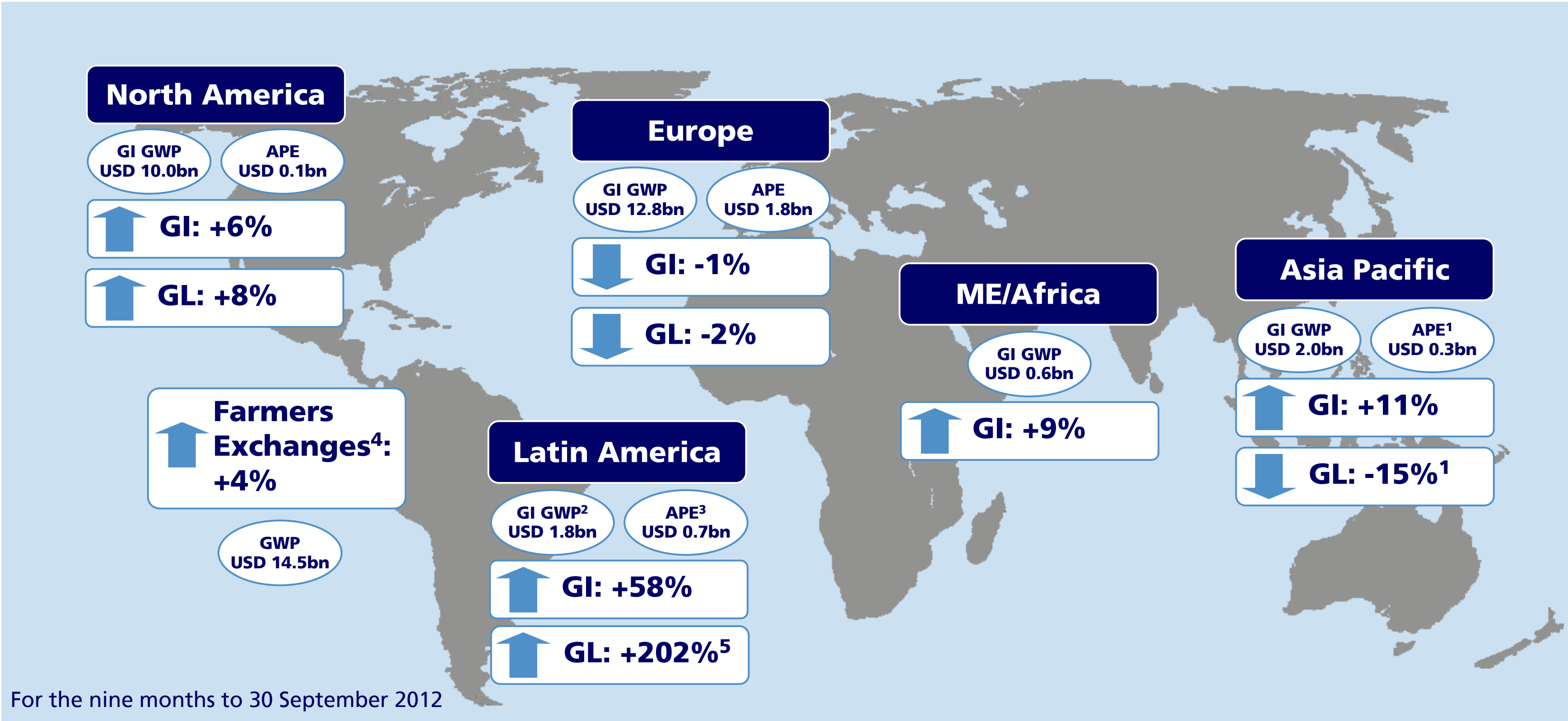
1 Jan 2008 – 30 Sep 2012

[1] Before dividend distribution
[2] Net Income Attributable to Shareholders Return On Equity
[3] Business Operating Profit After Tax Return on Equity

Key execution steps to deliver our targets

Strategy	Execution
1 Further diversify with a truly global insurance portfolio	• Growth in International Markets and select mature markets
2 Focus on profitability with targeted growth	• P&C portfolio re-underwriting and rate tiering • Global Life growth in protection and CLP • Farmers strategy to increase retention • Efficiency Program implementation
3 Economic and risk-based approach to capital deployment	• Capital release from non core businesses • Maintaining solid investment return • Effective balance sheet risk management

We grow and diversify in target markets



Note: GI figures include Global Corporate. All growth percentages are in local currency.
[1] Includes ME and Africa, excludes the recent acquisition in Malaysia.
[2] Includes Zurich Santander.
[3] Excludes Zurich Santander.
[4] Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides non-claims management services to the Farmers Exchanges and receives fees for its services.
[5] +10% excluding Chile Social Security Deal.

The story of the day

	Key Message	Speaker
Segment Updates	Business segments report on the progress of strategy towards targets	Mike Kerner, GI CEO Kevin Hogan, GL CEO Jeff Dailey, Farmers CEO
Financial Review	Delivery of strong total shareholder returns; cash generation and high risk adjusted returns in Global Life	Pierre Wauthier, Group CFO Nick Burnet, GL CFO
Latin America	Business opportunities in Latin America and progress on Santander Insurance operations integration	Antonio Cássio dos Santos, GI LatAm CEO José Orlando, GL LatAm CEO Javier Lorenzo, Zurich Santander CEO

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General Insurance

Mike Kerner
CEO General Insurance

Key messages

- Our strategy and targets for 2013 remain unchanged, and we continue to execute with very positive results
- Embedding the Zurich Way of Reserving into our business over time has created higher confidence in our reserve levels
- To build a foundation for future growth, we will deepen customer focus and enhance learning capabilities, while keeping our sight on profitability

Progressing on our strategy to deliver our 2013 targets

Three things about the Zurich GI organization

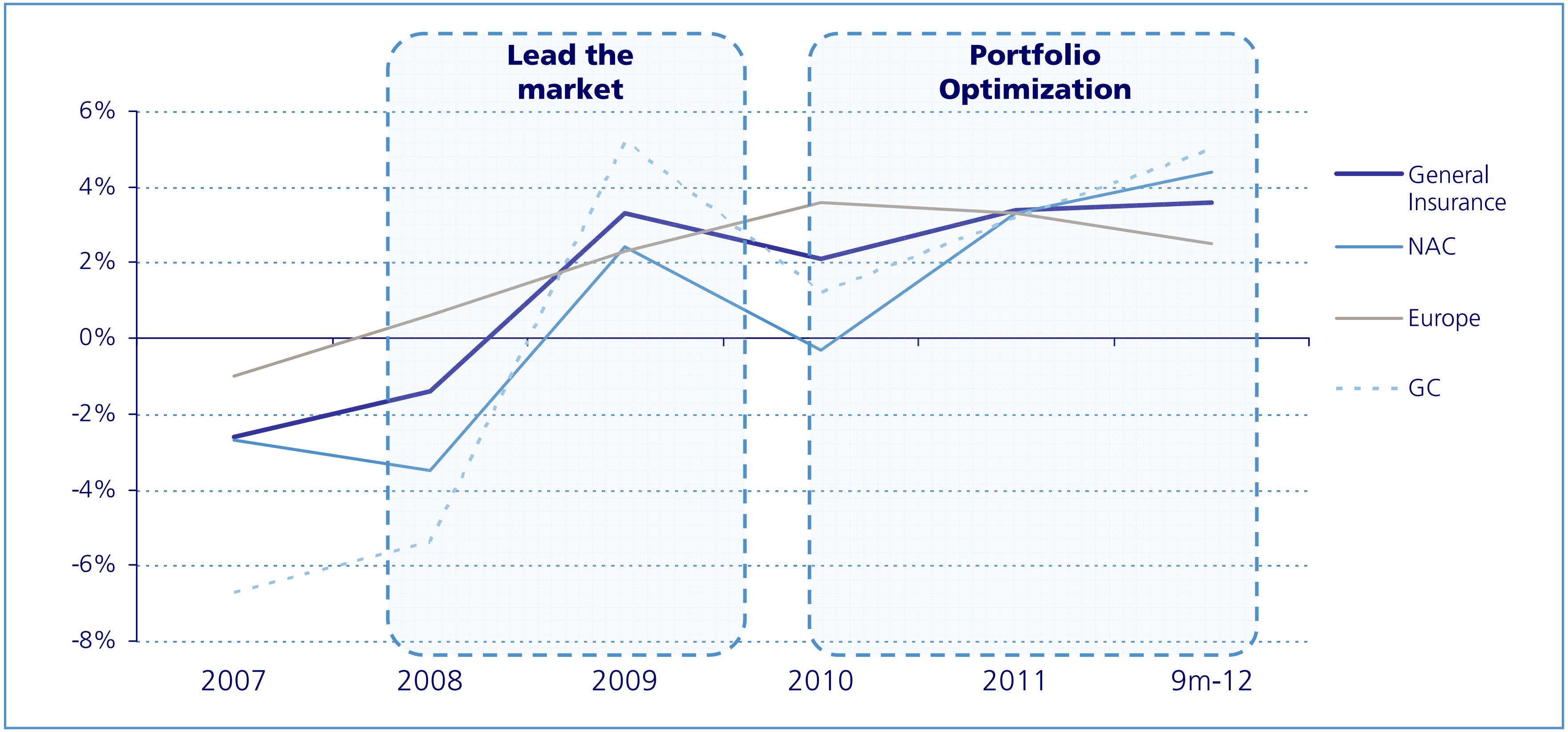
1. We can execute globally

2. We have embedded best practices into our business, across the world

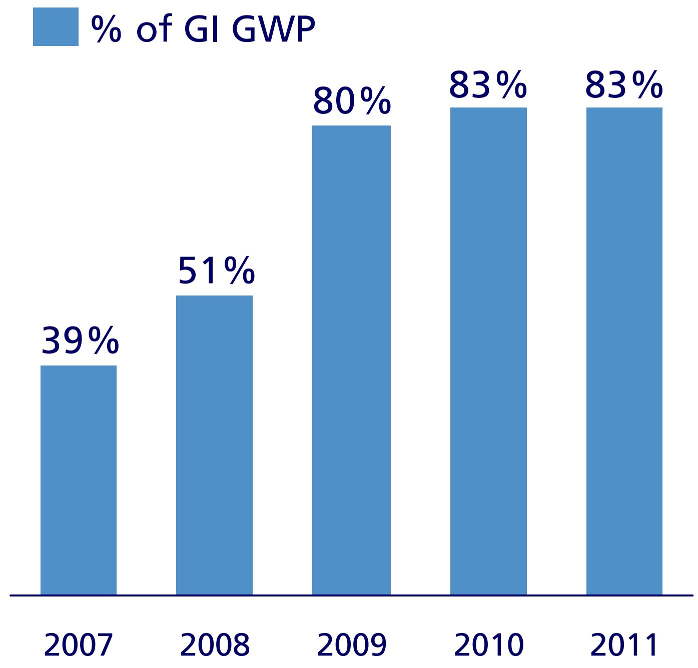
3. We are – first and foremost – an underwriting organization

1 Anticipating a low-yield environment, we started pushing rates globally since 2008

Rate Change, in %



2 83% of our GWP is from portfolios that are technical price certified



% of GI GWP that is technical price certified

- Technical price is at the heart of our underwriting strategy and The Zurich Way of underwriting
- Technical Price Certification (TPC) is a globally-aligned standard of quality in technical price
- It is a process of continuous improvement

❸ Underlying loss ratio is consistently improving

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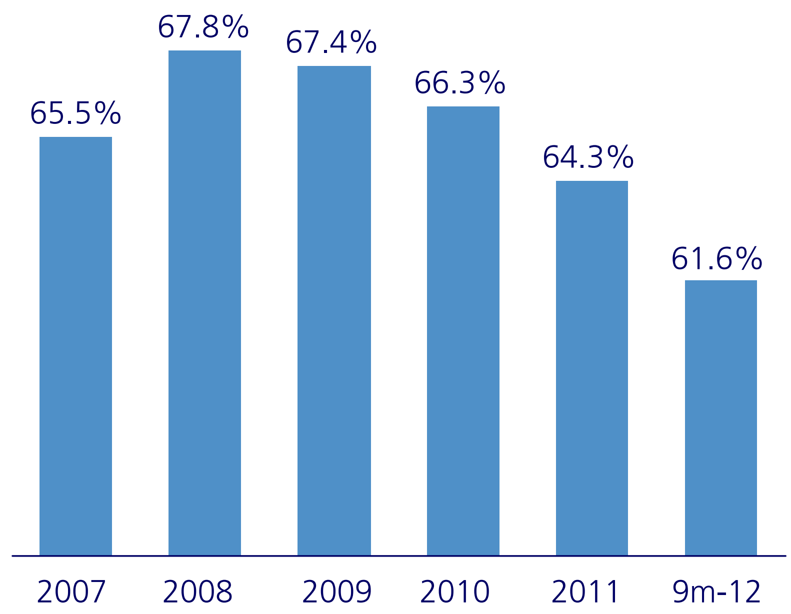
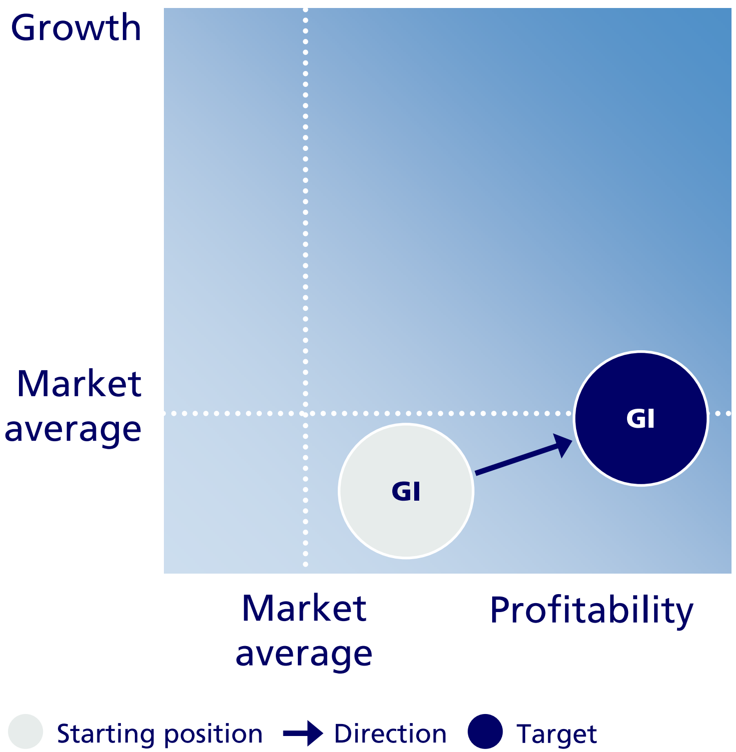
Underlying loss ratio[1], in %



- This exceptional and consistent improvement in our underlying loss ratio is being driven globally by the underwriting community
- Tools include active management involvement, multiple KPIs (at both global and local levels), and best practice sharing to improve profitability

[1] Reported loss ratio excluding prior year development, prior year premium, major CAT and large claims

We remain committed to our GI targets to be achieved by 2013



GI targets

1. Improve combined ratio by 3 – 4 points relative to global competitors by 2013 while contributing to Group's strategic BOPaT-ROE target of 16%
2. Reduce expenses (excluding commissions) by 7% or at least USD 350m on a run-rate basis by 2013 (included in the USD 500m Group target)
3. Hold market position without compromising on profitability

Compared to our 2010 baseline, our Combined Ratio has improved

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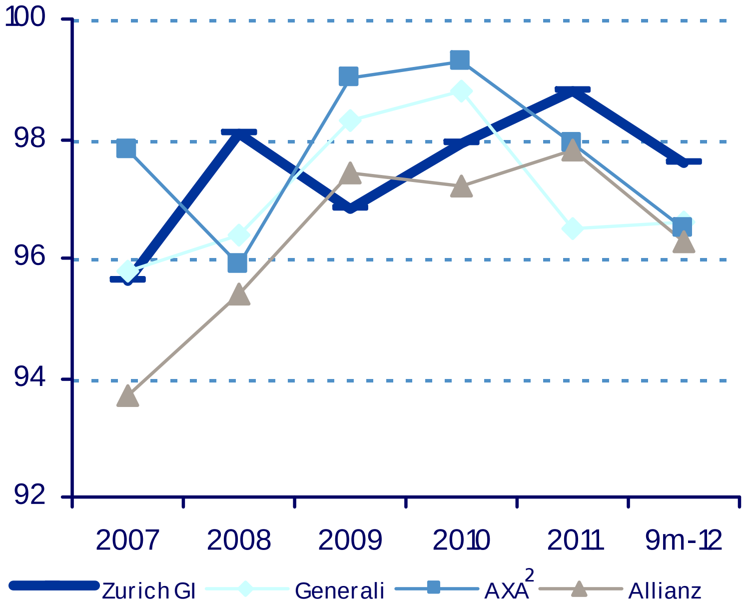
Combined Ratio relative to global peers, in %

Combined Ratio (reported figure; based on calendar year loss ratio), in percent



Combined Ratio (reported figure; based on calendar year loss ratio), in percent

	Combined Ratio 2010	Combined Ratio 9m-12	
AIG/Chartis[1]	116.8	103.2	
Generali	98.8	96.6	
AXA[2]	99.3	96.5	
Allianz	97.2	96.6	
Zurich GI	**97.9**	**97.6**	**95.0**[3]

- Excluding the recent financial adjustments in Germany, we have delivered strong underwriting performance

Source: Publicly available annual, 6m and 9m reports

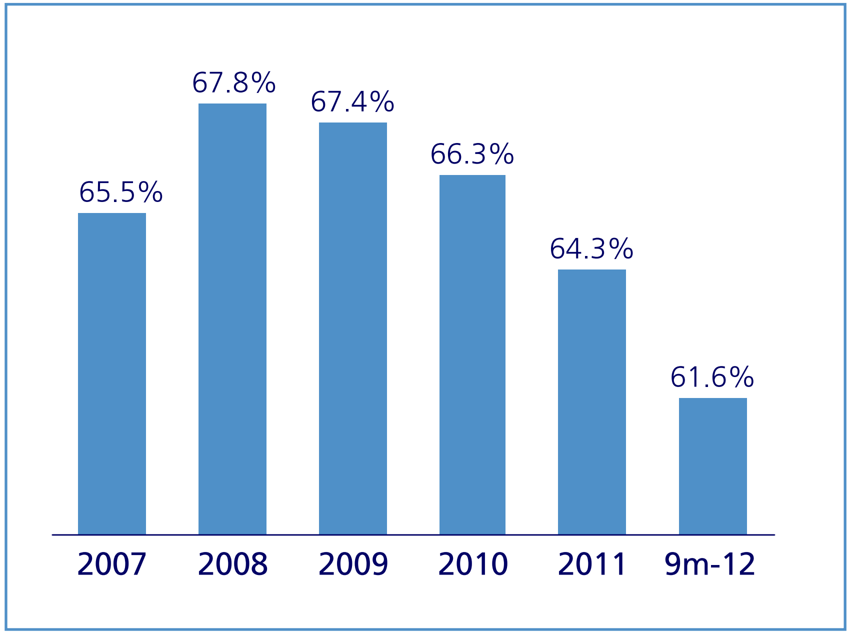
1 AIG Chartis excluded from left chart since Combined Ratio in 2010 was distorted by non-recurring charges

2 AXA includes AXA Corporate Solutions and P&C; AXA information in 2012 is for first 6 months YTD

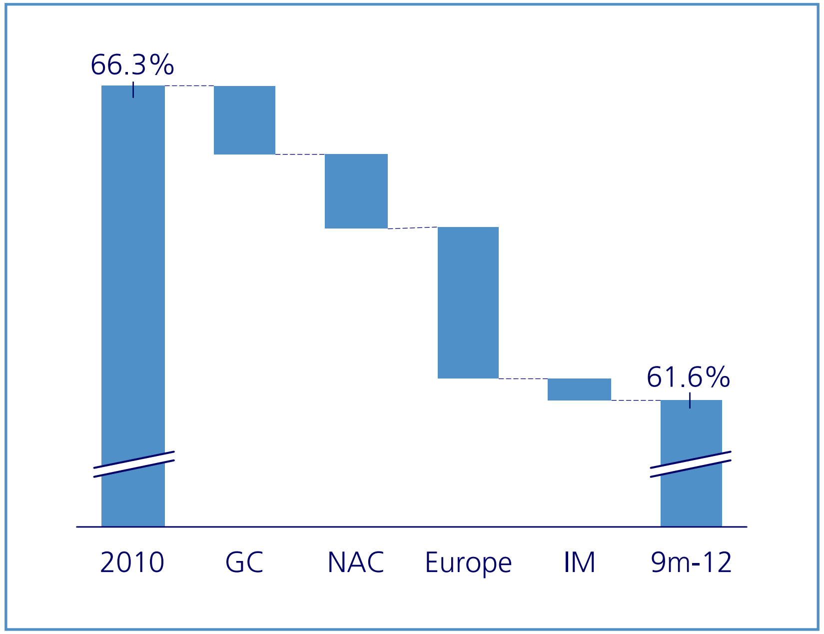
3 Combined Ratio excluding Q3 financial adjustments in Germany of USD 550m (amounting to 2.6 percentage points)

Improved GI ULR driven by underwriting discipline in each MFU

Underlying loss ratio[1], in %



Underlying loss ratio walk, in %



MFU = Market Facing Unit
GC = Global Corporate
NAC = North America Commercial
IM = International Markets

[1] Reported loss ratio excluding prior year development, prior year premium, major CAT and large claims

Tiering enables us to price risk more appropriately

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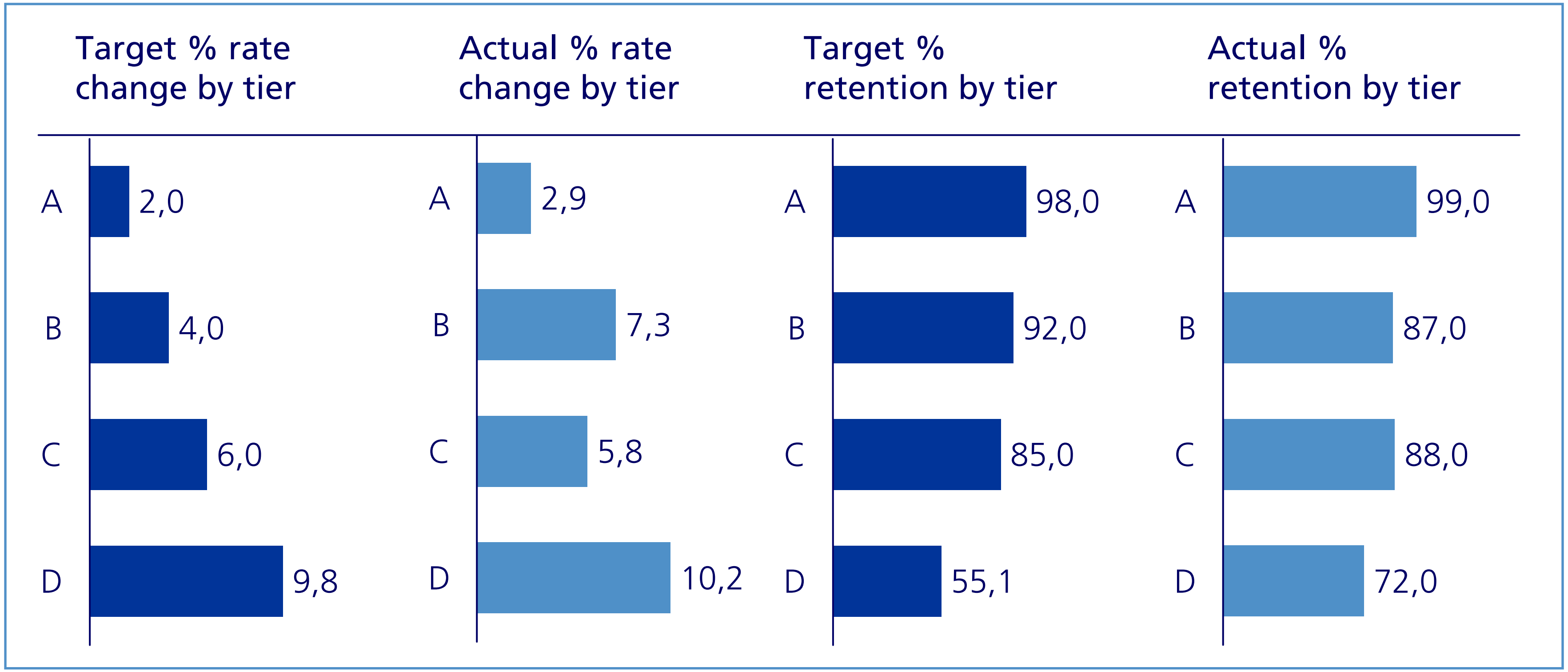
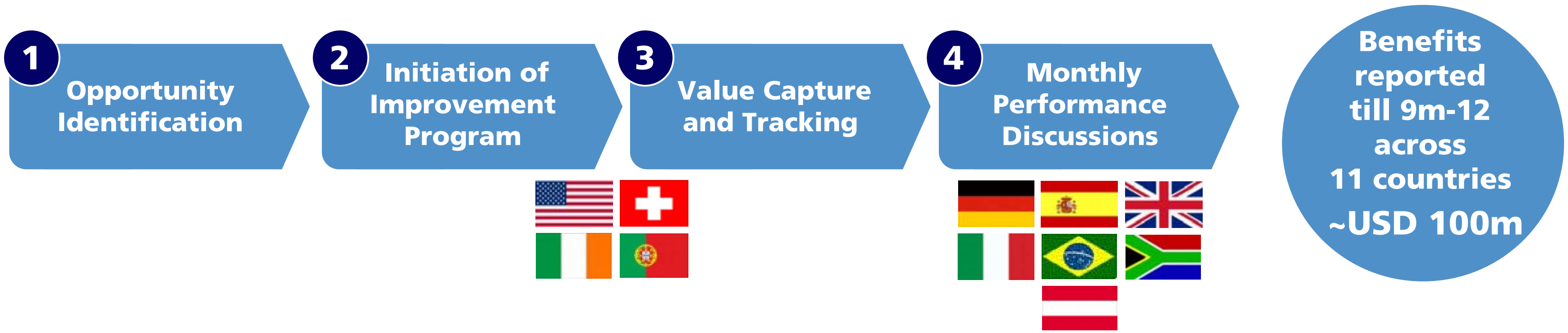
Example portfolio GC1



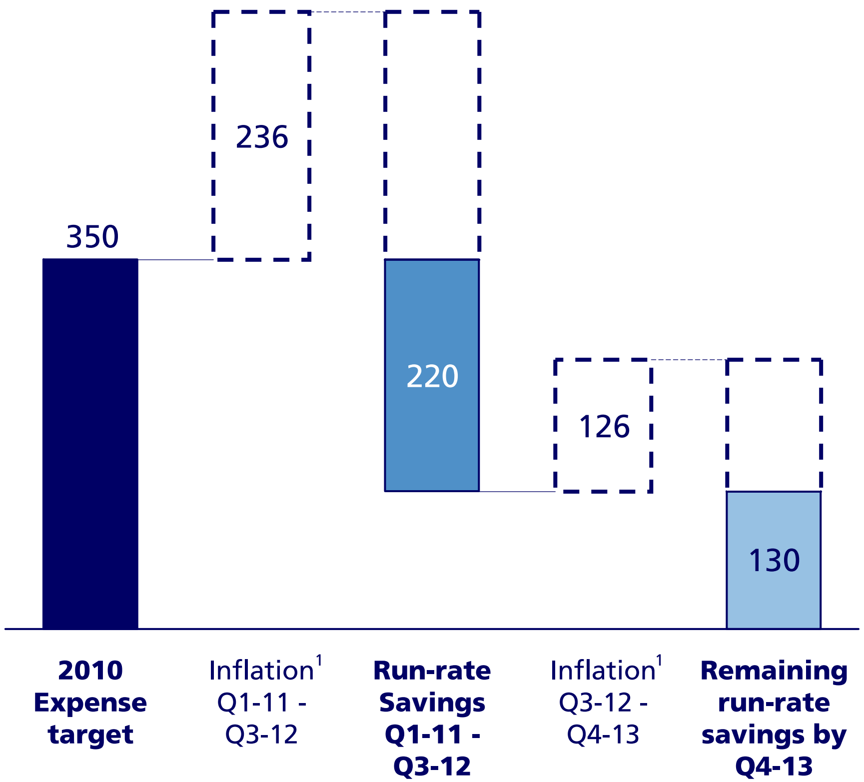
Note:
Tiers range from “A” most profitable to “D” least profitable.
Portfolio GC1 is a real Global Corporate portfolio.
The rate changes per tier, along with retention rates, are over a 9 month period (9m-12).

