

Stepping up our ESG ambition

November 2022
Investor presentation
Zurich Insurance Group



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Key messages

Strategy

We have demonstrated focused execution, are well on track to exceed all targets for the 2020-2022 period and will continue to pursue an ambitious agenda for the 2023-25 cycle

ESG ambition

In line with our ambition to become one of the world's most responsible and impactful businesses, we step up our ambitions and actions around customers, planet and people

Customers

We support our customers' transformation to a sustainable future throughout the insurance value chain

Planet

We are driving the net zero transition, strengthening our commitment in underwriting

People

Our people sustainability aspiration supports the life-long employability of our people, while delivering on customer needs

Governance

Our sound governance and remuneration practices are fundamental to our ESG ambition

Strategy



Key messages

Focused execution

We have demonstrated resilience, adaptability and focused execution over the previous two strategic cycles and are well on track to exceed all targets for the 2020-2022 period

Reduced volatility

We have reduced capital and earnings volatility through targeted actions across our businesses, addressing peak exposures and optimizing returns

Customer centricity

We are continuing our customer-focused transformation, investing in capabilities and technology to establish meaningful relationships and become the insurer of choice

ESG leadership









We are on track to become one of the most responsible and impactful businesses in the world, placing sustainability at the core of our organization and stakeholder interactions

Increased ambition

We will continue to pursue an ambitious agenda for the 2023-2025 cycle, leveraging our technical strengths and delivering on our strategic vision

On track to exceed all targets, outperforming an ambitious plan for the second consecutive strategic cycle

2020-2022 Targets

	Target	Progress
 BOPAT ROE ¹	>14%	
 EPS growth ²	≥5%	
 SST ratio ³	≥160%	
 Cash remittances ⁴	>11.5bn	

Delivering across all our businesses

Commercial	<ul style="list-style-type: none"> Reclaimed leading position Balanced global portfolio and reduced volatility Strengthened technical capabilities
Retail	<ul style="list-style-type: none"> Continued growth and diversification Invested in customer-focused transformation Advanced digitalization of customer experience
Life	<ul style="list-style-type: none"> Continued growth in unit-linked and protection Executing back book transactions Increased return on capital with reduced volatility
Farmers	<ul style="list-style-type: none"> Further scaled up fee-based earnings Diversified geographic footprint Broadened distribution

¹ Annualized business operating profit after tax return on equity, excluding unrealized gains and losses.

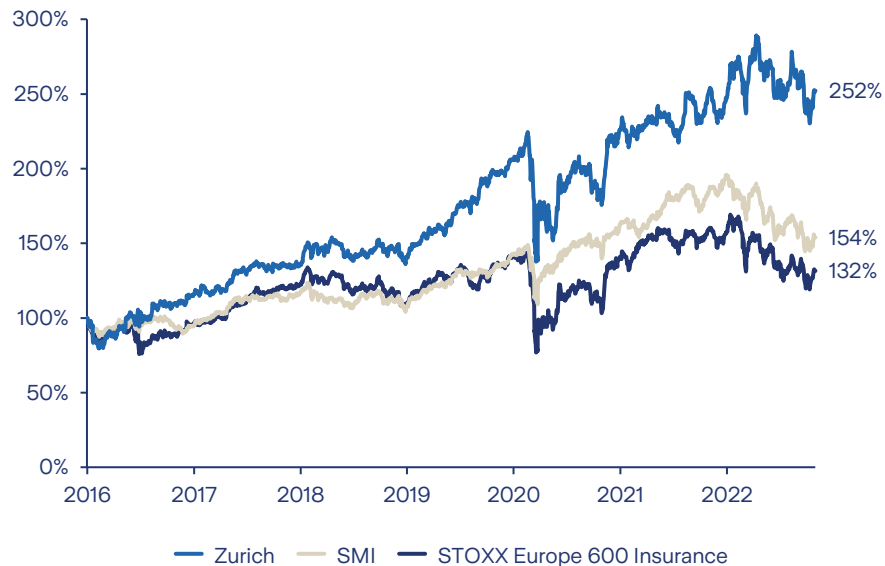
² Compound organic earnings per share growth rate, before capital deployment, over the period 2020-2022.

³ Estimated Swiss Solvency Test (SST) ratio, calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority FINMA.

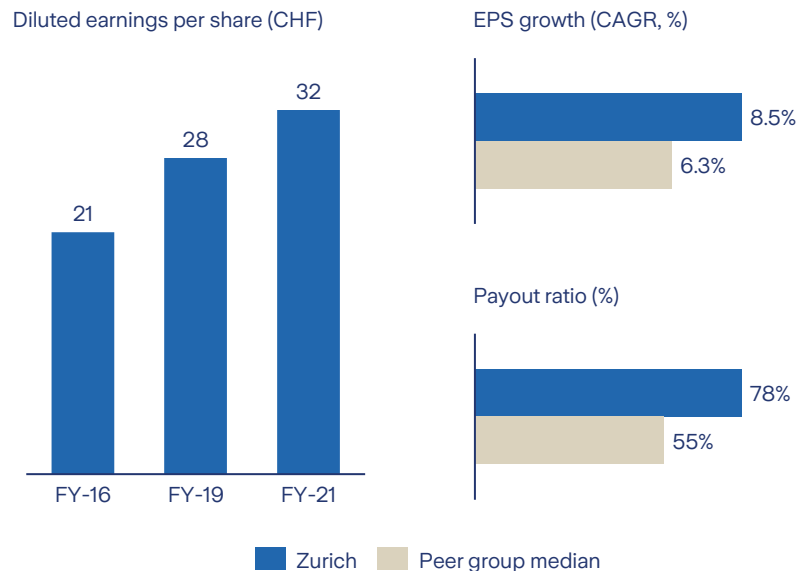
⁴ Includes cash remittances for FY-20, FY-21 and FY-22e (in USD).

Consistently delivering superior value for our shareholders, with low volatility of earnings and attractive dividend

Total shareholder return (USD)
(Indexed to 100% as of January 1, 2016)¹



Stable, growing earnings and attractive dividend
(FY-16 to FY-21)²



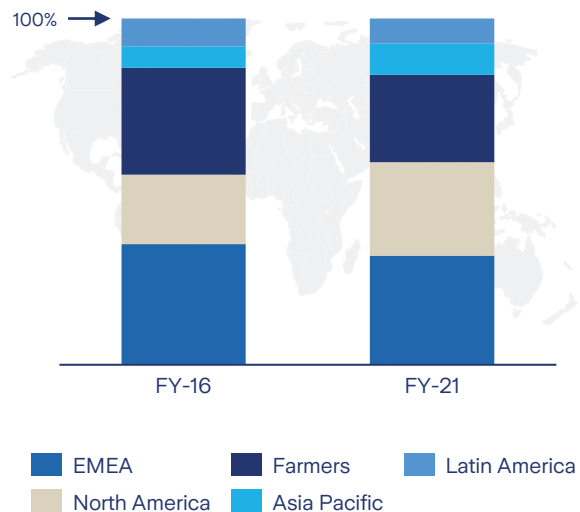
¹ Source: Datastream, as of October 31, 2022.

² Source: Datastream, as of October 31, 2022. Peers include AXA, Allianz, Generali, Chubb, Travelers.

We have a clear strategic vision, driving focused execution towards fully delivering our ambition

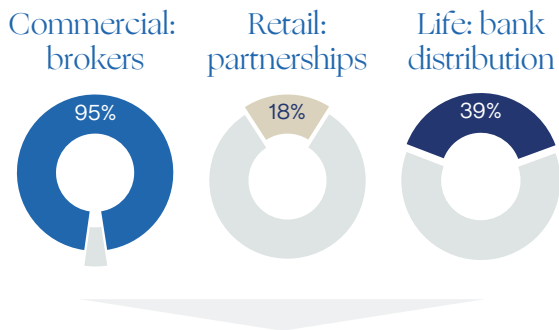
OPTIMIZED GLOBAL FOOTPRINT

Business operating profit by region (%)¹



COMPLEMENTARY DISTRIBUTION

FY-21 share of premiums (%)²



Complementary distribution capabilities across segments, with attractive growth opportunities outside traditional channels

CLEAR STRATEGIC PRIORITIES



Focus on customer
Transforming to become a truly customer-led company, based on strong existing platform



Simplification
Simplifying our business and operations, to make better use of our resources



Innovation
Adapting to continue to meet and exceed the expectations of our customers and partners

¹ BOP split by region excludes Group Functions & Operations, Non-Core Businesses and Group Reinsurance.

