ZURICH

Setting the pace

Annual results 2024

February 20, 2025
Investor and media presentation
Zurich Insurance Group

Content

Use symbols to navigate through the document

Main sections

Other important information

Back to content page

Contacts and calendar

Key highlights

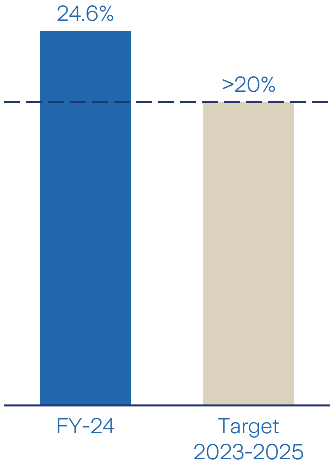
Key messages

Successful execution of the 2023-2025 plan	FY-24 confirms strong delivery, outpacing 2023-2025 targets. Successful track record over the last plan cycles bodes well for our future ambition
P&C producing record top- and bottom-line results	P&C BOP of USD 4.2bn up 8%. Combined ratio improved to 94.2%. Gross written premiums of USD 46.6bn increased 5% supported by average rate increases of 4% for the Group
Record-high Life BOP	Life BOP of USD 2.2bn at a record level driven by improvement from all key components of the business. Capital light sales growth driven by protection and unit-linked
Continued growth at Farmers	Record FMS BOP driven by continued growth at Farmers Exchanges[1]. Strong financial position at Farmers Exchanges[1] following organic surplus generation from excellent underwriting performance
Very strong solvency and cash remittances	SST ratio of 252% as of Q4-24[2] well in excess of 160% floor. Cash remittances of USD 7.1bn. Proposed dividend increase of 8% to CHF 28

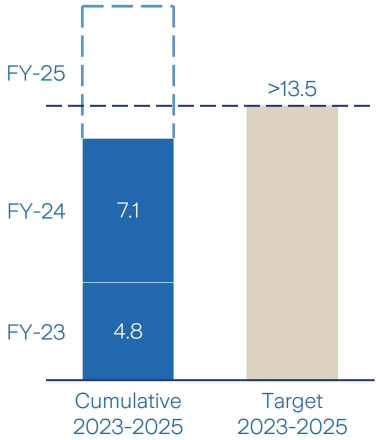
1 For all references to Farmers Exchanges see the disclaimer and cautionary statement.
2 Estimated Swiss Solvency Test (SST), calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority (FINMA). The SST ratio as of December 31 has to be filed with FINMA by end of April in the subsequent year and is subject to review by FINMA.

FY-24 confirms strong delivery, outpacing 2023-2025 targets

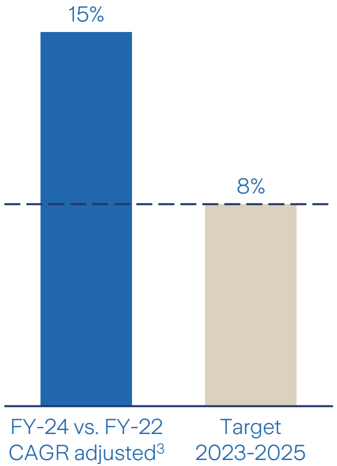
Core ROE (%)[1]



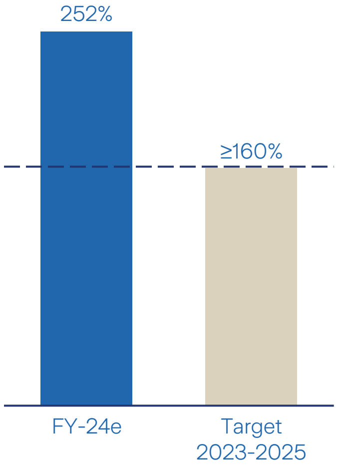
Cash remittances (USDbn)



EPS growth (%)[2]



SST (%)[4]



1 Previously named BOPAT ROE. Business operating profit after tax return on equity, excluding unrealized gains and losses.
2 Diluted earnings per share (EPS) CAGR in USD based on reported NIAS is 12%. The baseline for the 2023-2025 EPS growth target is USD 32.1 which assumed the achievement of the 5% EPS CAGR target of the 2020-2022 financial cycle.
3 Adjusted earnings per share substitutes actual net capital gains and losses with net capital gains expected under long term market assumptions (~USD 0.8bn). See also page 52 in the appendix for EPS performance against targets.
4 On Swiss Solvency Test (SST), see footnote on page 4.