Claims Diagnostic Program optimizes costs through technical excellence



- An ongoing effort started in Feb 2011 to identify technical and non-technical improvement opportunities for attritional claims in a given country's claims function
- Joint effort of local team, central GI claims and international experts for LoB diagnostic, engaging around 100 international employees to date

We are well on track to achieve our run-rate expense target



Expense target development[2], in USDm

- Significant savings of approx. USD 220m in mature markets have been achieved by:
  - a strict review of our organizational set-up and implementation of the GI blueprint
  - a sustained focus on consolidation of our activities across all regions
  - allocation from Group Operations savings
- GI has made significant strides in achieving its expense reduction target to date

[1] Inflation indication, based on inflation rates 2011-2013 as per Consensus Economics
[2] Includes Group Operations allocations

OUE shows efficiency gains due to disciplined expense management

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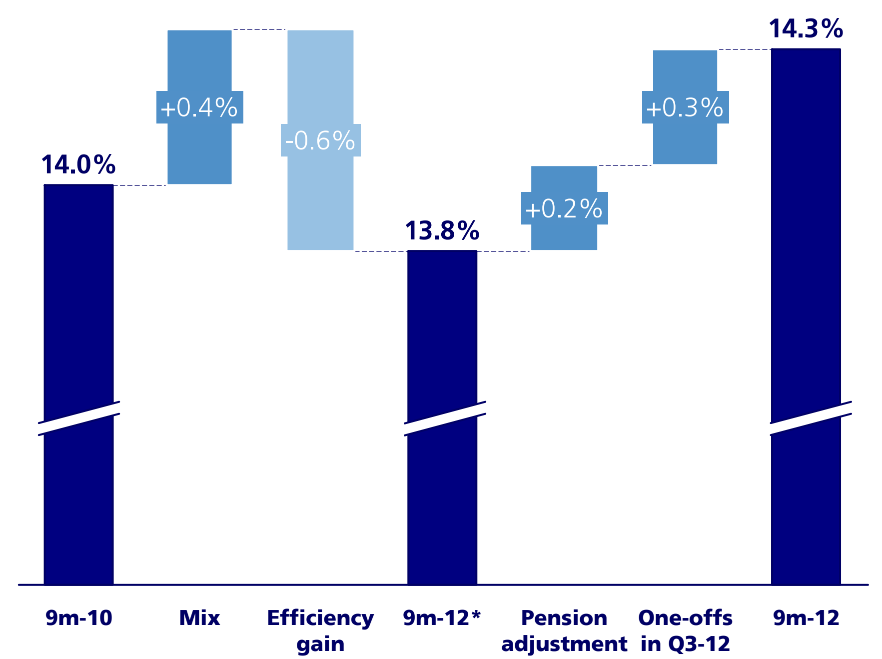
OUE ratio walk, in %



Efficiency improvement

We have an efficiency improvement of 0.6% points in our OUE ratio, driven by:

- expense management in mature markets
- controlled investments in international markets

Offsets

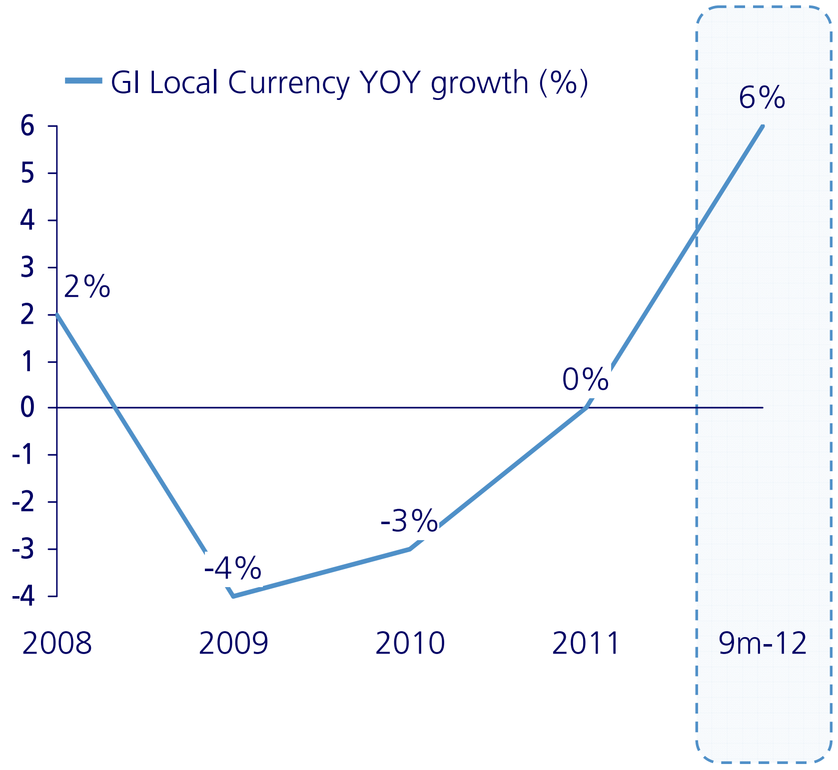
Efficiency improvement is offset by a 0.9% points increase in OUE mainly due to:

- shift in our premium mix towards our international markets, which typically have a higher OUE ratio
- pension adjustments related to change in assumptions to reflect current environment (IAS19)
- one-time tax charges in Q3-12 in Germany

* Excluding pension adjustment and one-time tax charges

OUE = Other Underwriting Expenses; OUE ratio is the expense ratio less commissions (but includes premium tax)

GI GWP growth in local currency has been steadily increasing



GWP growth in local currency, in %

- Continued growth in our targeted markets while maintaining rate increases
- Recent growth driven by acquisitions in Latin America and Malaysia, but also by organic growth in North America and International Markets
- Rate increases are due to rate tiering strategies and reshaping of our portfolios in a balanced way to drive profitability
- Retention and new business levels are improving

We have a well-diversified portfolio with healthy Net Loss Reserves

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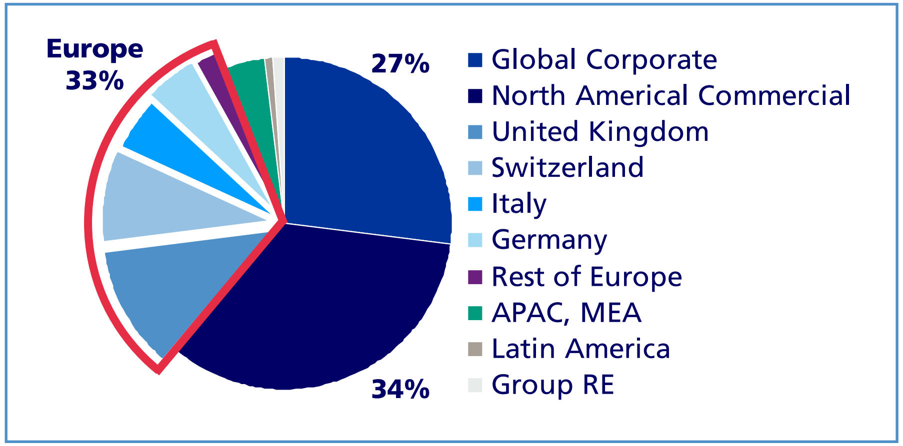
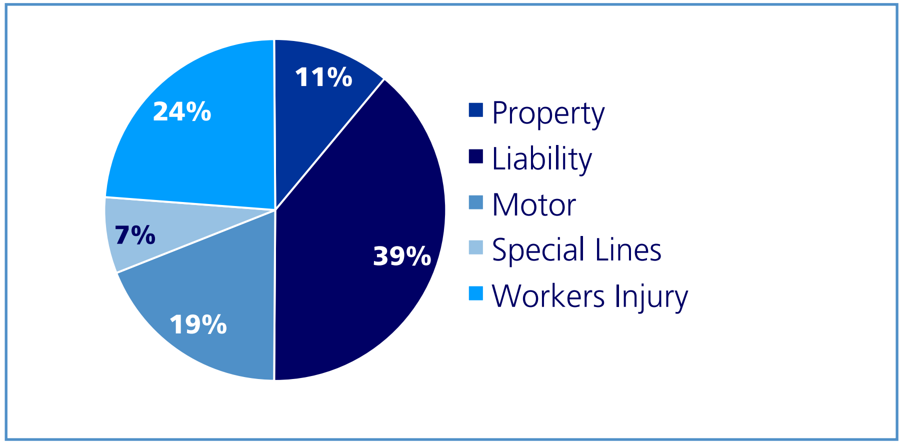




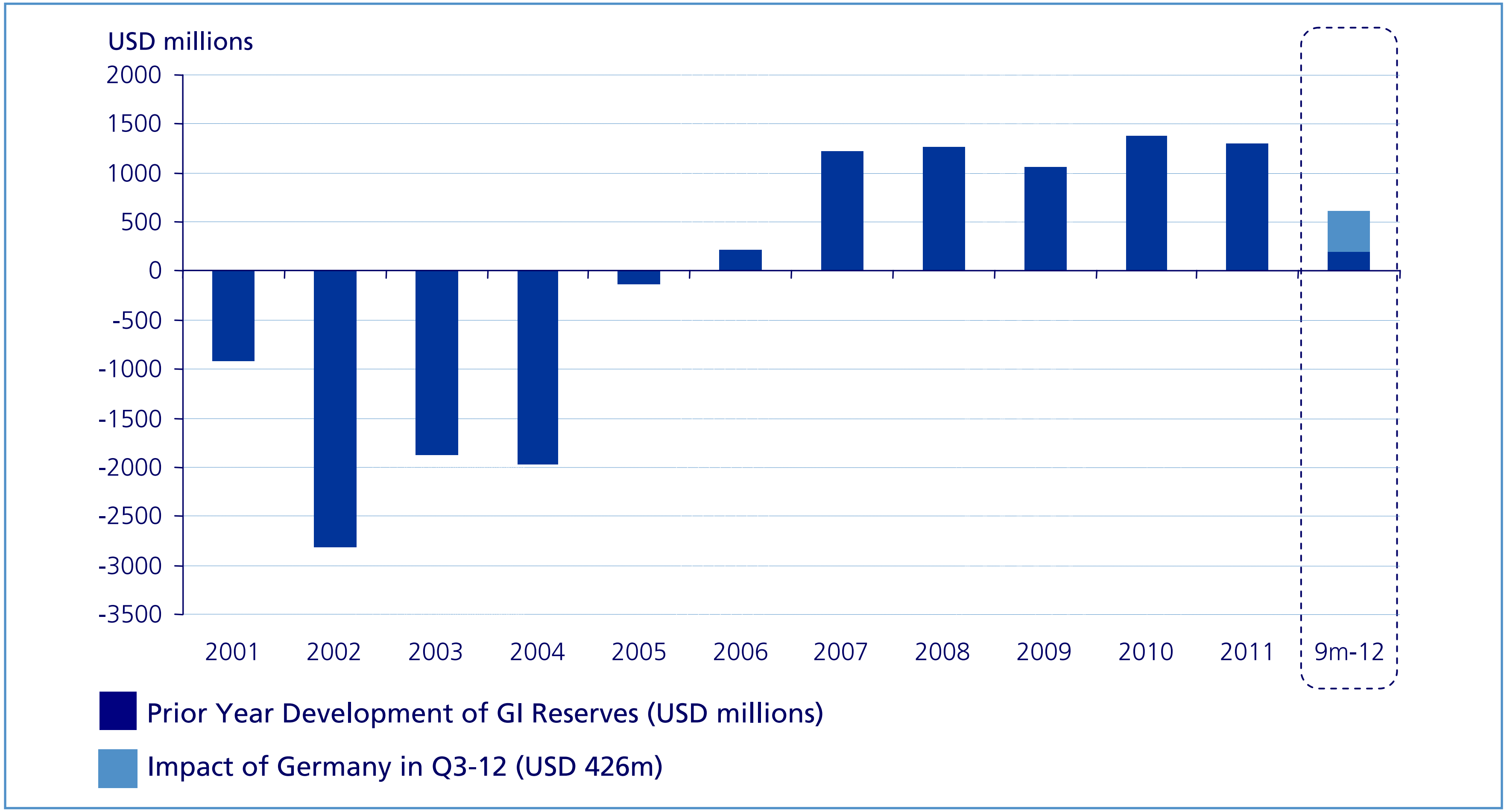
- Total GI Net Loss Reserves USD 55bn as of September 30, 2012
- Although we operate globally, roughly 90% of our total reserves of USD 55bn are in 8 countries
- Workers Injury reserves include Workers Compensation in the US and Employers Liability in the UK
- In the aggregate, reserves have been set at a prudent level

Group loss ratio development reflects our conservative reserving

Accident Year Loss Ratio Development	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
In the year	70.6 %	67.1 %	68.3 %	73.3 %	69.6 %	72.7 %	74.6 %	72.3 %	73.5 %	74.1 %
One year later	72.0 %	66.1 %	64.2 %	68.1 %	66.2 %	71.7 %	74.1 %	72.0 %	73.2 %	
Two years later	72.3 %	65.4 %	63.5 %	66.6 %	64.8 %	70.6 %	72.4 %	70.7 %		
Three years later	74.5 %	65.5 %	63.7 %	65.0 %	63.3 %	69.4 %	72.3 %			
Four years later	74.7 %	65.7 %	62.9 %	63.8 %	62.6 %	68.6 %				
Five years later	73.4 %	65.0 %	62.2 %	63.2 %	61.6 %					
Six years later	74.3 %	64.6 %	62.1 %	62.6 %						
Seven years later	74.1 %	64.4 %	61.9 %							
Eight years later	74.1 %	64.5 %								
Nine years later	74.2 %									
Cumulative development from inception[1]	+3.6%	-2.5%	-6.4%	-10.8%	-8.0%	-4.1%	-2.3%	-1.6%	-0.3%	

[1] Negative sign reflects positive development of reserves

Our prior year development has been favorable since 2006



Reserving governance has taken us from local focus to global consistency

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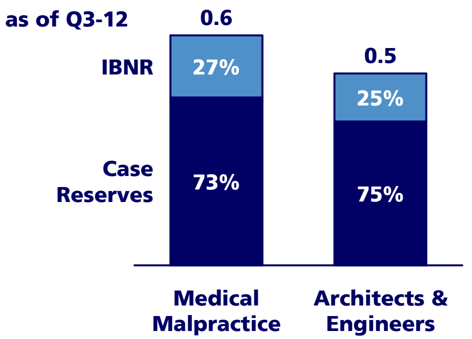
From…	**To…**
• a locally driven environment	• a globally consistent framework
• limited opportunities to share knowledge and best practices	• improved Consultation and Communication (Virtuous Circle)
• actuaries reporting into their local business, with local decisions on budgets and resourcing	• regional actuarial roles, supported by Centers of Excellence, with full control over budgets and staffing
• booking decisions based on plans and initiatives	• booking decisions as results emerge

Germany financial adjustments

Germany GI Reserves[1], USD billions



- The reserve increase in Q3-12 is mainly due to severity
- The increase applies to several years starting from the mid-2000s
- Total GI reserves are at USD 55bn as of Q3-12

Key actions taken in Germany

- Detailed claims files reviews, e.g. for long tail lines all files with case reserves >EUR 100k were reviewed
- Improving claims data granularity
- Moving Germany to a new accounting platform which handles multiple accounting standards
- Strengthening governance and controls

We are confident we have addressed the bulk of the issues although further analysis is ongoing and is expected to be essentially completed by the time we report year-end.

Actions taken for the rest of GI

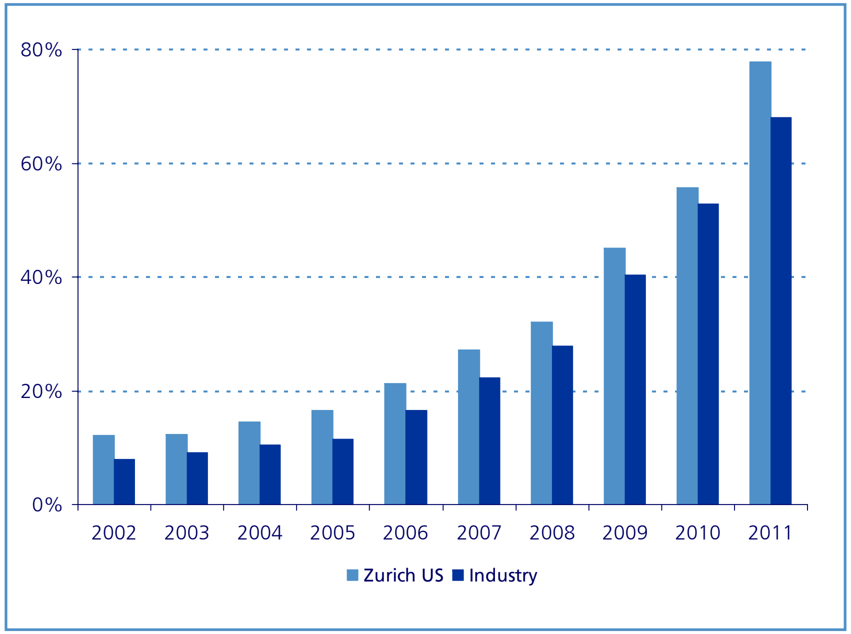
- In addition to the actions in Germany, we conducted a review in all major units in General Insurance
- Main functions reviewed were reserving, claims, underwriting and finance
- Key items reviewed were the following:
  - Data quality
  - Reliance on manual processes particularly on IFRS accounting
  - Quality of information flow between the different functions
  - Control framework

We are confident there are no similar issues of significance elsewhere in General Insurance and therefore the issues arising in Germany are isolated.

[1] Reserves are after adjustments of USD 426m in Q3-12

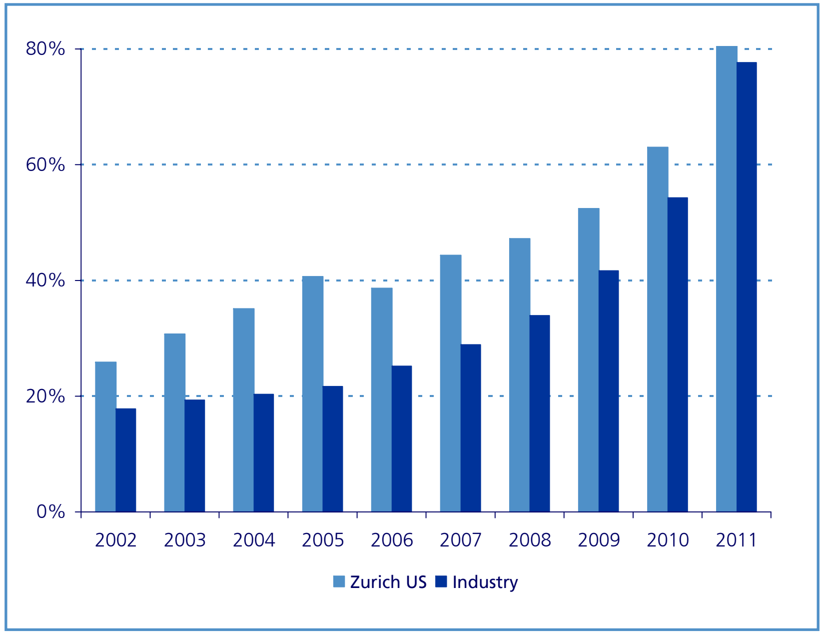
ZNA[1] reserves well-positioned compared to industry

Reserves-to-ultimate loss by accident year – all lines combined



Net as of 31 December
Industry results reflect the entire industry with line ratios weighted by Zurich distributions

Reserves-to-ultimate loss by accident year – workers compensation only

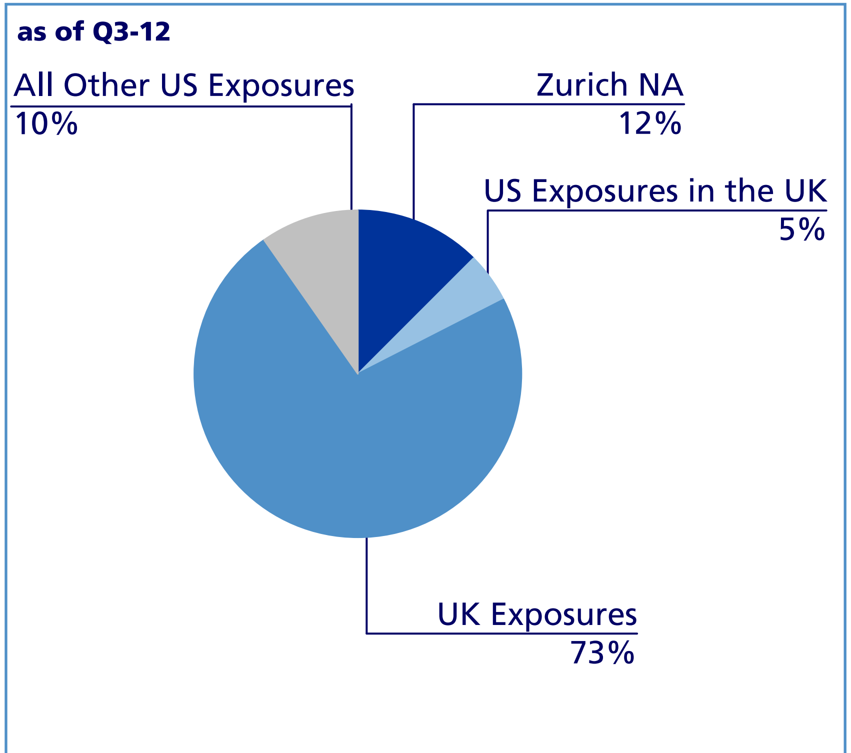


Net as of 31 December

[1] ZNA = Zurich North America (includes North America Commercial and Global Corporate in North America)

We review asbestos and environmental reserves annually

Net asbestos and environmental reserves of USD 3.0bn



- Total asbestos gross reserves are USD 3.6bn
- Majority is UK direct business
- North America direct is 12% and is primary coverage
- Other US reserves relate to London market and other run-off businesses
- Reserves are largely unchanged during 2012 to date
- 3 year survival ratio is 25 years

Storm Sandy could rank as 2nd most costly Atlantic storm

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- Sandy reached > 900 miles wide with wind speeds > 90 mph
- Central barometric pressure at 940 millibars – lowest barometric reading ever for Atlantic storm north of North Carolina
- Landfall along New Jersey coast on Oct 29, Storm surge at NYC Battery Park at 13.88 feet, higher than prior mark by 3 feet
- Deaths > 100 over 10 states, at least 65 in Caribbean
- > 6 million people without power in MidAtlantic & Northeast states
- EQECAT, RMS estimates industry impact up to USD 20 - 25bn insured losses, USD 55bn in total
- Most costly Atlantic storm was Katrina with total losses of USD 105bn

Sources: Different publicly available sources (Picture from National Oceanic and Atmospheric Administration)

Our response is driven by how we can best serve our customers

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Preparation

- Approximately 1,800 Select Brokers received pre-event e-mails, to prepare for the storm
- Risk Engineering volunteers were on standby
- Customer Care Center identified back-up resources
- Large Loss General Adjusters were placed on call and ready to respond

Response

- Within five business days of notice of loss, Zurich CAT team made initial contact with 100% of our customers
- As of two weeks ago, all inspections of the locations with a large loss had been completed
- Zurich CAT team issued its first payments on 5 November, only six days after the storm

Our US Catastrophe Reinsurance Program limits exposure to Sandy

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Cat. claims adjustment is non-trivial

Claims adjustment needs to ensure that:

- claims are assigned between flood and wind
- individual contracts and deductibles are appropriately serviced, as commercial cover is often customized

Business interruption and other coverage extensions protection must consider:

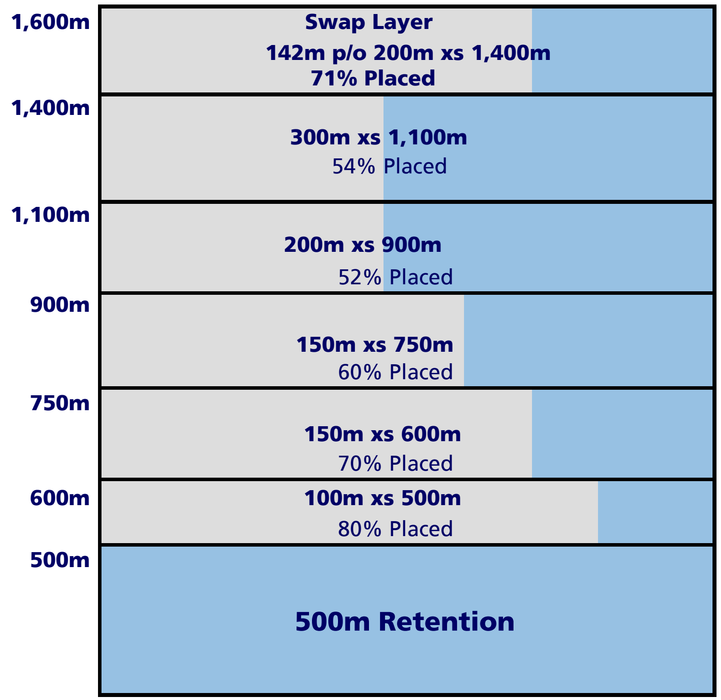
- service interruption implications
- Contingent Business Interruption, with longer lead times
- egress and ingress restriction implications
- extra costs due to demand surge

Reinsurance treaties limit our exposure

In addition to US CAT Treaty (shown here on the right), we also have:

- Facultative Reinsurance
- Per Risk Reinsurance
- Captive (Group and Single Parent)
- Occurrence (marine)

2012 US CAT Treaties (extract), in USD



All risks excl. earthquake
USD 682m p/o USD 1,100m xs USD 500m

Note: Global Aggregate , Affiliated and EQ specific reinsurance not shown here.

Our customer focus aspiration includes four key elements

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1 Deepen our understanding of customer needs

- Select targeted customer sub-segments
- Leverage Zurich global brand positioning (care, empathy and expertise) to define what GI stands for in each sub-segment

2 Design distinctive customer propositions

- Develop sub-segment specific value propositions
- Define end-to-end customer experience
- Build a Customer Management Strategy

3 Deliver and sell the propositions consistently across all touchpoints

- Align operating model to deliver customer propositions
- Align on customer facing behaviors (Training)
- Sell and communicate the value to customers

4 Develop capabilities to enable increased customer focus

- SCV/CRM
- Engagement plan: Win the heart and mind of all employees to promote change of mindset
- Consistently and continuously listen and act on customer insights (TNPS)
- People strategy: skill building, training, hiring, promotions, incentives

SCV = Single Customer View
CRM = Customer Relationship Management
TNPS = Transactional Net Promoter Score

We are determined to become more of a learning organization

- We are in a skills business, and we shall develop our people to be able to best serve our customers
- Our aspiration is to be able to better use our data, and to make it available at the right time to the functions that need it
- We will strive to improve our ability to react swiftly and effectively to issues and opportunities
- Our continued ambition is to be able to use data, experience and insights to offer benchmarks to our customers and brokers

Zurich's Multinational Insurance Application (MIA) leads the market

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Zurich MIA: Internet-based technology bringing clarity to the complex regulatory world of non-admitted insurance

Initially developed for internal use, Zurich MIA's evident value for large corporate customers drove Zurich to make it also externally available, to brokers and risk managers

2012 Innovation Award

Business Insurance INNOVATION AWARDS

Global agreements with the world's three-largest insurance brokers

"Zurich has done an exceptional work with their MIA tool. By utilizing MIA, brokers and clients will be better able to understand compliant international program structuring. While insurance laws and regulations are seldom crystal clear, MIA has done a very good job in articulating today's important issues."

--Claude F. Gallello, Willis International

"2012 Innovation Awards: Zurich Multinational Insurance Application", Business Insurance magazine press release, 11 March 2012

Key messages

- Our strategy and targets for 2013 remain unchanged, and we continue to execute with very positive results

- Embedding the Zurich Way of Reserving into our business over time has created higher confidence in our reserve levels

- To build a foundation for future growth, we will deepen customer focus and enhance learning capabilities, while keeping our sight on profitability

Progressing on our strategy to deliver our 2013 targets

Appendix

US crop business has been very profitable in the last years

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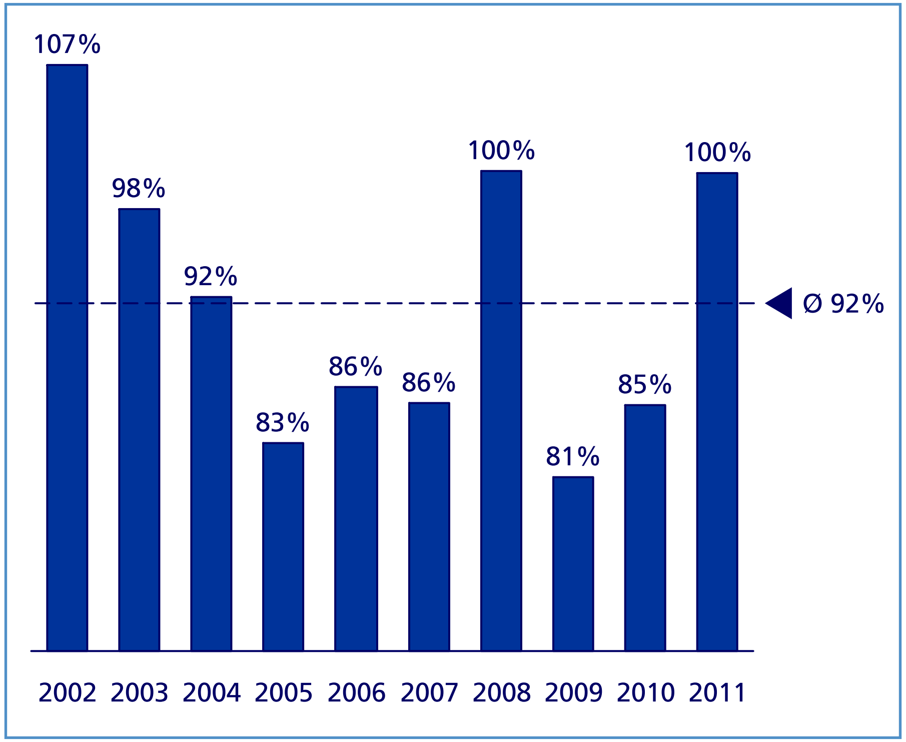
Combined Ratio US crop business in NAC
in %

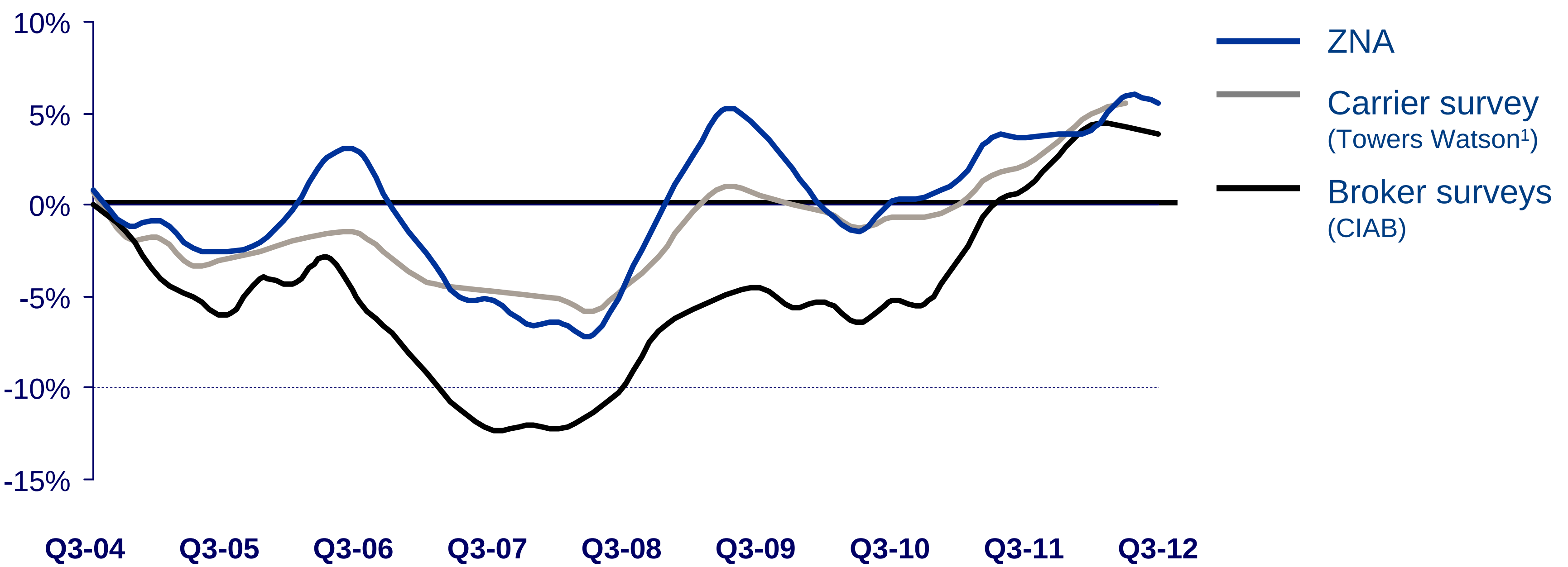


- Average Combined Ratio of crop business is at 92% (2002 - 2011).
- NAC writes about USD 600m of GWP in US crop (annual), 2% of GI's overall GWP.
- US crop insurance is a US federal government program and highly regulated, has several profit & loss sharing mechanisms and a government backstop.
- 2012 Crop Program is experiencing a "perfect storm", with the most extensive and intense drought the U.S in recent history whereby insurers will be paying farmers for both declining yields and higher commodity prices caused by the lower yields.
- As of Q3, we booked an Underwriting loss of approximately USD 50m. As the harvest and premiums earning goes on in Q4, the impact of the drought will also continue to affect our results by a similar amount.

