

A new Life business model for Zurich Switzerland

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Introduction

Tilman Hengevoss

Presentation of the new model

Lukas Weber

Implementation of the new model

Joe Bättig

Summary and conclusion

Lukas Weber

Questions and answers

Moderator:

Tilman Hengevoss

A new Life business model for Zurich Switzerland

Lukas Weber

Chairman of the Board of Directors of Genevoise

Chief Executive Officer of Zurich Switzerland's Life Insurance division

Member of Zurich's Executive Committee of the Global Life business

Zurich's global strategy for Life Insurance

Focus

- Focus on profitable markets and those of an interesting scale
- Exit from 11 countries
- Focus on a selection of products
- New business models in the UK, in D and CH

Profitability

- The Zurich Way as method for achieving operational excellence
- Cost reductions due to shared services
- Introduction of products better aligned to changed financial market conditions

Growth

- Leader in certain niche markets
- Focus on distribution
- Distinct products
- High level of service quality

Focus

- Off-balancing of the group life business (occupational pension benefits) to the independent Vita foundation
- Standardization of tariffs

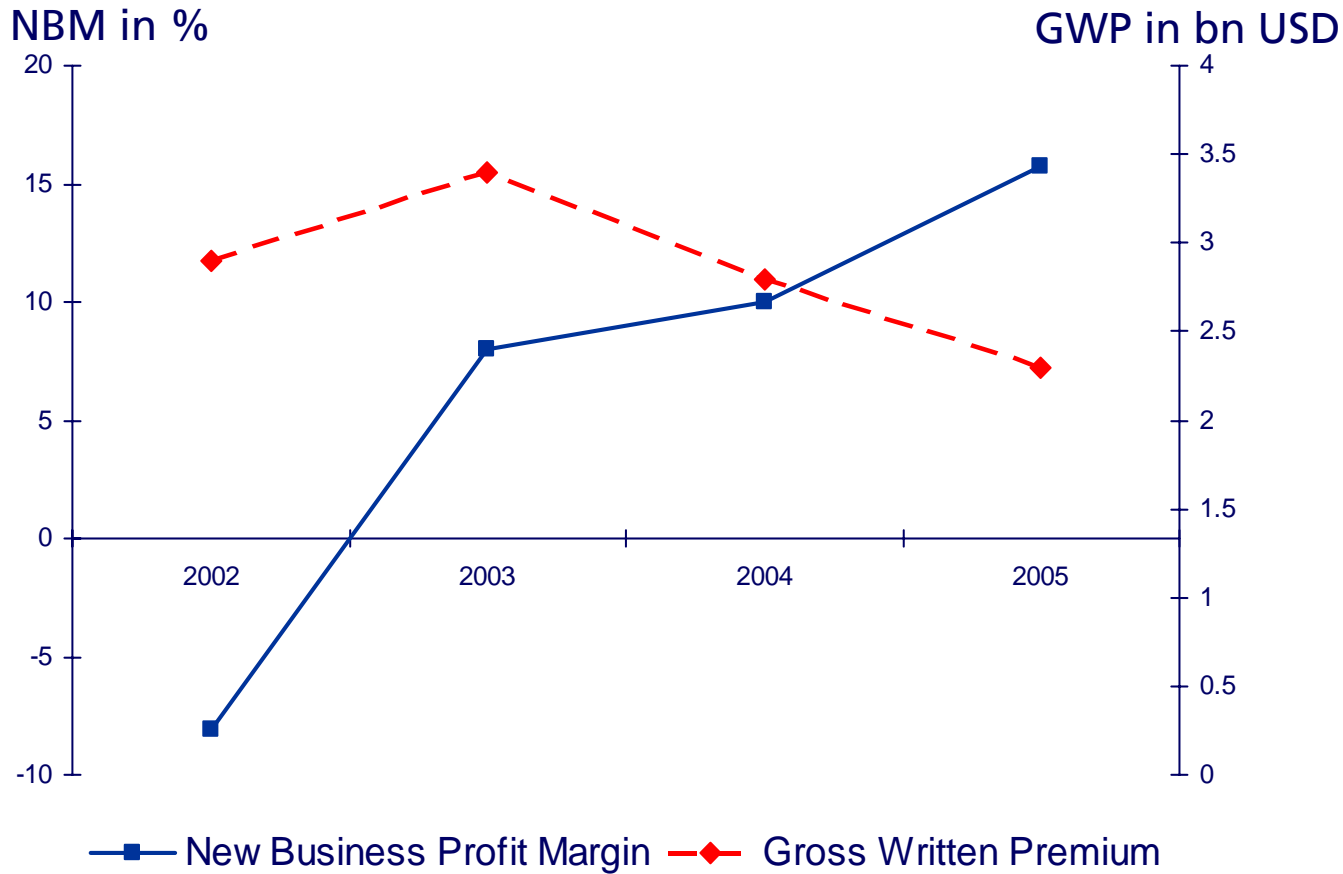
Profitability

- Switch to fee-based income
- Significant cost reductions by in-shoring Zurich Germany platform

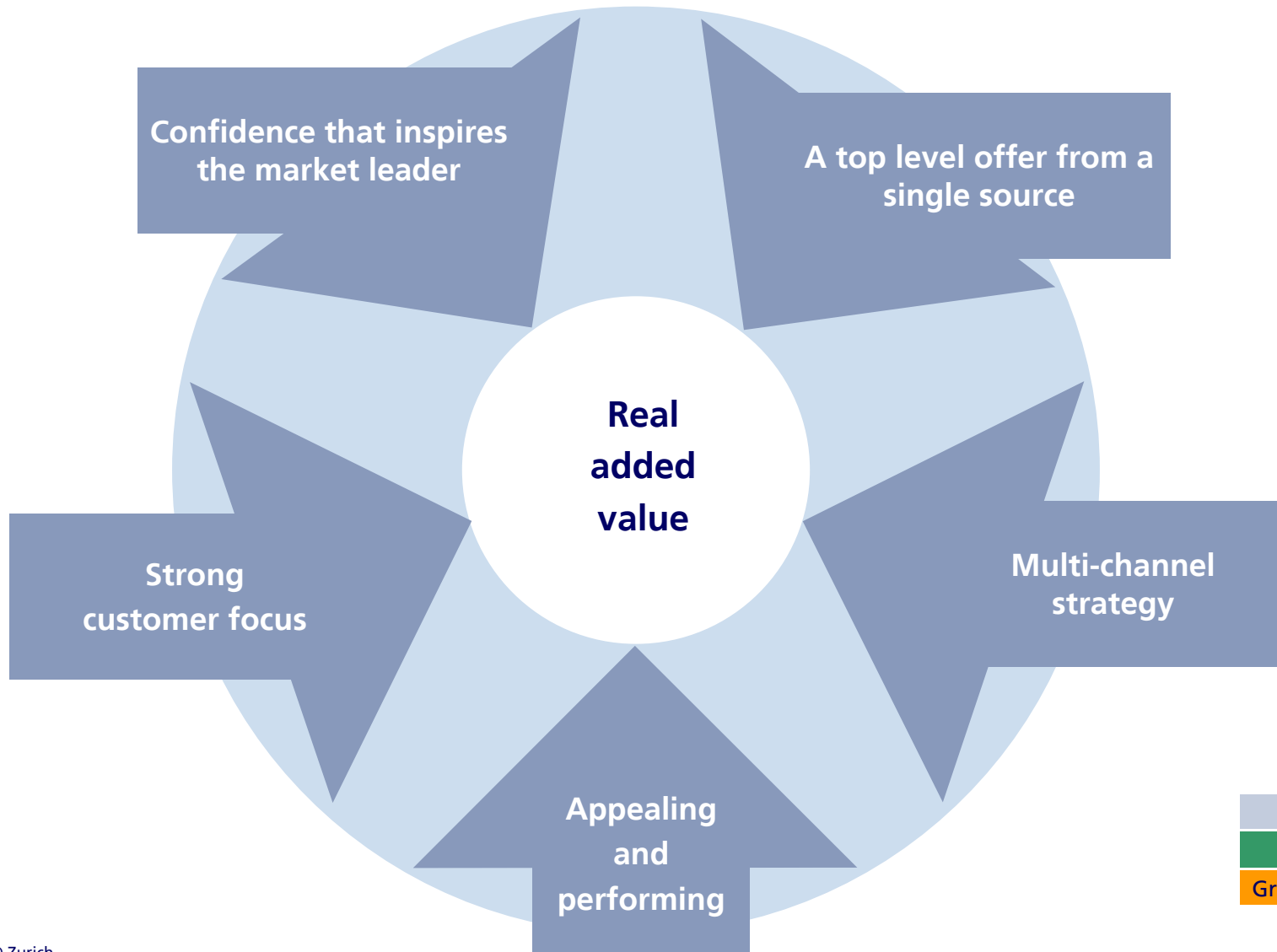
Growth

- Sales excellence program
- New unit-linked products
- New pension product in personal life as of April 1

Favorable business trend over the last four years



Zurich has trumps to play...