² Share of gross written premiums (GWP) for Commercial and Retail and share of annual premium equivalent (APE) for Life, respectively.

Continuing to pursue our strategic vision established in 2016, accelerating ambition for 2023-2025 strategic cycle

consistent strategy, Increased Ambition



Deliver cross-cycle outperformance in Commercial based on technical excellence and opportunistic growth



Accelerate customer loyalization in Retail through relevant, innovative propositions and holistic experiences



Value creation through customer intelligence, advanced data analytics and targeted, customer-led digitalization







Leverage strengths in distribution to pursue targeted growth opportunities in attractive, fast-growing segments



Drive climate transition through focus on sustainable solutions, engaging with customers and investees

Financial Targets for 2023 – 2025¹

	BOPAT ROE ²	>20%
	EPS growth ³	8%
	SST ratio	≥160%
	Cash remittances ⁴	>13.5bn

¹ Financial targets for 2023-2025 are based on IFRS 17.

² Annualized business operating profit after tax return on equity, excluding unrealized gains and losses.

³ Compound organic earnings per share growth rate, before capital deployment, over the period 2023-2025. Assuming the achievement of the 2020-2022 target of a compound earnings per share growth rate of 5%.

⁴ Cumulative net cash remittances over the period 2023-2025 (in USD).

ESG ambition

In line with our ambition to become one of the world's most responsible and impactful businesses, **we are stepping up our ambitions and actions** around customers, planet and people



Our 2023-2025 ESG strategy builds upon established progress

Topic	Ambition	Deployment	Enablers
 <p>Customers</p>	Support sustainable transformation	<ul style="list-style-type: none"> • Strengthen customers' sustainability • Customer care (data commitment, claims) 	Sustainability culture
 <p>Planet</p>	Mitigate and adapt to climate change	<ul style="list-style-type: none"> • Decarbonization of insurance, investment portfolios and operations • Zurich's resilience to climate change 	Partnership and advocacy
 <p>People</p>	Future-proof our people and organization	<ul style="list-style-type: none"> • Careers and work • Work environment committed to diversity, equity, fairness and wellbeing 	Strengthen innovation

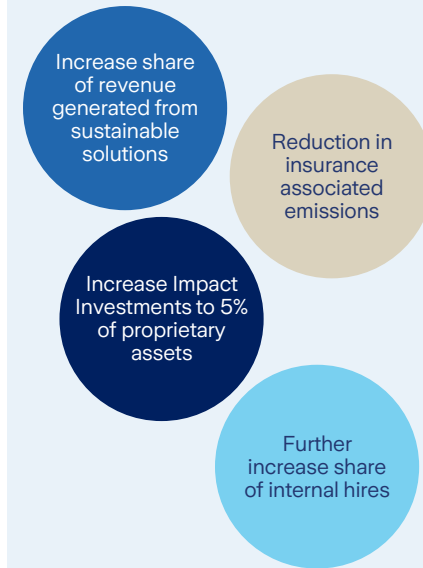
Accelerating ESG ambition across own operations and leveraging role as underwriter and investor



Progress to date

- Launched Zurich Resilience Solutions
 - Global data transparency score up 30% since 2020
 - TNPS up +7pts since 2019¹
-
- Net-Zero delivery in investments and operations underway²
 - Thermal coal and oil sands exclusion concluded, review of oil and gas transition plans
-
- 23 hours of learning per employee in 2021
 - ENPS up +49pts since 2018³
 - Females share in senior leadership roles up by 6pts since 2017⁴

Additional targets for the upcoming cycle



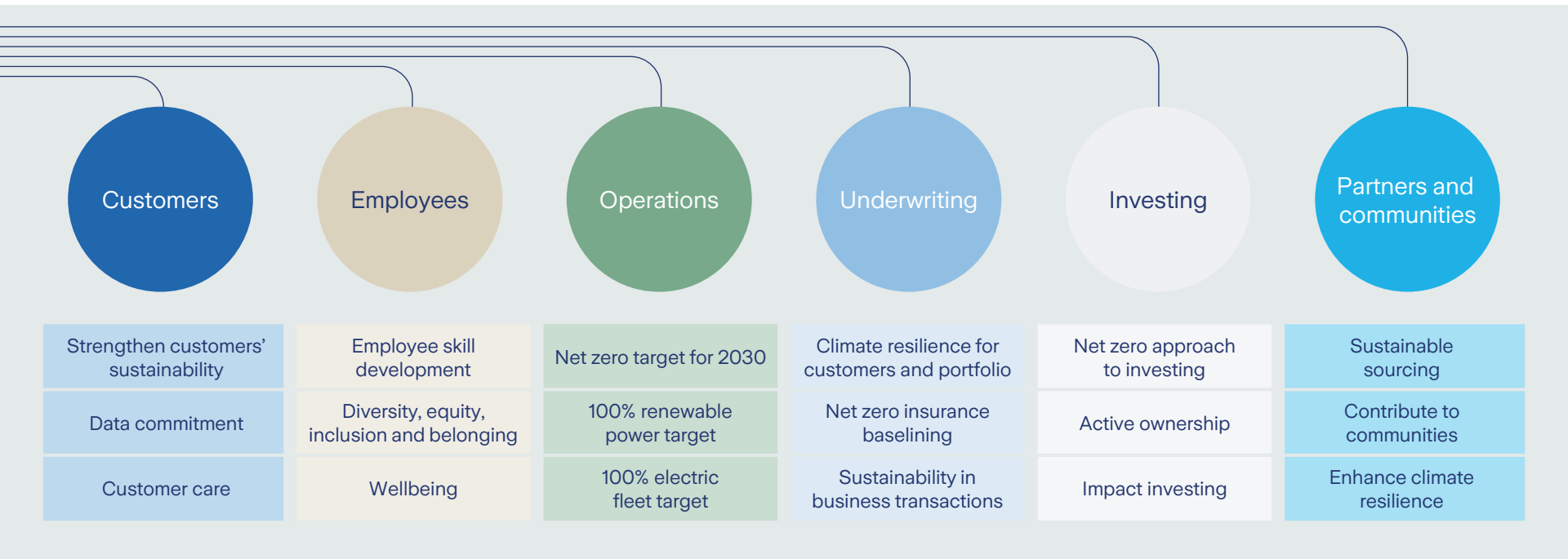
¹ Includes retail and commercial customers.

² With 2021 reductions of 21% in corporate investments and 73% in operations emissions vs 2019 baseline with respective targets of -25% and -50% for 2025.

³ ENPS stands for employee Net Promoter Score; ENPS increased from +5 in April 2018 to +54 in October 2022.

⁴ To a share of 28% as of Sept 2022.

Our ESG strategy is part of the way we run our business



Innovation championship

Examples



Offers software helping companies engage their staff or customers to take positive actions (deeds) to combat climate change (e.g., personal carbon footprint calculator, gamification elements).



Forecasts weather, by combining novel ocean and land-surface data with machine learning and climate expertise to deliver weather

Pre-financed carbon removal agreements



Based on storage of harvested biomass from degraded farmland in Australia.



Converts biomass waste to biochar in Puerto Rico and the U.S., which has applications in regenerative farming.



Captures CO₂ directly from the air, reducing the atmospheric concentration of CO₂, by only using renewable energy, energy-from-waste, or other waste heat as energy sources.