2025-2027 targets raising the bar

Business targets

Commercial
- BOP >USD 4.2bn in FY-27
- Middle Market GWP[1] >USD 10bn in FY-27

Retail
- Return to long-term level of profitability
- Accelerate focus on customer loyalization

Life
- Grow Protection GWP by 8% CAGR

Farmers
- Continue the transformation enabling sustainable growth at Farmers' Exchanges[4]

Financial targets

Core EPS[2] CAGR >9%
(vs. FY-24 baseline: of **USD 40.1**)

Core ROE[3] >23%
(FY-24: **24.6%**)

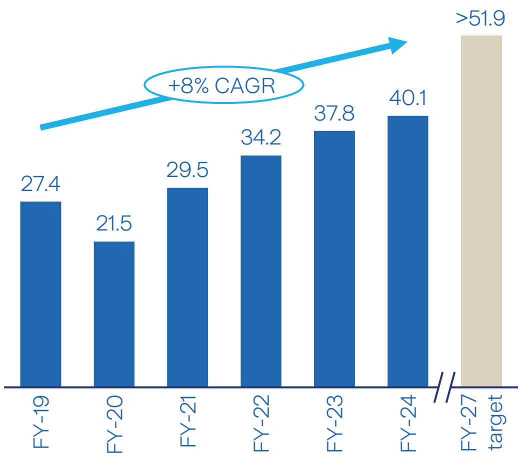
Cash remittances >USD 19bn
2025-2027 cumulative

Subject to an SST ratio floor of **160%**

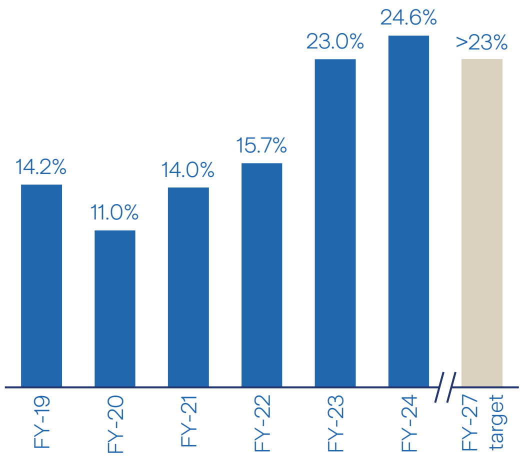
1 Middle Market business includes North America Program business, Excess & Surplus (which is considered Specialties line of business), and Middle Market business sourced through other business units.
2 Core Earnings per Share (EPS) in USD based on business operating profit after tax (BOPAT).
3 Business operating profit after tax (BOPAT) divided by average shareholders' equity excluding unrealized gains and losses.
4 For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Robust profit growth, excellent return on equity and cash conversion, delivering durable growth

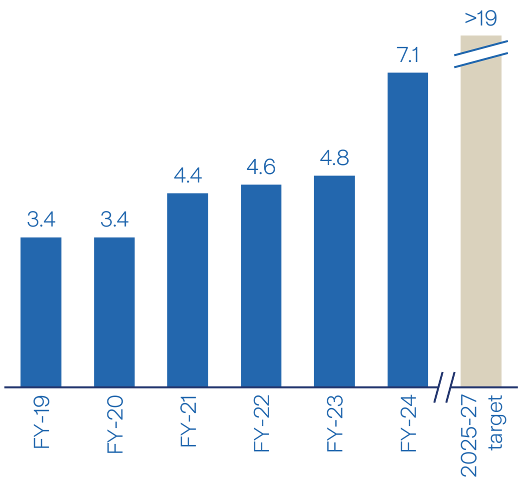
Core EPS (USD)[1]



Core ROE (%)[1,2]



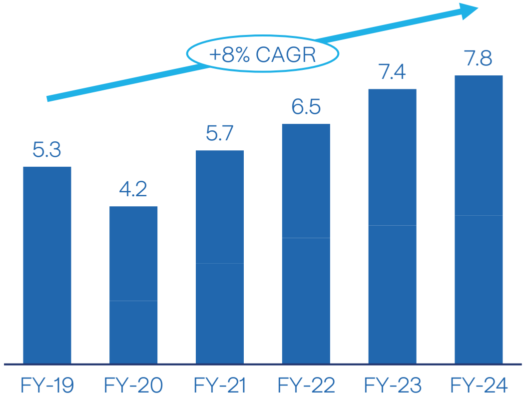
Cash remittances (USDbn)



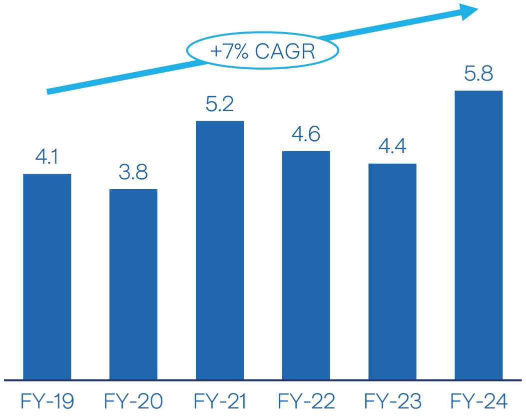
[1] 2023 and 2024 based on IFRS 17, comparative years based on IFRS 4.
[2] Previously named BOPAT ROE. Business operating profit after tax return on equity, excluding unrealized gains and losses.

