

March 23, 2026

Dear Shareholder,

We are writing to provide Zurich Insurance Group Ltd's (Zurich) position regarding the Glass Lewis Proxy Voting Recommendations issued on March 18, 2026, ahead of our Annual General Meeting (AGM) of April 8, 2026.

Glass Lewis supports the Board of Directors' (Board) proposals for maximum Executive Committee (ExCo) and Board remuneration (agenda items 5.1 and 5.2), but recommends voting against the advisory vote on the 2025 Remuneration Report (agenda item 1.2) due to concerns about the Short-Term Incentive (STI) structure and disclosure, Long-Term Incentive (LTI) design, and CEO pay-for-performance alignment.

At Zurich, we value every shareholder's vote and are committed to open dialogue. Therefore, we would like to address Glass Lewis's concerns in detail.

1. Structure and Disclosure of Short-Term Incentive

Glass Lewis suggests that the STI relies significantly on an individual performance component that is largely discretionary. We respectfully disagree with this characterization.

Zurich's Short Term Incentive Plan (STIP) framework is based on pre-defined, measurable and structured performance criteria, established at the beginning of the year. The framework is designed to ensure a clear and rigorous pay-for-performance outcome and operates through two factors:

a) Group Business Performance (quantitative, ex ante defined)

Group Business Performance is evaluated primarily through Business Operating Profit (BOP), our key financial metric, which drives the size of the STIP pool, while the STI of each employee (including CEO and ExCo members) is individually assessed based on precise Key Performance Indicators (KPIs) with a very low margin for discretion.

We acknowledge Glass Lewis's observation regarding the reduced disclosure of Business Operating Profit (BOP) targets under the STIP framework. We recognize that this has reduced transparency compared to prior years and may limit shareholders' ability to fully assess performance. We regret this and confirm that for 2025, the BOP target was set at USD 8.4 billion, representing a substantial increase of USD 700 million versus the prior year and reflecting ambitious performance expectations. Zurich delivered in 2025 a record BOP of USD 8.9 billion (+14% year-on-year) ahead of consensus of USD 8.7 billion, resulting in a total STIP pool of 120%.

This demonstrates that performance is assessed against clearly defined numerical targets set in advance, not ex post.

b) Individual Performance (structured, target-based assessment)

Individual performance is assessed against pre-determined objectives defined at the start of the year, covering financial, customer, and people-related priorities aligned with

the Group's strategy. These include measurable indicators such as core financial delivery, customer satisfaction, and employee engagement.

For the CEO 2025, KPIs were: Core Earnings per Share (EPS) Growth, Core Return on Equity (ROE), Cash Remittance, Customers satisfaction (Brand consideration, Total Net Promoter Score (tNPS) and Employee engagement score. For EPS growth actual achievement is 13% significantly ahead of the >9% annual run rate required to hit the three year strategic cycle target; Core ROE at 26.9% was 2.2 percentage points higher than prior year and materially ahead of the >23% target for the strategic cycle; for Cash Remittance we achieved in 2025 the highest ever level (USD 7.4 billion) well ahead of the targeted amount (USD 6.4 billion); for Customers satisfaction the Brand considerations improved and tNPS increased by +3.6 points; for Employee engagement score we surpassed high performance companies by 1 percentage points and outperformed other global finance and insurance peer by 4 percentage points. All this while it is recognized in the market that these are Zurich's most ambitious targets ever.

While we disclose achievements ex post, these outcomes reflect delivery against pre-set targets, and are not discretionary or purely based on qualitative judgement. The Board's role is to assess performance against these targets.

For the CEO this year and consistent with the KPIs above, the overall individual annual performance outcome of 185%, multiplied by the business performance factor of 120%, resulted in a 222% 2025 performance achievement level. The STI for the CEO is capped at 200%. The Board did not exercise discretion, ensuring that even exceptional achievements are rewarded within a reasonable and shareholder-aligned framework.

Regarding payments to the ExCo, each member's payout level reflected their individual achievements, and payments for 2025 ranged from 120% to 200%. This demonstrates Zurich's rigorous and differentiated approach to rewarding exceptional performance, directly linked to quantifiable results.

More broadly, Zurich operates with clearly defined three-year financial targets, which are fully embedded in the LTIP. For one-year management targets, we do not disclose all forward-looking targets due to competitive sensitivity; however, typically they are the annualization of the three year targets and we provide detailed ex post disclosure to ensure transparency and accountability.

2. Long-Term Incentive Plan (LTIP) and Vesting Below Median

Glass Lewis noted concerns regarding vesting of LTIP awards below median relative Total Shareholder Return (TSR). Zurich's LTIP structure allows for partial vesting below median peer TSR. This ensures competitiveness and appropriately rewards performance relative to a broad set of global peers, while maintaining a strong pay-for-performance philosophy.

To Glass Lewis's question, which relates to future performance periods and hence is not part of our 2025 reporting, the rationale for increasing the LTIP target for our CEO from 225% to 250% (effective for the 2026-2028 performance period, vesting in 2029), is to strengthen our ongoing commitment to long-term shareholder value creation alignment as well as market competitiveness with our U.S. peer benchmarks.