ESG reporting is increasingly following the financial reporting governance processes



Integrated sustainability disclosure

- Developed strong non-financial disclosure as part of annual report.
- Climate risk scenario analysis conducted confirming our resilient strategy and flexibility to adapt to the impacts observed.



Progress on assurance

- Oversight by Audit Committee.
- Most KPIs have been externally assured ('limited assurance').
- Environmental KPIs achieved 'reasonable assurance'.



Sustainability reporting

- Journey to improve non-financial reporting incrementally.
- Incorporates 3 frameworks: TCFD¹, SASB² and WEF IBC.³
- Expectation to follow ISSB⁴ framework once available.

¹ Task force on Climate-related Financial Disclosures.

² Sustainability Accounting Standards Board / Value Reporting Framework.

³ World Economic Forum International Business Council (IBC), core metrics only.

⁴ IFRS International Sustainability Standard Board

Zurich is highly rated by external assessors

ESG ratings and rankings



'AAA' rating¹



Absolute Score of 4
(out of 5.0)²



'A' Leadership Level³

Our long-term commitments



Our engagement partners

- Lead author of the World Economic Forum Global Risk Report
- Founding member of the Net Zero Asset Owner Alliance
- Founding member of the Net Zero Insurance Alliance
- Member of Coalition for Climate Resilient Investment
- Member of Insurance Development Forum

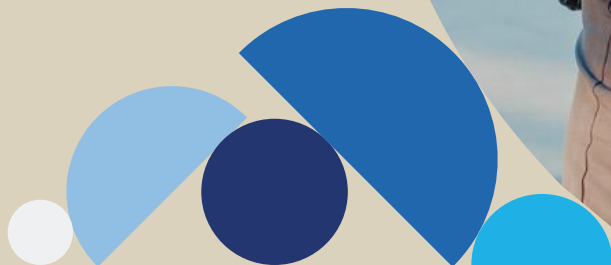
¹ MSCI ESG Rating Report May 2022.

² FTSE Industry Classification Benchmark (ICB), Jun 2022.

³ CDP Climate Change 2022 score.

Customer

We support our customers' **transformation to a sustainable future** across the insurance **value chain**



We will support customers through their transition, in addition to growing sustainable solutions and acting with empathy



Supporting transitions and scaling sustainable solutions

- Understanding, engaging with and supporting customers as they navigate the rapidly evolving net zero landscape as transitional actions and technology create new risks that require a different approach to underwriting.
- Innovating to deliver sustainable solutions across our value chain to scale positive impacts for both the planet and people.



Differentiating via sustainability impact

- Reinforcing the impact Zurich delivers through its ESG actions, impact investments and sustainable solutions.
- Provide top-tier risk management advice to our customers as a transition partner.



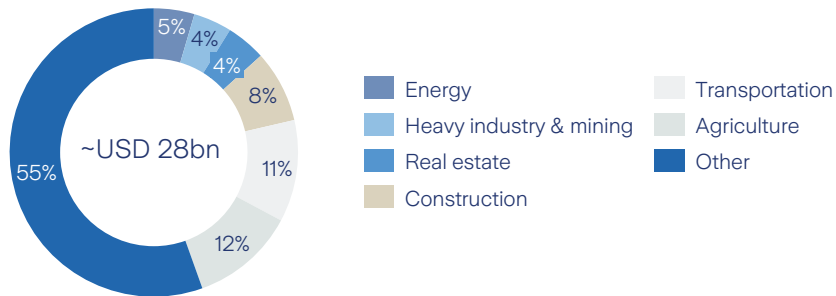
Providing customer care with empathy

- Doing the right thing for our customers is essential for our long-term success and we want to inspire trust while building meaningful relationships.
- We do this by treating our customers with respect and empathy while driving fair and positive outcomes during their interactions with us.

We offer traditional solutions to commercial customers in hard to abate industries, whilst balancing risk

Committed to working with existing customers in hard to abate industries as they drive necessary R&D for the transition

2021 Commercial Insurance industry mix¹



- Hard to abate industries such as transportation and heavy industry are estimated to contribute >30% of total greenhouse gas emissions².
- Solutions to decarbonize these industries are considered high risk and challenging with respect to underwriting appetite.

Acting with caution to support transitional technology



Rapidly changing technology with limited historical loss information.

→ Mindset change in underwriting.



Increasing need to access detailed data to support pricing and risk understanding.

→ Deeper customer engagement ahead of renewal / new business development.



Busy marketplace as insurers compete for market share in transitional technology.

→ Strongly resist pricing pressure and proposals of inadequate terms and conditions.

¹ Based on FY-21 GWP.
² Source: https://www.energy-transitions.org/wp-content/uploads/2020/08/ETC_MissionPossible_FullReport.pdf.

We contribute to industry organizations to drive transition and to understand and address challenges together



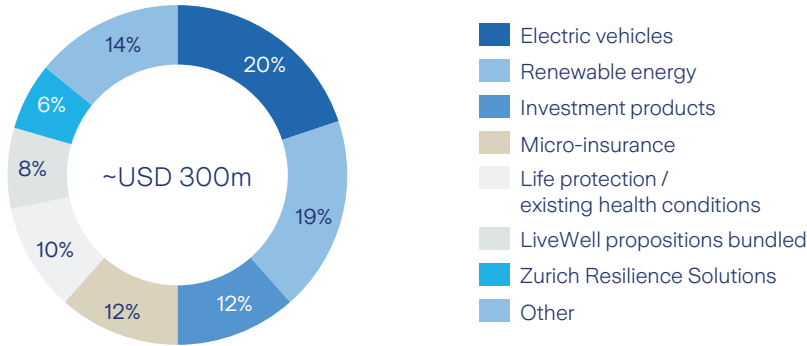
Industry	Examples of underwriting challenges with transitional technology	Industry support
Energy / Power	 <p>Offshore oil becomes offshore wind Significant risks during construction and operation, as sophisticated and prototypical machinery is used in remote offshore locations.</p>	 <p>Chair of IUMI's¹ Offshore Energy Committee</p>
Sustainable energy	 <p>Constant developments result in ever changing risks Wind turbines expected to double in height from 2000 to 2025. +1800 different wind turbine technologies currently in use all with limited loss history information.</p>	 <p>Member of Global Wind Energy Council</p>
Construction	 <p>Low carbon methods of construction Mass timber and low carbon steel and cement represent new risks as historical stress testing and loss information is limited, resulting in difficulties in pricing.</p>	 <p>International Engineering Insurance Association (IMIA)</p>

¹ International Union of Marine Insurance (IUMI).

We underpin our actions by developing sustainable solutions that support or incentivize positive actions for planet and people



2021 sustainable solutions¹
(Top-line² USDm)



- As a result of our conservative definition of sustainable solutions, they currently represent less than 1% of our overall portfolio.
- Our ambition is to increase the share of sustainable solutions revenue.



Offerings on environmental and social topics

- Sustainable energy
- Low carbon construction
- Mobility solutions
- Unit-linked solutions investing in ESG funds



Providing resilience solutions

- Zurich Climate Change Resilience Solutions helps customers better understand their exposure to physical risk from climate change
- Workplace Diversity, Equity & Inclusion service to work towards achieving ISO standard and customers own goals



Focused claims actions

- Mental health support for property loss or workers injuries
- Repair rather than replace optionality embedded into policy wording
- 'Build back better' endorsements after a claim

¹ Sustainable solutions are defined as solutions designed or adapted to support environmentally sustainable activities or that contribute to mitigating environmental and/or climate risk; social solutions designed to enhance social or financial inclusion of socially disadvantaged people; products providing meaningful support to sustainability values or incentivizing sustainable behavior.

² GWP and fees.