Strong conversion of earnings into distributable cash

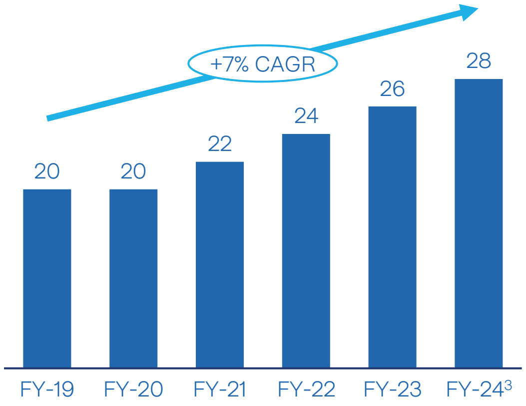
Group BOP (USDbn)[1]



Group NIAS (USDbn)[1,2]



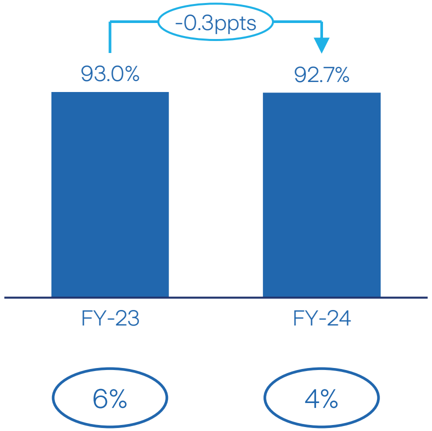
Dividend per share (CHF)



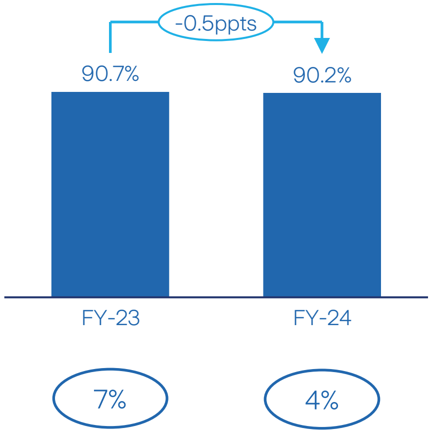
1 2023 and 2024 based on IFRS 17, comparative years based on IFRS 4.
2 Net income attributable to shareholders.
3 The dividend is subject to the approval by the shareholders at the Annual General Meeting.

Continuous improvement in P&C underlying combined ratio

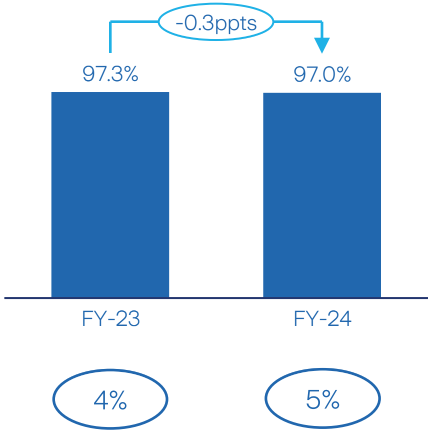
P&C – Group (%)



P&C - Commercial (%)



P&C – Retail (%)