Even better exploitation of Zurich's strong points in Life Insurance

Life optimization scheme

An integrated platform

Genevoise combined with Zurich

"One brand"

Exploit the dynamics of Zurich's
international brand campaign

New Life business model

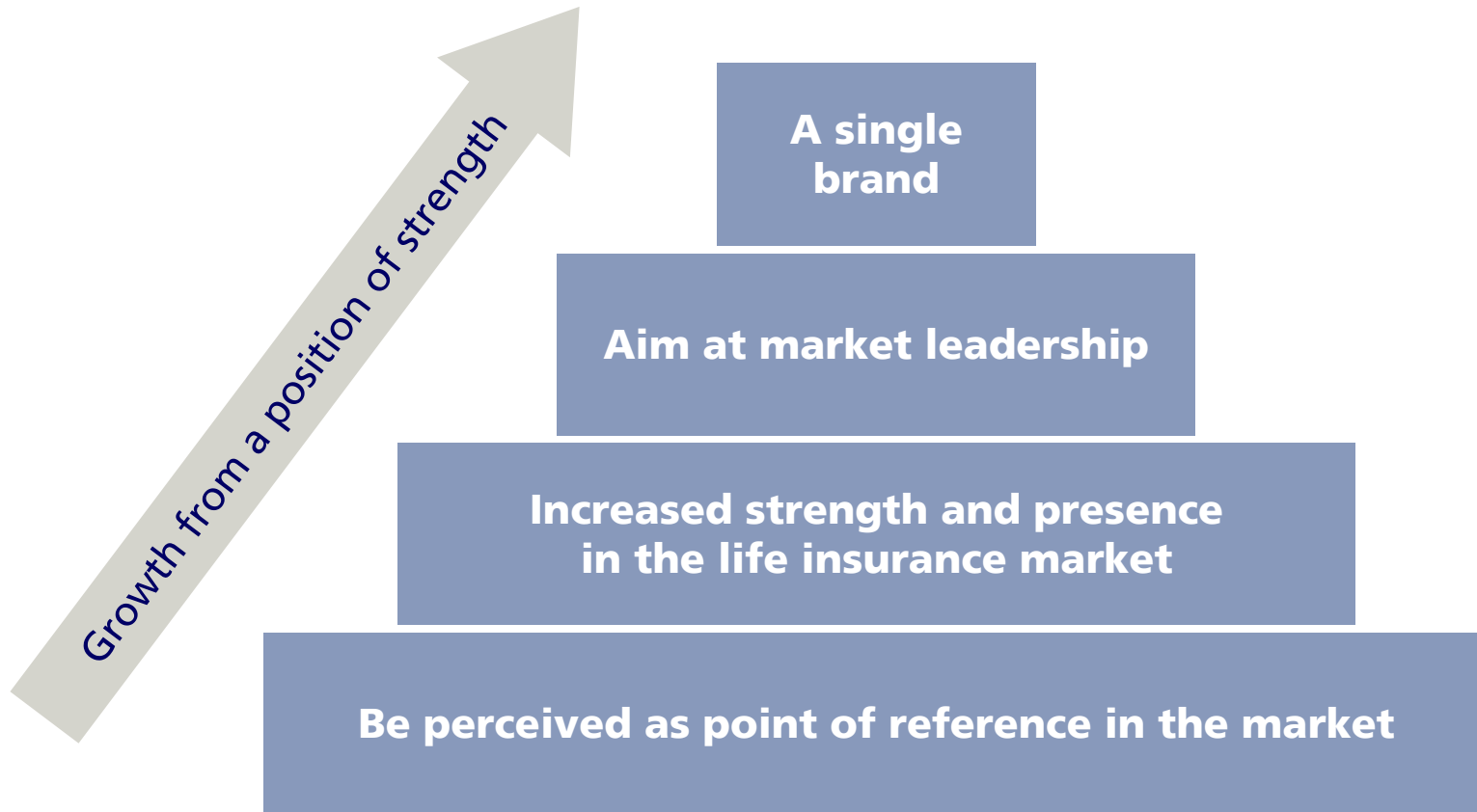


Implementation of the new model

Joe Baettig

Chief Executive Officer of Genevoise

Growth in Life Insurance



Be more effective...