Contact with customers at the point of claim provides further opportunity to demonstrate sustainable values

Our claims sustainability ambitions are rolled out globally

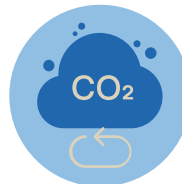
Area of impact	Example ambition
Customer and community	Support the development of sustainable propositions that focus on loss prevention, mitigation and seek to avoid the “same loss twice”
Employees supporting sustainability	Train all customer-facing claims staff to identify and support vulnerable customers
Claims partners	Implement sustainability assessment process for all new claims partners, ensuring that sustainability is a key deciding factor in the sourcing decision

Claims contributes to sustainable solutions



Climate resilience and loss mitigation

- Defined catastrophe response processes that includes community pre- and post-loss / damage mitigation programs



Decarbonization

- Reusing / repairing parts and contribution to circular economy
- ‘Green seal’ approval given to local repair networks



Customer wellbeing

- Trauma support included in claims solution

We are growing our ESG offering to our Life customers, also by developing innovative in-house solutions

Building ESG capabilities for Life customers



In-house investment solutions

Continuing to develop carbon neutral equity and bond funds.



Distributor and asset manager engagement

Distributor support and training, engagement campaigns with asset and fund managers.



Analytics and reporting

In-house tools for fund selection in our core European markets and improved ESG reporting to customers.

Strategy roll-out

- Launched insurance industry-first carbon neutral world equity fund with low-carbon investments and carbon offsetting. NEW: targeting USD 1bn in Carbon neutral funds by 2025. Available for unit-linked customers in Germany, Switzerland, Italy, Portugal, Spain, Chile, UAE and Malaysia.
- Launched Green Bonds Global Fund (~USD 0.5bn in 2022), available to Swiss customers.
- German unit made ESG managed accounts offering the default for all distribution channels. 73% take-up for new business.
- Multi-asset thematic product in Portugal targeting 6 UN Sustainable Development Goals (SDGs) prioritized by the Portuguese government. Part of the management fee donated to a local charity project.

We provide customer care with empathy to ensure meaningful relations

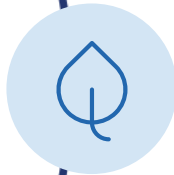


Providing customer care with empathy



Inspiring trust and supporting meaningful relationships

- Updating customer communication blueprint to promote simplicity, transparency and empathy (e.g., global empathy training)
- Increasing collaboration with customer insights team to better understand sustainability needs of our customers



Delivering digital sustainability

- Continue to deliver on our data commitment launched in 2019
 - Responsibly using data and technology
 - Focusing on customer benefit and trust
 - Enabling resilient digital services



Ensuring a claims experience with empathy

- Offering claims services that support our customers and communities to become more resilient to risk through loss prevention and well-care (e.g., trauma counseling)
- Increase the adaptability of our claims employees through re / up-skilling (e.g., vulnerable customer training)

We execute against our ambition to enable higher confidence in a digital society

Ambition



Ethical use of data and artificial intelligence



Data protection and cyber security



Business resilience and digitalization

Delivery

Implementation of data commitment

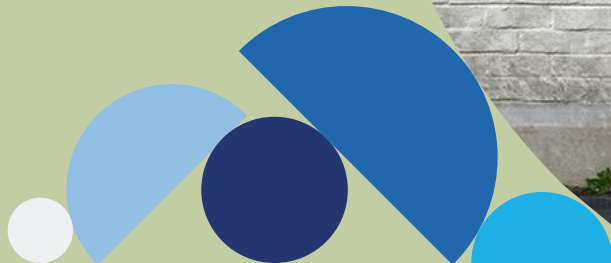
- Further increase in scope of review related to effectiveness, strength and robustness of processes and controls to ensure an increased level of transparency on how we collect, use and share personal data.
- Roll out to more than 90% of business units complete.

Improvement of transparency score

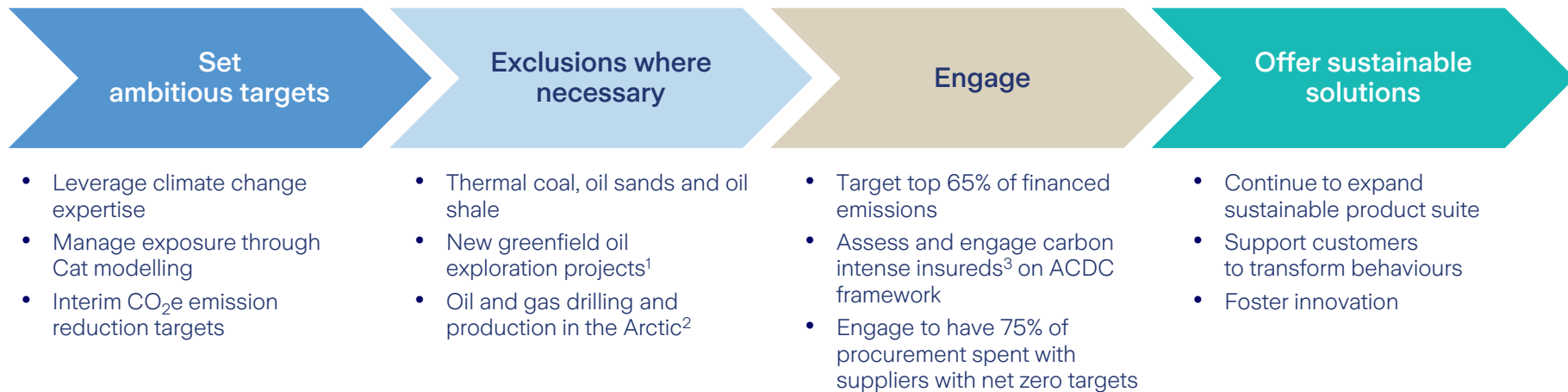
- More than 95% of countries achieved target transparency score, enabling proactive customer engagement, enhanced management and fulfilment of customer rights and mitigation of risk of misuse of personal data.
- AI assurance framework: in-depth field-testing phase completed in 2022 and updated framework to be rolled out globally; Zurich is ahead of the curve when contemplating globally emerging regulation and legislation.

Planet

We are driving the **net zero transition**, strengthening our **commitment in underwriting**



Our climate strategy is articulated through concrete actions in the customer and planet pillars

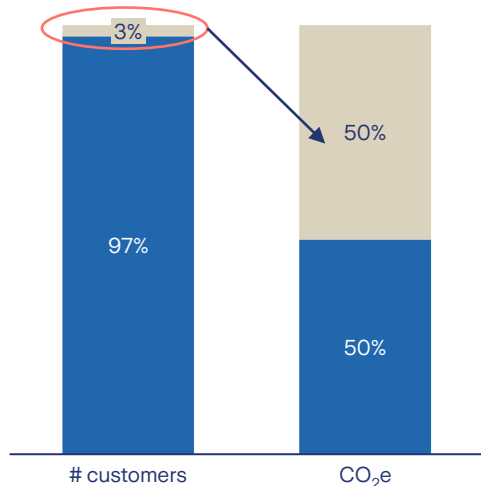


Insurance ACDC framework			
Alignment	to Paris agreement and net zero targets	Delivery	progress on targets
Commitment	short term plans and capex in place	Communication	transparent disclosure

¹ Unless meaningful transition plans are considered to be in place.
² Considered as anything north of 66 degrees latitude with the exception of the Norwegian Continental Shelf (NCS).
³ Target of engagement for insurance customers to be made public in 2023.

We are engaging with our customers in line with our net zero ambition

Understanding emissions as part of a balanced portfolio¹



Becoming net zero leveraging actionable insights



¹ Sample comprises property customers contributing over GWP USD 1m.