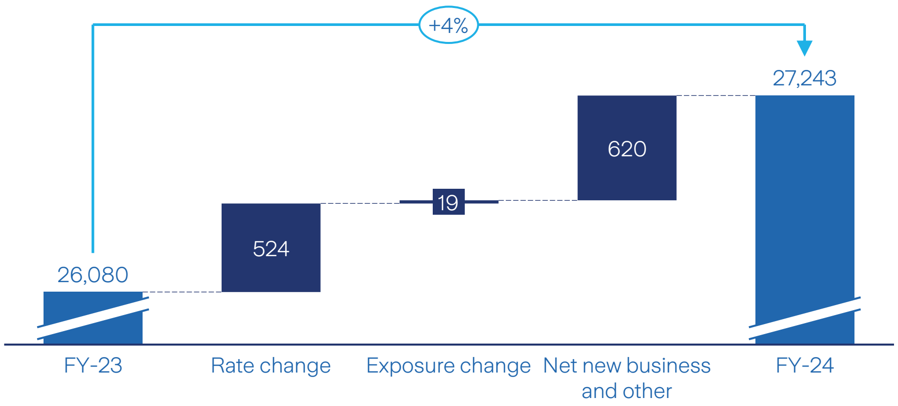


AY combined ratio ex cat

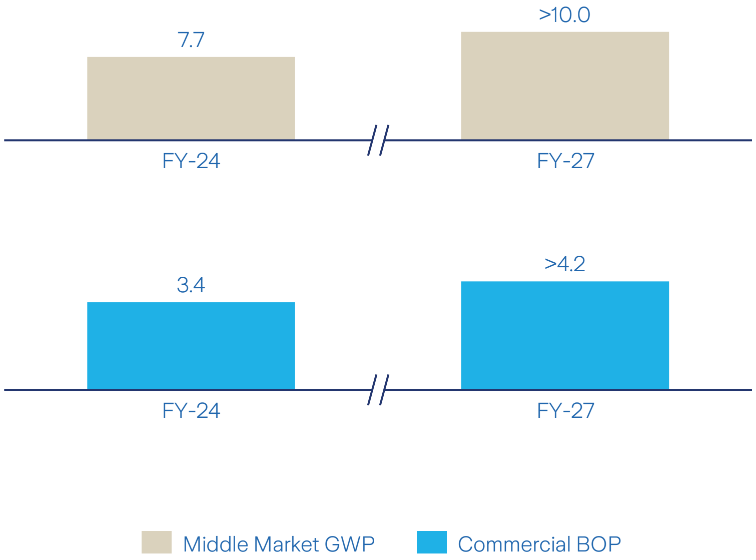
% Rate change

Commercial P&C to accelerate growth and further improve the portfolio composition

P&C GWP growth by driver - Commercial (USDm)[1]



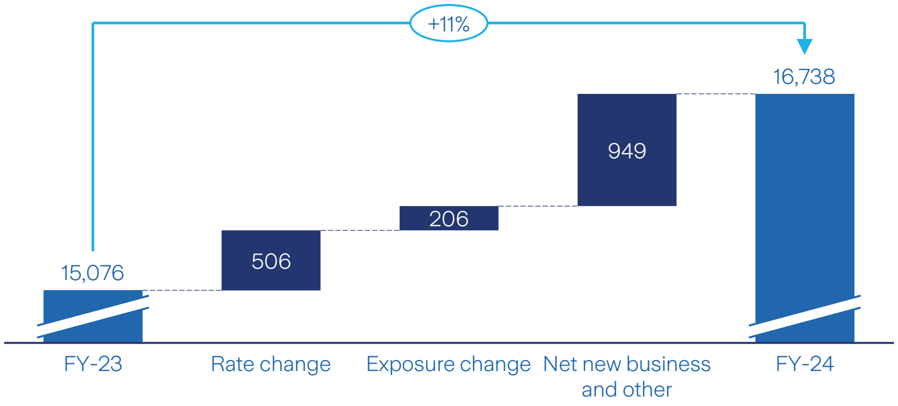
Middle Market GWP and Commercial BOP (USDbn)



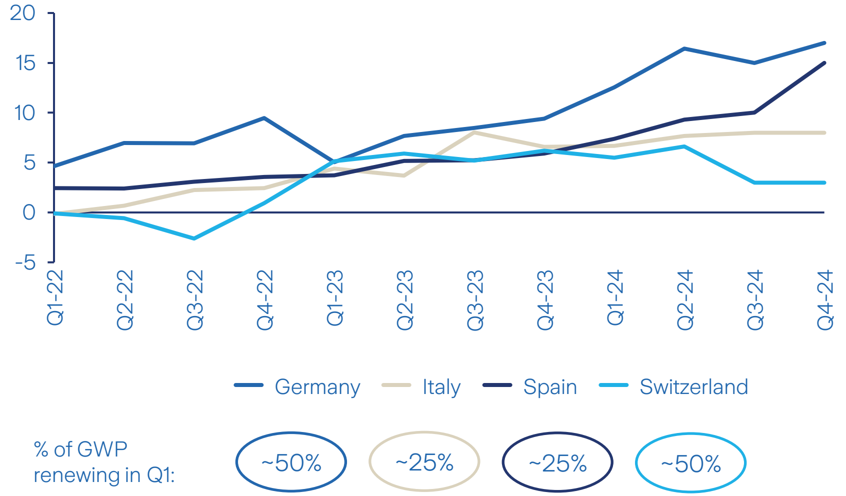
[1] Other includes premiums for ceded facultative reinsurance, captives/pools/co-reinsurance agreements and eliminations. Excludes crop which declined USD 0.6bn year-on-year

Retail P&C with disciplined growth in new business volumes supported by improving motor rates in EMEA

P&C GWP growth by driver - Retail and SME (USDm)[1]



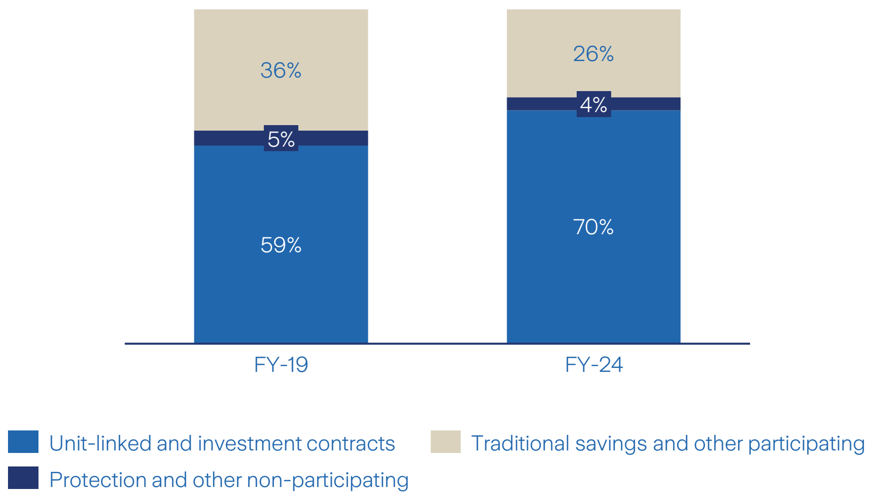
EMEA Motor Retail – Rate change (%)