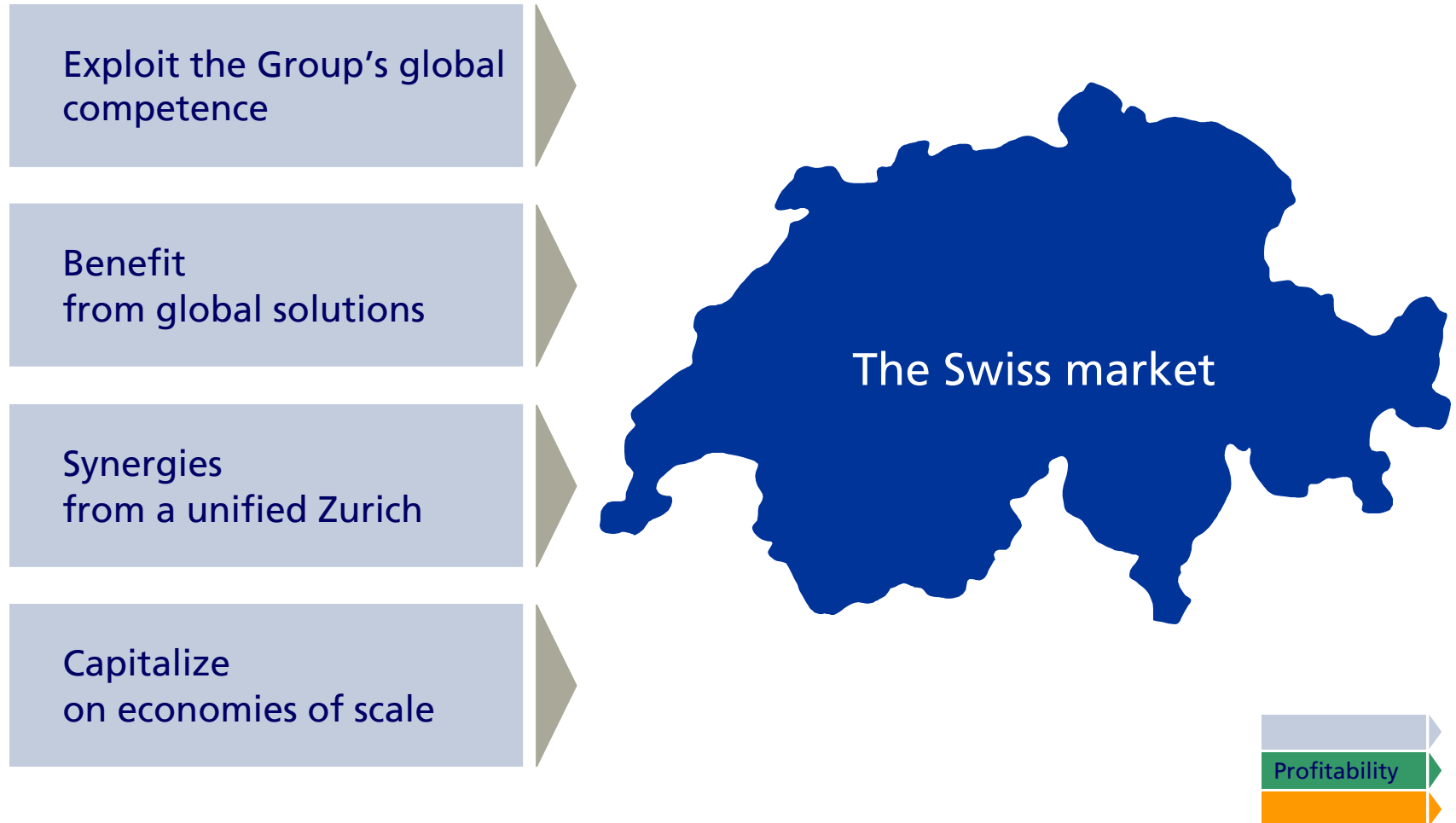
Make better use of our
knowledge and abilities



