

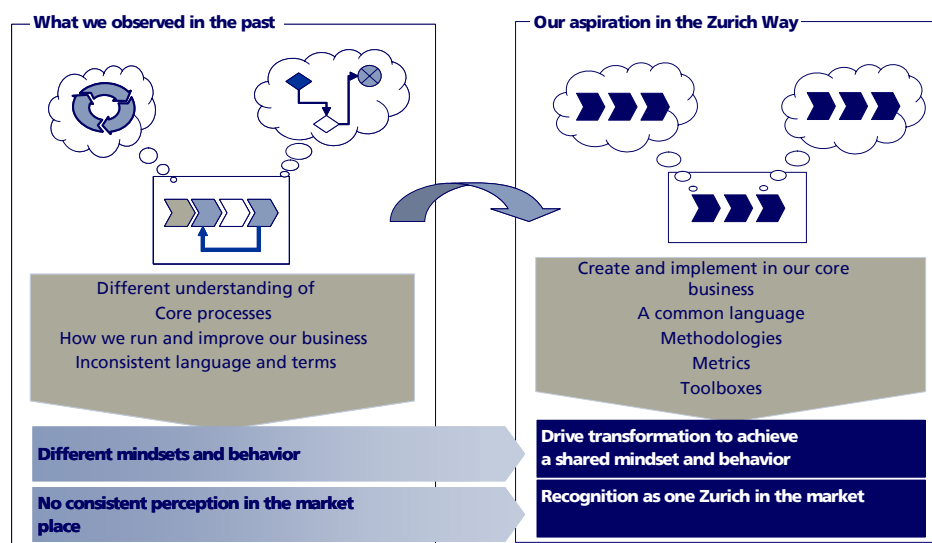
The Zurich Way

The Zurich Way of Claims Management



Basic Idea

- The Zurich Way (TZW) aspires to create a common language, methodologies, metrics and toolboxes for the core processes within Zurich. It transforms the way Zurich is doing business every day and helps to provide better services to customers in a consistent and recognizably one Zurich way.



- TZW processes have been designed and developed by experienced internal practitioners and represent best practice standards.

TZW of Claims Management

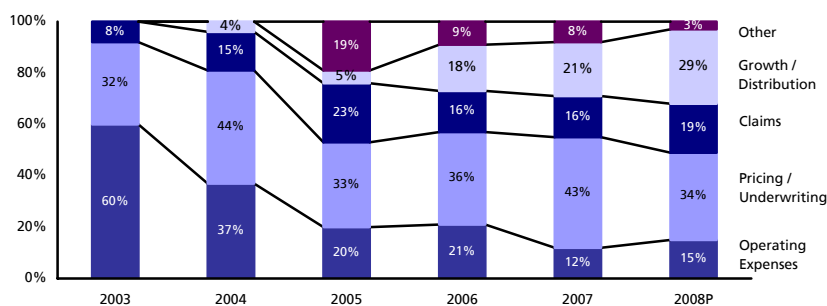
- TZW of Claims Management aims on the one hand at contributing to profitable growth by increasing customer satisfaction, recommendation and retention, which results in more premiums. On the other hand its initiatives help to contain claims cost and expenses associated with the settlement of claims.
- TZW of Claims Management leads to an overall containment in ongoing cost while maintaining and improving Zurich's high quality claims service and thereby attracting new customers.
- The application of a TZW approach enables the sharing of best practices and the know-how transfer in claims management between business divisions and countries.

Where we started

Before establishing TZW of Claims Management there was no common and consistent way of managing claims across the Group.

Achievements

- **Claims Culture:** TZW of Claims Management leads to a culture where claims are resolved more proactively and efficiently, without compromising customer service.
- **Repair Management:** 'Help Point', an idea originally developed by Zurich Switzerland and later successfully introduced to other Zurich divisions (particularly Farmers in the US), creates a win-win situation: customer satisfaction is increased by an efficient claims handling, while Zurich can contain expenses through steering cases to Zurich's network of selected suppliers.
- **Global Claims Vendor Management:** Zurich's global buying power is leveraged with claims-related vendors. These efforts resulted for instance in the arrangement of global agreements with car rental companies, offering Zurich favorable rates for its approximately 4.4 million insurance replacement rental days per year. Beside the formal contract, the global network of Zurich can be used ad-hoc; in summer 2007 Zurich was able to provide several thousand dehumidifiers to households affected by the floods in the UK within four days, by activating its international supplier network.
- **Claims Leakage:** The claims handling process has been reviewed (including the review of closed files) and adjusted to implement enhancements through all stages to remove sources of leakage, particularly through identifying underwriting irregularities and increased fraud detection.



- Since starting The Zurich Way, a significant part of the benefits of more than USD 3 billion after taxes have resulted from TZW of Claims Management.

Performance Measurement

TZW of Claims Management's success (e.g. leakage results) is rigorously monitored via The Zurich Way 'War Room'. For 2008 around 80 individual initiatives are tracked in The Zurich Way database, all of them underpinned by a detailed business case.

About Zurich

Zurich Financial Services Group (Zurich) is an insurance-based financial services provider with a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 150 countries.

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