Note:
2008 hit by drought in North Dakota and Texas, and additionally by a decline in corn prices in October
2011 hit by drought in Texas, Oklahoma and Kansas, and additionally by floods in the Midwest

ZNA rate change vs. industry

Rate Change, in %

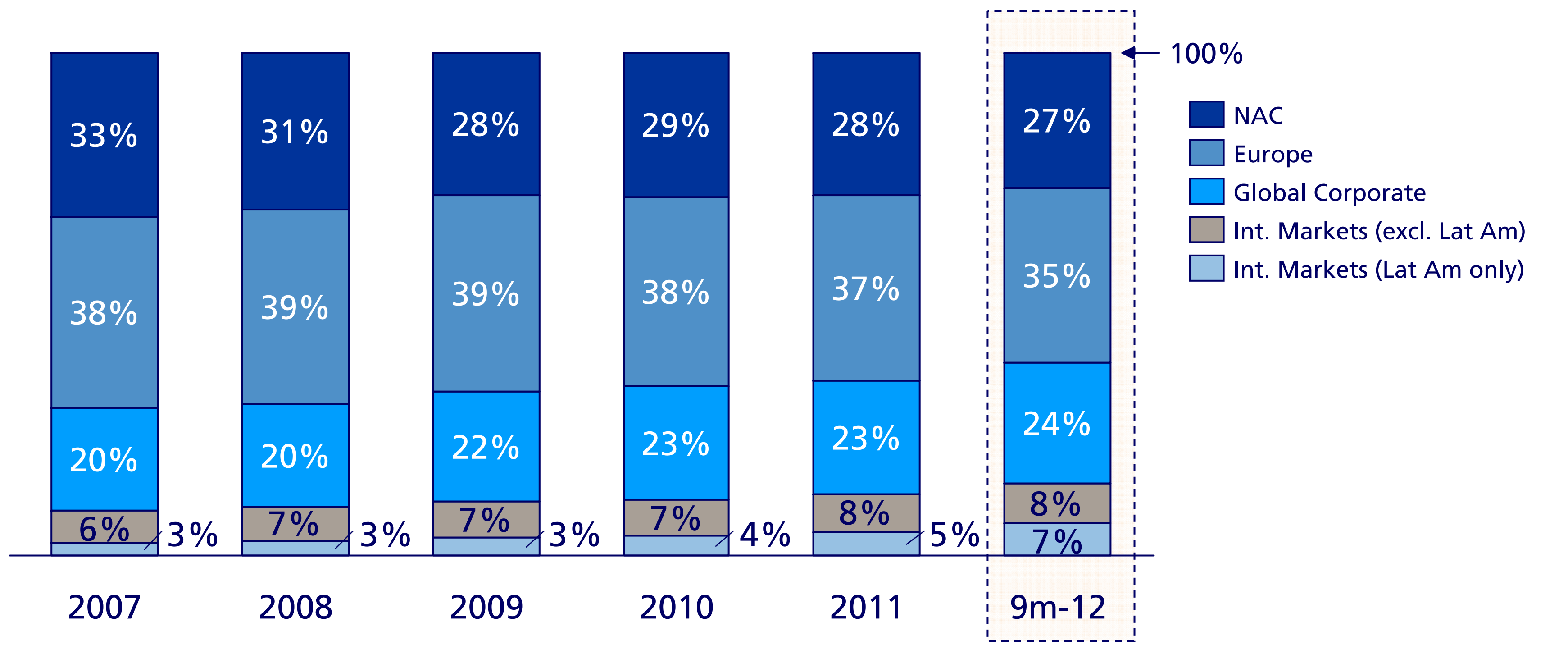


Note: Q2-04 to Q4-08 policy year, Q1-09 to Q3-12 calendar year

[1] Towers Watson – carrier survey estimated at ZNA mix of business

International Markets are increasing their contribution to GI GWP

Gross Written Premiums and Policy Fees



Within International Markets, LatAm has grown to become the single biggest contributor to GWP, from a 3% share in 2007 to 7% in 9m-12

Note: Figures are based on GWP contributions at constant FX rates and exclude eliminations

Program benefits are measured using average cost per closed claim metric

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Example Spain

Multiple initiatives per LoB

Motor Workstream

M1 BI Standard Claims - Whiplash
M2 <90K claims, no whiplash
M3 >90K claims, no whiplash (Complex)
M4 CICOS - Regularizations, Penalties, P&L improvement
M5 Senda Implementation
M6 Specific Fraud Initiatives for Global Corporate Fleets
M7A Windscreen
M7B Bodyshops
M8 Total Loss in ICA Acreedores TPL covergae
M9 Avoidable Litigation - Motor

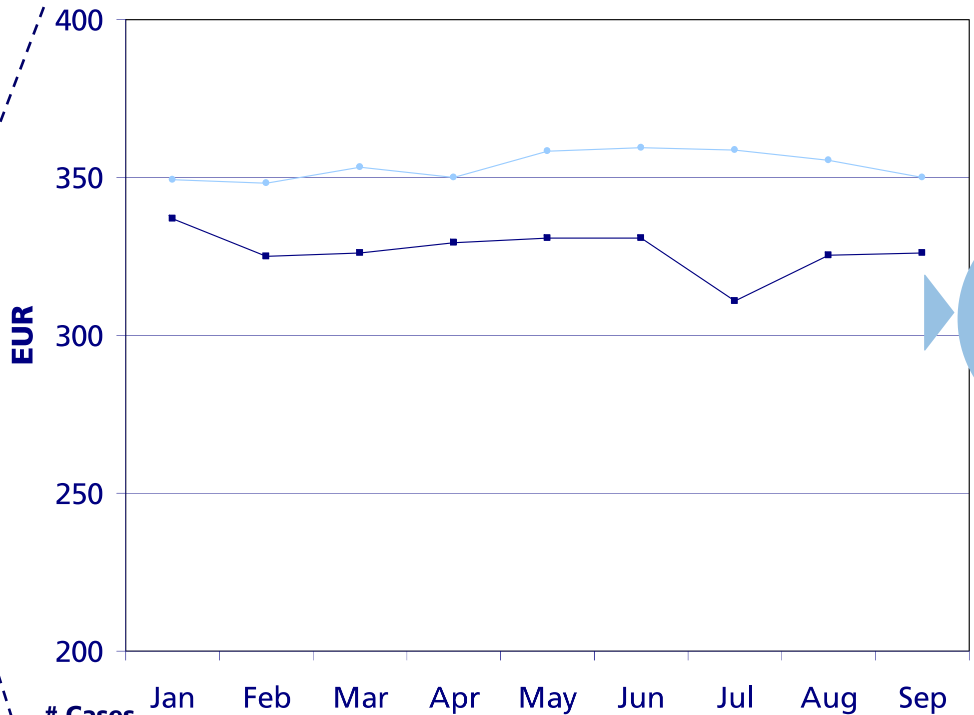
Property Workstream

P1 Protocolo
P2 No protocolo fast flow claims w/o LA
P3 Property no protocolo with LA assignment
P4 Property commercial
P5 Focus review of Liability cases older than 6 months

Liability Workstream

L1 Implement new specific fraid initiatives for Liability claims
L2 Increase Fraud detection by TPA's
L3 Reserves review and adequacy
L4 Slip & Falls and Worker's Comp claims
L5 Reopened Claims - Municipality and Med Mal claims
L6 Accident claims - Preferred hospitals and other sanity vendors
L7 Collection of o/s recoveries
L8 New protocol for deductibles
L9 Medmal claims - Claims Health and Dictamed
L10 Medmal claims - Letramed fees and discounts
L11 Reduction of TPA fees for Municipality claims with no activity
L12 Increase threshold LA for TPA

Average cost per closed claim



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
# Cases YTD 2012 (approx)	9'000	18'000	28'000	36'000	45'000	54'000	66'000	70'000	79'000

Inflation adjustment for Property Spain - 0%

Total YTD savings for initiative 'P1'
~€2m

Total YTD savings Spain all initiatives
~€25m

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Global Life

Kevin Hogan
CEO Global Life

Key messages

- Steady progress towards 2013 targets
- Laying foundations for further sustainable growth
- Strong positions in mature and emerging markets
- High risk-adjusted returns and reduced reliance on spread income

Progressing on our strategy to deliver our 2013 targets

We are on track to meet our 2013 targets

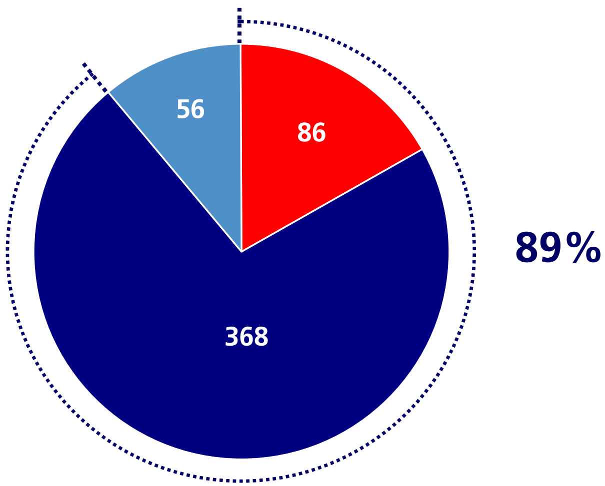
30% of NBV from APME and Latin America	✓ 41% of NBV generated from APME and Latin America at HY-12
Top 5 European-based global insurer by New Business Value (NBV)	✓ 4th in defined peer group at HY-12
Cash generative while self-funding organic growth	✓ USD 500m of expected free capital generation in 2012

APME= Asia-Pacific and Middle East

Laying the foundation for further growth through product mix

HY-12 NBV Product Mix

USD millions

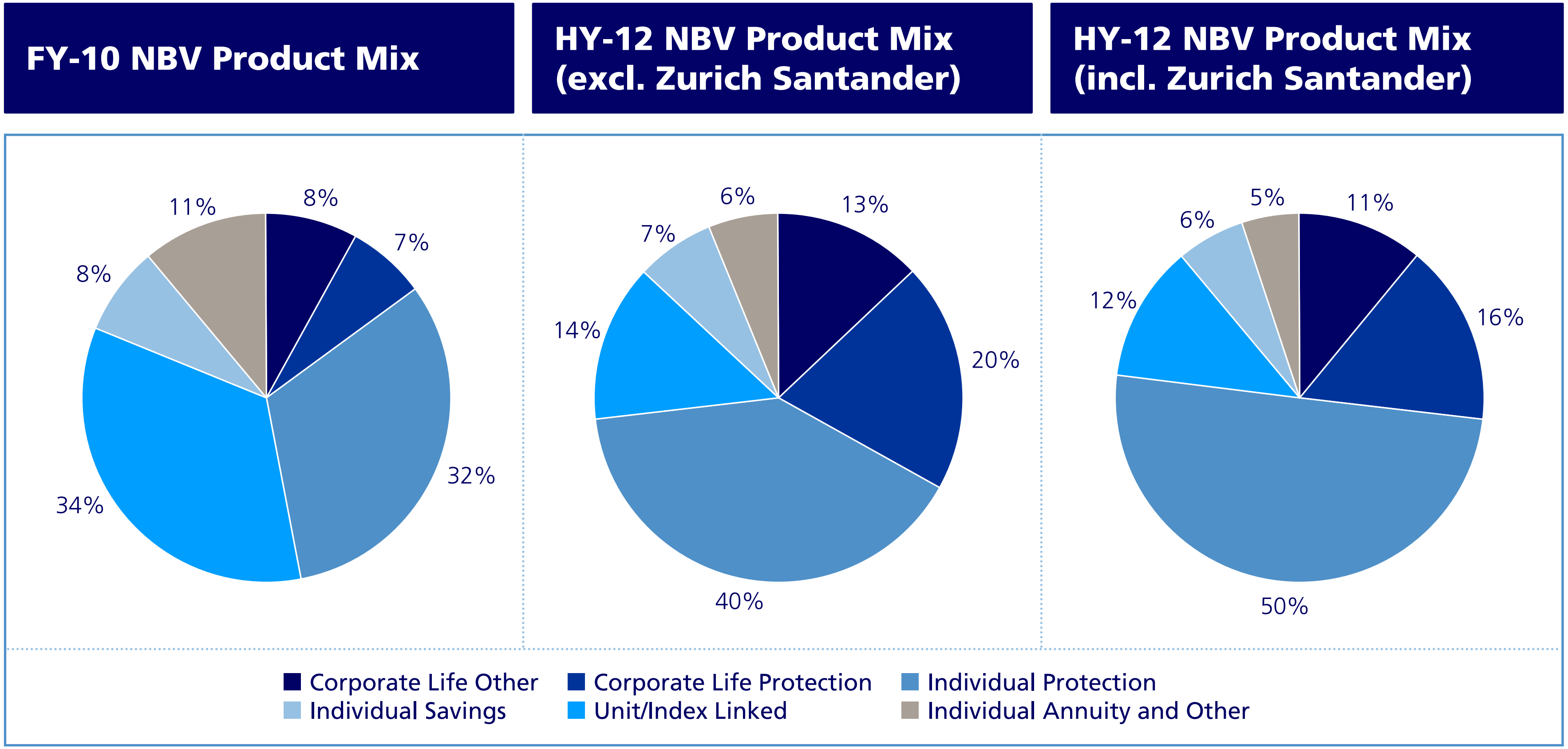


Total NBV: USD 510m

- Protection and fee based NBV from the existing business at the HY-12
- Zurich Santander contribution
- Other products

- Protection and fee based business represents 89% of the total NBV at HY-12
- Product mix continues to move away from interest rate sensitive products
- Geographic diversification away from mature to target markets
- Financial discipline and expense management

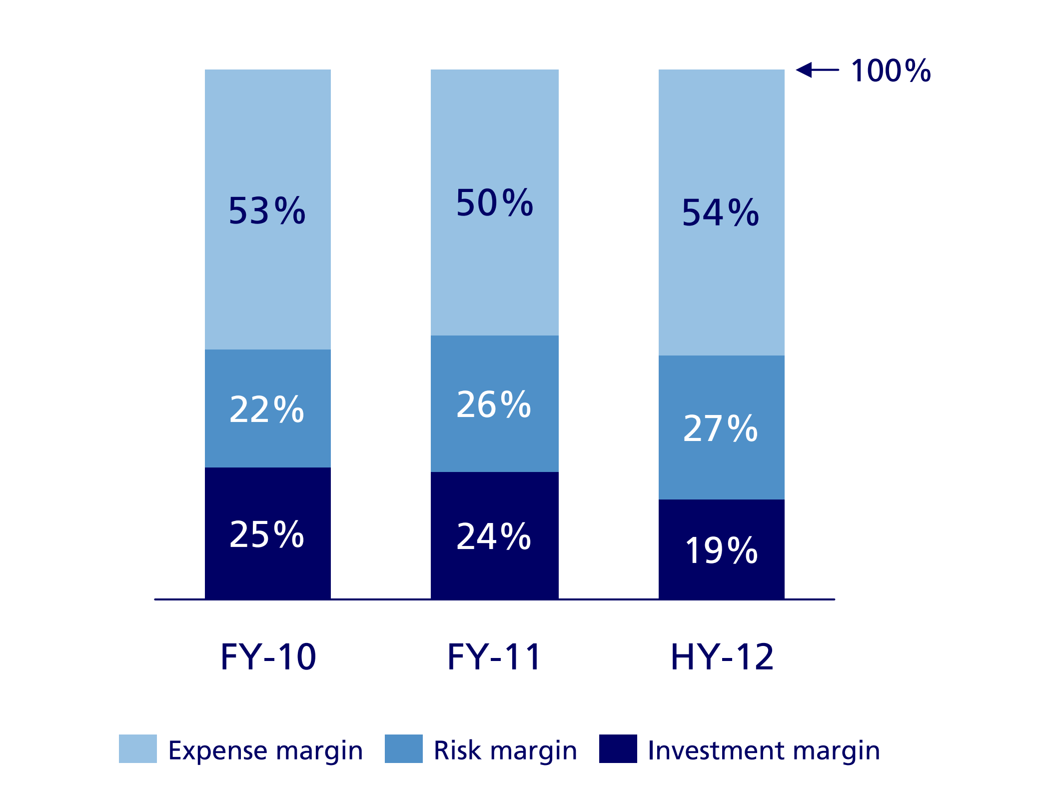
Consistent growth in protection, CLP[1] and fee-based business



[1] Corporate Life and Pensions

Product mix drives an increase in Risk and Expense Margins

Business In-force Margin Contribution to BOP[1]



[1] Excluding. Zurich Santander
Note: at actual FX

Risk Margin

- 5 pt increase in risk margin from FY-10 to HY-12
- Risk margin now represents approximately 27% of BOP before deferrals and other margins compared to 22% at FY-10

Expense Margin

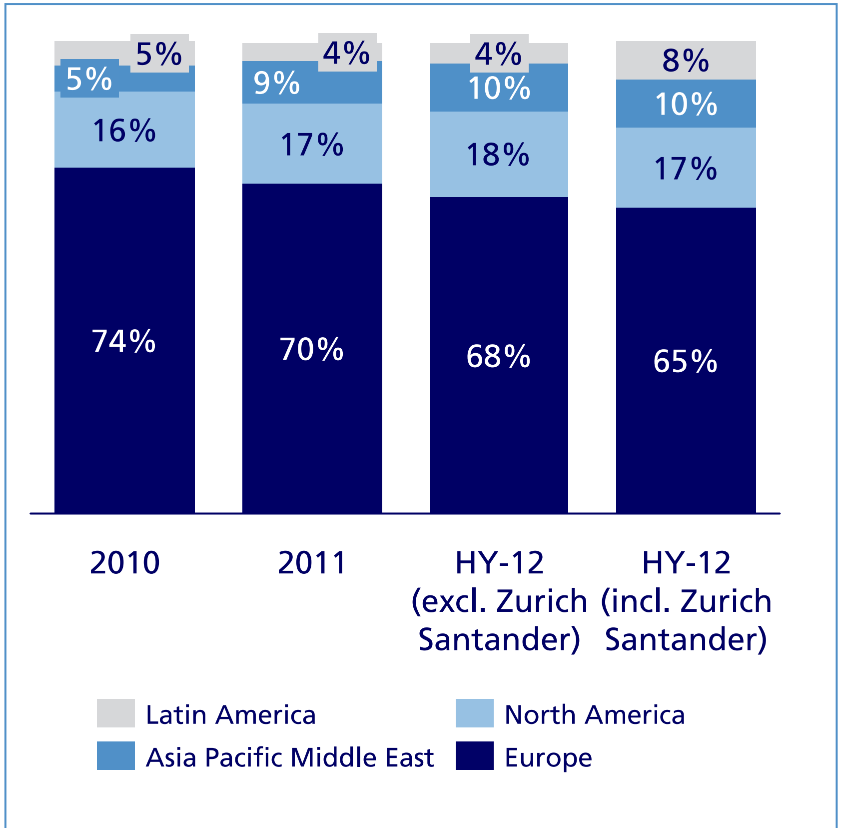
- Improving expense margin reflecting fee based business and renewed focus on expense management

Investment Margin

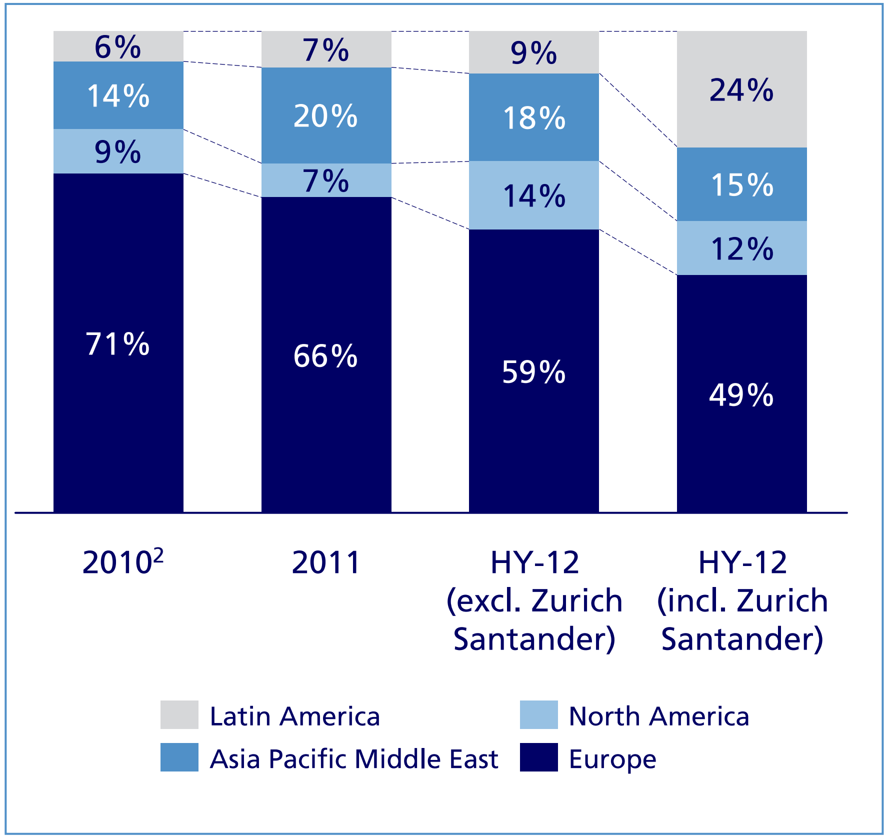
- Declining investment margin driven by current adverse market conditions and de-emphasis of traditional products

Geographic diversification further enhances future growth profile

BOP



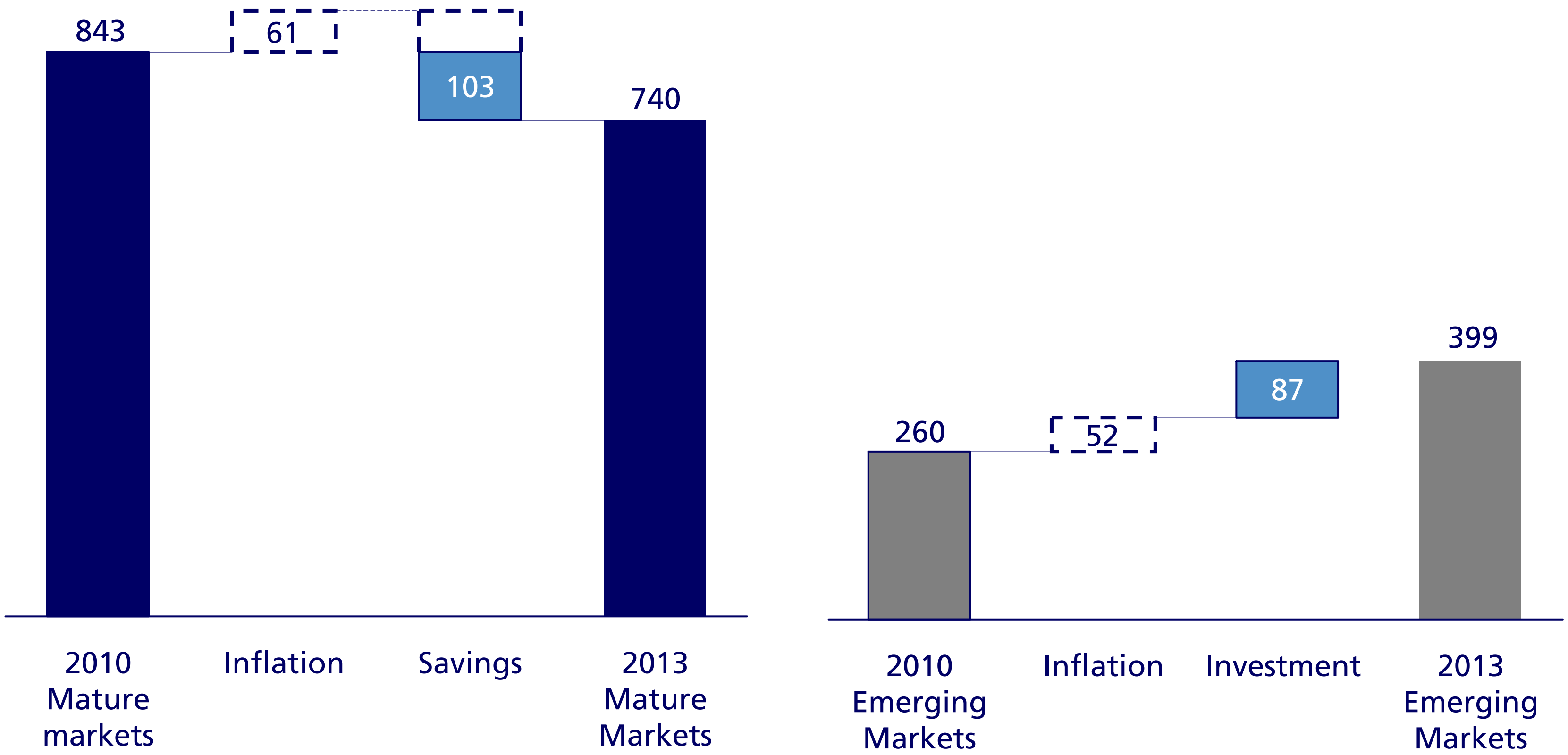
NBV



Supported by disciplined expense management

Mature and Emerging Markets

2010 - 2013 Direct expense development, in USD millions (before acquisitions)



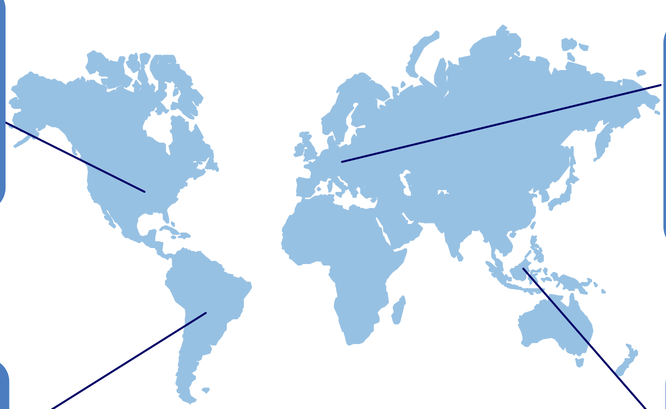
Resulting in strong position in mature and emerging markets

North America

HY-12 APE: USD 74m
HY-12 NBV: USD 59m

Europe

HY-12 APE: USD 1,306m
HY-12 NBV: USD 249m



Latin America

HY-12 APE: USD 490m
HY-12 NBV: USD 123m

Asia-Pac / Middle East

HY-12 APE: USD 253m
HY-12 NBV: USD 78m

Note: LatAm figures shown include Zurich Santander
'Other' NBV of USD 1m and APE of USD 6m not included in regional totals above

In Latin America we have consolidated Zurich Santander

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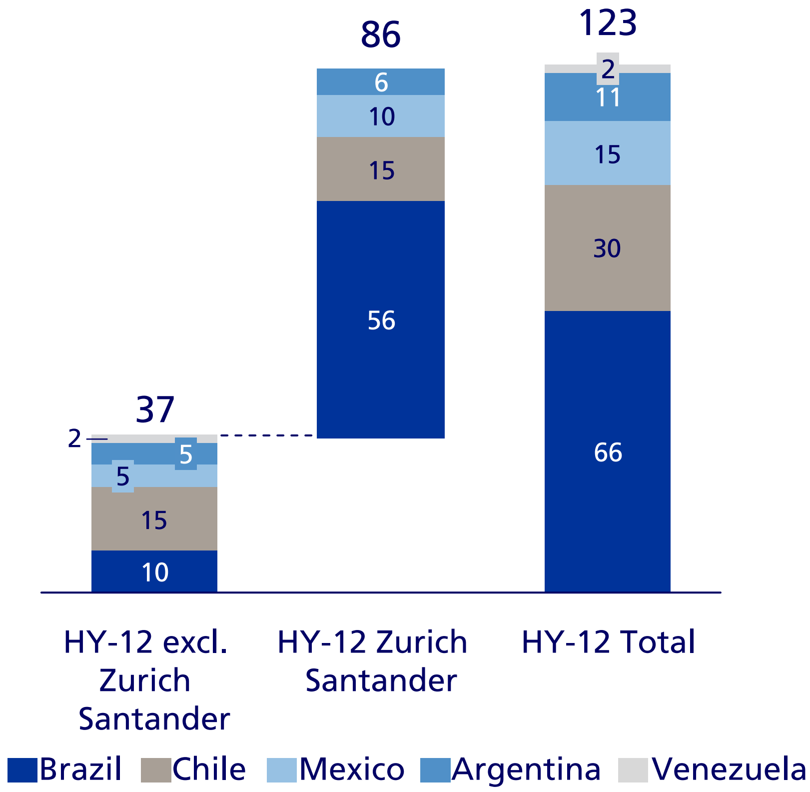
NBV (USD millions)

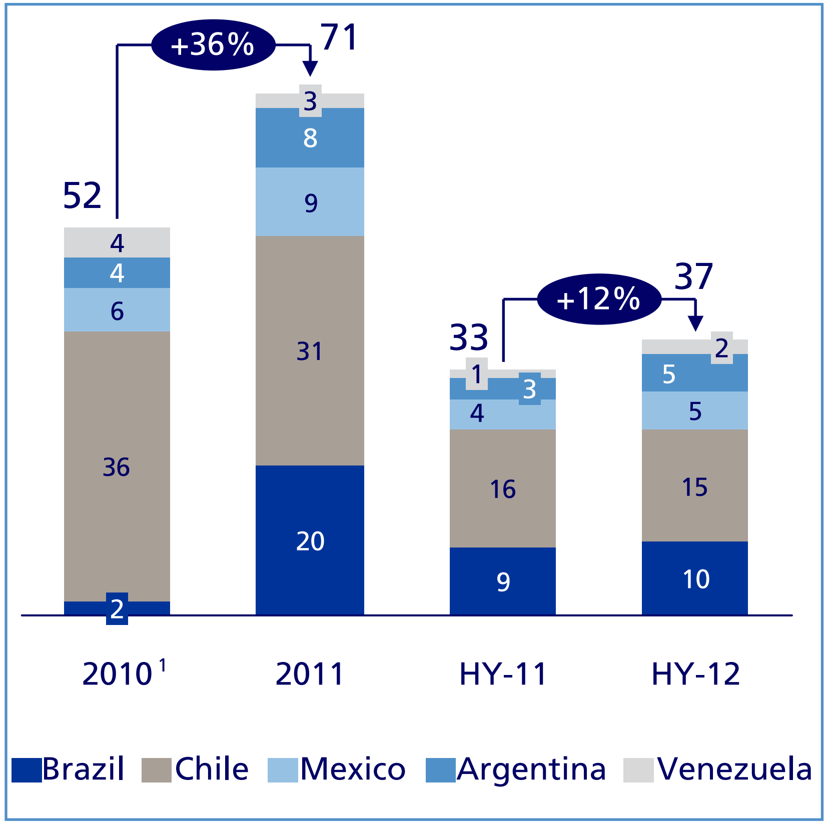


Together we are stronger…

- Powerful distribution franchise
  - 40m customers
  - 6,000 branches
  - 25,000 ATMs
- Step change in our position across our four key markets
- High quality and short payback product mix
- Complementary to organic efforts

While executing organic growth plans in this fast-growing region

NBV (USD millions)



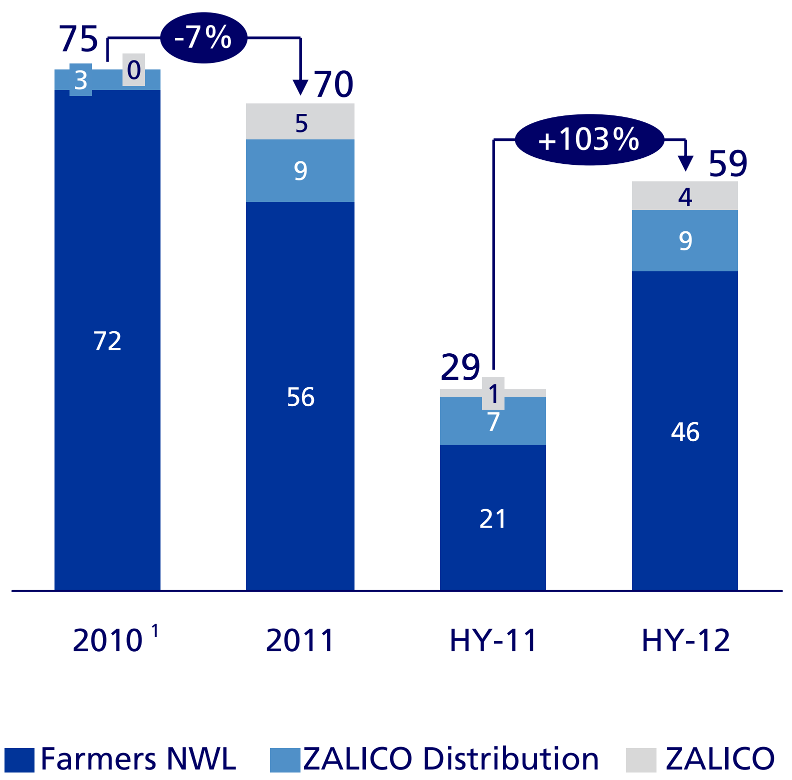
Key Distribution Achievements

- Affinities and Sponsors – developing business with new distribution partners, existing partner access to **35m customers**
- Bancassurance – increasing distribution partnerships and deepening proposition offering, existing distribution partner access to **30m customers**
- CLP – increasing distribution capability, becoming active with Global and Regional EBCs, relationships in place with over 800 EBCs
- IFAs/Brokers and Agency – initiating operation in Mexico

[1] Restated to include illiquidity premium and change to cost of capital

In the US our growth strategy is progressing

NBV (USD millions)



Key Distribution Achievements

Farmers Agency

- Delivered strong HY-12 results with product margin improvements

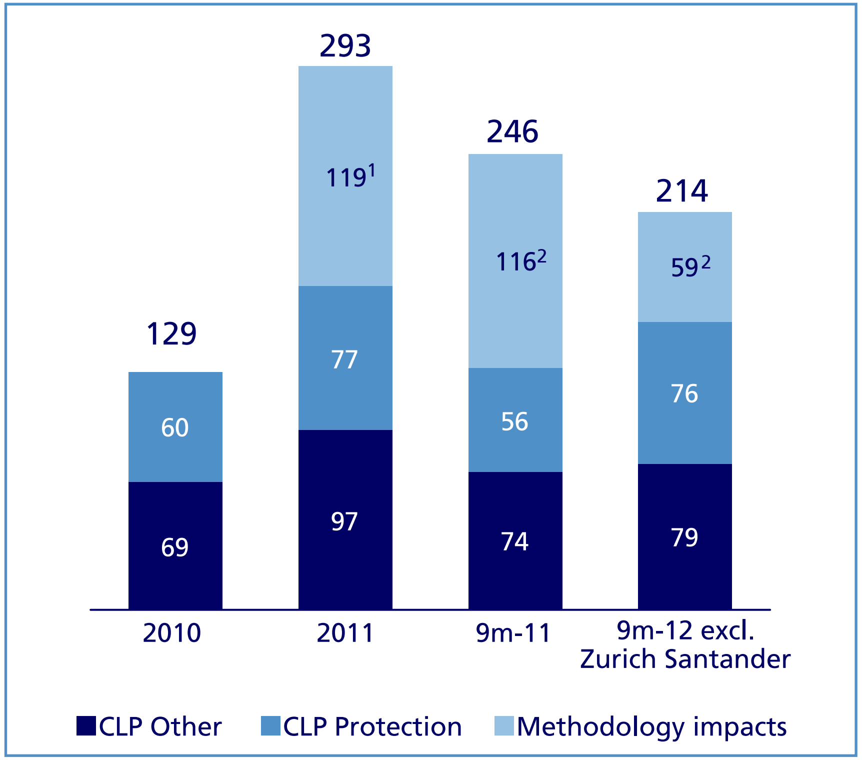
Other distribution

- **IFA** – Targeting High Net Worth and High Income
- **CLP** – Targeting Corporations with Multinational Benefits
- **PBS** – Launched in 2012

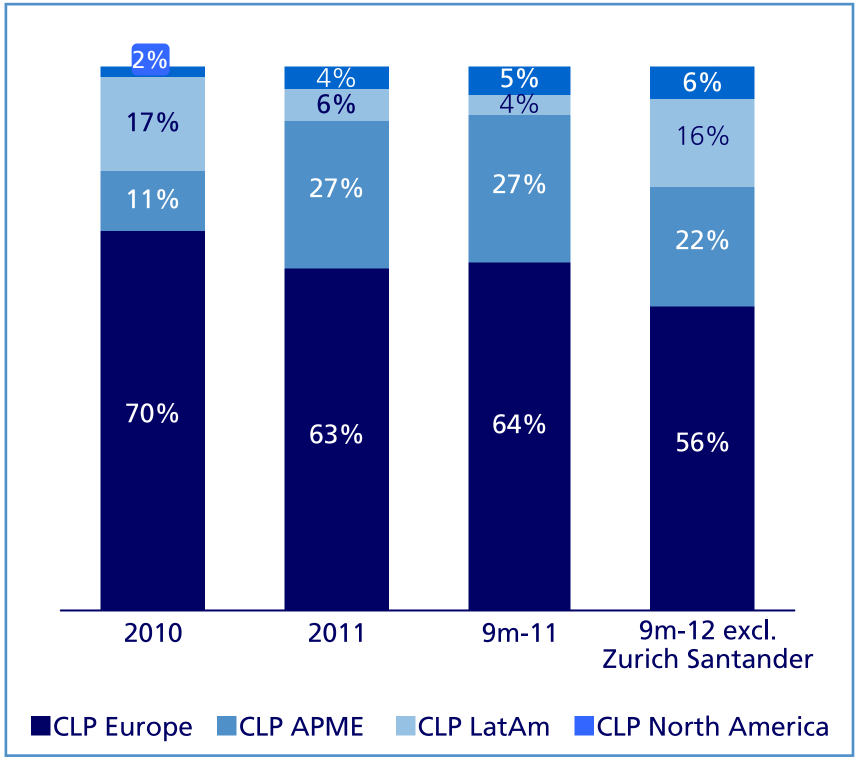
[1] Restated to include illiquidity premium and change to cost of capital.