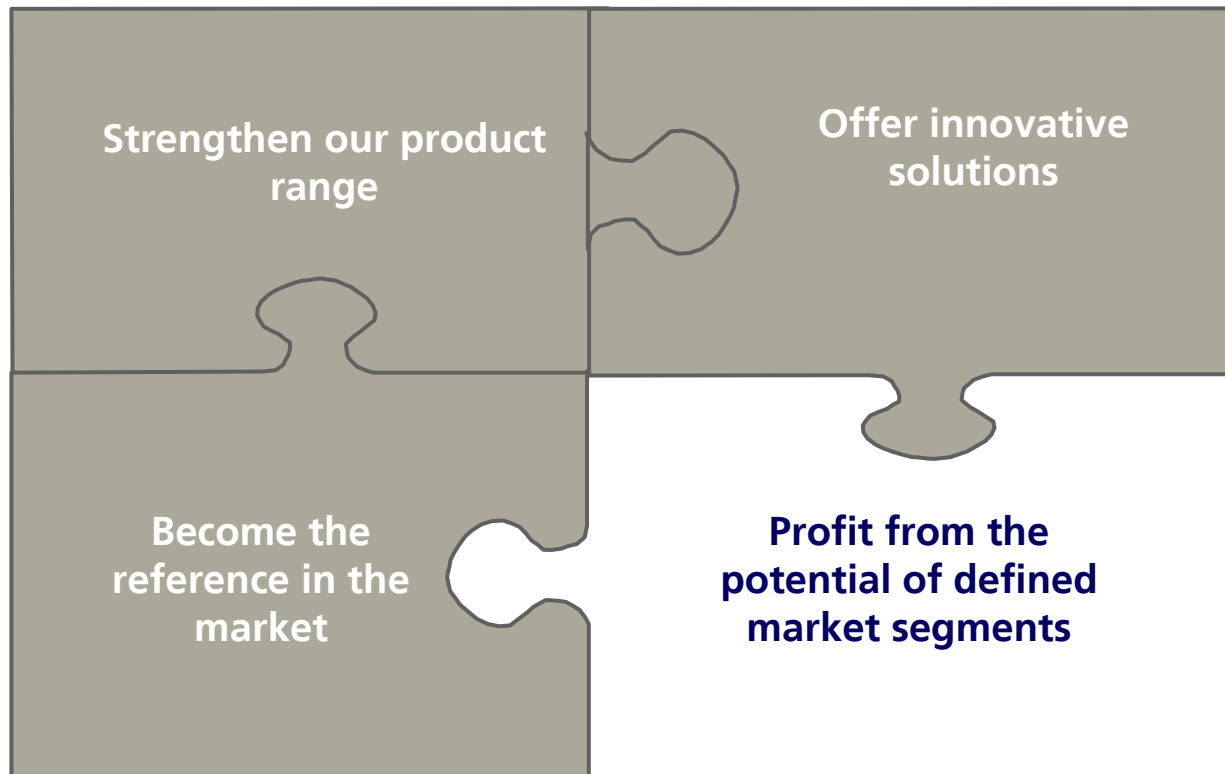
Optimize the IT
environment
and adapt it to the
future



... and continue to improve our profitability



Meet individual customer expectations (Personal Life)



Meet the expectations of corporate customers (Corporate Life)

Unbundling

- Strict separation of risk financing, saving and policy administration
- Successful introduction of the independent Vita Foundation