Our underwriting framework ensures awareness and mitigation of key ESG concerns

Prioritized key areas

Thermal coal, oil sands and oil shales

Banned weapons

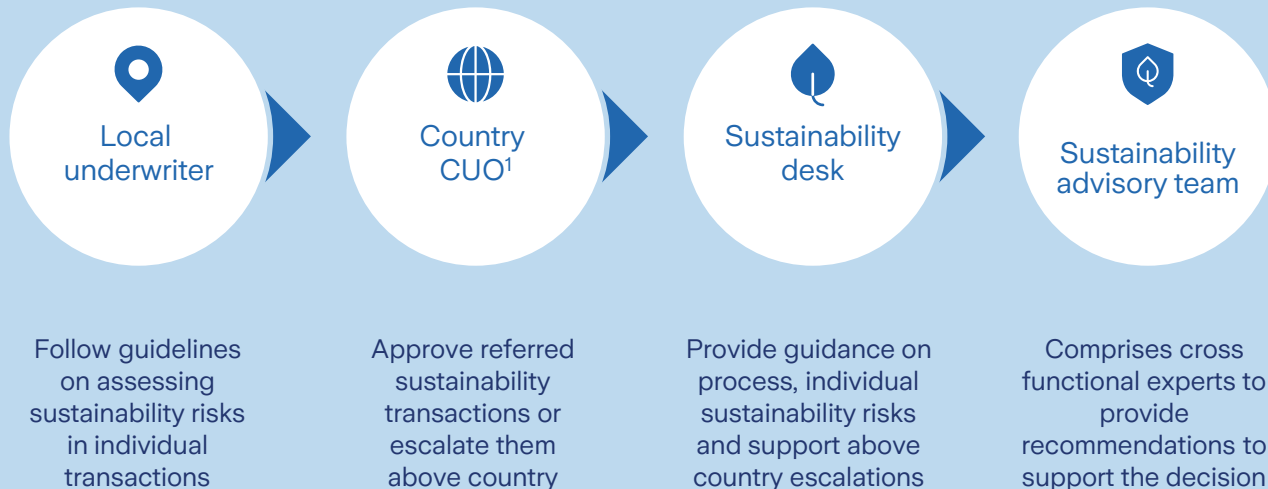
Dam construction

Oil / gas / mining in environmentally-sensitive areas

Transactions with human-rights implications

Detailed sustainability guidelines exist with a risk assessment and referral process in place

Escalation process supports the increased focus on sustainability risks across lines of business¹



Responsible investments follows three interlinked targets for 2025 towards a net zero carbon future

Net Zero approach to investing



- 25% reduction of CO₂e intensity (tCO₂e/USDm invested at market value) for listed equity and corporate bonds
- 30% reduction in direct real estate reduction in CO₂e intensity (kg CO₂e/sqm)

Achievements

- Our financed corporate carbon footprint in 2021¹ has reduced by 21% and our real estate emissions have reduced by 6% in 2020²
- Thermal coal exclusions fully materialized in listed equity, further maturing in corporate credit

Engagement



- Engage with top 65% emitters of financed emissions
- Engage with asset managers, support for position paper, conduct policy advocacy

Achievements

- We have started engaging with companies that produced 46% of financed emissions in 2019 with no existing science-based reductions targets
- 12% of Zurich's financed emissions were newly subject to targets in 2021

Financing climate solutions³



- **New:** 5% of invested assets committed to impact investments by 2025
- Avoid 5m tonnes of CO₂e per year through impact investments
- Contribute to a growing pipeline of climate solution investments

Achievements

- In December 2021, we have invested USD 8.2bn in climate solution investments
- We have already invested USD 5.1bn in green impact investments, which help to avoid 4.6m tonnes CO₂e per year
- Certified green buildings investments account for USD 3.1bn

¹ Impacted by the 2020 pandemic effect on corporate reported emissions as well as the increased market values of 2021.

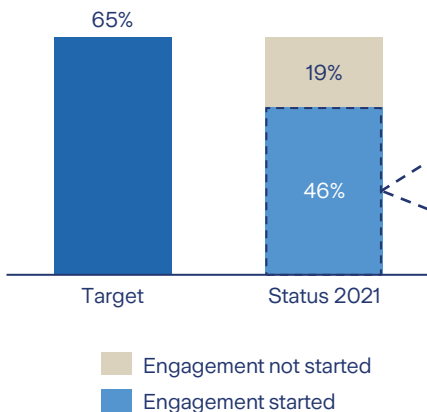
² Relative to 2019 baseline, measured as intensities.

³ Climate solutions are green impact investments and green certified buildings.

On track with investments engagement targets

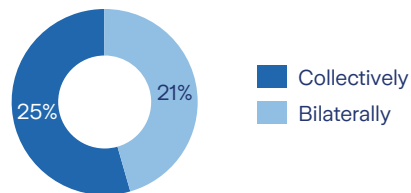
Engagements on net zero

% of total financed emissions

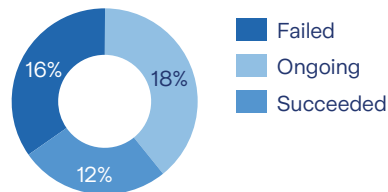


Engagement approach

% of financed emissions



ENGAGEMENT OUTCOME

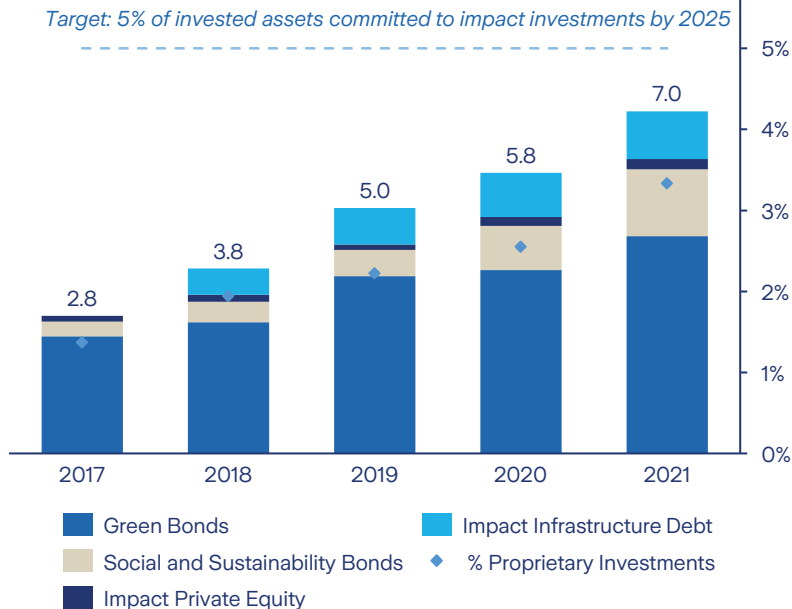


Undertakings

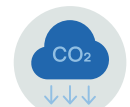
- Upgrade Zurich proxy voting policy by allowing escalation of failed engagement on target setting by voting against chairman of board from 2023 onwards.
- Ensure alignment in engagement and proxy voting by our asset managers.

We are raising the bar with an additional target for impact investments to reach 5% of proprietary investments by 2025

Impact investment portfolio (USDbn)



Generating a positive impact¹



4.6m tonnes CO₂e avoided per year



3.6m people impacted per year

Portfolio details



Green, social and sustainability bonds:

- Over 200 issuers globally invested
- 50% sovereign, 35% corporates and 15% financial issuers
- Investments in renewable energy, energy efficiency, clean transportation, affordable housing and other categories



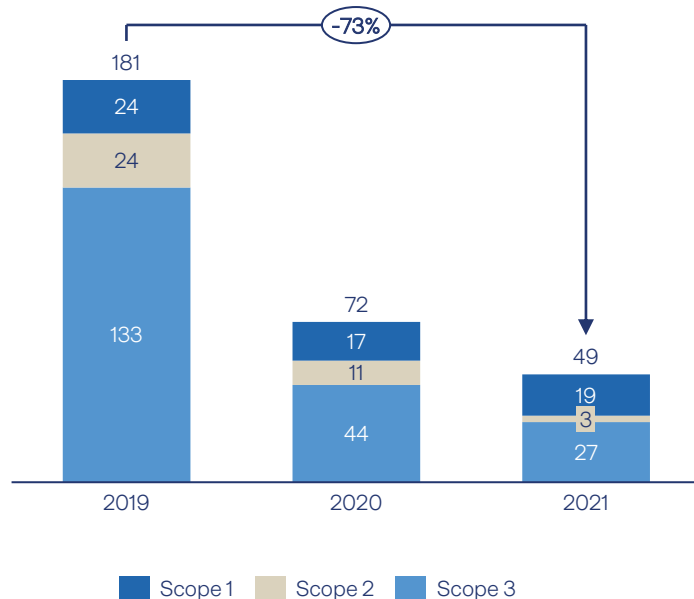
Impact private equity:

- 9 private equity funds with allocation to global clean-tech, financial inclusion and healthcare in emerging markets

¹ As of December 2021.