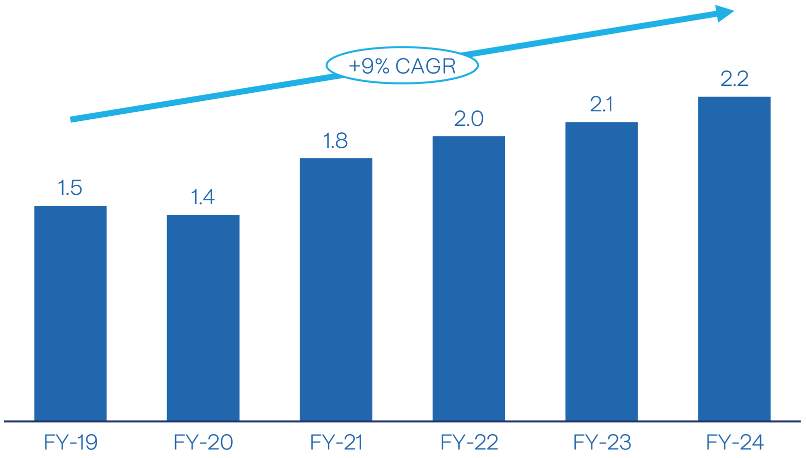
[1] Other includes premiums for ceded facultative reinsurance, captives/pools/co-reinsurance agreements and eliminations.

Life reports a record high level of BOP, underpinned by a capital-efficient balance sheet

Life reserves and liabilities (%)[1]



Life BOP (USDbn)[2]



1 Net of reinsurance. FY-19 based on IFRS 4, FY-24 based on IFRS 9/17.
2 2023 and 2024 based on IFRS 17, comparative years based on IFRS 4.

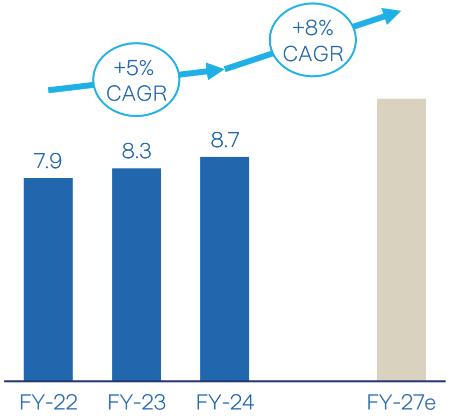
We are stepping up capabilities to drive growth in highly attractive Protection business

Strategic priorities

- Customer experience
- Technical excellence
- Distribution management

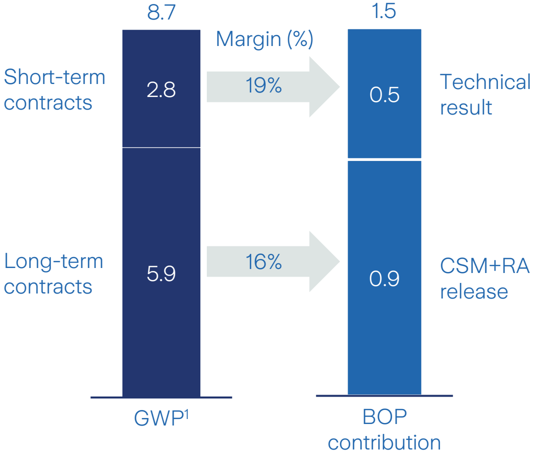
Protection unit launched in 2025 to manage Protection as "**one business**" globally

Protection GWP growth (USDbn)[1]



Capital light: no SST capital strain

Protection GWP and BOP contribution, FY-24 (USDbn)[2]