Complete solutions

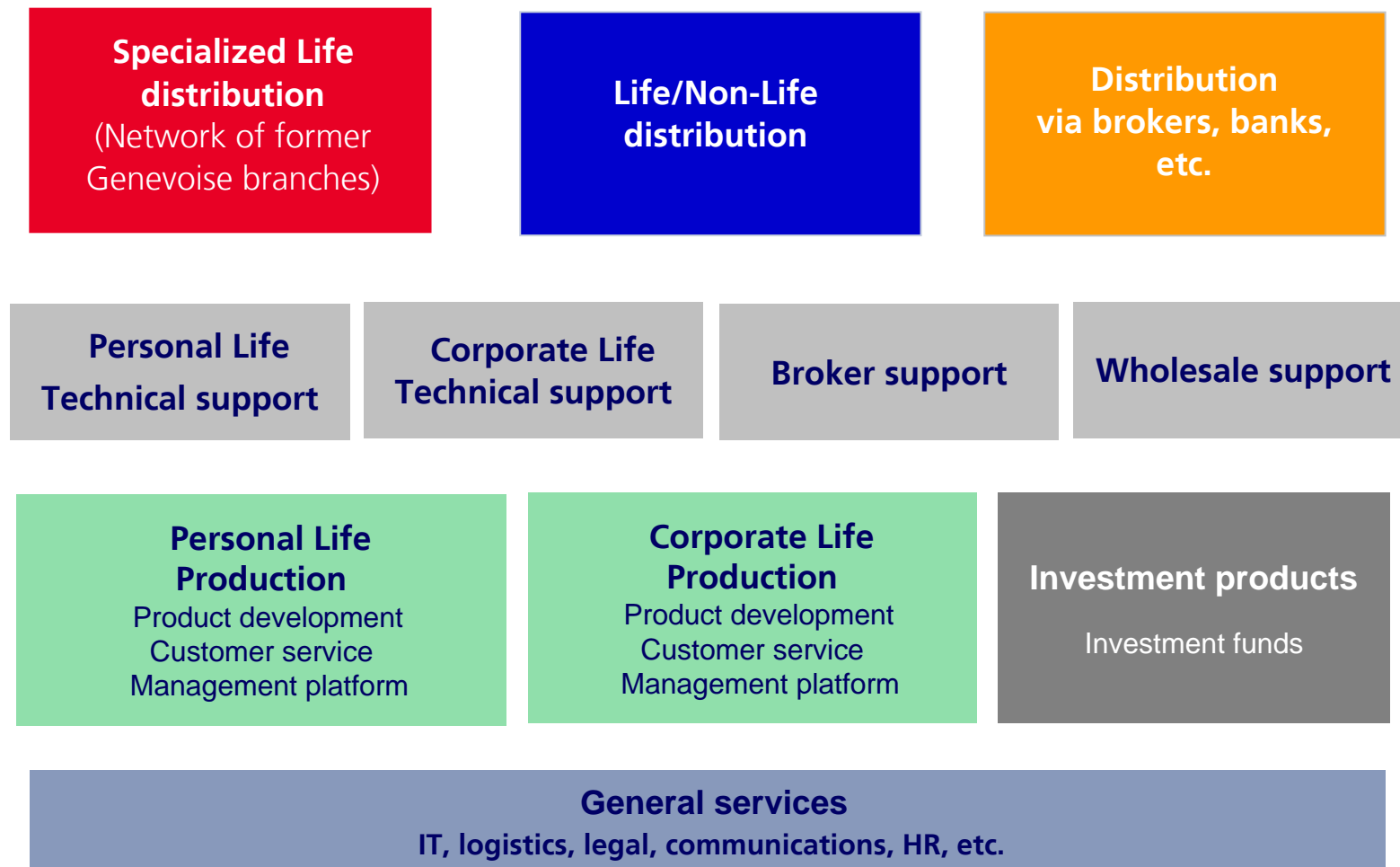
- Complementary Life product (Life insurance for managers)
- Expert advice due to the combined forces of Genevoise and Zurich

Innovative solutions

- Customized investment choices



Organization of the Life sector in Switzerland – efficient and customer oriented



Why combine the two units?

A positive impact on our customers

- Transfer to Zurich the know-how of Genevoise in the life segment
- Strengthen Zurich's position as a Life Insurer
- Mobilize all resources and Life know-how to become more efficient and cut costs
- Increase our share of the life insurance market in Switzerland



Win situation for our customers

- Offer of integrated services from Genevoise and Zurich
- Specialized and complementary organization of Zurich's current network
- Obvious benefits for customers




Why combine the two units?