Globally, CLP continues to deliver strong performance across regions

CLP NBV (USD millions)



CLP NBV by Region



[1] CLP Risk Basis Change: a refinement in methodology for calculating new business value for Corporate Risk business was introduced in 2011, margin impact shown.
[2] CLP Risk Renewals: relates to renewals of business in force at the date of the Corporate Risk Business methodology change.

High risk-adjusted returns and sustainable free capital generation

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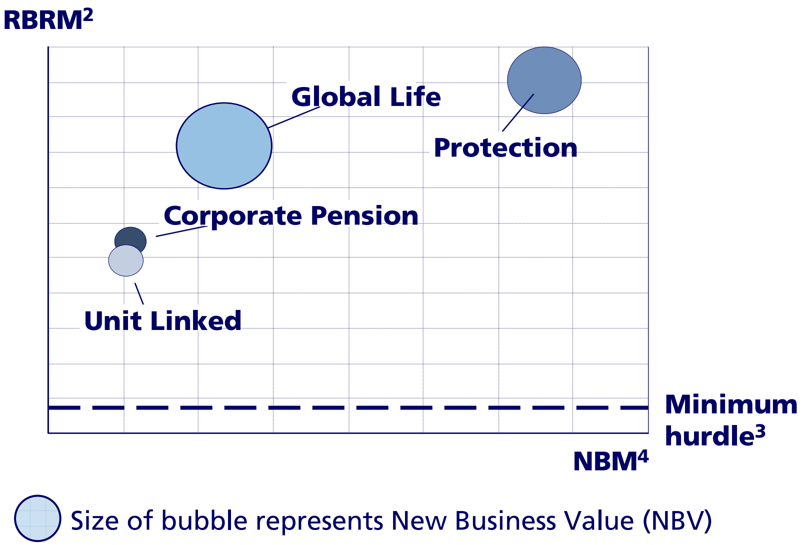
Risk Based Returns HY-12[1]



[1] Excludes Zurich Santander, RBC figures are not yet available for Zurich Santander
[2] RBRM = NBV divided by the present value of projected internal Risk Based Capital
[3] Minimum hurdle level for all new product launches
[4] NBV as a percentage of APE

- Protection products show the highest risk adjusted returns and deliver the highest margins
- Fee based products are capital light propositions and deliver a risk adjusted return well above our minimum hurdle
- In addition, our product mix provides solid cash generation providing an expected free capital generation capability of >USD 500m

Key messages

- Steady progress towards 2013 targets
- Laying foundations for further sustainable growth
- Strong positions in mature and emerging markets
- High risk-adjusted returns with reduced reliance on spread income

Progressing on our strategy to deliver our 2013 targets

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Finance Perspective

Pierre Wauthier
Chief Financial Officer

Key messages

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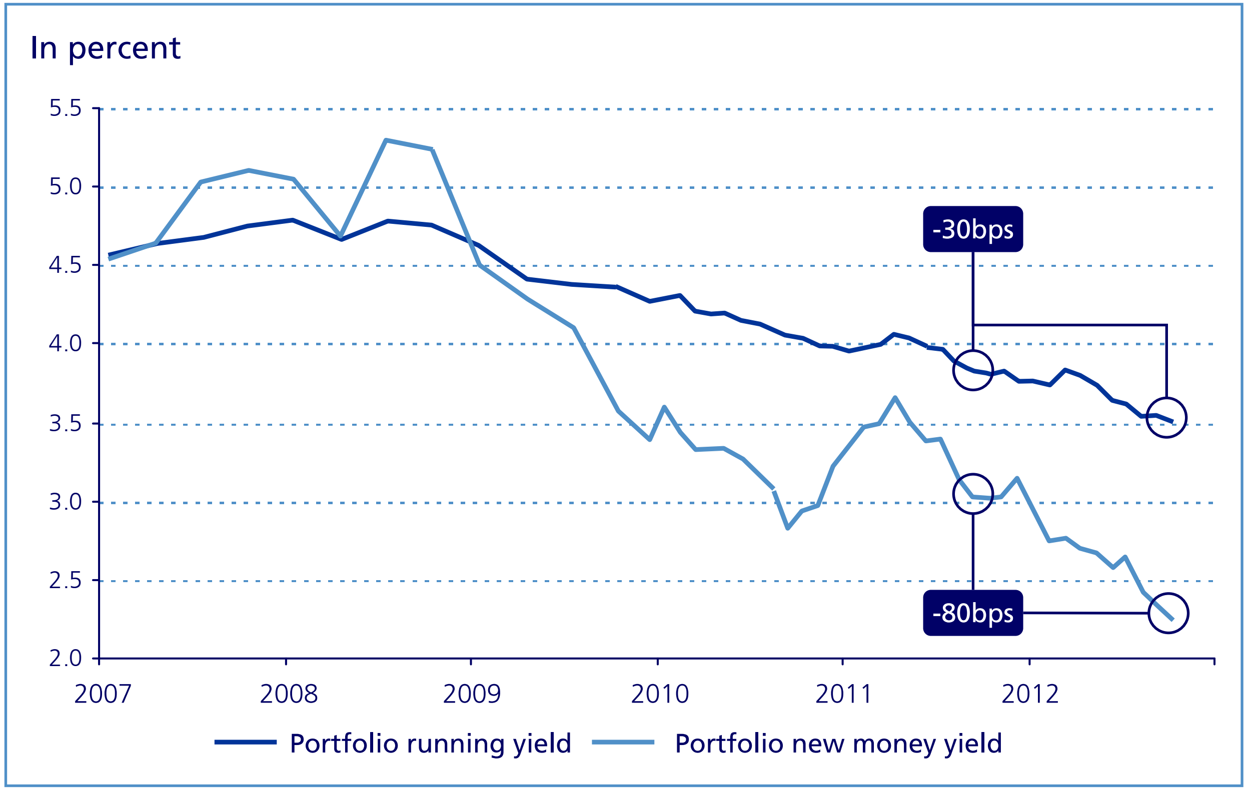
- We continue to deliver attractive returns in a low interest rate environment
- Generating strong cash flows from our businesses
- We are ahead of our target to release capital from non-core entities
- Delivering on our efficiency program with focus on execution

Progressing on our strategy to deliver our 2013 targets

The BOPAT ROE continues to be impacted by the fall in running yield

30bps change in the running yield impacts the ROE by roughly 0.8 pts



- Current new money yield has fallen 80bps continuing to drag on the running yield
- Increase in unrealized gains puts further pressure on the ROE

Continuing to improve performance from the operations must therefore remain a key focus

Return over the US 5 yr swap rate relatively consistent at 1200 bps

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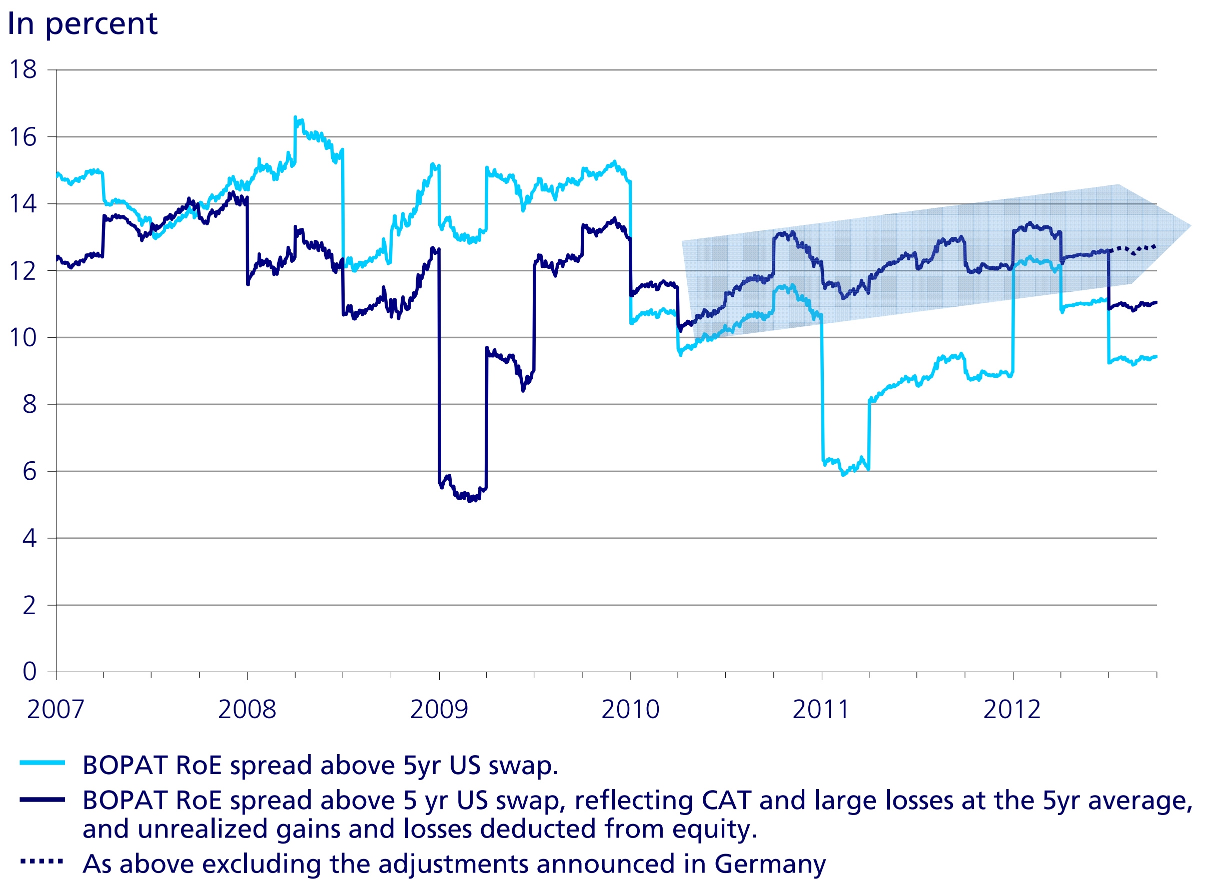
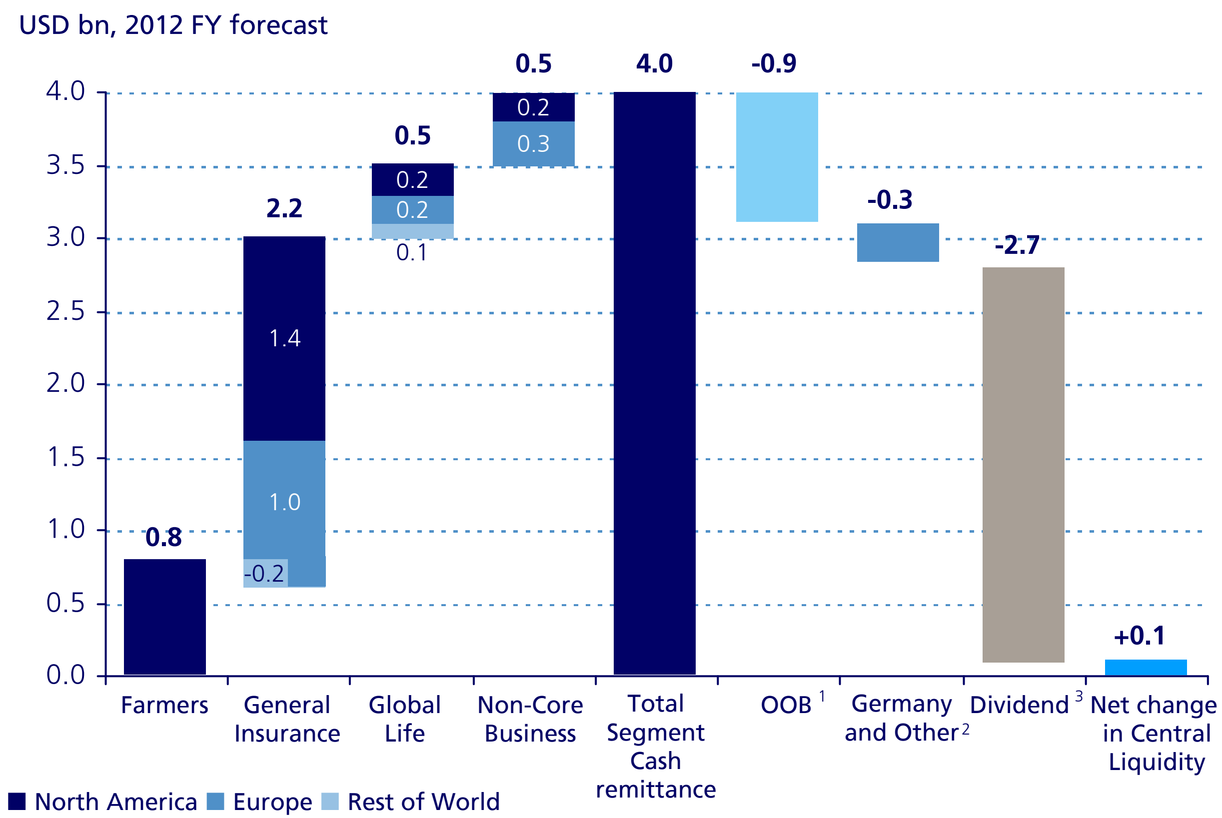
BOPAT ROE remains at a significant spread over US 5yr swap rates



- Three year rolling average return above swap rate up 40bps over the five year average
- Excluding Germany financial adjustment, spread over swap rate increased by 120bps from HY-10
- Underlying profitability remains strong and significantly above swap rate

Strong cash flow generation continued in 2012

Underlying profitability and disciplined growth generated USD 4bn of cash from the segments

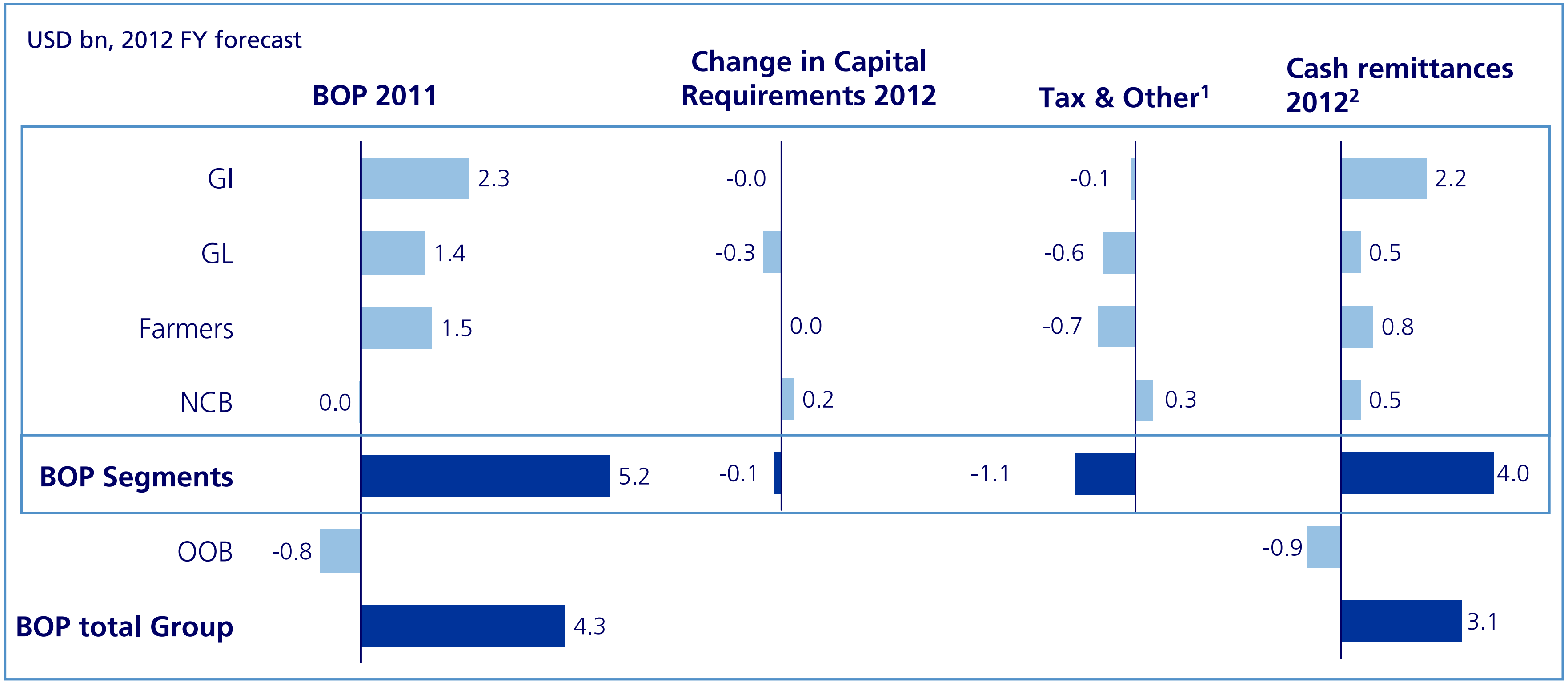


- USD 4.0bn of cash remitted from the business segments
- USD 0.4bn of cash consumed by Germany GI
- Dividend fully covered and liquidity increased
- 2012 cash flows largely derived from 2011 results which were heavily affected by CATS

[1] Other Operating Businesses.
[2] Including other one-off cash flows not considered in the segment cash remittances.
[3] 2011 dividend paid in April 2012.

Segments remitting 80% of BOP due to disciplined capital management

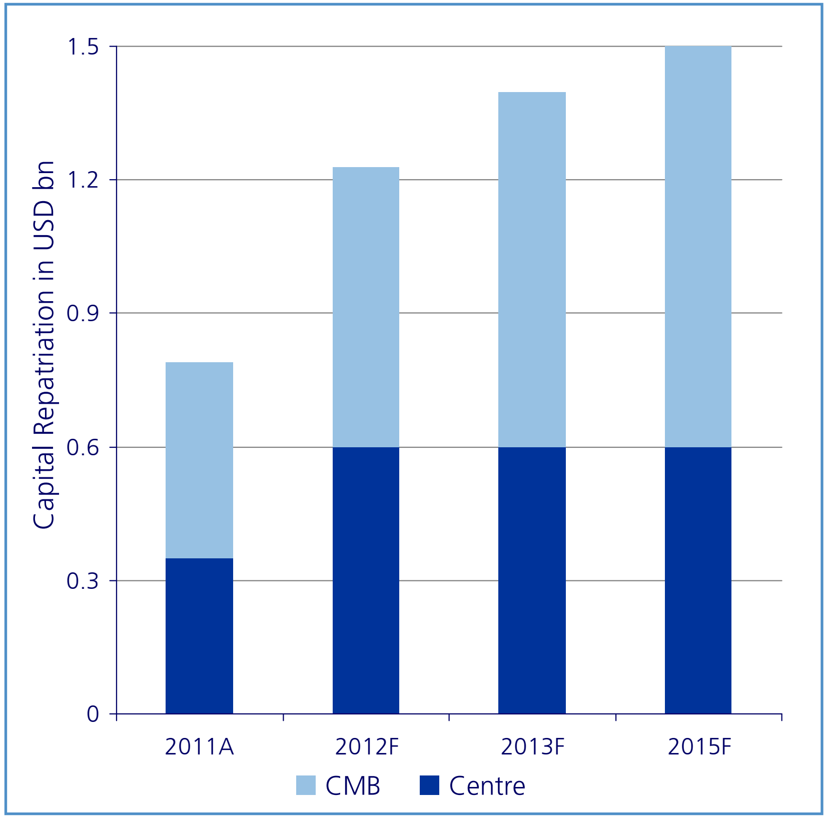
General Insurance and Farmers cash flows affected by heavy CATS



[1] 'Other' includes mainly local taxes, local regulatory changes, differences in accounting treatments from local statutory to IFRS and other changes in local regulatory available capital resources.
[2] Ordinary cash remittances, excluding the USD 400m impact from the adjustments in Germany and other one-off items.

Non-Core Businesses on track to release USD 1.5bn of capital by 2015

USD 1.2bn expected capital release by the end of 2012



USD 0.8bn of the USD 1.2bn remitted in cash

Centre Group

- USD 250m of capital expected to be released in 2012
- Significant progress on company reorganizations and deal restructuring

Zurich Banking Group

- Key focus remains on execution of run-off strategy for property loan book
- Loan redemptions expected to be in line with target for 2012

Centrally Managed Business

- Capital release of USD 190m was achieved in 2012 from ZSL[1]
- Completion of ZSL transfer to Swiss Re will enable USD 170m of further capital release in 2013

[1] Zurich Specialties London Ltd.

Our performance supports a sustainable and attractive dividend policy

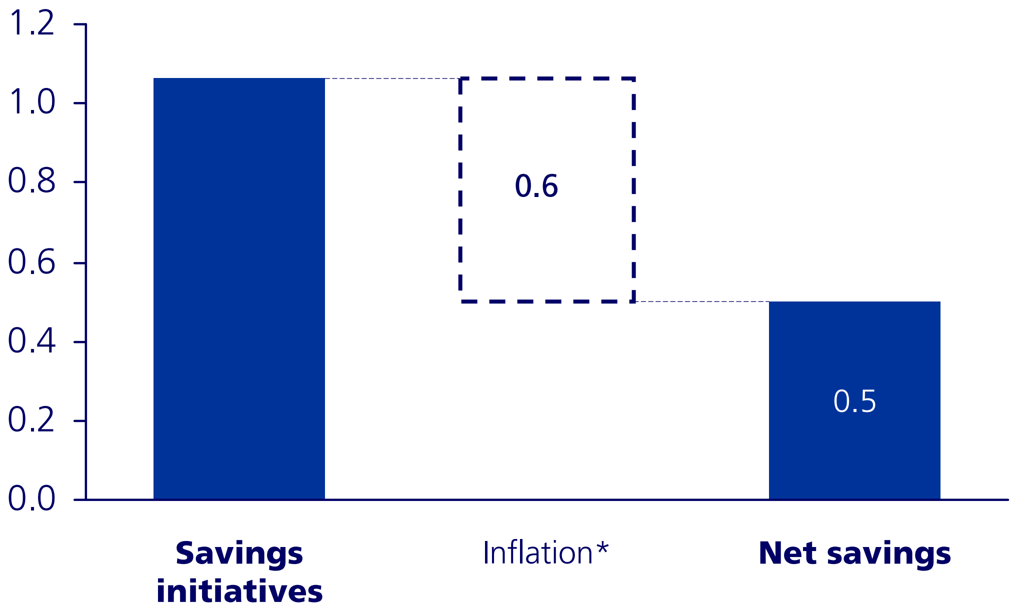
Key decision drivers	Current status at 9m-12	
Strong underlying operating performance	NIAS USD 2.7bn	BOPAT ex. Germany USD 2.9bn
Strong liquidity	Operating cash flow USD 4.0bn[1]	Central liquidity pool
Strong economic solvency	ZECM[2] 110%	SST[2] 178%
Resilience to low interest rate environment	• Farmers • 2.8%pts improvement in GI underlying loss ratio • 87% of NBV in GL from fee based and protection business	

[1] Segment operating cash flow forecast for FY-12
[2] Zurich Economic Capital Model (ZECM) and Swiss Solvency Test (SST) as of HY-12

We target to reduce run-rate costs in mature markets by USD 500m by year-end 2013

2010 - 2013 savings in mature markets

In USD billions



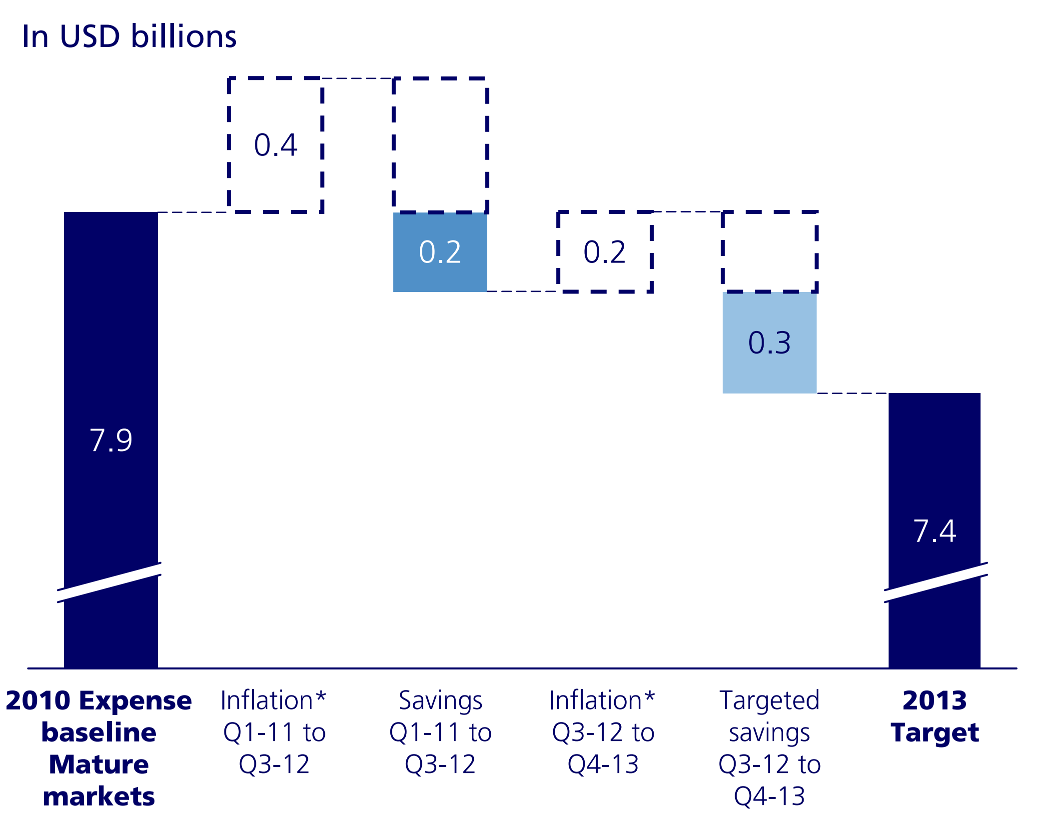
Benefits for the Group

…to drive profitability in **challenging mature markets** while strengthening our position in **growth markets**

*Source: Consensus Economics 2011 - 2013

Driving profitability and savings in mature markets

2010 - 2013 savings in mature markets

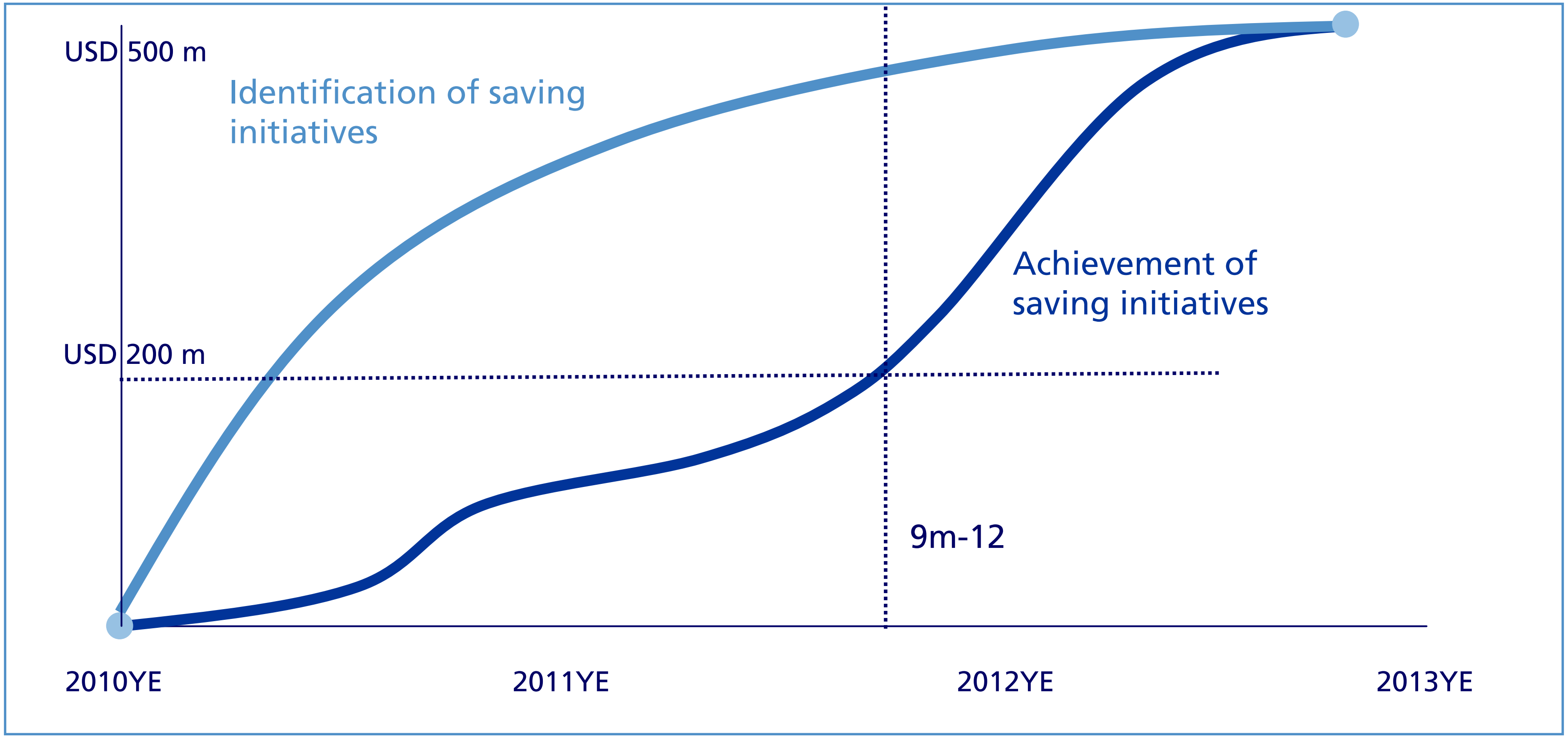


*Source: Consensus Economics 2011 - 2013

Achievements to date

- Reduction of the run rate expenses has been achieved while compensating for inflation as well as growth in mature markets, especially North America
- Ongoing projects and continuing expense discipline across the organization will contribute towards achieving the USD 500m target savings