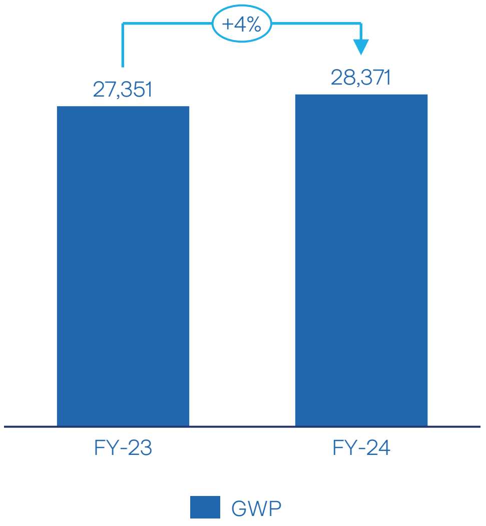


17% BOP margin on GWP

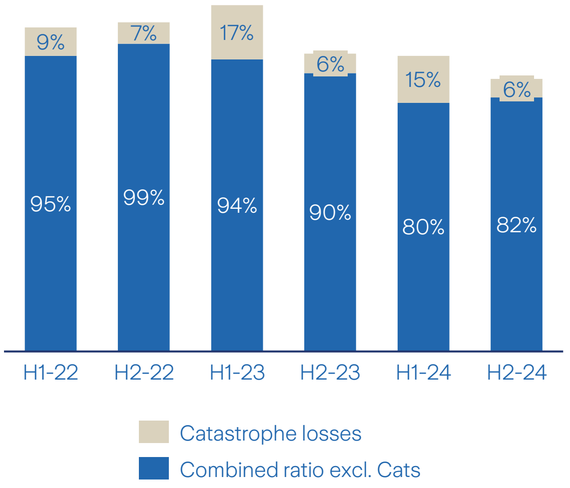
[1] Net of intercompany eliminations.
[2] BOP contribution by line of business based on CSM amortization, risk adjustment release, fee result and short term insurance technical result (before the impact of non-controlling interests).

Farmers Exchanges[1] continue to grow GWP, with strong underlying result supporting surplus ratio above target range

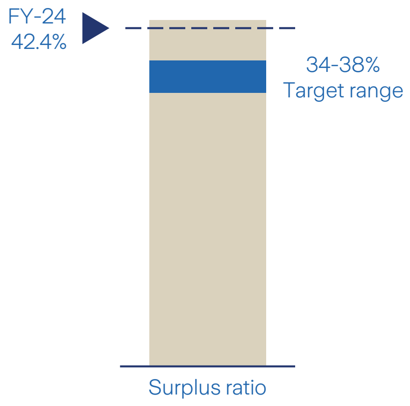
GWP (USDm)



Combined ratio (%)[2]



Surplus ratio (%)



1 For all references to Farmers Exchanges see the disclaimer and cautionary statement.
2 Combined ratio before quota share reinsurance.

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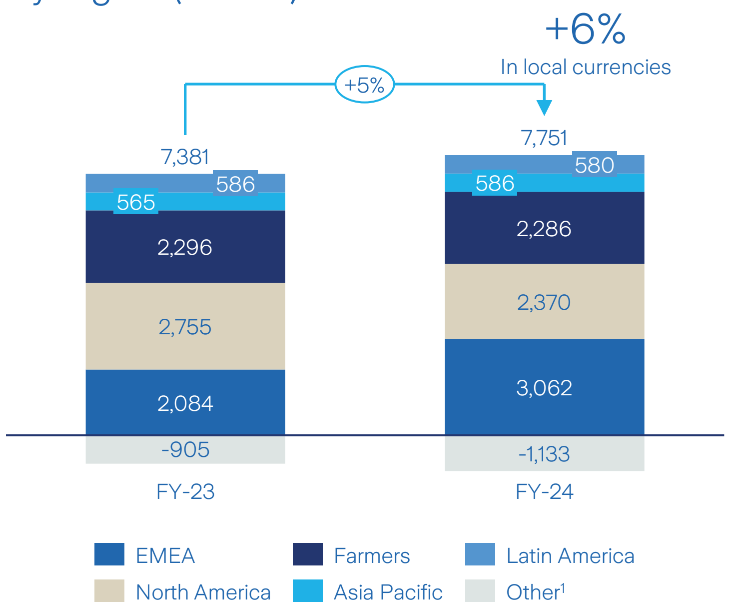
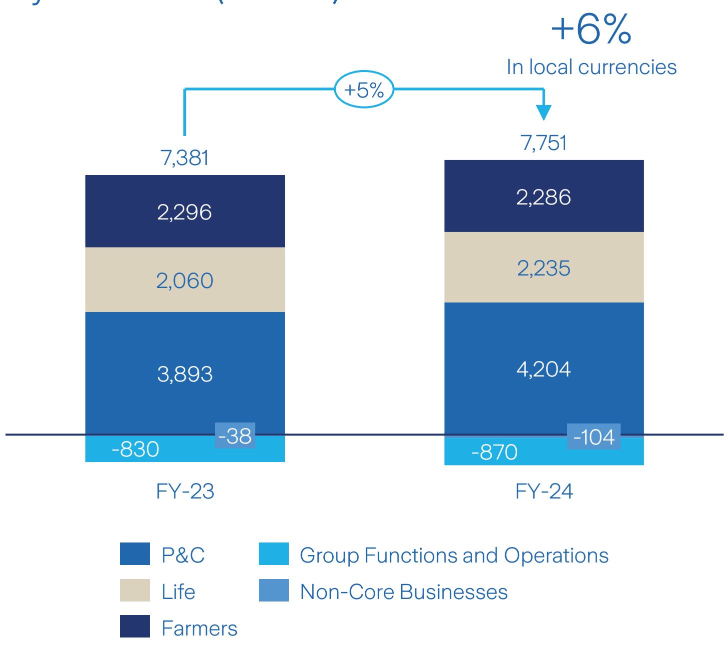
CFO update