A positive impact on the Group

- Approximately 150 positions foreseen to be cut over 5 years
- A process to be mainly achieved through natural fluctuation and alternatives within the Group
- Restructuring costs: CHF 50 million

- Development of a Customer Service Center in French-speaking Switzerland
- Replacement of IT systems and migration to Zurich's systems
- General services: continue current rationalization process



Earnings improvement after completion of project:
CHF 40 million per annum



Genevoise and Zurich

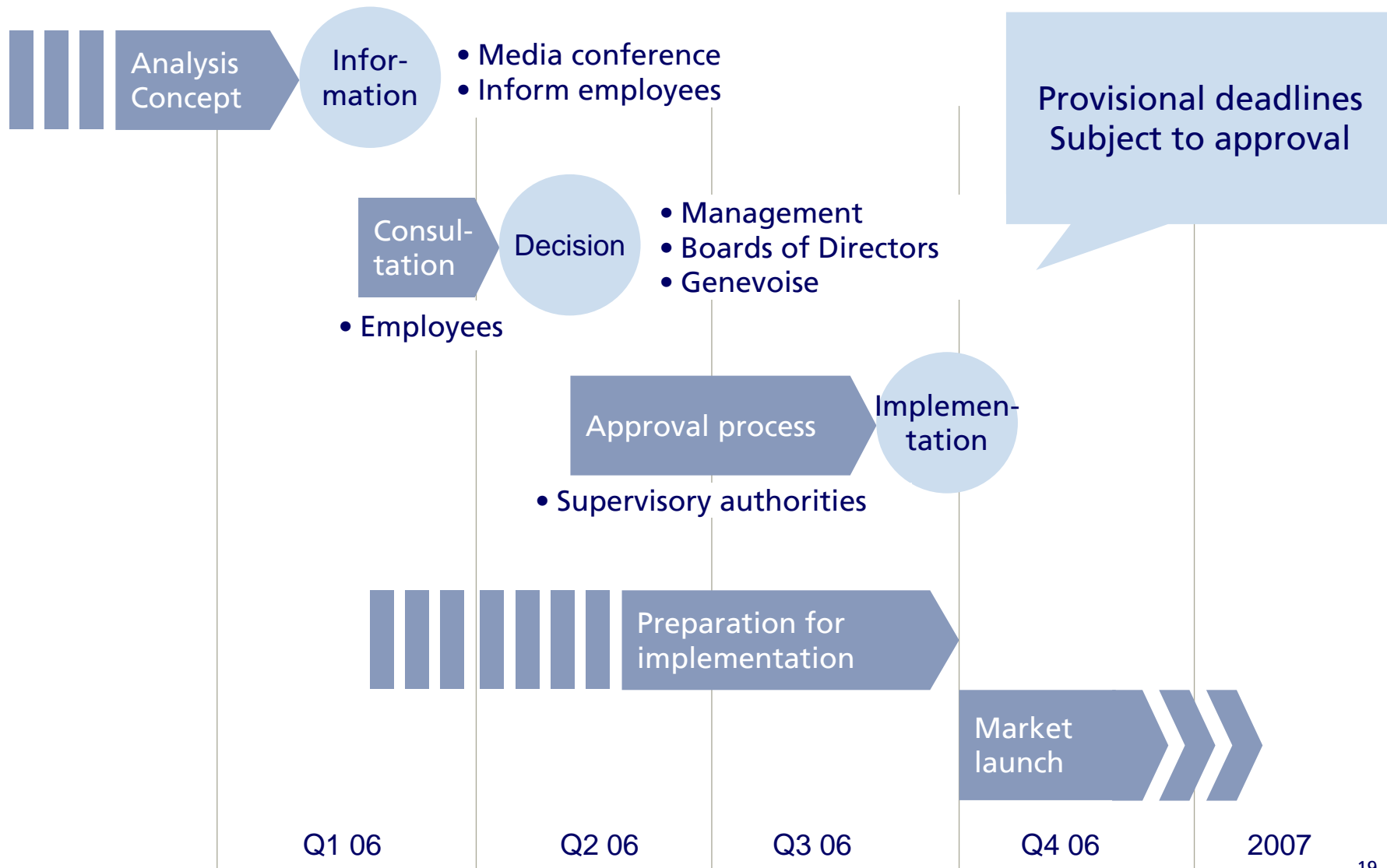


Unification



Profitability

Next steps



We have achieved important goals

- Emphasis on products and services
- Return to profitability in our Life business
- Creation of a platform as basis for sustained growth



To be achieved: the Life optimization program

- Increase profitability and make it sustainable
- Zurich's presence in French-speaking Switzerland strengthened by the Service Center for French-speaking customers together with the distribution network
- Growth from a position of strength
- Combining forces offers advantages for customers, employees and shareholders of the Group