The Group Efficiency Program shows an acceleration of savings in 2013…



...due to the 2013 delivery of our transformation projects

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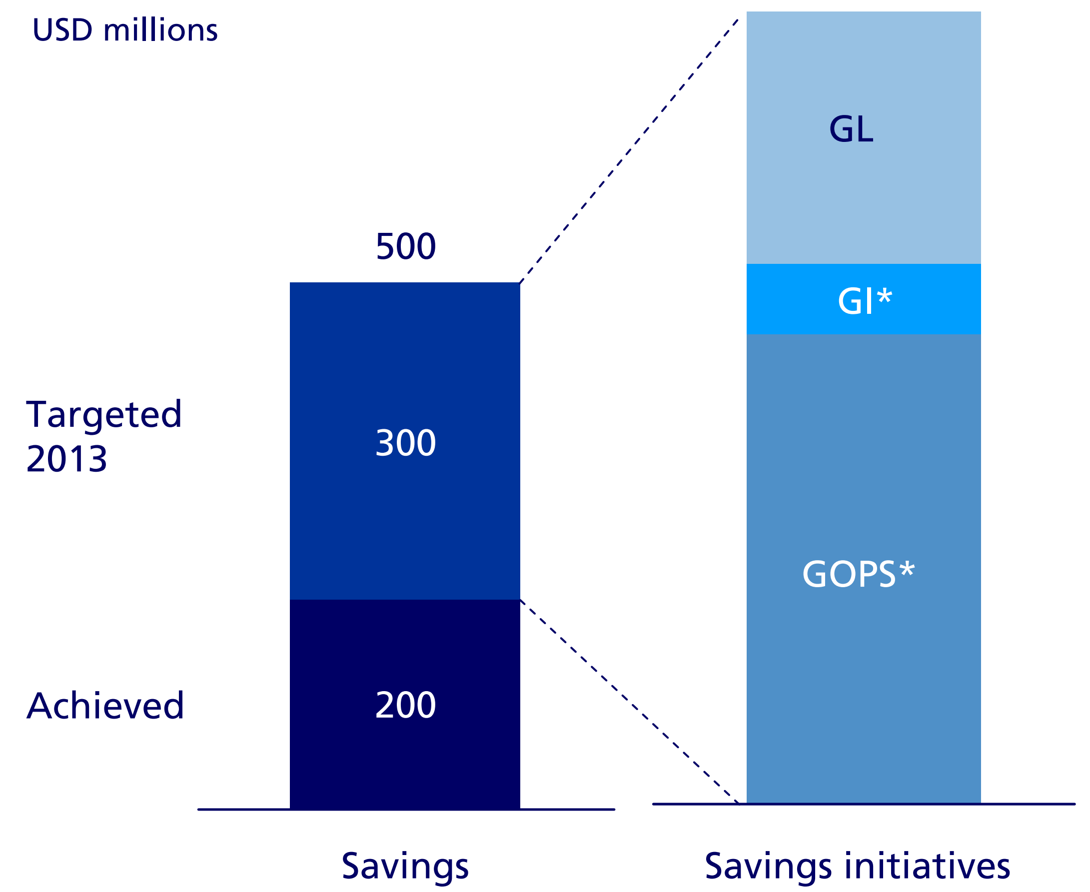

*Some of GOPS generated savings are flowing through GI segment

Efficiency initiatives

- Largest IT outsourcing deals in the insurance industry (ISP and ASP)
- Contracts renegotiation with large suppliers (Telecom, Facilities management)
- Streamlining of support functions and process simplification in European Life and General Insurance
- Consolidation of activities and footprint (Spain, Germany GI)

Key messages

- We continue to deliver attractive returns in a low interest rate environment
- Generating strong cash flows from our businesses
- We are ahead of our target to release capital from non-core entities
- Delivering on our efficiency program with focus on execution

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Global Life – Free Capital

Nick Burnet
CFO Global Life

Key messages

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- Global Life generated significant cash in excess of its growth needs, despite challenging environment
- Growing cash contribution required for new distribution and other opportunities in target markets
- Our product mix focus on fee based and protection business delivers high risk adjusted returns and solid cash generation
- Focus on expense management is key to sustainable cash flow

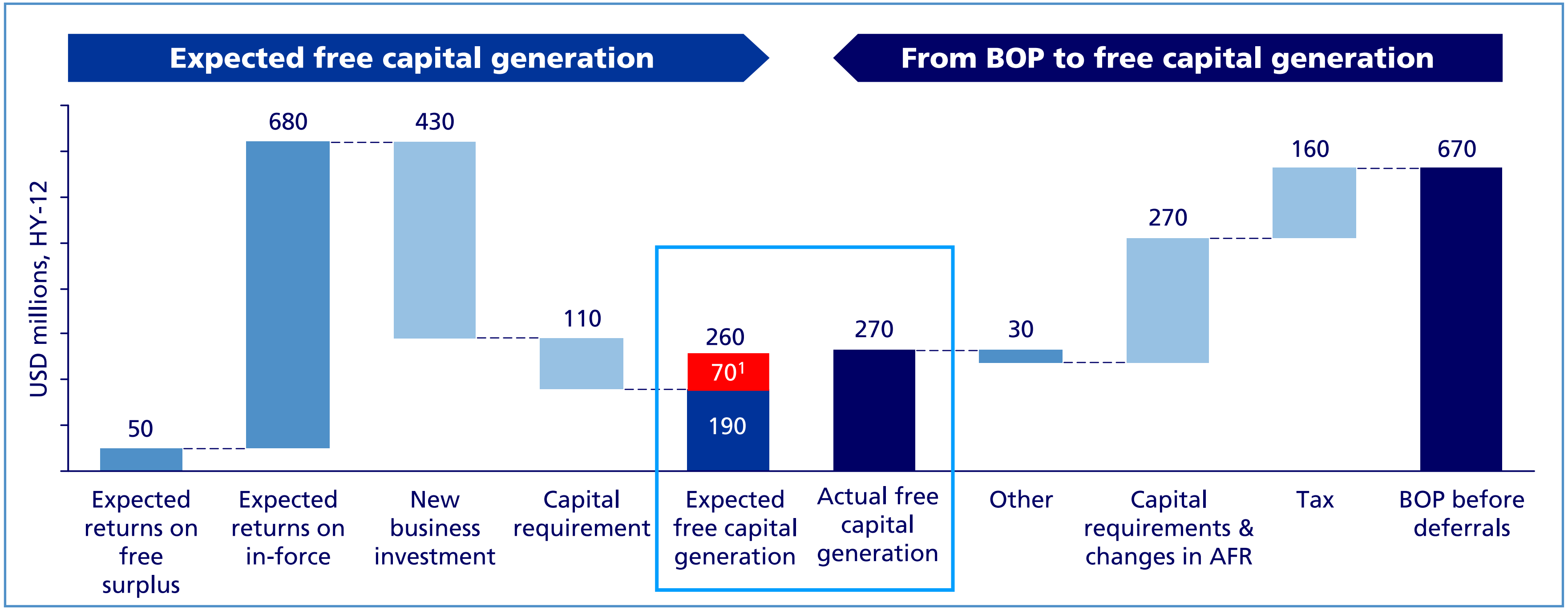
Global Life plans to deliver strong and sustainable cash generation while focusing on high risk adjusted returns

Global Life expected free capital generation before Zurich Santander

USD millions	FY-10	FY-11	HY-12
Expected returns on free surplus	90	50	50
Expected returns on in-force	1,280	1,250	680
New business investment	-820	-760	-430
Change in required capital	-170	-190	-110
Life operating free capital generation	**380**	**350**	**190**

- Solid expected free capital generation despite challenging economic environment and after investment in target markets
- Expected free capital generation as defined by Market Consistent Embedded Value principles

Expected versus actual free capital generation



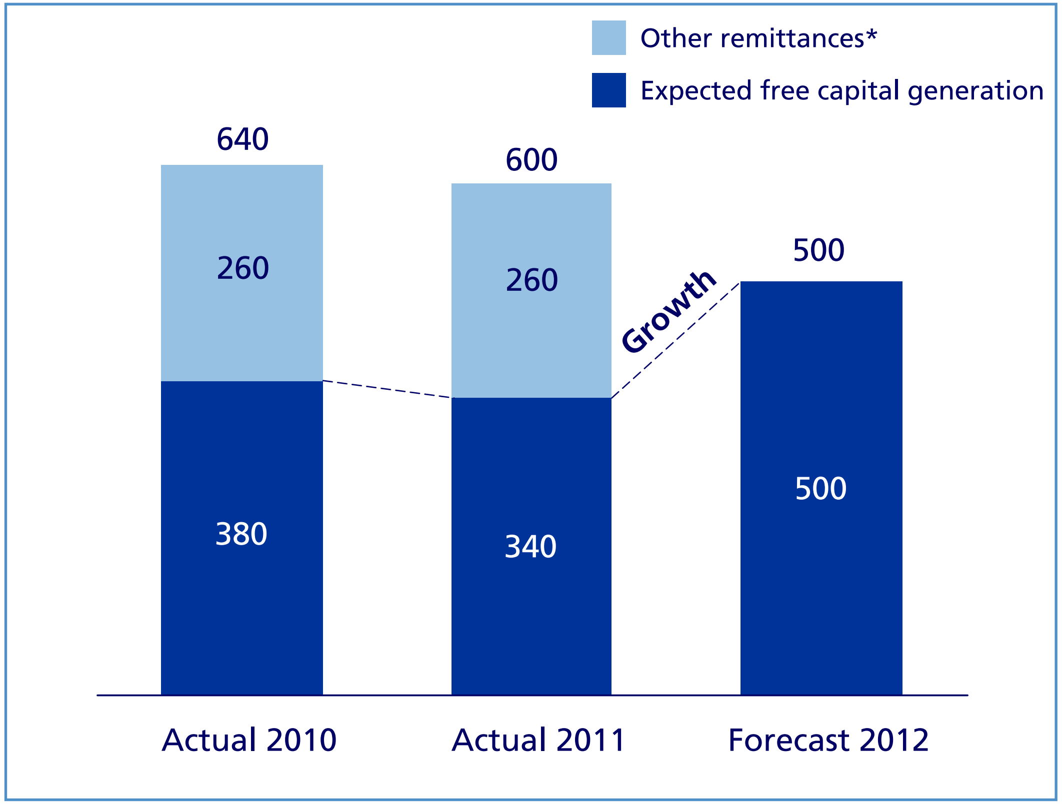
Difference between expected and actual free capital generation is driven by

- Zurich Santander
- Experience variances

[1] USD 70m expected contribution from Zurich Santander

Actual cash remitted to the centre has exceeded expected free capital generation

USD millions

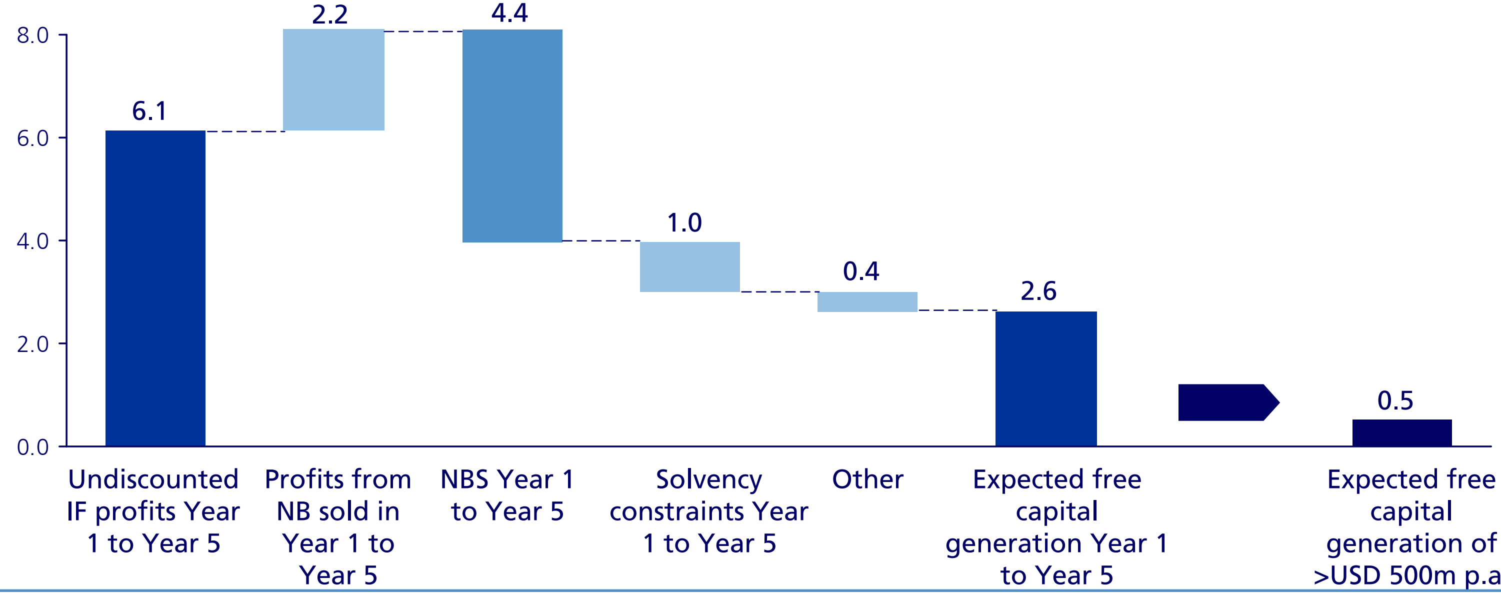


- Global Life expected free capital generation of >USD 500m to be sustained through:
  - growth in target markets
  - product mix optimization
- Actual cash remitted in 2010 & 2011 outperformed expected free capital generation due to capital management actions

* Additional non-recurring cash remittance based on capital management activities.

How in-force profits translate into free capital generation

USD billions



- The undiscounted real world in force profits of USD 6.1bn for the first five years are expected to translate into free capital generation of USD 2.6bn or >USD 500m p.a.
- Global life is expected to be able to fund future growth from its in-force and new business profits

Half of total profits emerge in the first 10 years

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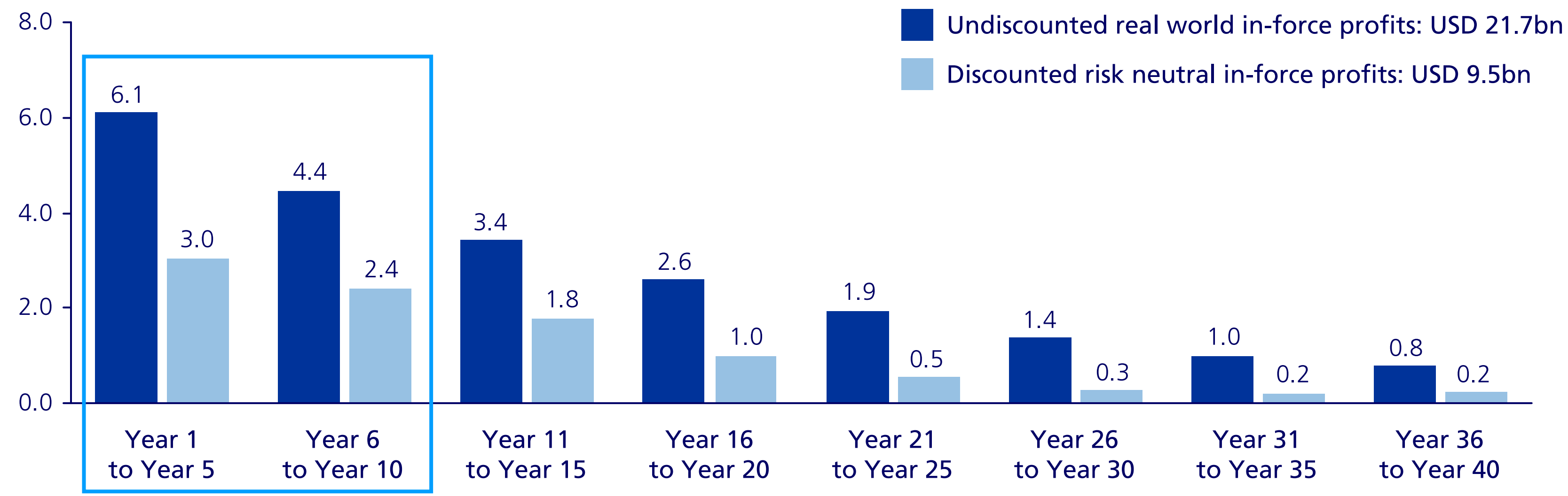
USD billions, FY-11



- 50% of the current in-force local statutory undiscounted profits emerge in the first 10 years
- Targeted cash remittance expected free capital generation of > USD 500m is the result of USD 6.1bn In-force profits less New Business investments plus New Business profits

Zurich Santander is a key contributor to improved free capital generation

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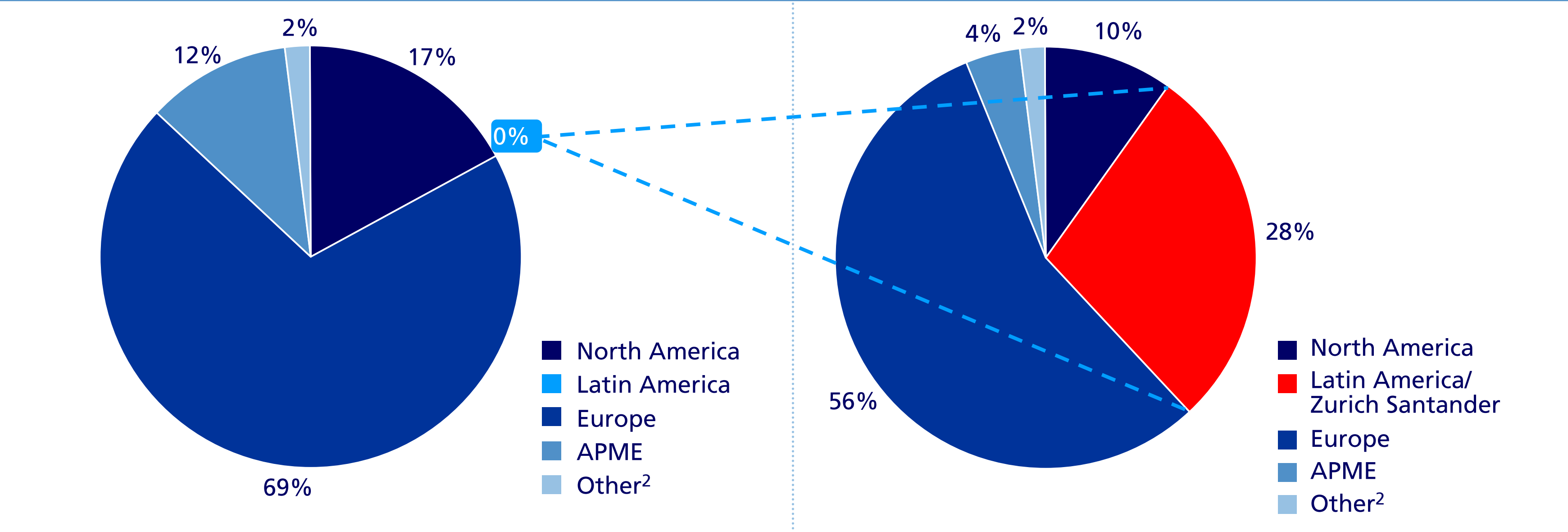
HY-12 expected[1] USD 190m	2012 Forecast USD 500m



- Latin America/Zurich Santander growth drives strong cash remittance improvement
- Expected free capital generation is forecast to increase to USD 500m

[1] Expected free capital generation
[2] Other: Luxembourg & International Group Risk business

Zurich Santander – an important financial contributor

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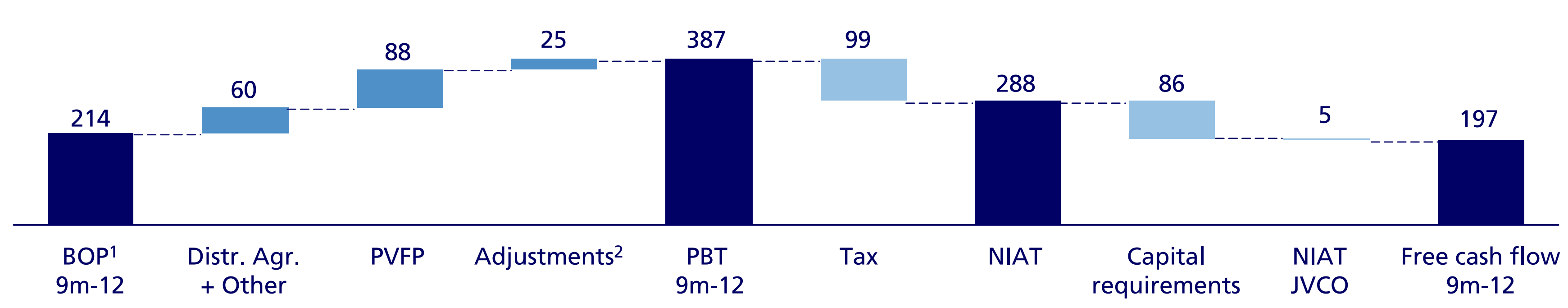
100% for General Insurance & Global Life (USD millions)



NBV[1] and EV[4] Q2-12 (6 months – YTD)

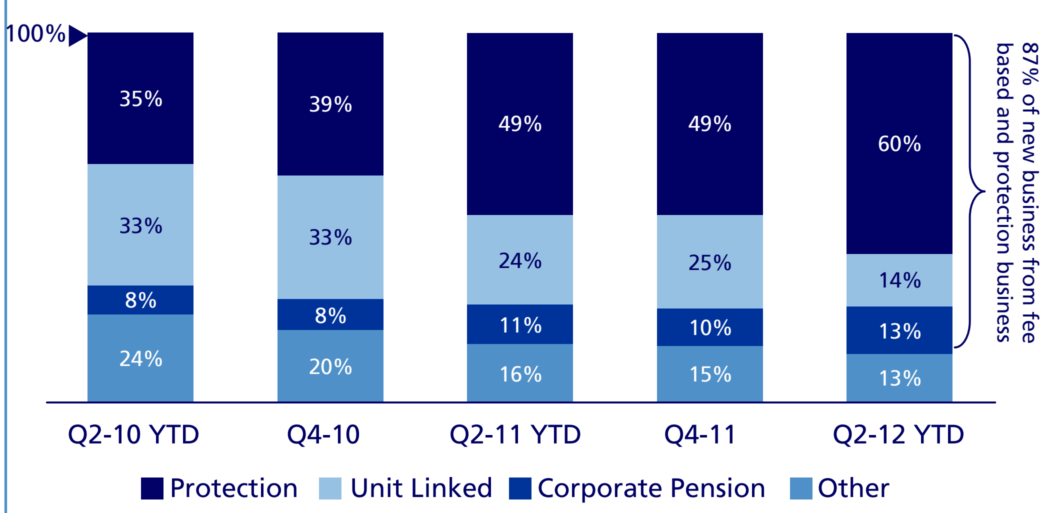
In USDm	NBV	Payback in years	VIF	% VIF emergence in three years
Argentina	6	<1	15	75%
Brazil	56	<2	161	77%
Chile	15	<1	103	73%
Mexico	10	<2	107	90%
Total	**86**		**386**	

- BOP emergence will benefit from fast PVFP[3] amortization
- Highly cash generative
- Short payback period
- Zurich Santander increases GL NBV at HY-12 by 20% to USD 510m

[1] Translated using average FX rates. 9m-12 BOP represents a partial Q4-11 + (Q1 + Q2) 2012 (reported in Q3-12)
[2] Replacing 4Q-11 PBT of USD 104m with 3Q-12 PBT of USD 130m. Also contains accounting adjustments between IFRS and local Statutory.
[3] PFVP amortization schedule estimated at: 2012: USD 101m, 2013: USD 54m, 2014: USD 33m.
[4] Q2-12 FX rates

Average Global Life payback period is <6 years

NBV split

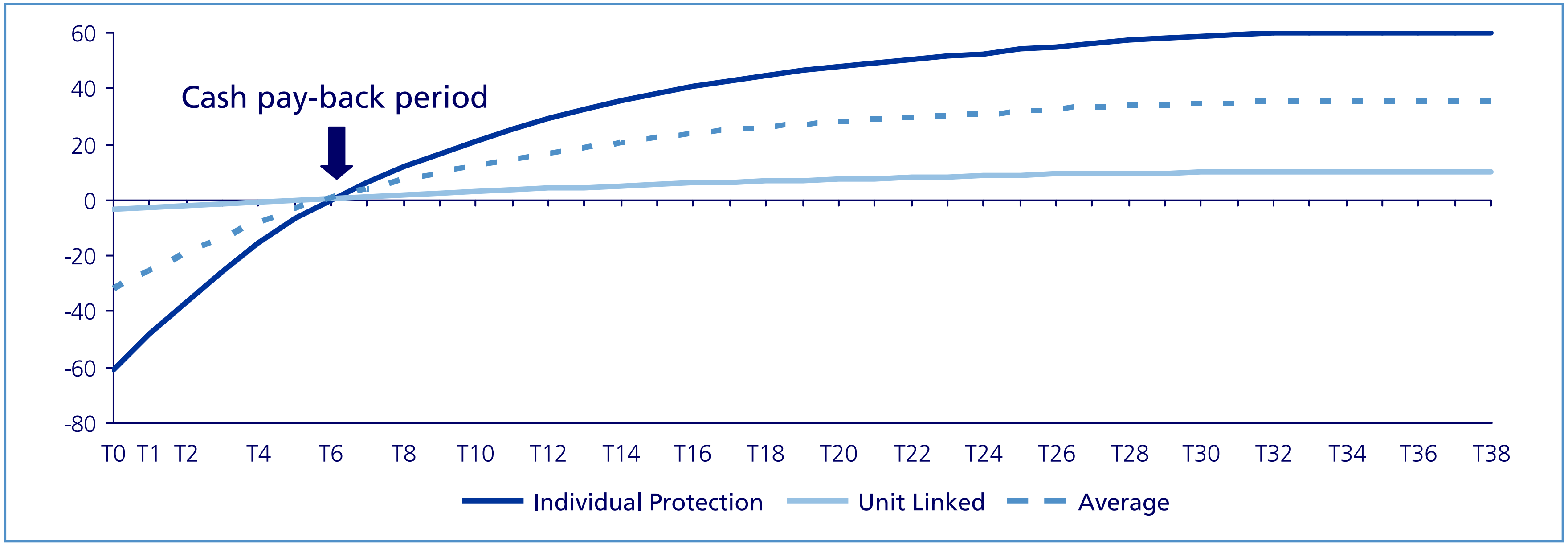


Payback period in years	New Business 2011	New Business 2012
Mature Markets	7	7
International Markets	6	5
Global Life	**6**	**6**

- Average of Global Life payback period is six years, driven by:
  - Continued product shift towards protection and fee based products
  - Growth in target markets
  - Recent acquisitions expected to continue to improve payback periods

Protection and unit linked business mix provide a diversified cash flow profile

Illustrative, cumulative based on USD 100m APE



- Protection: high strain but high profit emergence and high profits on a long term basis (High NBM)
- Unit Linked: low strain but low profit emergence and low profits on a long term basis (Low NBM)

Key messages

- Global Life generated significant cash in excess of its growth needs, despite challenging environment
- Growing cash contribution required for new distribution and other opportunities in target markets
- Our product mix focus on fee based and protection business delivers high risk adjusted returns and solid cash generation
- Focus on expense management is key to sustainable cash flow

Global Life plans to deliver strong and sustainable cash generation while focusing on high risk adjusted returns

Agenda

09:45	Welcome	Debra Broek
09:45 – 10:05	Introduction	Martin Senn
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10:50 – 11:20	Global Life	Kevin Hogan
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14:05 – 14:35	Farmers	Jeff Dailey
14:35 – 15:50	Opportunities in Latin America	Antonio Cássio dos Santos , José Orlando, Javier Lorenzo
15:50 – 16:30	Q&A Session	
16:30	Final remarks	Martin Senn

Farmers

Jeff Dailey
Chief Executive Officer

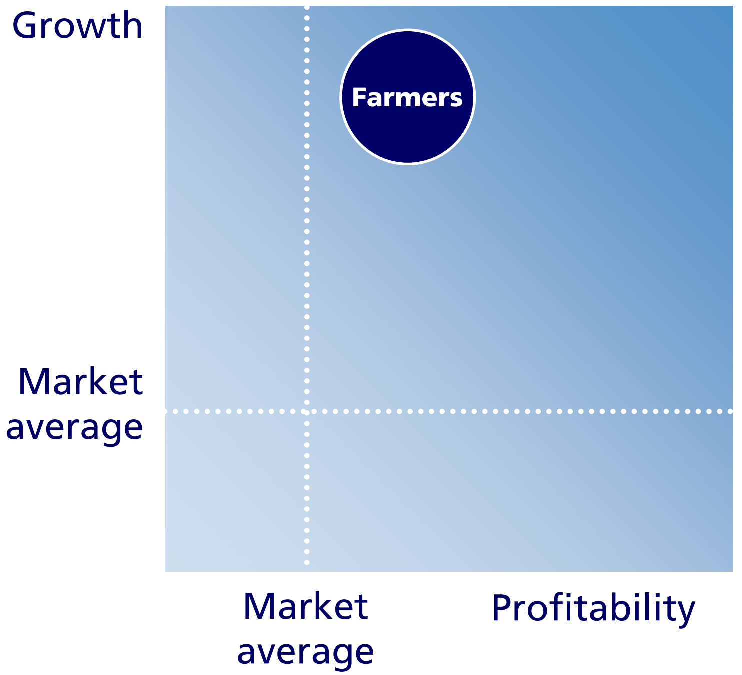
Key messages

- The Farmers Exchanges[1] have good growth in their core products
- The Farmers Exchanges' combined ratio has been principally challenged by weather in H1 2012
- Profitability measures continue to be taken to address the Farmers Exchanges' underlying results
- Efforts are underway to enhance the end-to-end customer experience to drive improved customer retention

Progressing on our strategy to deliver our 2013 targets

[1] All references to "Farmers Exchanges" mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled interinsurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and its subsidiaries are appointed as the attorneys-in-fact for the Farmers Exchanges and in that capacity provide certain non-claims administrative and management services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges, but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

Farmers target is to achieve top quartile organic profitable growth performance



- Maintain top quartile growth performance among the 12 largest U.S. personal lines companies
- Continue to increase market share for the Farmers Exchanges
- Improve retention by three points to close the gap relative to top tier U.S. personal lines competitors

Farmers immediate focus is on profitably improving market share

FARMERS

- 2011 was not a good year for the Top 12, which had a slight decline (0.2 points) of market share.
- Farmers market share fell 0.1 points - comparable or better versus our key multi-line competitors

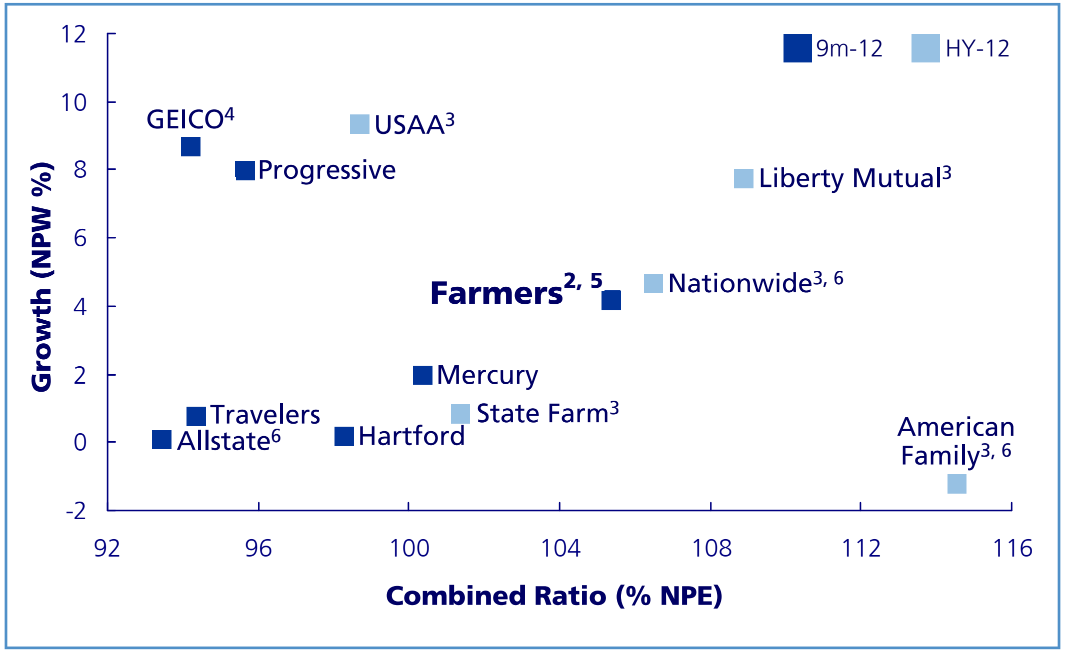
Rank	Carrier	2011 Total Personal Lines market share[1]	YoY trend
1	StateFarm	18.8%	0.2 ▼
2	Allstate	10.0%	0.4 ▼
3	Berkshire Hathaway Inc. GEICO	6.3%	0.3 ▲
4	FARMERS	6.0%	0.1 ▼
5	PROGRESSIVE	5.5%	0.1 ▲
6	Liberty Mutual	4.9%	0.1 ▲
7	USAA	4.6%	0.2 ▲
8	Nationwide	4.1%	0.2 ▼
9	TRAVELERS	2.9%	0.0 ◀▶
10	American Family Insurance	1.9%	0.1 ▼
11	The Hartford	1.4%	0.1 ▼
12	Mercury Insurance Group	1.0%	0.0 ◀▶

[1] Based on Top Quartile in Farmers operating territory
Source: AM Best Personal Lines Group 2011 Direct Written Premiums Market Share Reports

Strong organic premium growth momentum with actions being taken to restore profitability

- Farmers is a top performer in the exclusive agent peer group for organic growth
- Catastrophes through the third quarter have been in Farmers' high market share states
- Direct mono-line auto and USAA continue to grow quickly and profitably

9m-12 Growth vs. GAAP Combined Ratio – Overall P&C [1, 3]

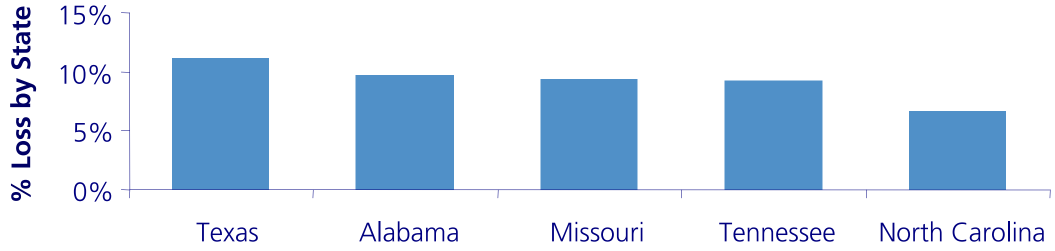


[1] Source: Press releases and investor supplements, except for Farmers and non-public competitors.
[2] Reflects YTD results – GWP before APD and Quota Share treaties. Estimated GAAP Combined ratio excludes APD and Quota Share reinsurance agreements and is not adjusted for Farmers Management Services' profit portion of management fees.
[3] Source for non-public competitor data: AMBest database. CRs on STAT basis.
[4] Based on NPE. GEICO does not report NPW on a quarterly basis.
[5] CoR includes 2.2pts adjustment for Fogel settlement.
[6] Nationwide premium growth adjusted to exclude impact of Harleysville acquisition (estimated NPW impact ~ USD 550m). Nationwide combined ratio not adjusted. Allstate premium growth adjusted to exclude impact of Esurance acquisition. Allstate combined ratio not adjusted. American Family growth based on Direct Premium Written to exclude impact of reinsurance transaction. American Family combined ratio not adjusted.