A diversified business delivering sustainable growth at highly attractive levels of profitability

BOP by region (USDm)



BOP by business (USDm)



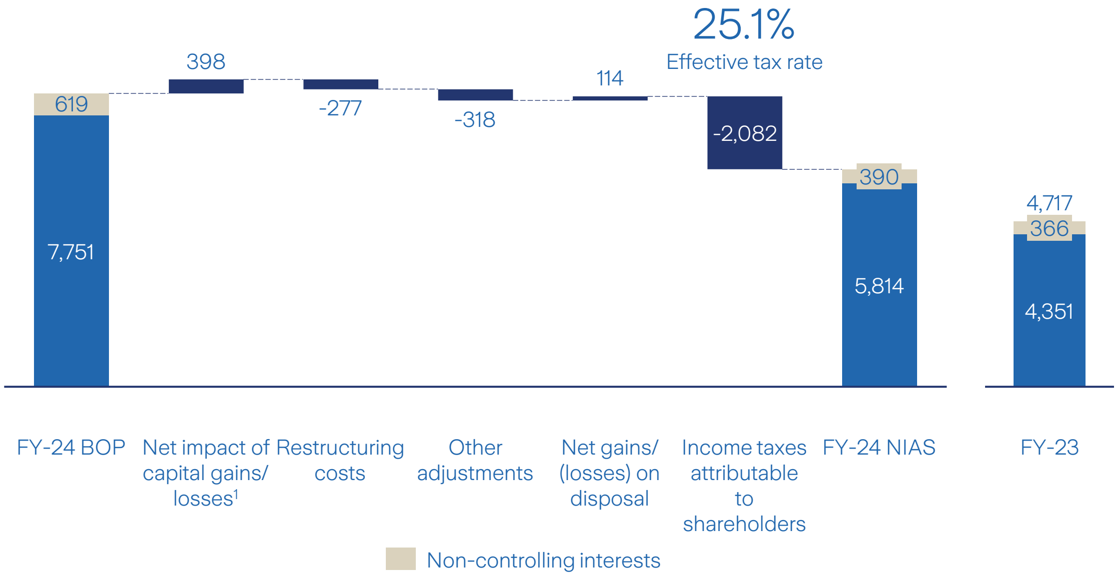
[1] Includes Group Functions and Operations, Non-Core Businesses and Group Reinsurance.

Commentary

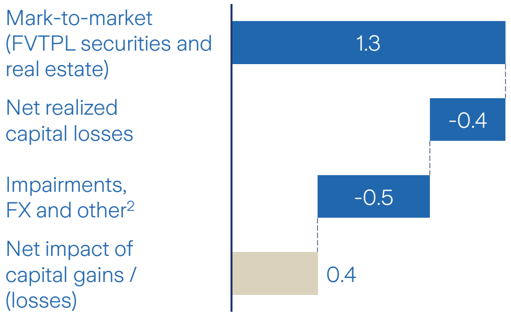
- **Group** business operating profit (BOP) was at a record level of USD 7.8bn, with 6% growth in local currencies.
- **EMEA** BOP increased by 47% driven by strong performance both in P&C and Life. P&C BOP benefited from topline growth, a strong Retail recovery, and an improved investment result. Life BOP benefited from a solid underlying performance and favorable experience, including non-recurring effects of ~USD 150m.
- **North America** BOP was 14% below prior year mainly due to higher catastrophe losses of ~USD 0.4bn in P&C.
- **Asia Pacific** BOP was 4% above prior year due to higher topline, a more favorable loss experience and increased investment income in P&C, partially offset by a lower BOP in Life.
- **Latin America** BOP decreased 1% where topline growth and an improved combined ratio in P&C were offset by a reduction in Life.
- By business, **P&C** BOP increased 8% on a reported basis and in local currencies compared with the prior year period driven by a strong performance in EMEA which was partially offset by higher catastrophe losses in North America.
- **Life** BOP increased 8% on a reported basis, driven by solid underlying performance and favorable experience, as well as the above mentioned non-recurring effects in EMEA.
- **Farmers** BOP in-line with prior year with a record BOP at FMS and higher Farmers Re result offset by lower Farmers Life results following the completion of the reinsurance transaction.
- Higher **Group Functions and Operations** operating cost compared to the prior-year, driven by growth initiatives.
- The Group's **Non-Core Businesses** reported a higher operating loss, which include a loss after successfully reinsuring a legacy portfolio.

NIAS was USD 5.8bn, with favorable mark-to-market performance of assets partially offset by capital losses and other

BOP to NIAS walk (USDm)



Net impact of capital gains / losses (USDbn)[1]



1 Net impact of capital gains/losses and impairments on Group investments and unit-linked investments, net of change in liabilities for investment contracts and other funds as well as re-/insurance finance income/expenses.
2 Other include impact of capital gains/losses and impairments on unit-linked investments, change in liabilities for investment contracts and other funds, re-/insurance finance income/expenses.