We are delivering on very ambitious emission reduction targets in our operations

Reduction of absolute carbon emissions (in metric tonnes)^{1,2}



Targets and ambitions

- Following the COVID impact on commuting and travelling, we have reduced further our target from 50% to 60% reduction in CO₂e by 2025; target of reduction by 70% by 2029 remains.
- Net zero in operations accelerated to 2030.
- Achievement is supported by 70% permanent reduction in air travel emissions, 100% electric or hybrid car fleet by 2025.
- Implement a sustainable buildings program in 50 sites in 2022.

Achievements

- Significant reduction in operational emissions driven by temporary decline in employees commuting and travel.
- However, the shift in work habits to home office and ambitious reduction in air travel should transform most of temporary benefits into long term ones.
- 98% renewable power in 2021.

¹ Subject to 'reasonable assurance' in 2021.

² Scope 1: directly generated by company; scope 2: generated indirectly through electricity and heating; scope 3: indirectly associated to the company activity up the value chain (mainly travel, employee commuting and data centers).

People

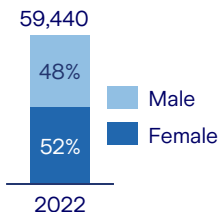
Our people sustainability aspiration supports the **life-long employability** of our people, while delivering on customer needs



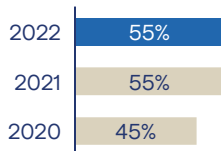
Zurich is a talented and diverse organization

Female representation¹

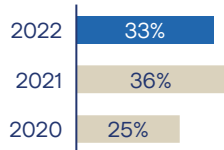
Employees



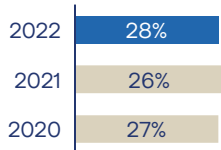
Board



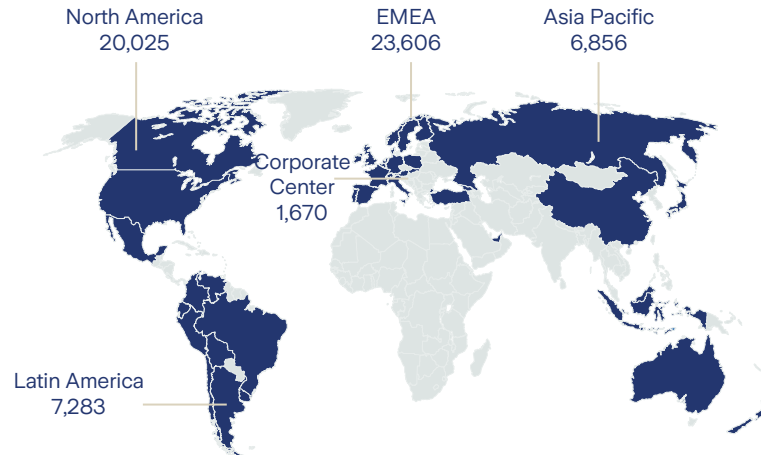
Executive Committee



Senior Management²



Our organizational footprint



Nationalities	Average tenure (years) ²	Average turnover ³	Boomers and older ⁵	Gen X ⁴	Gen Y ⁴	Gen Z ⁴
124	9	10%	11%	40%	43%	6%

¹Headcount and female representation data as of 30 September 2022. Senior management defined as our highest career levels E and D (~1800 people)

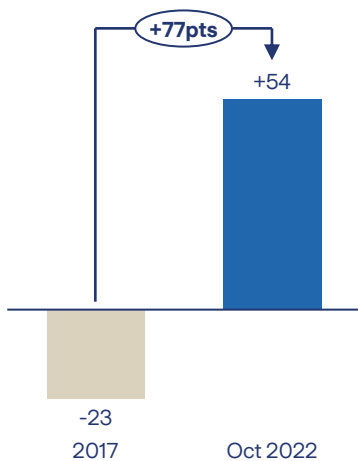
²Average tenure as of 30 September 2022.

³Annualized turnover (voluntary and involuntary) as of 30 September 2022.

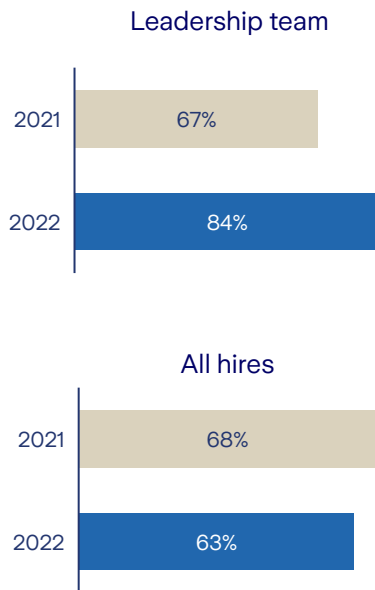
⁵Boomers and older: <1964; Gen X: 1965-1979; Gen Y: 1980-1996; Gen Z: > 1997.

We are continuing to develop our existing workforce

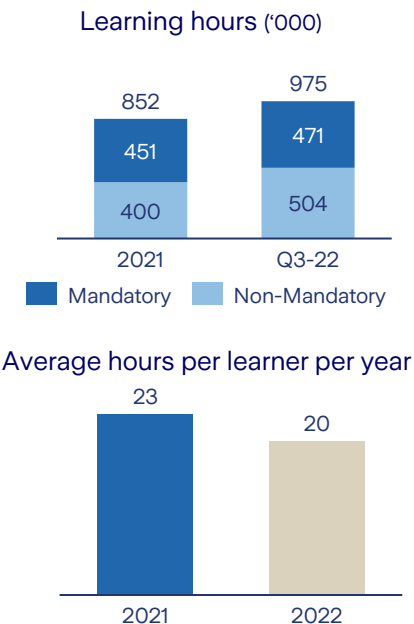
Listening to our employees (ENPS)



Internal hires¹



Learning and development¹



¹ All 2022 numbers as of 30 September 2022. We observe quarterly fluctuations.

The purpose of our people sustainability ambition is to future-proof our people and our organization

Purpose

Support **life-long employability for our people** while delivering on customer needs

Strategic ambition

Increase share of internal hires¹

Accelerate skills-based careers

Promote diversity and develop talent

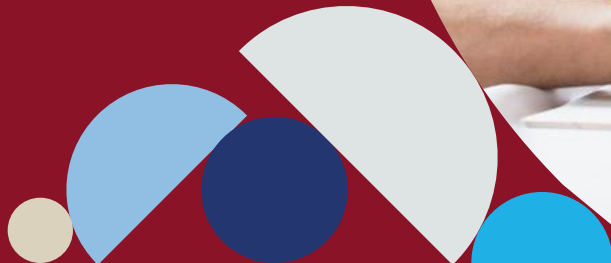
Approach

- Channel the right talent to close diversity and skills gaps
- Embed skills into learning, development and careers and strengthen internal marketplace
- Proactive management of up-skilling / re-skilling
- Establish support networks and partnerships (talent scouts, mentoring etc.)

¹ Compared to 2021 baseline of 68%.