Weather significantly contributed to the Combined Ratio

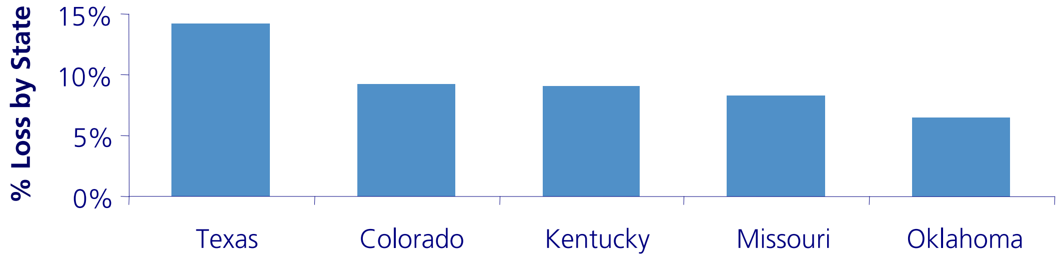
- Last two years the industry has had above average weather related losses
- For the first three quarters of 2012, the industry had about USD 15.7bn losses, of which 47% are from the top 5 states
- Through third quarter, this year's storms have reached a higher number of Farmers exposures than competitors – (ie. Texas, Oklahoma, Colorado)

9m-11 Industry CAT Losses – Top 5 States



	Texas	Alabama	Missouri	Tennessee	North Carolina
% Market Share	7.1%	3.5%	3.9%	1.8%	0.5%
Market Share Rank	2	6	5	14	34

9m-12 Industry CAT Losses – Top 5 States



	Texas	Colorado	Kentucky	Missouri	Oklahoma
% Market Share	7.1%	7.8%	0.4%	3.9%	8.5%
Market Share Rank	2	2	37	5	2

Farmers is taking rate and underwriting actions to improve profitability

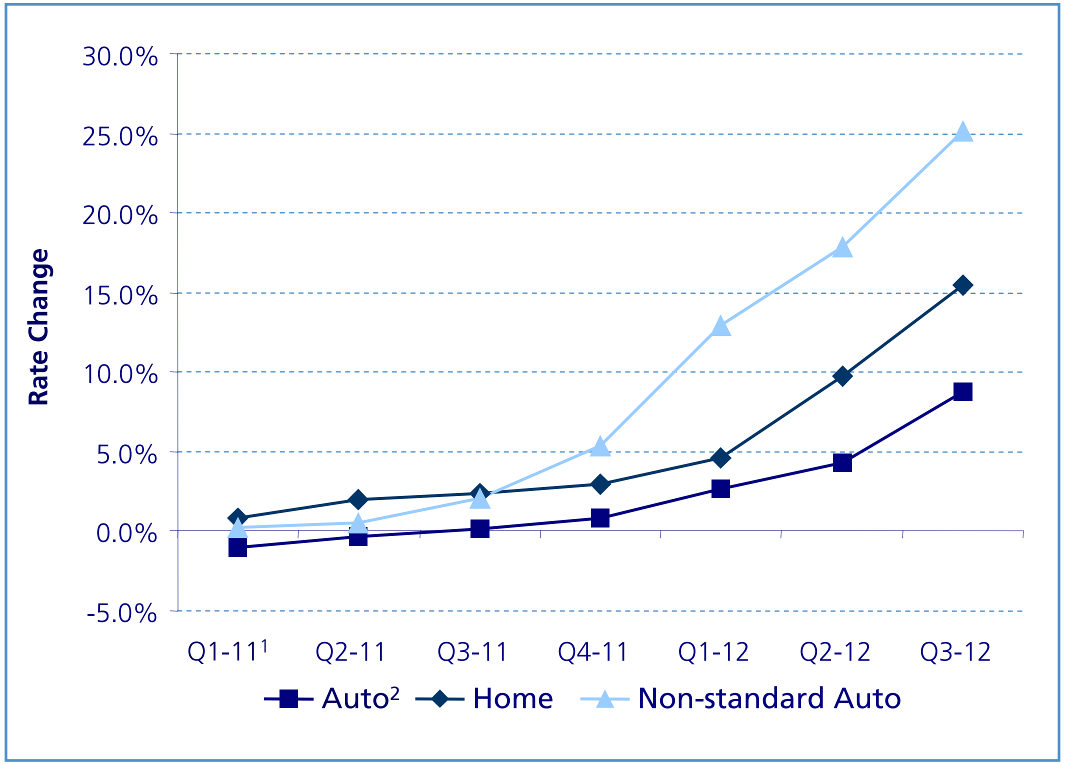
Rate Actions

- Increased rates due to weather experience and new combined ratio target of 97%
- State insurance commissioners have been responsive to rate filings given weather losses

Underwriting actions

- 'Bright-line' underwriting rules around standard versus non-standard auto
- Weather strategies – mandatory higher deductibles, actual cash value on roofs, agent 'submit for approval'
- Fire-line eligibility tightening, increasing new business inspections

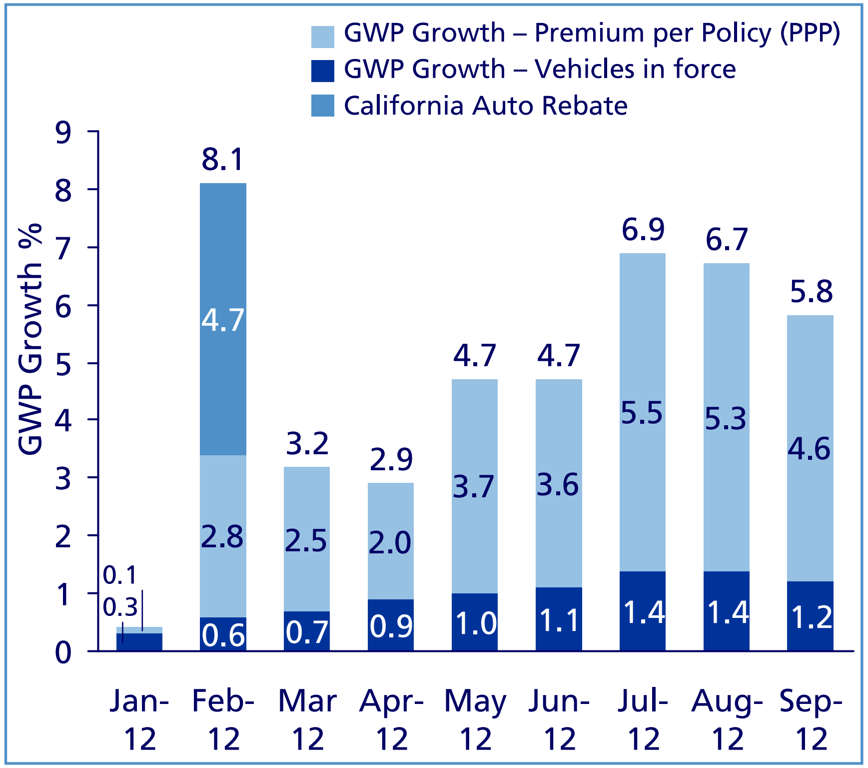
Farmers cumulative written rate activity



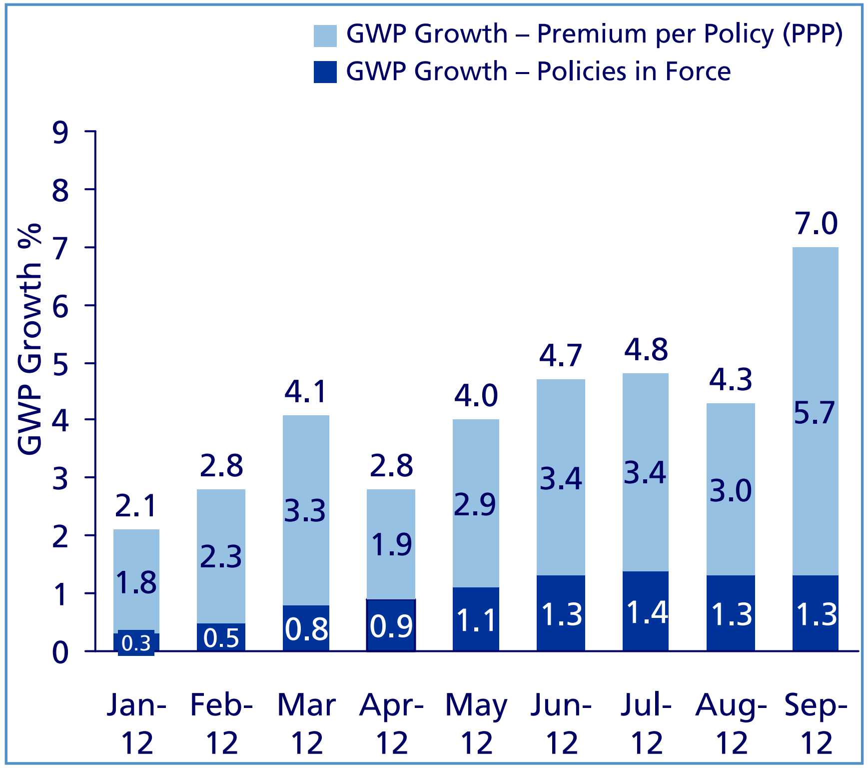
[1] Excluding California settlement, Q1-11 Auto[2] rate change is 0%.
[2] Farmers Auto (excl. 21st Century Direct and Non-standard Auto).

Premium growth is increasing as a result of higher premium per policy

Farmers Auto[1]



Homeowners



Continued rate and underwriting actions are driving declines in vehicles-in-force and policies-in-force

[1] Farmers Auto (excl. 21st Century Direct and Non-standard Auto).

Continued focus on growth initiatives

Eastern Expansion	• Farmers Exchanges entered 4 states – Pennsylvania, Maryland, New Jersey and Georgia • Added ~400 new exclusive agents
Building larger, more productive exclusive agencies	• 'Agency Platform' Key growth engine that enables acquisition and retention of Farmers preferred customer • Over 1,200 agents to move to 'Agency Platform' in 2013
Specialty Insurance	• Continued strong growth coming from Specialty Dwelling initiatives • Pursuing significant Recreational Casualty cross-sell opportunity
Business Insurance	• Industry leading innovation with use of personal financial responsibility scores to rate business insurance package policies • Continue successful cross sell efforts of business insurance policies to personal lines policyholders who have a business

Critical activities to improve the end-to-end customer experience

Activities

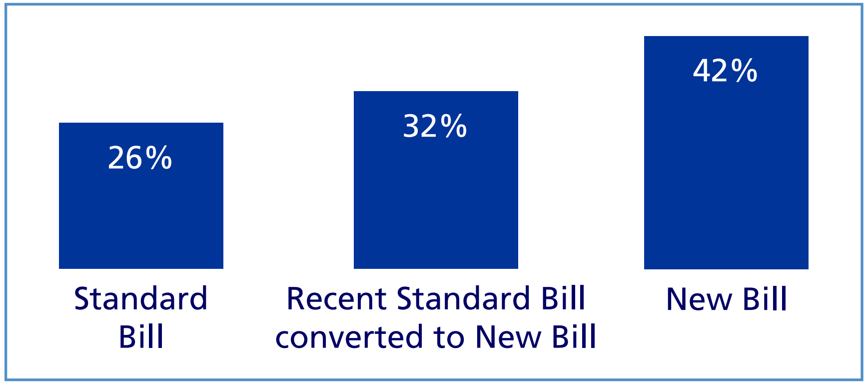
- Farmers has many initiatives driving improvement in customer service and experience
  - Farmers new billing
  - ePolicy
  - After-hours and weekend service
  - Orphan policy reassignments

Example of Results

- Newer customers with Farmers new billing only experience rate Farmers 16 points higher than standard bill customers.
- Customers converted to Farmers new billing system rate Farmers 8 points higher than customers who have yet to be converted.

Overall Net Promoter Score	2010	2011	2012 YTD
Customer rating of Farmers	28.1	30.8	34.5

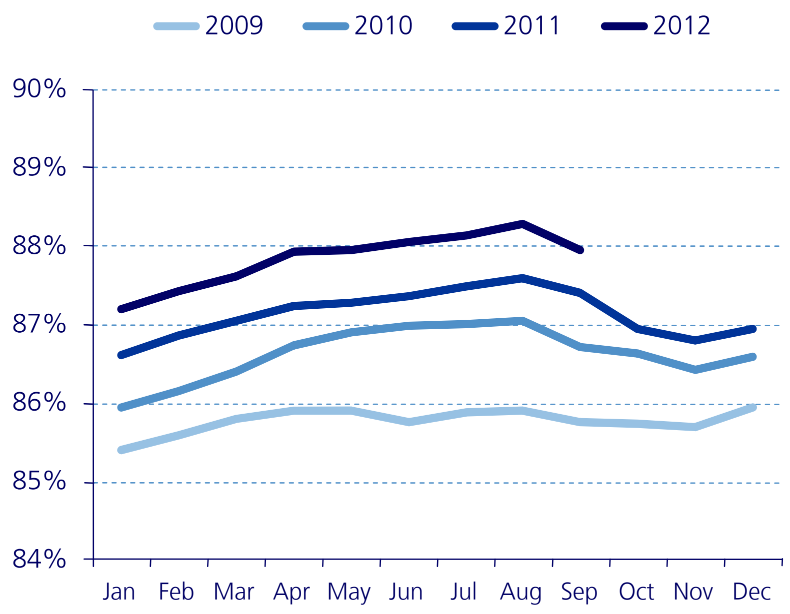
Farmers New Billing – Net Promoter Score



Enhancements to end-to-end customer experience is maintaining improved retention

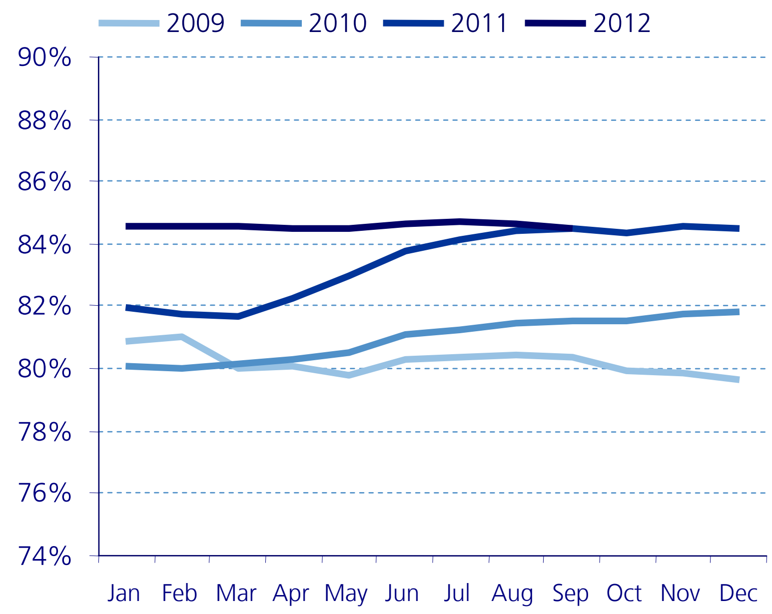
Farmers Exclusive Agent Auto

7/1 Retention[1]



Farmers Exclusive Agent Home

13/1 Retention[1]

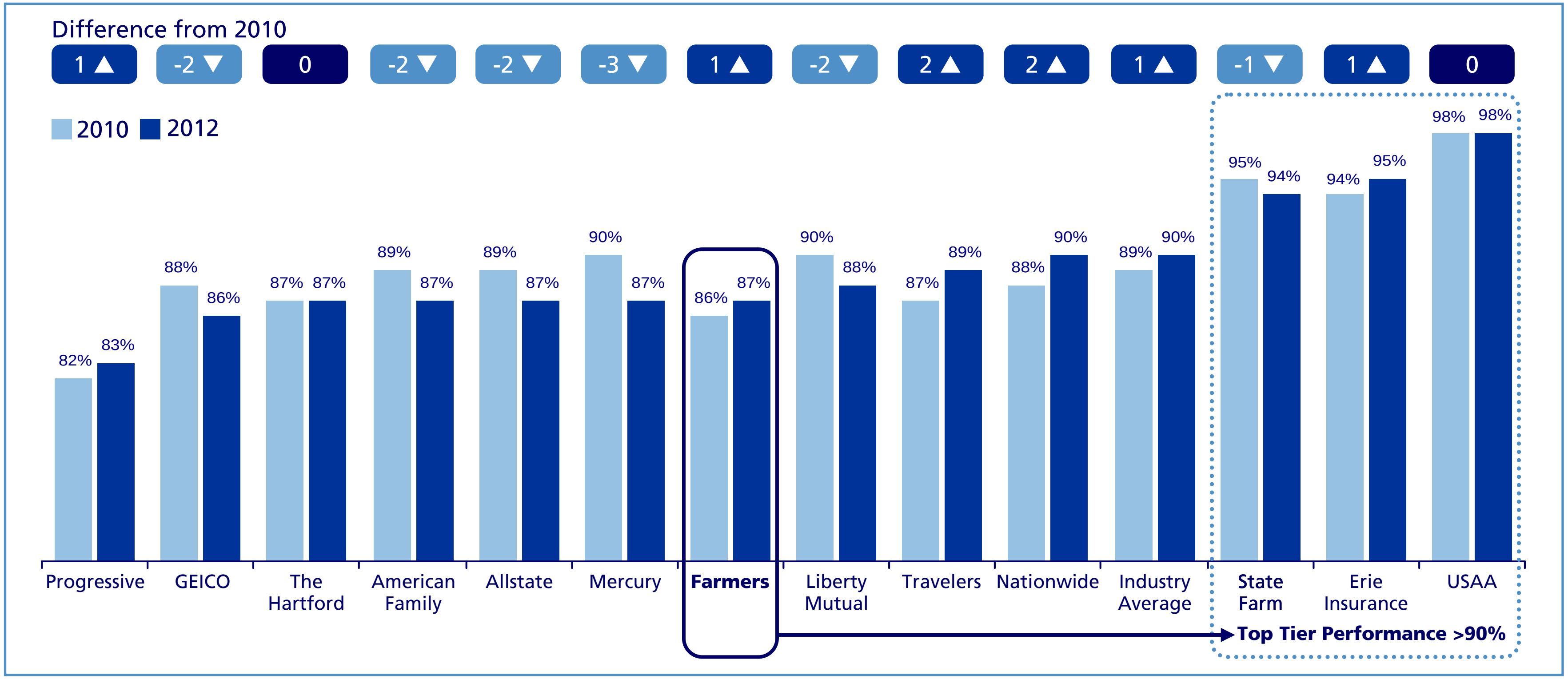


[1] Rolling three month average

Closing the gap with 1 point improvement as key exclusive agent competitors decline

FARMERS

2010 vs 2012 Annual Customer Retention



Source: JD Powers – 2012 and 2010 Insurance Shopping Studies.

Farmers summary

- Farmers Exchanges were hit hard by catastrophes in their higher market share states
- Rate and underwriting actions are in place and positively impacting underlying loss and expense ratios
- Growth in GWP predominantly is from higher average premium and several targeted initiatives
- Focus on customers' end-to-end experience is improving Net Promoter Score and will drive higher retention ratios

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Agenda

Zurich in Latin America (LatAm) Brief Overview	**Antonio Cássio dos Santos, Regional Chairman Latin America CEO General Insurance Latin America**
General Insurance LatAm	Antonio Cássio dos Santos, Regional Chairman Latin America CEO General Insurance Latin America
Global Life LatAm	José Orlando, CEO Global Life Latin America
Zurich Santander Insurance America	Javier Lorenzo, CEO Zurich Santander Insurance America

Opportunities in Latin America

Antonio Cássio dos Santos
Regional Chairman Latin American and CEO General Insurance
Latin America

The LatAm insurance market offers plenty of opportunities…

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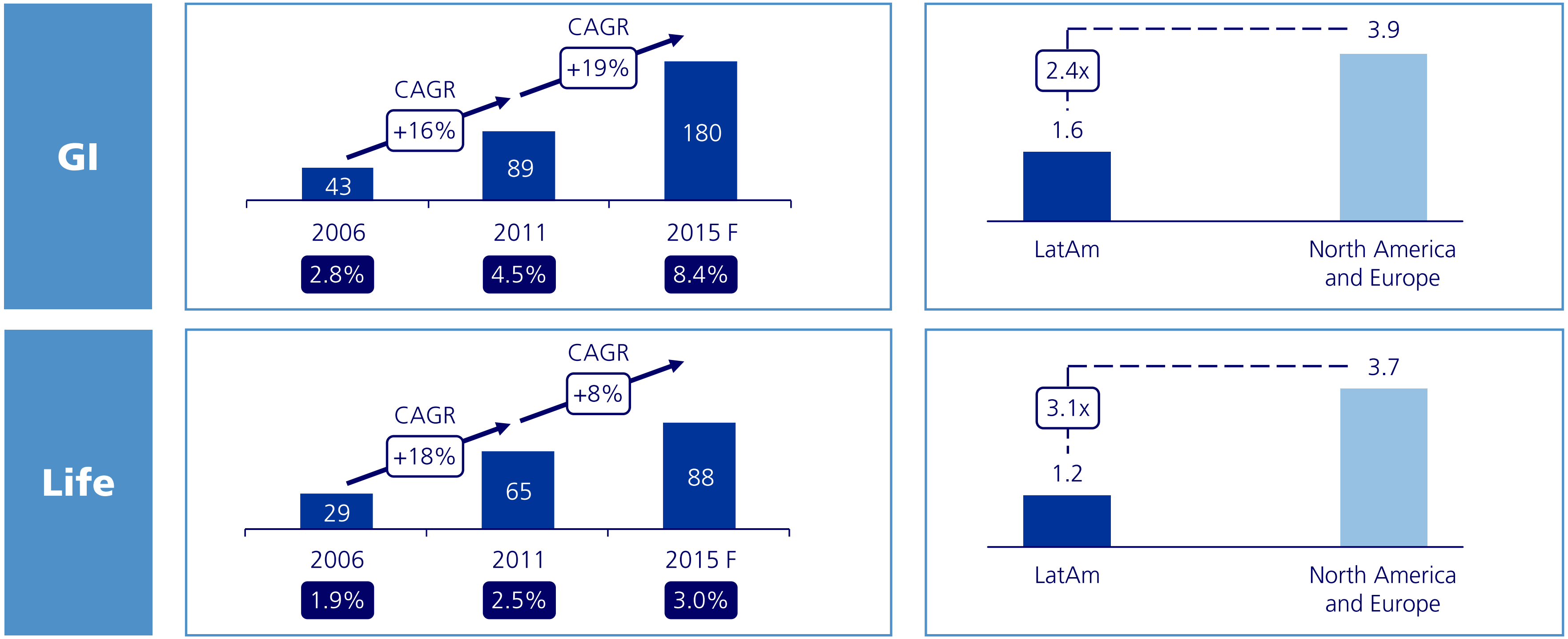
Insurance market development in LatAm[1]
GWP, USD billions, 2006 - 2011

Insurance penetration in LatAm[1]
GWP as % of GDP, 2011



LatAm as % world

[1] Countries included within the LatAm: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela.
Source: Swiss Re Sigma; Brazil Insurance Report Business Monitor Q3 2012.

...with concentrated strong growth in key markets...

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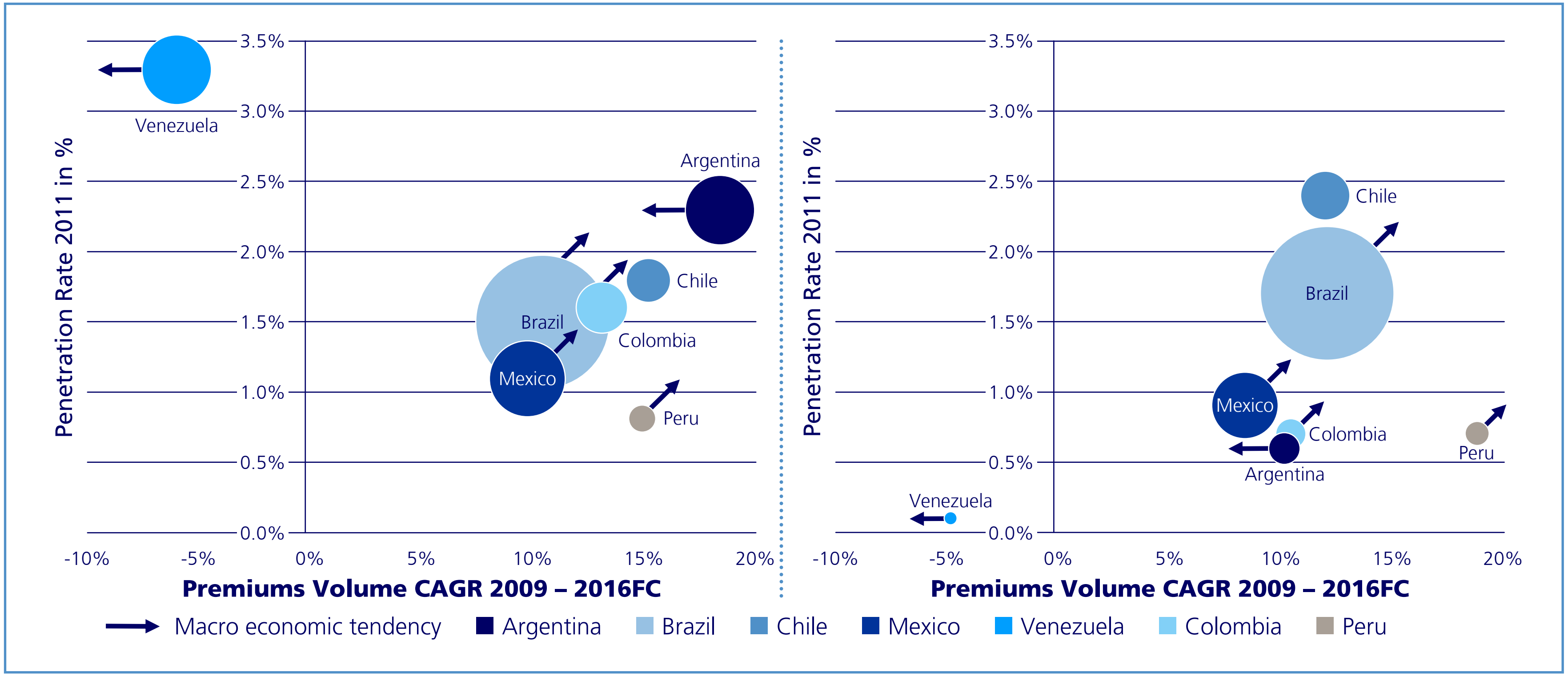
Non-Life Insurance | Life Insurance



Note:
a) Bubble size represents the premium volume in 2011 in USD
b) Penetration rate: premiums as a % of GDP in 2011
c) Premium Volume CAGR based on nominal USD
Source: SigmaRe World Insurance in 2011 (Issue no. 3/2012), Brazil Insurance Report Business Monitor Q3-12

...and Zurich is already positioned as the #1 global player in the region

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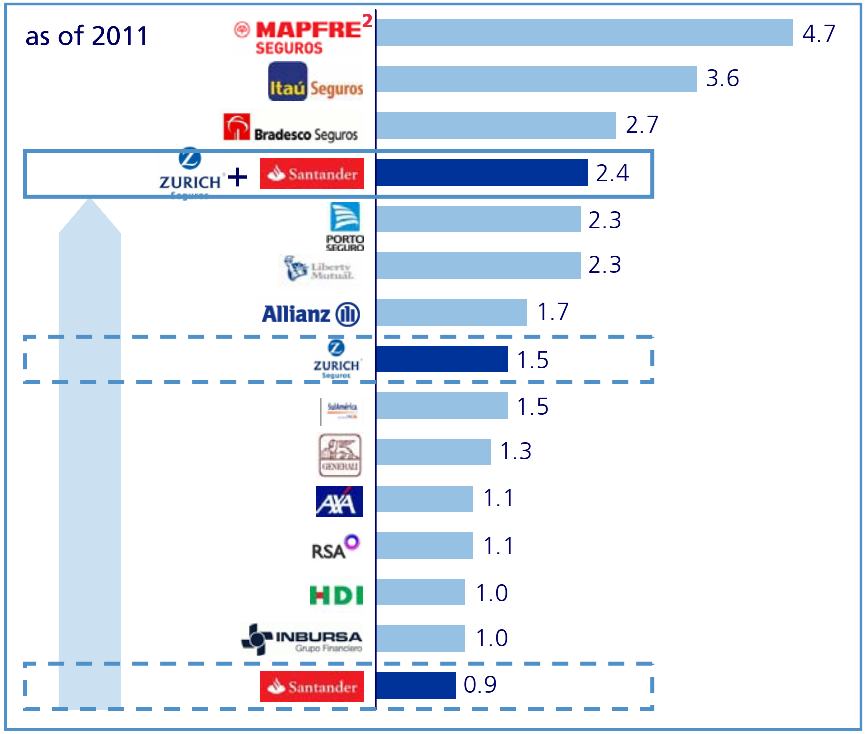
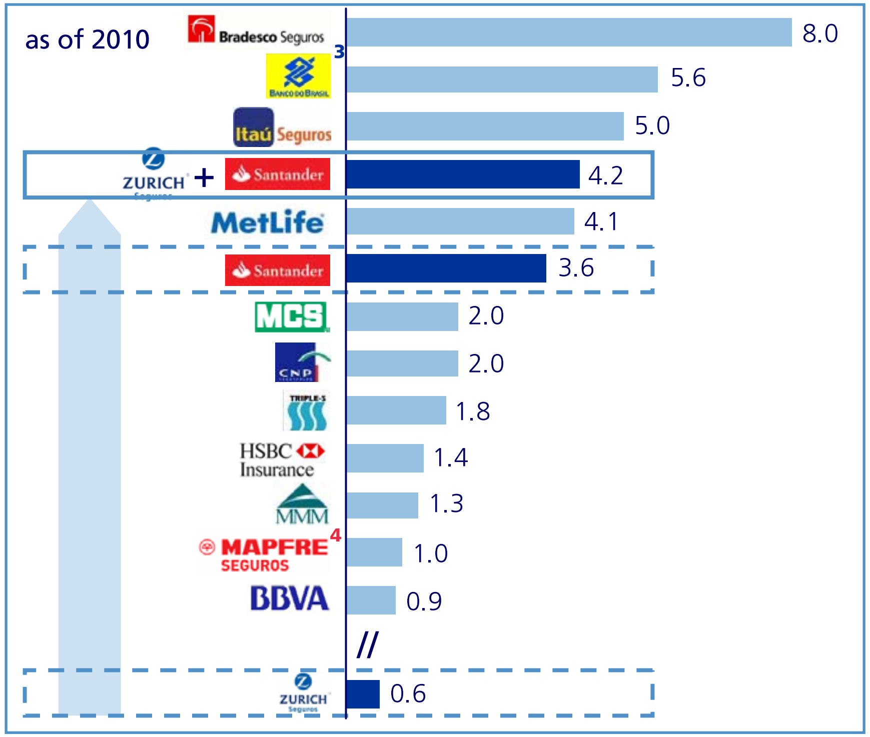
General Insurance GWP[1], in USD billions