3. Peer Group and Pay-for-Performance Assessment

Glass Lewis raises concerns regarding pay-for-performance alignment, based primarily on comparisons to a European peer group and a focus on TSR. We believe this approach does not fully reflect Zurich's performance framework or competitive context.

Zurich's LTIP is based on a balanced set of performance metrics, including: Core EPS Growth, Core ROE, Cumulative Net Cash Remittances, Relative TSR, sustainability targets. This multi-metric structure ensures that executive remuneration reflects both market performance and underlying financial strength, as well as long-term value creation and sustainability outcomes – not TSR alone.

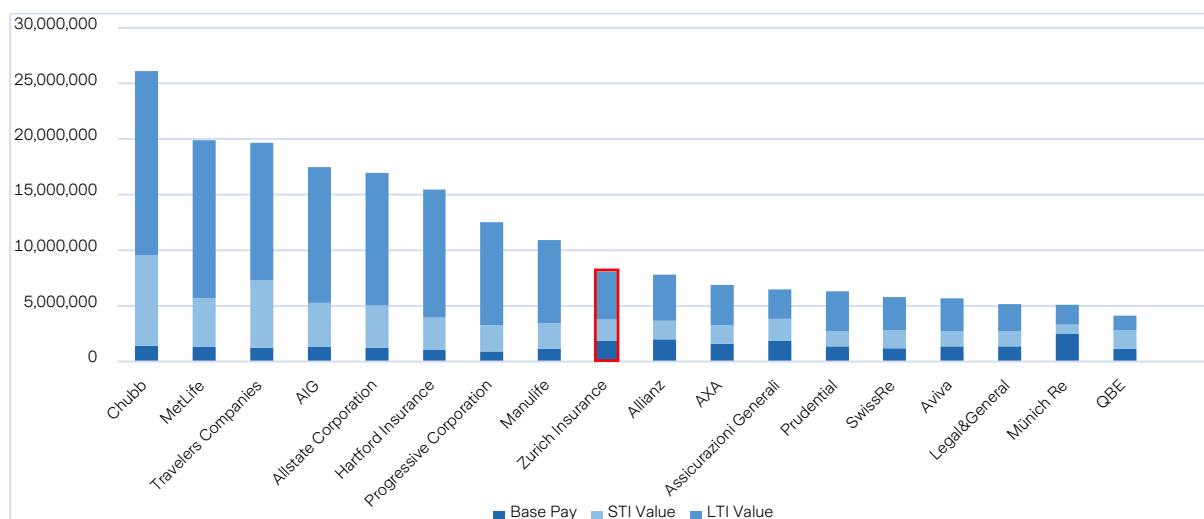
In addition, Zurich benchmarks executive compensation against a global peer group, including major U.S. insurers, reflecting Zurich's international footprint and the fact that more than half of the Group's BOP is generated in the United States. By measuring ourselves against these industry peers, we ensure our compensation remains competitive, aligned with industry standards, and supports our ability to attract and retain top talent globally. Glass Lewis' comparison based solely on European peers¹ and predominantly TSR-based methodologies therefore provides an incomplete view of Zurich's pay-for-performance alignment.

4. CEO Pay Level and Alignment with Performance

Glass Lewis suggests a potential misalignment between CEO pay and company performance over a five-year period. We respectfully disagree.

Zurich has delivered strong and consistent financial performance: Business Operating Profit increased by 54% since 2021, annualized TSR of approximately 16% over the same period, dividend per share increased by 50% since 2020. At the same time, CEO target compensation has increased only modestly (single-digit growth over multiple years), demonstrating a disciplined and proportionate approach.

For 2025, the CEO's target pay mix is 27% fixed remuneration and 73% variable remuneration, supporting our pay for performance and long-term value creation. The CEO's total target direct compensation is well based around the 50th percentile of our TSR peer group, based on independent analysis from the Remuneration Committee's advisor, as set out below.



Data source: WTW Benchmark data per January 2026 (values in CHF)

¹ Glass Lewis's peer group includes UBS Group AG, Talanx AG, Phoenix Group Holdings plc, Hannover Rück SE, Swiss Life Holding AG, Kuehne Nagel International AG, Compagnie Financière Richemont SA, Munich Re, Generali, Allianz SE, Aviva plc, Swiss Re AG, Holcim AG, ABB Ltd, and AXA SA.

While our STIP is paid fully in cash without a deferral mechanism, we ensure alignment with shareholder interests through a strong emphasis on long-term incentives, post-vesting shareholding requirements, and strict executive ownership guidelines.

We remain committed to maintaining a remuneration framework that is transparent, performance-driven, and aligned with long-term shareholder interests. We value the ongoing dialogue with our shareholders and will continue to refine our approach in response to feedback.

Yours sincerely,

A handwritten signature in blue ink that reads "C. Franz". The signature is written in a cursive, slightly slanted style.

Christoph Franz
Chair of the Remuneration Committee