Communities

Z Zurich Foundation is responding to communities **most immediate needs** while **building long-term resilience**



Z Zurich Foundation supports Zurich to bring its sustainability ambition to life and at scale within communities



2020-2024 target

The Z Zurich Foundation has the aim to positively impact the lives of at least 11m vulnerable people by 2024. At the end of 2021, it had already helped 7m of them.

2021 Highlights



CHF 31m invested in community grants in 2021, in line with 2020, and CHF 13m worth of new and extended multi-year grants were approved



3.7m lives positively impacted, including 1.7m people receiving COVID-19 vaccines as part of the Foundation global campaign in support of UNICEF



56% of Zurich's employee base volunteered; CHF 2.4m+ of Zurich employee donations (up 88% compared to 2020)

2022 Actions



Dedicated response to support people fleeing Ukraine from day 1 of war. Largest individual fundraising in the Foundation's existence



Launch of the Global Coalition for Youth Mental Well-being, together with UNICEF First Action benefiting young refugees who have fled Ukraine.

At the heart of Zurich's ambition to be one of the most impactful and responsible businesses in the world

The Foundation's strategic pillars address major global issues for which we have a strong expertise and infrastructure



Adapting to climate change

A decade of experience and proof-points:

- Flood Alliance supporting 300 communities in 21 countries.
- Influenced local and global institutions to scale-up climate resilience investment and activities.
- Launching a Global Urban Climate Resilience program in 10 countries.



Enabling social equity

A track record of impactful partnerships:

- 24 multi-year local partnerships in force, including 3 regional partnerships.



Improving mental wellbeing

Building global expertise and proof-points:

- A set of 20 programs including award-winning projects in several countries.
- Influenced system-level changes in few countries (e.g., Isle of Man, Ireland).
- A global partnership with UNICEF to impact 30m young people by 2030.



Responding to crisis

Decades of providing impactful responses:

- Humanitarian aid to victims of natural catastrophes.
- Supported 230 charities in 35 countries in 2020 during the first year of COVID-19.
- Helped millions of people in 92 low to mid income countries to get COVID-19 vaccines in 2021.
- Large scale multi-level response for the victims of the war in Ukraine in 2022.



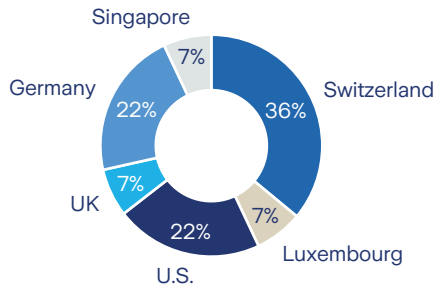
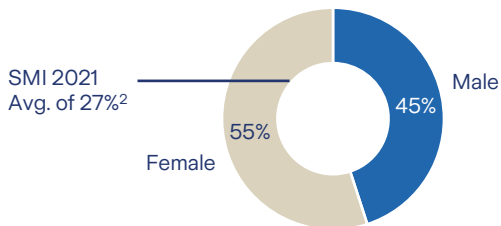
Corporate Governance

Our **governance** strives for the
highest level of **quality and integrity**



A diverse and independent Board, well positioned to support management delivery on strategic priorities

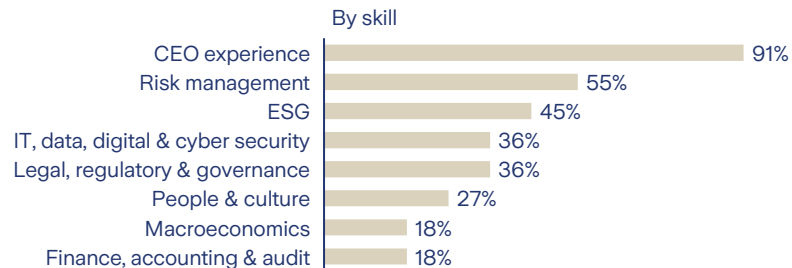
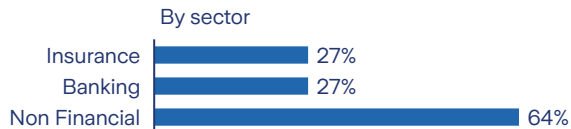
Board composition¹



Board by length of tenure



Board by background, experience, skills and knowledge¹



¹ Status as of December 2021; since October 2022, the gender balance is 50/50. Board members are allocated to one or more nationality, sectors and/or specialization areas based on their individual profile.

² According to Spencer Stuart – <https://www.spencerstuart.com/research-and-insight/switzerland-board-index/diversity>.

Board leadership and commitment to key strategy and policy issues

Key focus areas in 2021-2022



Strategy – definition of targets and actions to pursue long-term strategy around customer focus, innovation and simplification; sale of legacy traditional life insurance back books to optimize balance sheet and reduce exposure to interest rates and credit.

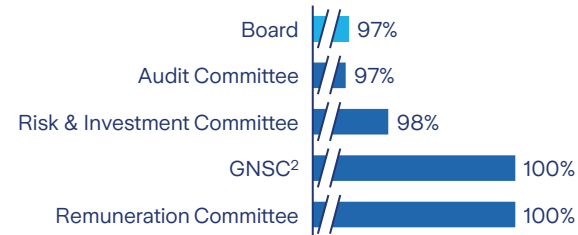


Sustainability – refresh of Zurich's sustainability pillars and ambitions around customers, planet and people; definition of sustainability priorities and actions for the next strategic cycle.

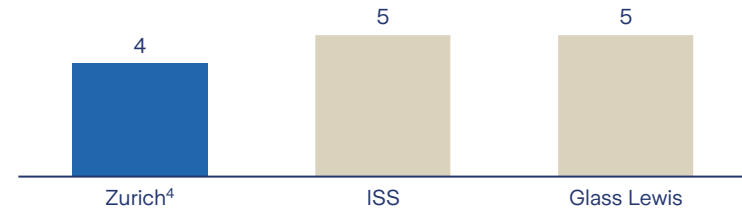


Implementation of IFRS 17 – assessment of implications and discussion of implementation choices.

2021 Board meeting attendance¹



Maximum number of mandates in listed companies³



¹ Board and committees.

² Group Nomination and Sustainability Committee (GNSC).

³ According to European proxy voting guidelines 2022. Please note that proxy advisors have additional limitations for directors who serve as chairmen or executives. These special cases were not considered here.

⁴ Including mandate at Zurich Insurance Group Ltd. Additional limitations exist, amongst others, for the total number of mandates (including listed and non-listed). For details, please see article 33 of the Articles of Association.

The Board is responsible for the ESG ambition and its delivery



¹ ESG specific responsibilities.

Swiss corporate law reform requires changes to our Articles of Association

Swiss corporate law reform



New law enters into force on January 1, 2023

New law seeks to modernize corporate governance by

- strengthening shareholder rights and promoting gender equality on the Board and senior management level
- providing companies more flexibility regarding their share capital

ZIG's¹ shareholders to vote on amendment of Articles²

Capital-related changes



Capital band will replace authorized share capital

- Capital increases and reductions now possible
- New 5 years duration
- Capital increases (upper limit): similar principles as under authorized share capital
- Capital reductions (lower limit): increases flexibility to manage capital through share repurchases

Other features of the reform



Implementation of lower thresholds to exercise shareholder rights

Creation of flexibility to hold virtual-only shareholders' meeting in the future whenever appropriate

Implementation of new definition of permitted external mandates of Board and ExCo members

Gender equality on Board (30%) and ExCo (20%) level

¹ Zurich Insurance Group Ltd. (ZIG)
² Articles of Association of ZIG.