Global Life GWP, in USD billions



[1] Considering the production of Argentina, Brazil, Chile, Mexico and Venezuela (Venezuela 2011 not available, base 2010 plus 25% growth)

[2] Mapfre considering all Mapfre Entities in LatAm plus Banco do Brasil Seguros in Brazil

[3] Banco do Brasil Seguros Joint Ventures: Principal Group for Life Savings and Mapfre for Life Risk & GI

[4] Mapfre standalone other markets than Brazil

Source: AXCO (local statutory w/o fees and no interest on premium installments); Mapfre Foundation (in EUR with USD at average FX rate)

Conclusion

Latin America is the land of opportunities and Zurich is very well positioned in both, General Insurance and Global Life

Agenda

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General Insurance LatAm	**Antonio Cássio dos Santos, Regional Chairman Latin America CEO General Insurance Latin America**
Global Life LatAm	José Orlando, CEO Global Life Latin America
Zurich Santander Insurance America	Javier Lorenzo, CEO Zurich Santander Insurance America

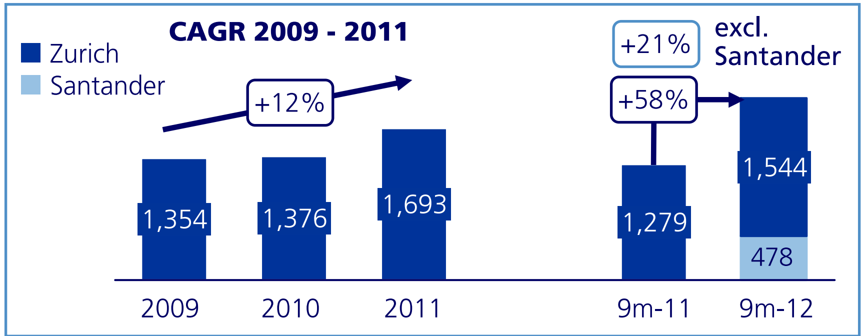
Key messages

- Brazil and Mexico and its markets offer large opportunities
- Zurich is very well positioned
- Our tailored value propositions and selected distribution channels are the right ones for our different customer segments

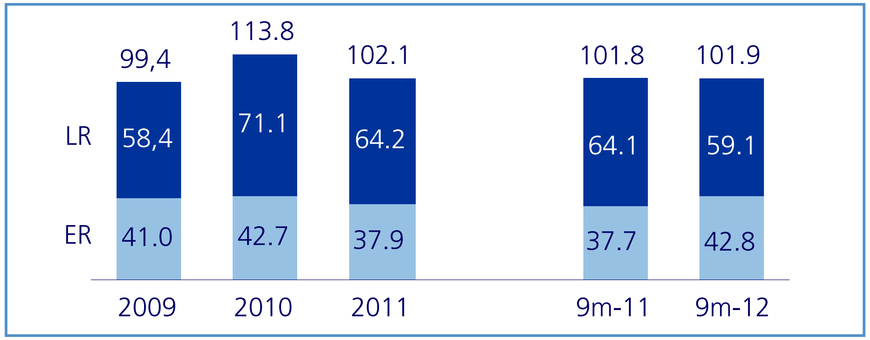
Progressing on our strategy to deliver our 2013 targets

Strong growth and top line results with a diversified portfolio

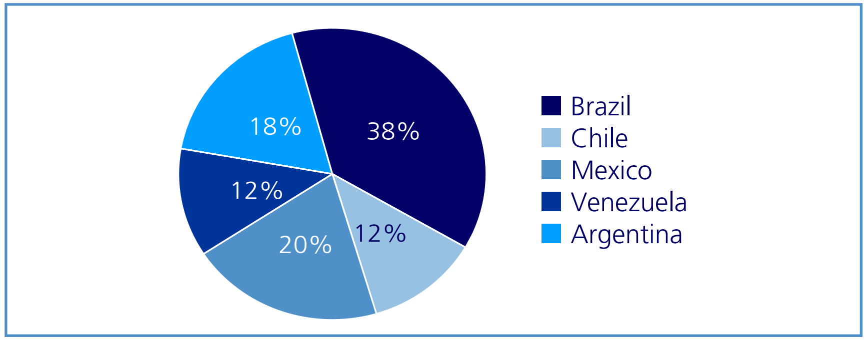
GWP, USD millions



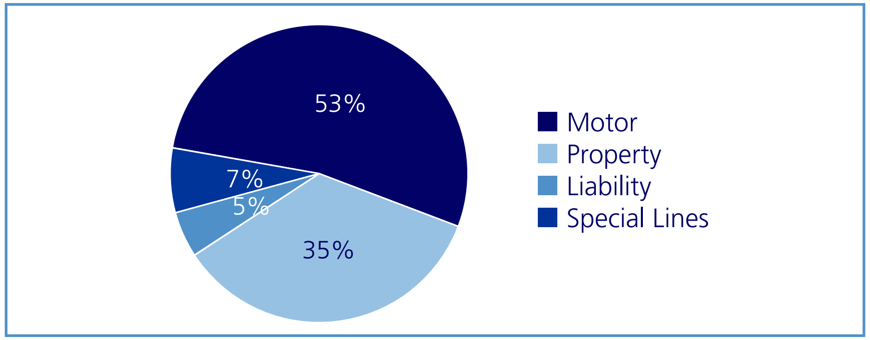
Combined Ratio, in % of NEP



GWP by country, 9m-12



GWP by line of business, 9m-12



Note:
a) GWP and LoB split excludes Zurich Santander figures
b) 9m-12 comparison calculated at constant FX rate
c) Zurich stand alone does not include premium fees from a statutory standpoint

In our key markets in LatAm, Brazil clearly shows the most potential

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GI Customer Segments	Families and Individuals: Mass Personal Lines / Traditional Personal Lines	Families and Individuals: SME's (#)	Enterprises: Middle Market (#firms)	Enterprises: Global Corp. (#enterprises)
Brazil	197m people 32.4m cars 67m households	5.4m	95.8k	1,090
Mexico	115m people 25m cars 28m households	3.7m	36.8k	816
Argentina	41m people 10m cars 12.2m households	0.5m	23.2k	654
Chile	17m people 3.6m cars 5.2m households	1.0m	9.8k	389
Venezuela	29m people 4m cars 7.1m households	0.1m	8.0k	100

Source: Each countries recognized business magazine

Zurich is well positioned with its product portfolio and reach

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	Families and Individuals			Enterprises	
GI Customer Segments	Mass Personal Lines	Traditional Personal Lines	SME's	Middle Market	Global Corporate
Brazil	• Extended Warranty • Personal Accident • Financial Protection • Purchase protection • Mobile theft	• Individual cars • Homeowner • Both with additional coverage: unemployment and serious illnesses	• Car, Trucks and fleets • Property • Transport	• All corporate lines coverage's being offered to a set of vertical industries • Fleets	• Property • Liability • Marine • Engineering • Energy • Financial Lines • Surety
Key Channels	• Retailers • Utility (Gas, Water, Telco, Electricity) • Pharmacies • Churches • …	• Branches • Z tied brokers • Car dealers • Bancassurance • Web aggregator	• Branches • Z tied brokers • Small brokers	• Large and medium national brokers	• Global Brokers • Market Facing Underwriters

Brazil`s social mobility is good news for Zurich

- Brazil`s social mobility is strongly increasing the middle class:

	2003	2011	2014 F
Affluent	7% 13M	12% 23M	15% 29M
New emerging middle class	38% 66M	55% 105M	60% 118M
Low income classes	55% 96M	33% 64M	25% 49M

Vehicles Produced: 1.43 M **CAGR +12.6%** → 3.69 M **CAGR +7,9%** → 4.64 M

- 90 million enter the consumption market and by 2012 Brazil is 5th biggest in the world
- Increase of social, economic, legal, regulatory and political stability
- **Zurich is well positioned for this change**

Source: EXAME Magazine; World Bank; Goldman Sachs Global Market Institute.

Global Corporate, extrapolating Zurich's global expertise

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GWP Distribution by Segment

	#Companies (Average GWP per company in USD)	GWP distribution per segments in % (in USD billions)
Corporate	1,090 (2.8m)	35% (3.0)
Middle Market	95.8k (32,000)	35% (3.0)
SMEs	5.4m (477)	30% (2.6)

Opportunities

- Leverage Global Capabilities
- Broker and Customer Relationship model
- Already leading in Engineering Lines and Financial Lines
- International Program Zurich (IPZ) Proposition just launched
- Operational efficiency is being pursued now

Aspiration

Lead this field among global players also in Latin America

Middle Market, using our US expertise to target opportunities

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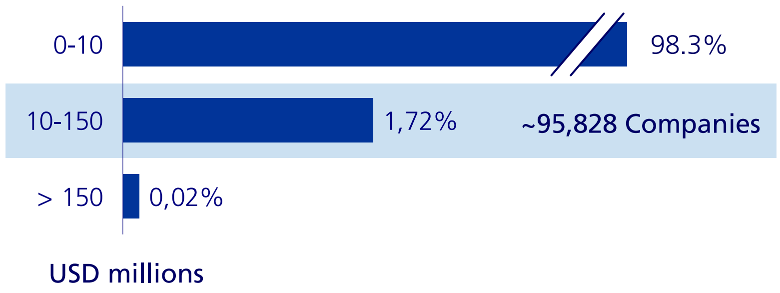
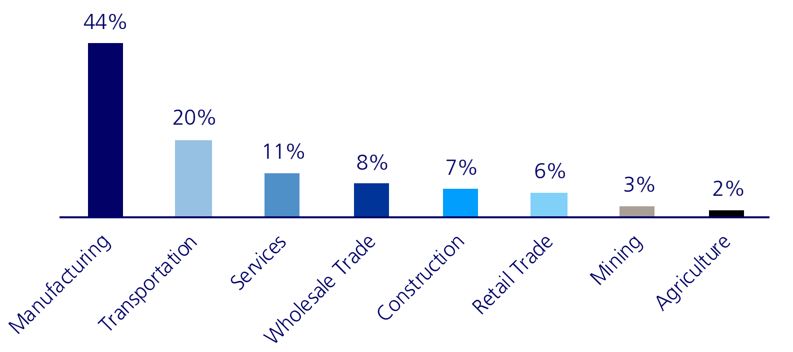
Distribution of companies by revenue



Top 1,000 Middle Market Companies



Opportunities

- Specialization in Verticals
- Extrapolating the US Verticals excellence
- Already piloting in Mexico
- Thought leadership on industry-specific risk topics
- Brand building in target industries

Aspiration

- Be the reference for middle market customers and brokers
- Out-performing our peers in terms of growth while meeting Zurich Group's profitability goals

Mass Personal Lines, a success story that has only just begun

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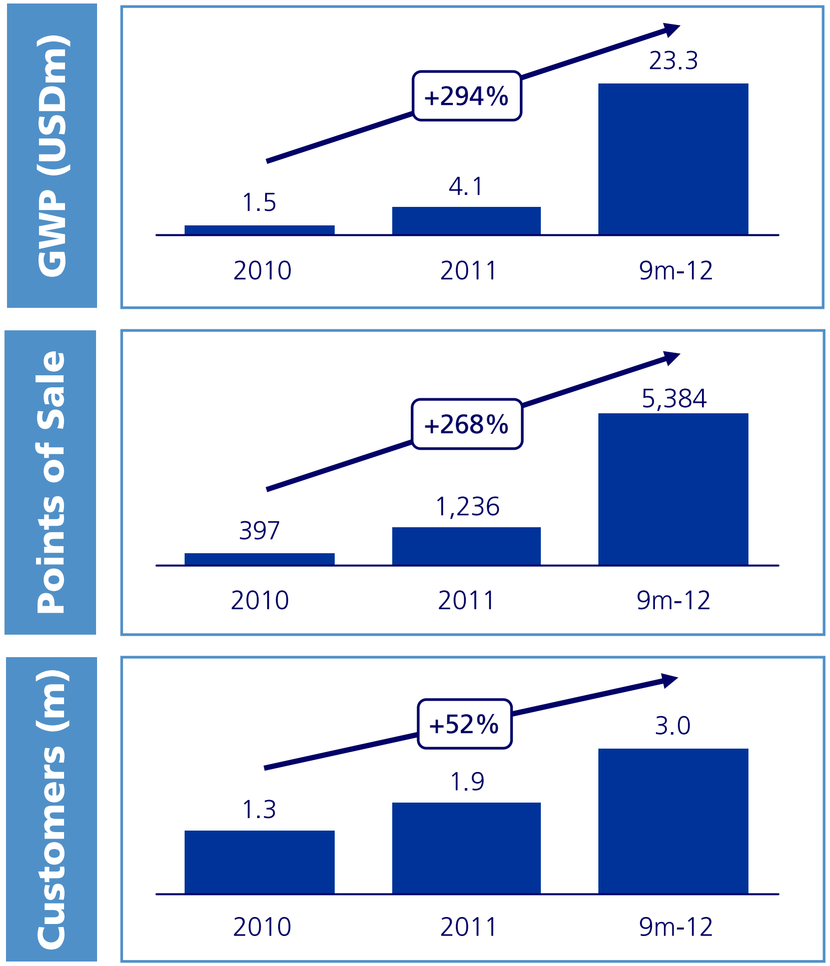

Opportunities

- Social mobility
- Large volume products with low severity
- Price elasticity allows significant margins
- Financial strength to access large distribution channels
- Midsized sponsors
- Channel innovation

Aspiration

- Fulfill all insurance needs of emerging consumers and bind them early on in their lifecycle
- Become a profitable growth engine in Latin America

Note: Growth in CAGR assumes 9m only for 2012, GWP in local currency

Personal Lines and SME creates a foothold to diversify our portfolio

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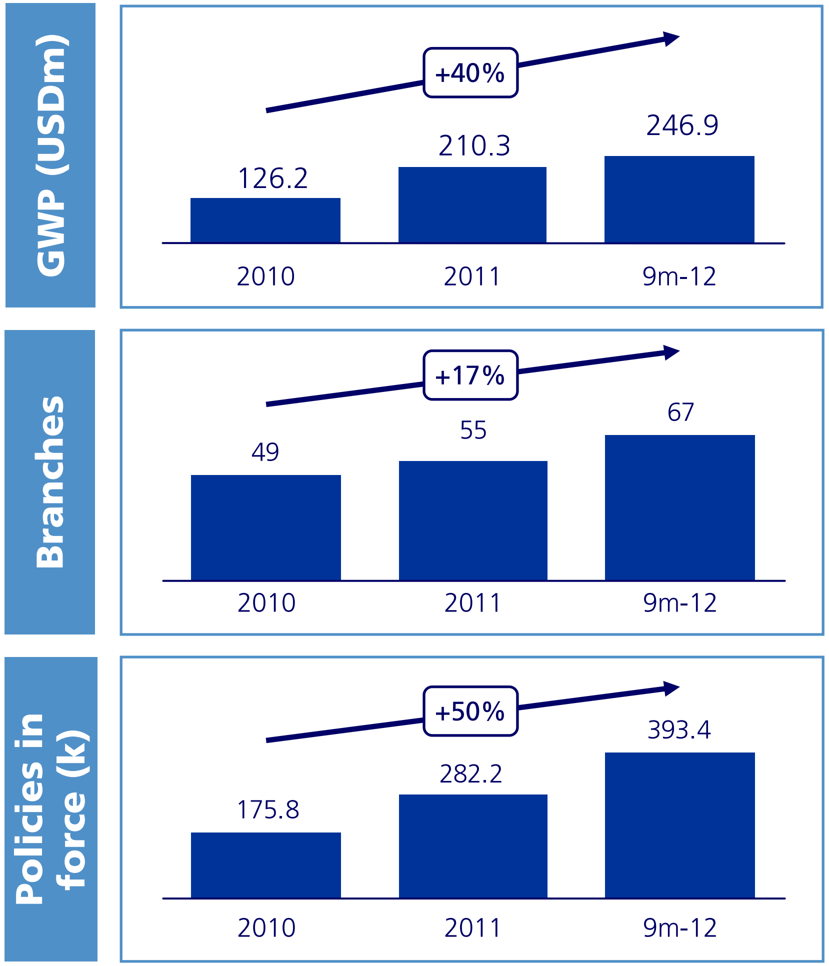

Opportunities

- Open new branches and mobile offices to increase regional coverage
- Use the strong growth of the car industry
- Target the large sphere of SMEs
- Santander Bank portfolio of SMEs
- Learning from our customers and keep launching targeted products

Aspiration

- Presence throughout Brazil with significant market share in all regions
- Best in class customer care and service for clients and brokers

Note: Growth in CAGR assumes 9m only for 2012, GWP in local currency

Conclusions

- Brazil and Mexico and its markets offer large opportunities
- Zurich is very well positioned
- Our tailored value propositions and selected distribution channels are the right ones for our different customer segments

Progressing on our strategy to deliver our 2013 targets

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Global Life LatAm

José Orlando
CEO Global Life Latin America

Key messages

- LatAm offers **new opportunities** for Life insurance market
- Global Life LatAm has a clear aspiration to become **the best global life and pension insurer in the region**
- Global Life LatAm has **special focus on Brazil** where demand for life insurance products **offers the largest growth opportunities** in terms of penetration and value proposition development
- Zurich Brazil has **developed strong initiatives** to capture these opportunities while **achieving strong results**

Progressing on our strategy to deliver our 2013 targets

LatAm is an attractive market for life insurance

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LatAm is experiencing changes…	…creating new market realities
✓ Growth of domestic markets (Oil, Soy, Metals) ✓ Political and institutional stability ✓ Modern economic reforms ✓ More and better jobs	✓ Increased purchasing power and wealth generation ✓ Improved regulations ✓ Social mobility ✓ Large access to credit ✓ High social satisfaction

Generating fast-growing consumer demand for life insurance

Global Life LatAm pursues market leadership through a differentiating approach to customers…

Our aspiration

To become the Best Global Life and Pension Insurer in Latin America

LOBAL strategy =
Local Understanding + **Global** Strategy

Understand customers unique reality + Offer customers the solutions they demand + Build relationships through the most suitable channel for the customer + Build operational capabilities to deliver propositions and improve customer experience

...offering tailored products through a multi-channel distribution

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Global Life strategic pillars	Retail				Corporate
	IFAs and Brokers	Tied Agents	Bank Distribution	Affinities Sponsors	Corporate Life and Pensions
Mass Affluent	Long term savings: MX, CL, BR				
Upper Middle income	Unit Linked, sophisticated Protection and Pensions: AR, CL, BR, MX				
Low Middle income			Simple Protection: AR, BR, MX, VE, CL		
Corporate employees					Group Life, PA & MME[1]: AR, MX, CL, BR
Access to >100m customers	2m		57m	45m	5m

[1] PA = Personal Accident, MME = Major Medical Expenses.

Already capturing sustainable and profitable growth…

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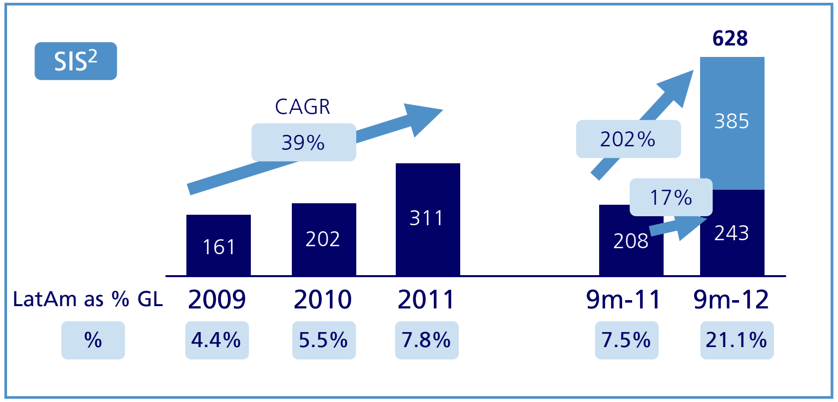
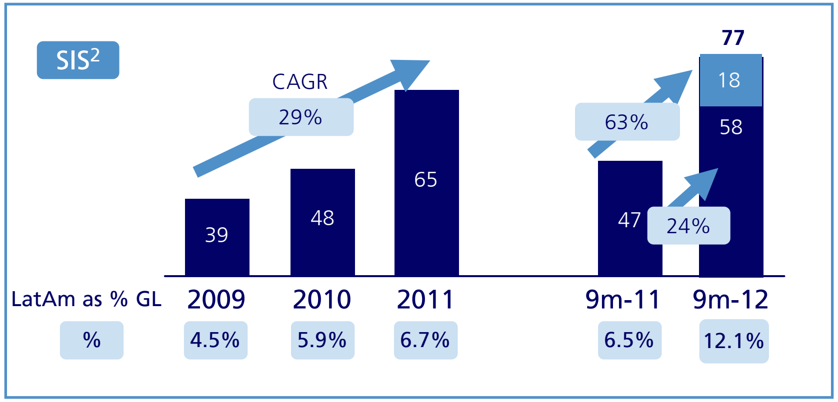
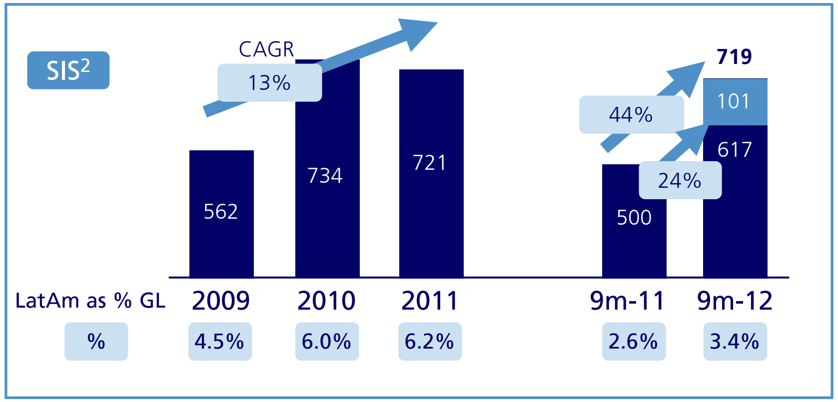
APE, USD millions[1]



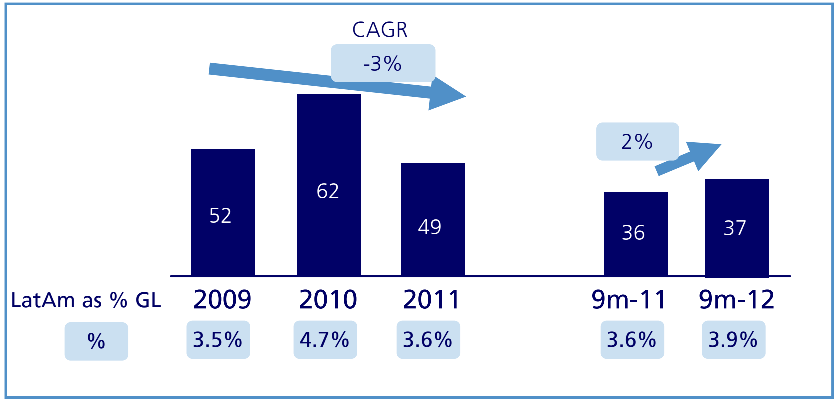
NBV, USD millions[1]



GWP, USD millions[1]



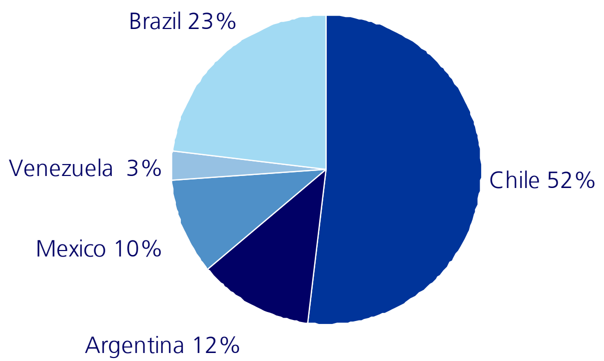
BOP, USD millions[1]



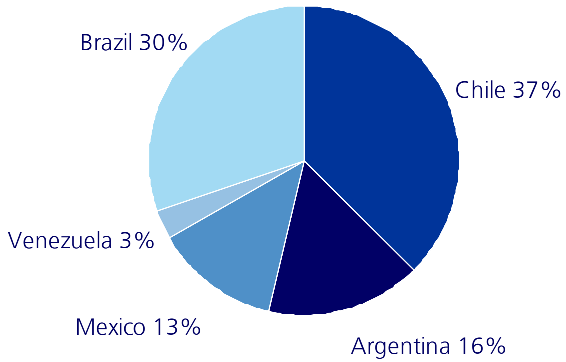
[1] All figures at 2012 constant FX rates. All figures excluding Zurich Santander.
[2] SIS = Seguro de Invalidez y Sobrevivencia

…through a well diversified business portfolio

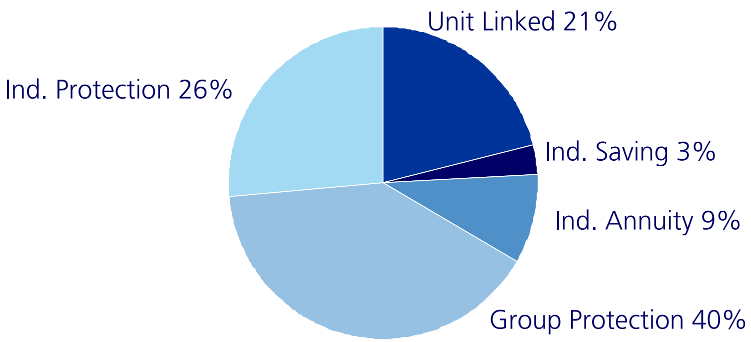
NBV by country (with SIS), 9m-12[1]



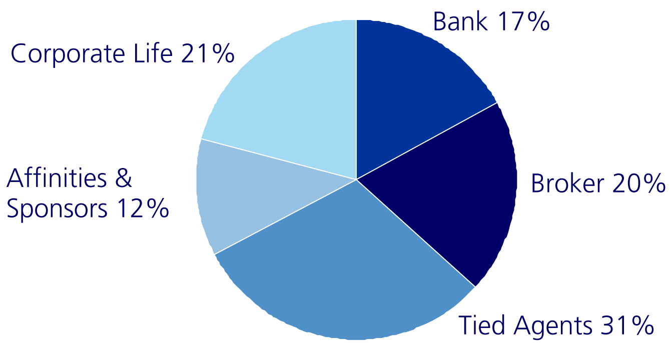
NBV by country (w/o SIS), 9m-12[1]



NBV by line of business (w/o SIS), 9m-12[1]



NBV by channel (w/o SIS), 9m-12[1]



[1] All figures excluding Zurich Santander; SIS = Seguro de Invalidez y Sobrevivencia

Global Life LatAm has strong focus in Brazil…

Zurich Life Brazil

2008
- Acquisition of Cia de Seguros Minas Brazil & Minas Brazil Vida e Previdencia

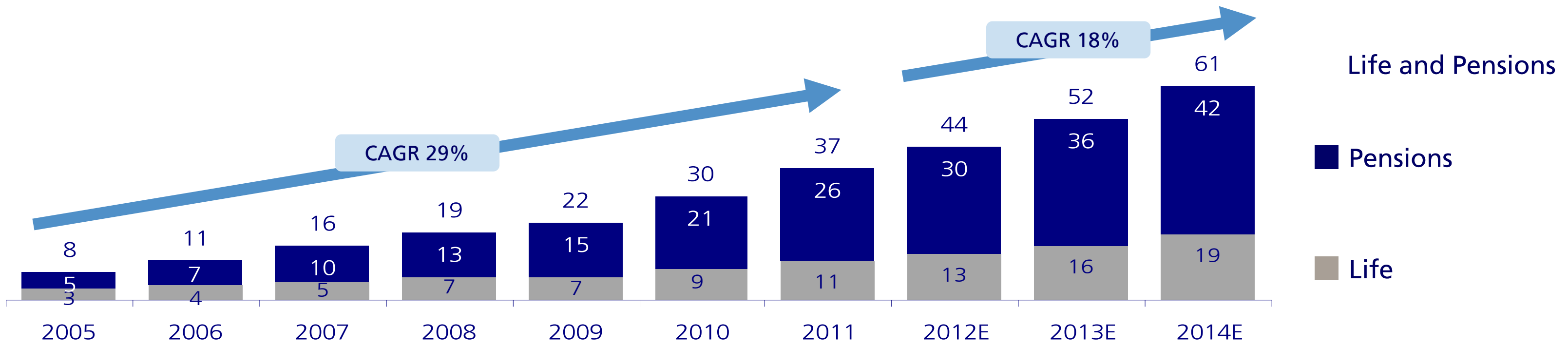
2010
- Zurich GI and Life business division
- Designation of new CEO for Brazil Life

2011
- Strategic distribution agreement with Santander Bank
- Strengthen of Bank & CLP distribution
- Brand campaign first phase execution

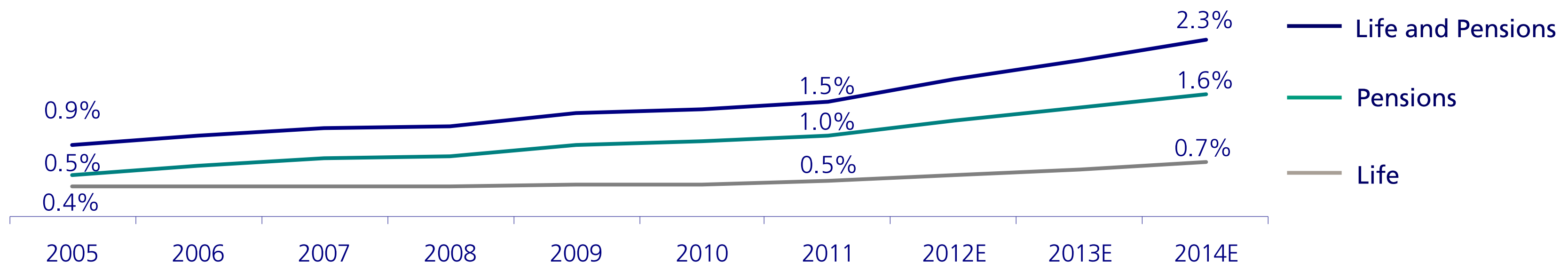
2012
- Brand campaign second phase execution
- Zurich employer brand identity development
- Corporate Pension & Surgery launch
- IFAs launch
- Relationship development with new distributors
- Expansion of Regional footprint
- Support to Zurich Santander

... where demand offers the largest growth prospect

Brazil Insurance Market (USD billions), total GWP



Brazil Insurance Penetration (GWP/GDP)



Source: SUSEP, Zurich Estimates

Zurich Brazil is growing at sustainable rates, achieving strong results

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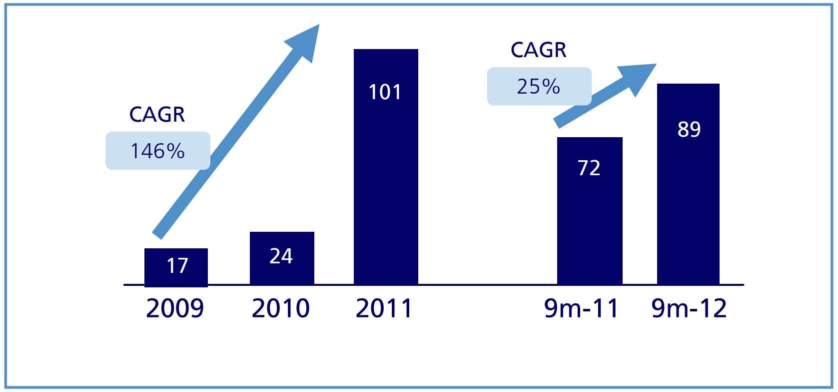
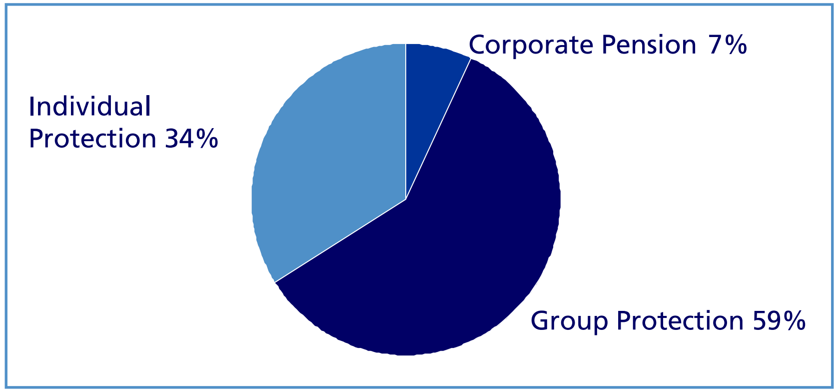
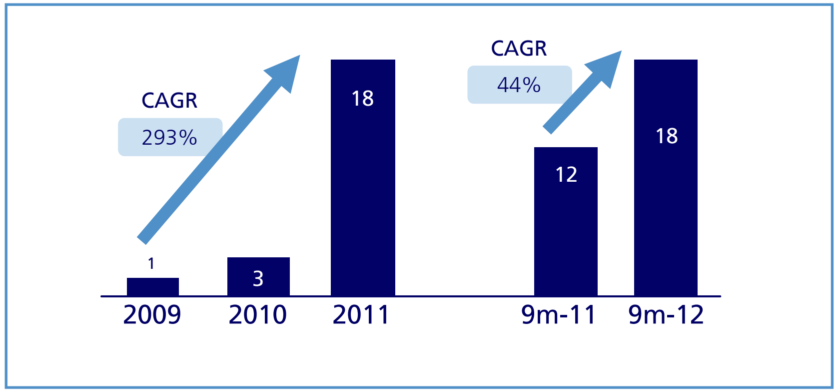
APE, USD millions[1]



APE by line of business, 9m-12[1]



NBV, USD millions[1]



[1] All figures at 2012 constant FX rates. All figures excluding Zurich Santander

Zurich Brazil has a clear path to capture market opportunities

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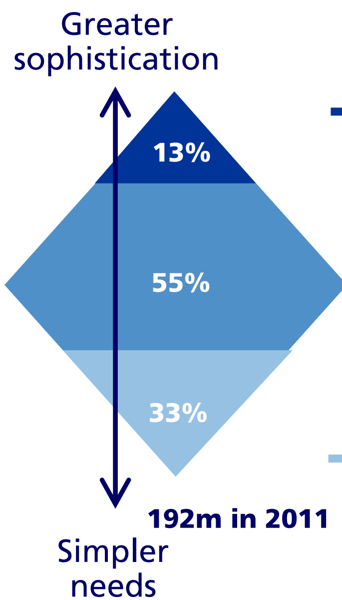
Brazil's positive environment for Life insurance market…	Zurich Brazil approach to capture growth
✓ **Under-penetrated insurance market** compared to developed countries	1 Develop differentiated value propositions to meet customers new and broader demands
✓ Large social mobility resulting in 31 million **new customers entering the middle class** between 2003 and 2011[1]	2 Realize value from current relations with distributors in Bank Distribution and Affinities and Sponsors
✓ **Longer life expectancy and reduction in mortality** rates	3 Leverage our already established relationships with Employee Benefits Consultants (EBCs)
✓ GDP growth expectations remain healthy increasing **purchasing power, wealth generation and saving**	4 Develop individual life insurance distribution and product offering
✓ Decreasing unemployment rates lead companies to compete as **full employee benefit providers**	
✓ **Improvements in regulatory framework** to foster transparency, customer protection, solvency and corporate governance	

[1] Brazilian Central Bank, FGV

1 Develop differentiated value propositions to meet customers new and broader needs



Customers[1]	2012 Zurich Product Offering	Needs
Mass Affluent 23m	Corporate Pensions	 • Efficient wealth transfer • Investment products
Middle Income 105m	Corporate Pensions Credit Life (eg. w/ unemployment) Life Covers Personal Accidents (eg. broken bones, urban life) Surgery	 • Income protection • Wealth generation • Family protection
Low Income 64m	Personal Accidents Credit Life (eg. w/ unemployment) Surgery	 • Provide for the future of their family • Maintain newly acquired life quality

[1] Brazilian Central Bank, FGV

2 Offering credit and non-credit related products to 30 million customers through existing bank distribution partners

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19 distribution partners	30m customers	Products
Banco BIC Banco do Brasilia Banco Industrial Banco FICSA Banco Mercantil do Brasil Banco Rural Banco Santander SoroCred	Individual established middle class	**Credit related:** Credit Life; Credit Life (unemployment) **Non-credit related:** Surgery; Personal Accidents (standalone product, broken bones, urban life); Life Covers
	SMEs	**Credit related:** Credit Life **Non-credit related:** Surgery; Personal Accidents; Group Life

2 Adding new products to 35 million customers through existing affinities and sponsors

25 distribution partners	Emerging middle class	Initial product	Products to be added
Riachuelo	• Distribution partner since 2010, Riachuelo is a large regional department store offering own credit cards • Access to 2 million customers	Personal Accidents	Surgery
Credicard	• Largest open credit card issuer in Brazil • Access to more than 5 million customers since 2012	Surgery	Credit Life (Unemployment); Personal Accidents
Certel	• Electricity distributor, appliances, furniture and construction materials retailer • Access to nearly 500,000 customers since 2012	Credit Life	Personal Accidents

3 Leveraging on our already established relationship with 800 Employee Benefits Consultants

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EBCs	Zurich initiatives	Recent accounts
AON MARSH WILLIS HARMONIA GRUPO QUALICORP BENCORP Consulting VICTORY Torres Asociados ADMIX Consultoria JLT do Brasil BASE Brasil	Tackle both **large and SME segments** with a differentiated proposition Complete product offer to provide a **full array of employee benefits solutions** Expand geographically in order to become a **national provider**	FENAVIST SYNGENTA TNT Consorcio Remaza Novaterra Sindicato da ConstrucaoSP Estaleiro Atlantico Sul Prefeitura de Porto Alegre Unicred

4 Develop individual life insurance distribution and product offering

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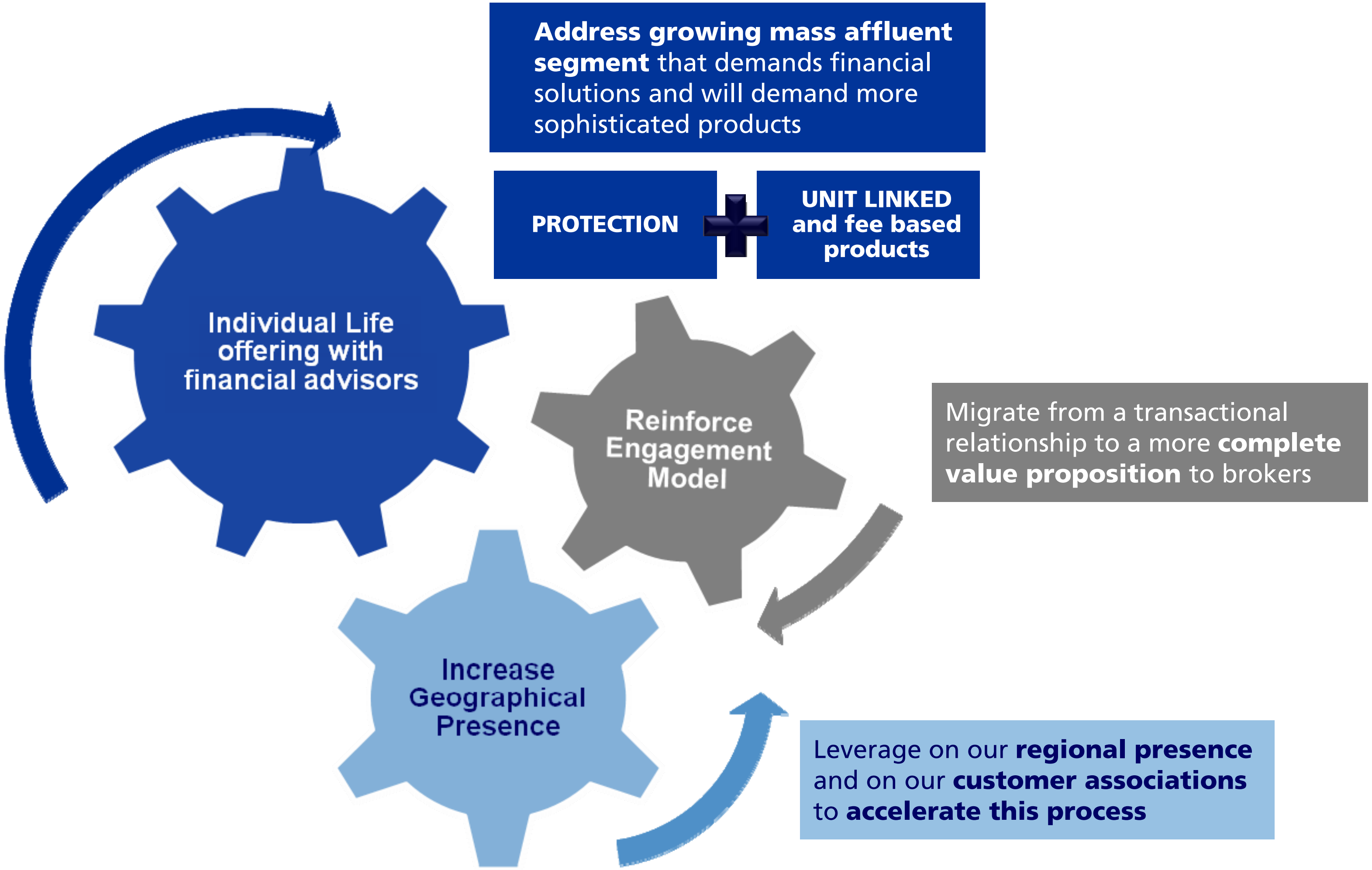

Next steps

- Keep **strengthening capabilities**: Talent, Brand, Distribution, Propositions and Platforms
- Continue **transforming the organizational model** towards a market driven mindset
- **Accelerate sustainable growth**, realizing the value of distribution partnerships and developing new businesses
- Develop a **regional leadership culture**, building a common identity & leveraging existing sense of pride
- Strengthen the **Governance Framework**, aligning practices and controls to a higher risk profile, result of a fast growing business

Agenda

Zurich in Latin America (LatAm) Brief Overview	Antonio Cássio dos Santos, Regional Chairman Latin America CEO General Insurance Latin America
General Insurance LatAm	Antonio Cássio dos Santos, Regional Chairman Latin America CEO General Insurance Latin America
Global Life LatAm	José Orlando, CEO Global Life Latin America
Zurich Santander Insurance America	**Javier Lorenzo, CEO Zurich Santander Insurance America**

Zurich Santander Insurance America

Javier Lorenzo

CEO Zurich Santander Insurance America

Key messages

- Santander Bank's LatAm distribution power is tremendous
- Zurich Santander already represents a solid and mature business, coupled with large growth opportunity
- Zurich will now allow further growth thanks to its financial and commercial expertise
- A clear strategic framework and action plan that leverage strengths of both Santander and Zurich is in place

Santander Bank has access to >40m customers, 6,000 branches and 25,000 ATMs

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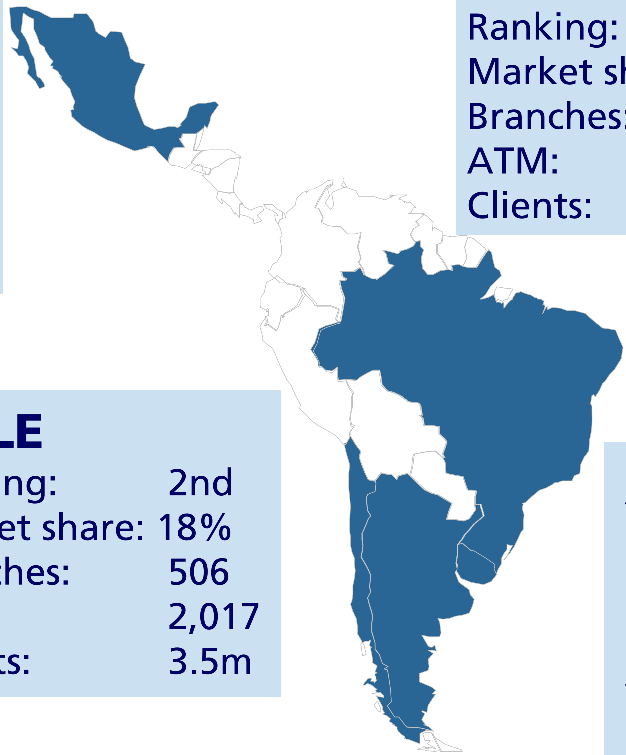

MEXICO

Ranking:	3rd
Market share:	15%
Branches:	1,125
ATM:	4,525
Clients:	9.3m

BRAZIL

Ranking:	3rd
Market share:	8%
Branches:	3,775
ATM:	18,099
Clients:	25.3m

URUGUAY

Ranking*:	1st
Market share*:	20%
Branches:	38
Clients:	120k

CHILE

Ranking:	2nd
Market share:	18%
Branches:	506
ATM:	2,017
Clients:	3.5m

ARGENTINA

Ranking:	1st
Market share:	10%
Branches:	358
ATM:	937
Clients:	2.5m

Source: Santander Bank – Data at YE 2011

*Excluded public bank (Banco Republica)

A solid bancassurance model with growth potential

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MEXICO
c30,000 sales per month via ATM

BRAZIL
c35% of Santander Bank customers with insurance cover represents a huge growth opportunity

CHILE
Two active products per Santander Bank insurance client

ARGENTINA
c50% active Santander Bank customers with insurance product

Source: Data at YE 2011

Insurance is a key contributor to the Santander Bank business

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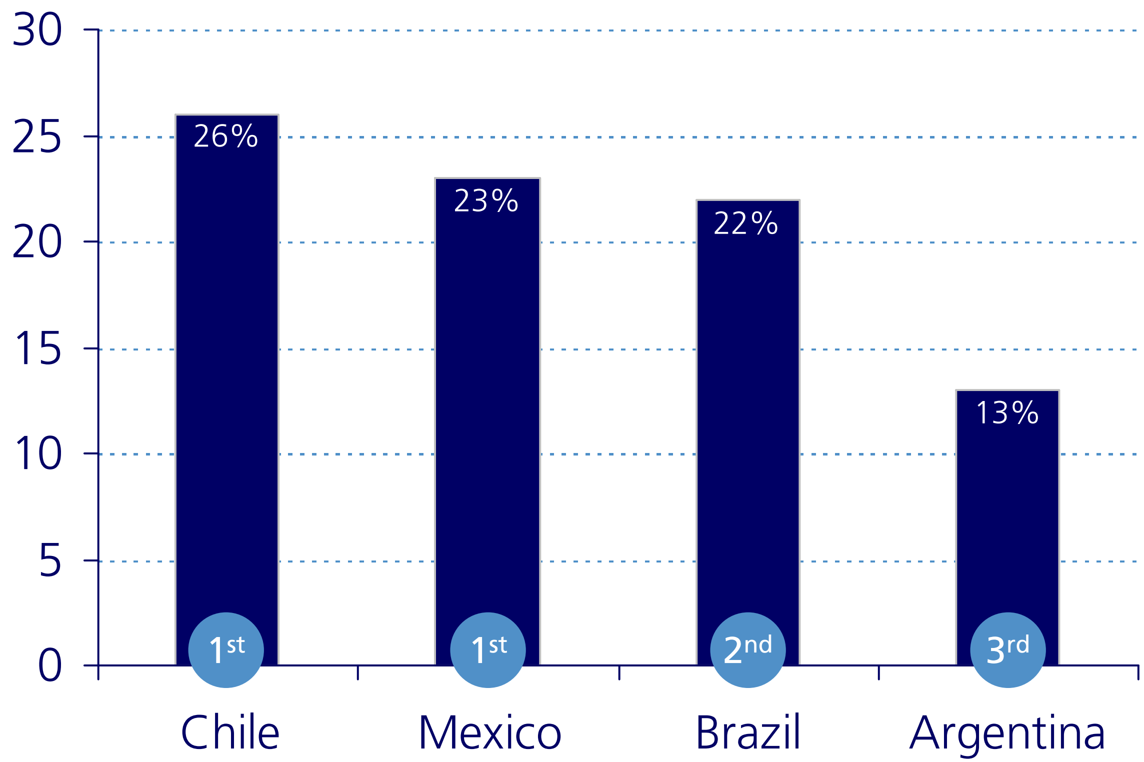
Insurance commission as % of bank fee income



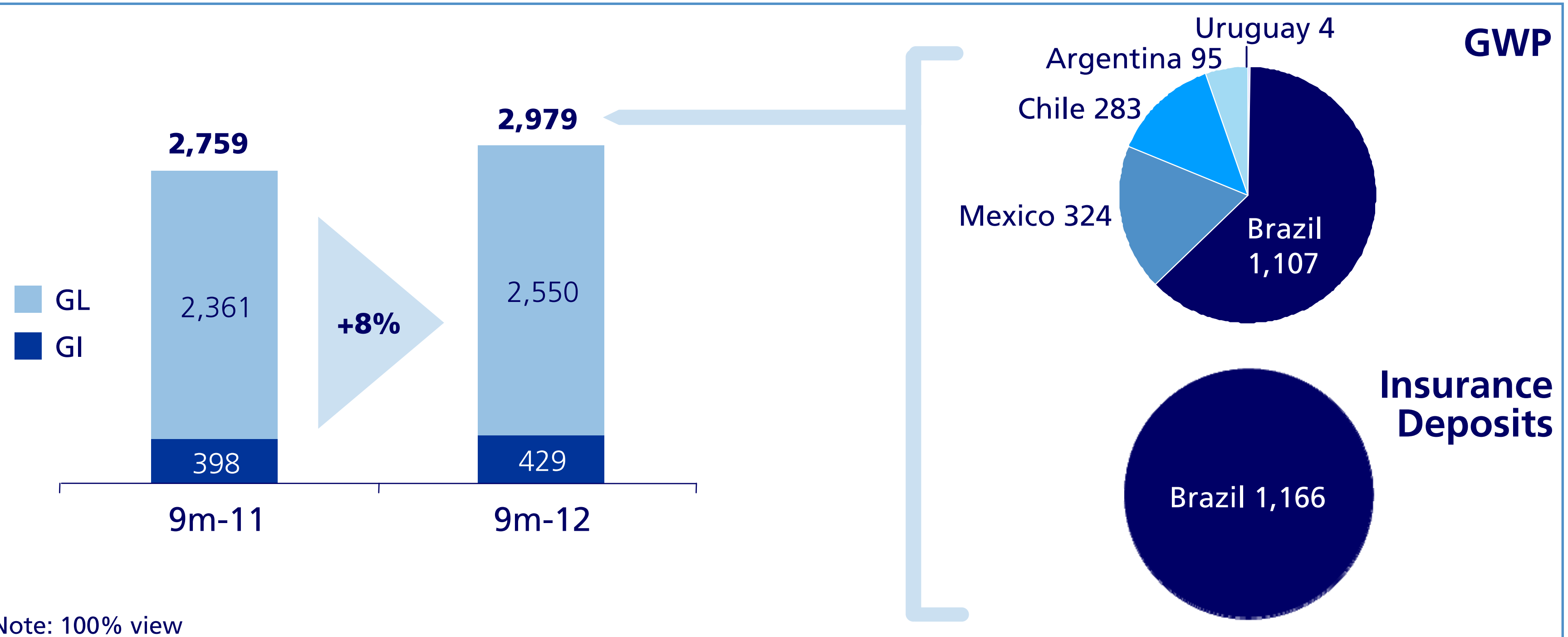
USD 900m
In commissions paid (FY 2011)

USD 730m
In commissions paid (Ytd Sept 2012)

Brazil: Sept 2012 YTD; Argentina Mexico: Aug 2012; Chile: FYF 2012.

Top-line performance driven by 3 major countries

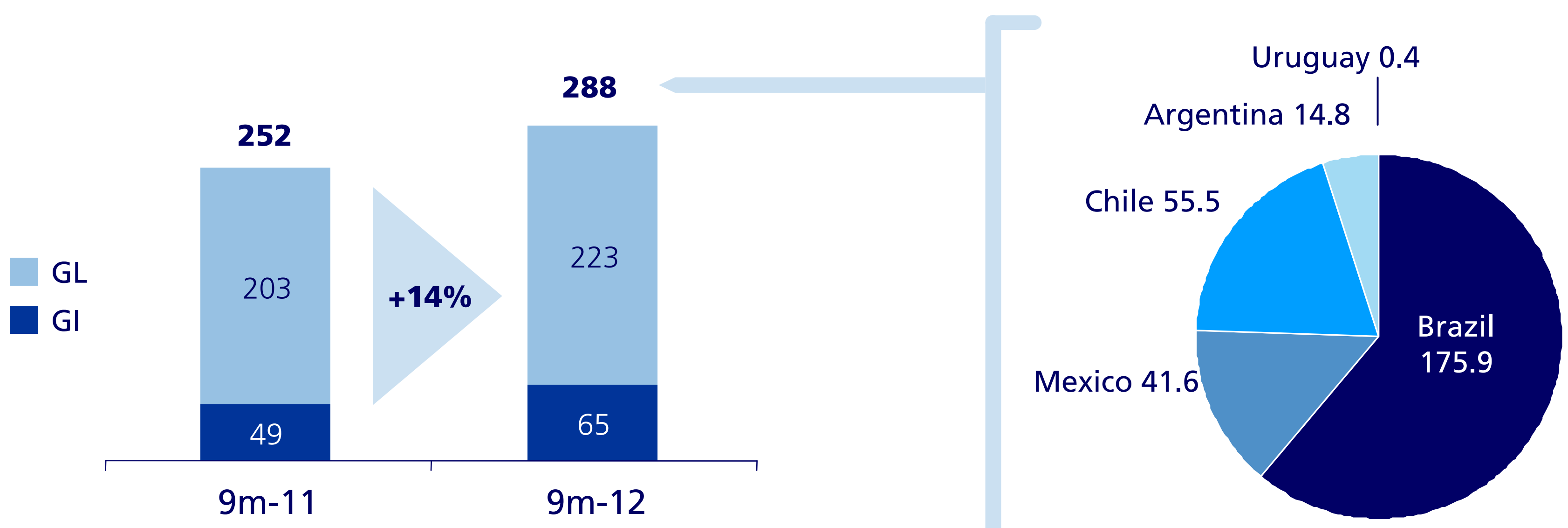
GWP and Insurance Deposits (USD millions – FX plan rate – Local GAAP)



Note: 100% view

Local statutory profit after tax shows strong growth

NIAT (USD millions – FX plan rate – Local GAAP)



Note: 100% view

Next growth drivers

- SME and affluent segments
- Savings for retirement
- Maximize profitability of portfolio

A robust structure ready to drive the business forward

Head Quarter (Madrid)

Five fully operational Local Insurance Entities

A fully functioning and best in class Governance structure, managing the relationships between both shareholders, locally, regionally and centrally;
Dedicated Boards and Committees supporting all functions

Follow a long-term strategic roadmap

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OVERALL STRATEGY

Leverage a powerful distribution platform to build strong and lasting relationships with our customers

STRATEGIC PILLARS

1 Segmented Value Proposition
- Proposition to include retirement savings and open market expansion
- Expand focus towards SMEs and affluent customers

2 Seamless Customer Service
- Integration with bank sale protocol
- Alternative and multi channels
- Process efficiency and transparency

3 Profitable Customer Life Cycle
- Retention
- Risk management
- Actuarial models
- Claims optimisation

ROBUST FOUNDATION

IT Platforms

Financial Infrastructure

Strategic roadmap – phased approach

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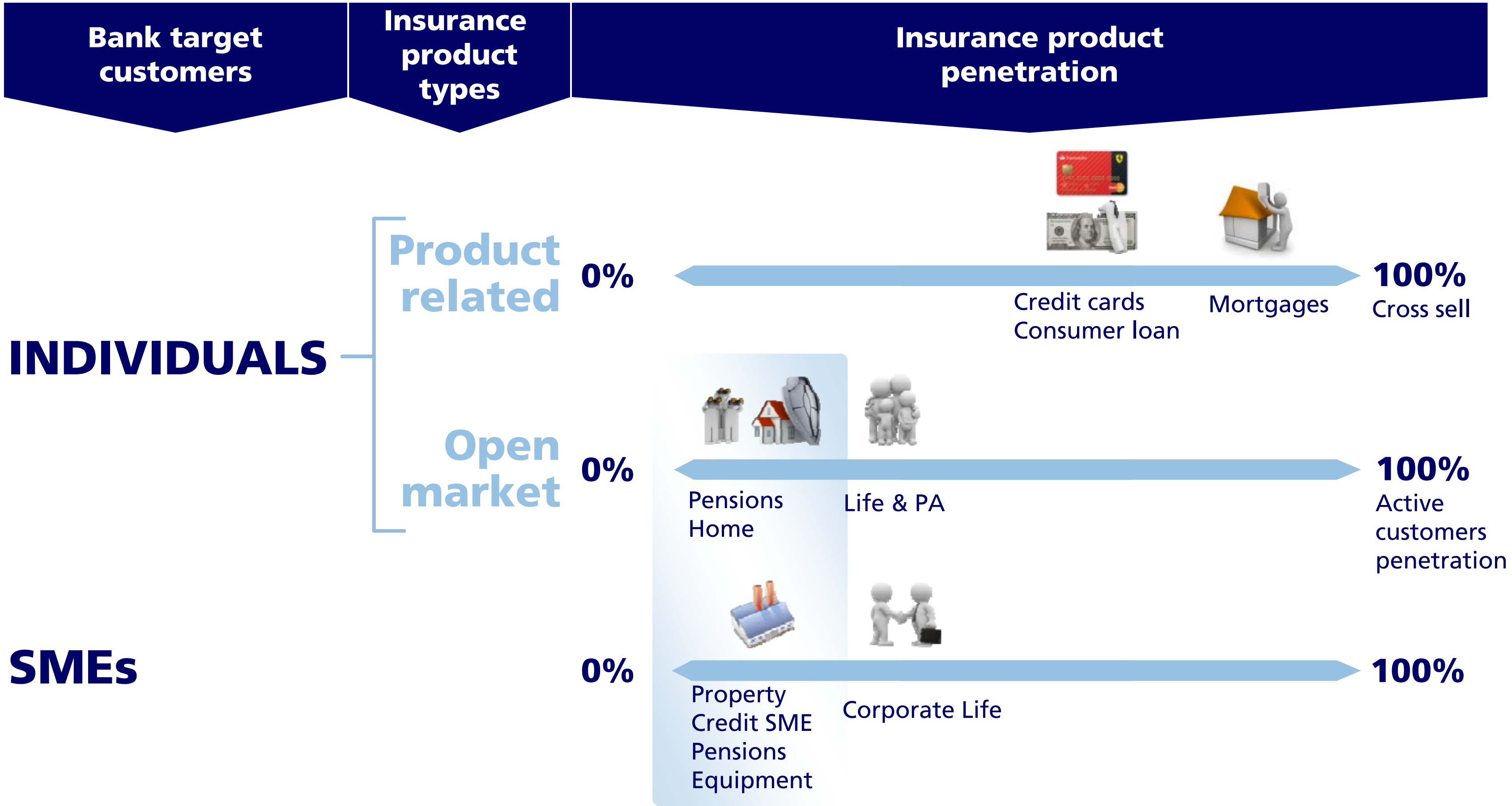
	A STARTING POINT	B NEXT STAGE	C LOOKING INTO THE FUTURE
OVERALL	• **Ensure little disruption of "Business as Usual" while integrating the Zurich basics**	• **Enhancing the model**	• **Transforming the model**
PROPOSITION	• Mainly credit related products • Improve customer service	• Improve savings and open market • More sophisticated GI products • Build central and field sales support • Further develop technical infrastructure ie. Pricing	• Long-term savings and retirement propositions • Needs based proposition development • Support development of advice based sales
CHANNEL	• Dependent on branch network	• Further develop alternative channels like ATM, web and phone	• Fully leverage digital channels and community marketing
TARGET	• Focused on retail • Push penetration in existing segments	• Refine segmentation and move into new segments like SME and Corporate • Leverage Customer Relationship Management of the bank	• Fully segmented approach, micro marketing

Linking market needs with objectives of Santander Bank and Zurich Santander



Source: Seguros y Controladoria Santander; forecast 2012

Linking market needs with objectives of Santander Bank and Zurich Santander

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Brazil

Macro trends	Santander Bank focus	ZSIA activities
• Interest rates at a historic low driving spreads reduction • Delinquency rates on the rise ↓ **SHORT TERM** ✓ Bank looking for stable and recurring alternative income i.e. insurance **LONG TERM** ✓ Large volume growth once market stabilizes, driving further product related sales	• Insurance Commission as an instrument to offset lower loan spreads • Target on highly profitable customers • Expand in Consumer Finance, Mortgages and Credit Cards	• Launch/improvement of overdraft, personal loan and credit card life cover
	• New Value Propositions for Mass Affluent and SMEs	• Launch of life cover for SMEs • Launch of unemployment and Property and Casualty products for SMEs
	• Differentiate services and improve customers profitability	• Roll out of the Zurich risk model • Internet claims registration

Linking market needs with objectives of Santander Bank and Zurich Santander

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Mexico

Macro trends	Santander Bank focus	ZSIA activities
• 26% average growth in consumer credit over the past three years • Excellent solvency of the banking sector, looking for increased profitability through credit offering • Regulators and government focused more and more on consumer protection	• Focus on credit cards, mortgages and consumer loans	• Build bundle strategy with the bank to embed insurance within card proposition
	• Focus on SMEs, Corporate and 'Select'	• Review cover limit to allow for greater target (SMEs) • Creation of a dedicated and preferred value proposition (Select)
	• Insurance portfolio management	• Review of the financial and actuarial structure of all products

Key messages

ZURICH INSURANCE

- Santander Bank's LatAm distribution power is tremendous
- Zurich Santander already represents a solid and mature business, coupled with large growth opportunity
- Zurich will now allow further growth thanks to its financial and commercial expertise
- A clear strategic framework and action plan that leverage strengths of both Santander and Zurich is in place


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ZURICH SANTANDER • SEGUROS E PREVIDÊNCIA

Agenda

09:45	Welcome	Debra Broek
09:45 – 10:05	Introduction	Martin Senn
10:05 – 10:50	General Insurance	Mike Kerner
10:50 – 11:20	Global Life	Kevin Hogan
11:20 – 11:35	Break	
11:35 – 12:05	Finance Perspective	Pierre Wauthier
12:05 – 12:35	Global Life – Free Capital	Nick Burnet
12:35 – 13:15	Q&A session	
13:15 – 14:05	Lunch	
14:05 – 14:35	Farmers	Jeff Dailey
14:35 – 15:50	Opportunities in Latin America	Antonio Cássio dos Santos , José Orlando, Javier Lorenzo
15:50 – 16:30	Q&A Session	
16:30	Final remarks	Martin Senn

Key messages

ZURICH INSURANCE

- Strategic targets are unchanged
- Delivering stronger growth and improved underlying profitability
- Continue to diversify into high potential growth markets

Progressing on our strategy to deliver our 2013 targets

Thank you

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