Remuneration

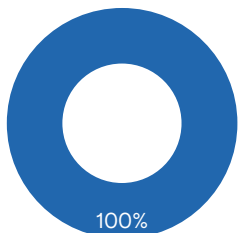
Our remuneration is **aligned with strategic goals** and reflects **business outcomes**



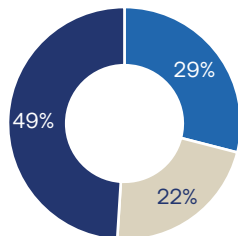
Senior management compensation includes significant component of long-term deferred remuneration

2021 remuneration structure¹

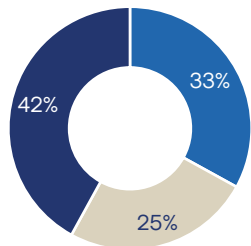
Directors



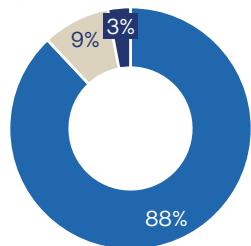
CEO



Exco



Employees



Fixed remuneration / Fees

- Base salary benchmarked towards local relevant market median
- Pensions in line with relevant market practice
- Benefits in line with local market – can include life insurance, medical cover, flexible benefits and expatriate/cross-border allowances
- For Directors, includes fees paid in cash and shares (5 years sales restricted)

Short Term Incentive Plan (STIP)

- 1-year performance period, paid in cash
- Award mainly driven by relevant BOP and TNPS (80/20), as well as individual performance assessment of pre-defined targets

Long Term Incentive Plan (LTIP)

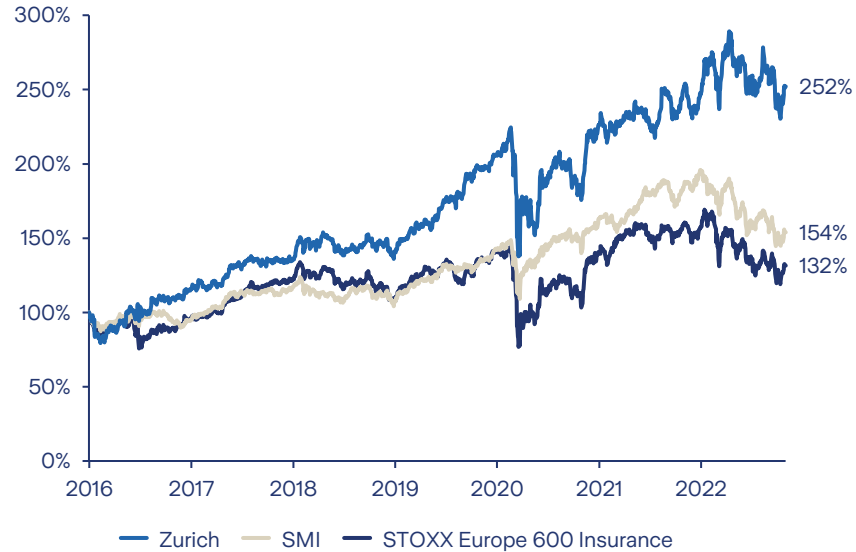
- Annual target allocation
- Pre-defined performance criteria – NIAS ROE, cash remittance and relative TSR with equal weight, assessed over 3 years
- Three-year cliff vesting – half of vested shares sales-restricted for additional 3 years for ExCo

¹ At target, as a percentage of total remuneration considering ExCo members active for the full year, including the Group CEO.

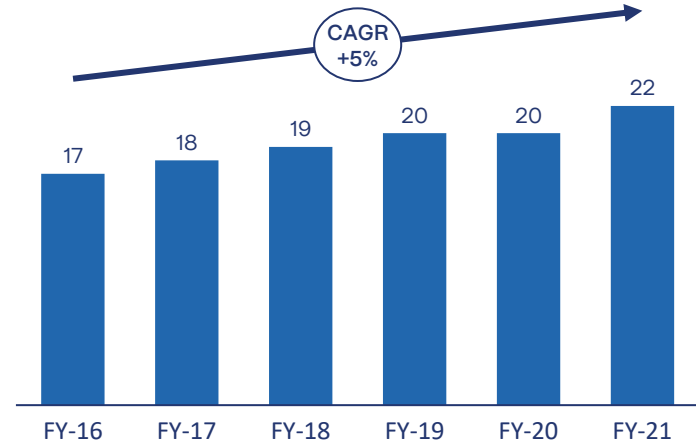
Zurich has created significant value for shareholders



Total shareholder return (USD since Jan 1, 2016)¹



Dividend per share (CHF)



¹ Source: Datastream, as of October 31, 2022. TSR indexed to 100% as of January 01, 2016.

2022 ExCo STIP metrics focused on customers and financials while supporting the Group's overall strategy

2022 executive committee STIP framework

STIP funding based on business performance



■ BOP 100%

Disclosure of achievement vs target

STIP allocation based on individual performance (target cards)



■ Financials 40-50%

■ Customers 40%

■ Employees 10 - 20%



Consideration of execution against strategic priorities, including ESG and risk-based review

Enhanced disclosure for Group CEO STIP

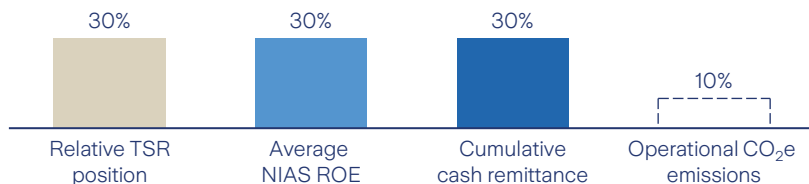
Measure	Weight	Achievements narrative	Outcome
Financials	50%	<ul style="list-style-type: none"> • ... • ... 	Partially met / Fully met / Exceeded
Customers	40%	<ul style="list-style-type: none"> • ... • ... 	Partially met / Fully met / Exceeded
Employees	10%	<ul style="list-style-type: none"> • ... • ... 	Partially met / Fully met / Exceeded
Consideration of execution against strategic priorities, including ESG and risk-based review			
Overall achievement: Partially met / Fully met / Exceeded			
% of STIP target			

Proposal to include new metrics starting in 2023, complementing established set of balanced performance criteria

LTIP vesting grid used to assess performance from 2023 on

- Alignment to new external target commitment.
- Resetting for IFRS 17 accounting changes:
 - For in-flight plans (for allocations 2020-22) translation of NIAS ROE from IFRS17 to IFRS4
- Proposed to have a new sustainability metric supporting Zurich's sustainability commitments.

Proposed metric weighting:



Proposed new metrics in LTIP

- Operational CO₂e reduction targets to be proposed for inclusion in LTIP² as of 2023 with a weight of 10%.
- Targets set in line with Zurich's external commitment (- 60% by 2025 and - 70% by 2029 vs. baseline of 2019).

IFRS 17/9 accounting changes

- No changes to performance expectations.
- Metrics recalibrated for annual reporting periods beginning January 1, 2023.
- Impacts 2021 and 2022 in-flight plans, and plans from 2023 onwards.
- From 2023 onwards, NIAS ROE expected to be adapted for the FVTPL¹ effects of IFRS 9

Call us

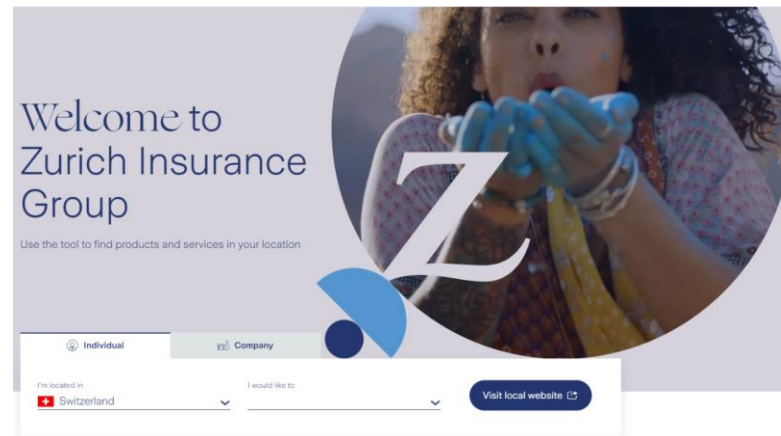
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