Commentary

- **Net impact of capital gains / losses** was USD 0.4bn favorable for the full year, with positive mark-to-market performance of assets[1] partially offset by capital losses and other.
  - The net **mark-to-market** of assets was USD 1.3bn predominantly driven by equities.
  - The full year **net realized capital losses** were USD 0.4bn, predominantly from fixed income portfolios as unrealized losses crystalized upon sale.
  - **Impairments, FX and other** consist mostly of policyholder participation in capital gains and losses as well as FX losses, which include impacts from hyperinflation accounting in Argentina and Turkey.
- **Restructuring costs** were USD 0.3bn for the full year and in-line with guidance provided at the Investor Update in November 2023.
- **Other adjustments** of USD 0.3bn in-line with guidance and include amortization of intangibles from business combinations, certain non-claims related litigation cost, charitable contributions and smaller non-BOP items.
- **Net gains / (losses) on disposals** is USD 0.1bn favorable, mainly from the completion of the disposal of a Life annuity portfolio in Chile and the non-completion of the disposal of a legacy Life back book in Germany.

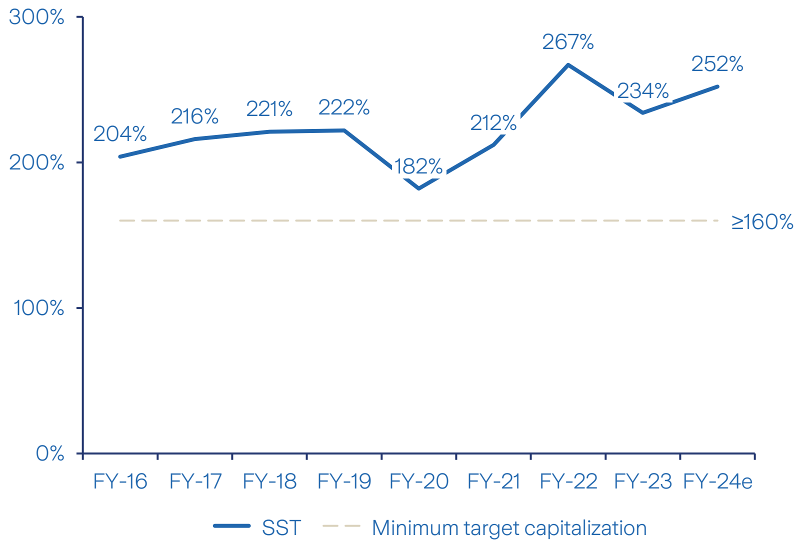
[1] Securities classified as Fair Value through Profit and Loss for IFRS reporting purposes.

Highest credit ratings within European insurance industry after 2024 upgrades

Financial Strength Ratings

Rating Agency	Rating / Outlook	Last upgrade
STANDARD & POOR'S RATINGS SERVICES McGRAW HILL FINANCIAL	AA / Stable	March 2021
MOODY'S INVESTORS SERVICE	Aa2 / Stable	September 2024
AM BEST	ICR[1] aa / Stable	October 2024
	FSR[1] A+(Superior)/stable	November 2010

SST ratio (%)[2]



1 AM Best differentiates between the Issuer Credit Rating (ICR) and the less granular Financial Strength Rating (FSR) in their proprietary methodology.
2 On Swiss Solvency Test (SST), see footnote on page 4.

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Durable growth at attractive levels of return

Property & Casualty	• Insurance revenue expected to grow by mid-single digit percentage year-on-year • Unchanged guidance for PYD (1-2%), losses from natural catastrophes (2.5-3.0%), and projected insurance finance expenses (+USD 0.2bn year over year)
Life	• Life FY-25 BOP expected be in line with the record-high level of USD 2.2bn in FY-24
Farmers	• Mid-single digit percentage growth expected for Farmers Exchanges[1] GWP, with FMS MGEP margin at 7.0% • Farmers Re BOP to reflect a reduction in participation in the all-lines quota share (8.0% effective Dec. 31, 2024)
Other	• Group Functions and Operations net expenses expected to be in the range of USD 800-850m • Effective tax rate expected to be in the range of 25 to 27%

Our diversified global business, healthy capital position and strong cash conversion enables us to invest for durable growth

1 For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Strong growth supported by favorable rate environment

FY-24 top-line development

	GWP (USDm)	GWP like-for-like growth (%)[1]	Rate change (%)[2]	Rate change outlook	Insurance revenue (USDm)	Insurance revenue like-for-like growth (%)[1]
EMEA	19,615	8%	4%	Stable	18,651	8%
North America	21,584	0%	5%	Stable	20,985	2%
Asia Pacific	3,963	12%	4%	Stable	3,793	12%
Latin America	3,506	12%	2%	Stable	3,162	9%
Total[3]	46,624	5%	4%	Stable	44,792	5%

1 In local currency and after adjusting for acquisitions and disposals and excluding Argentina. Including Argentina, GWP like-for-like growth Latin America +27% / Total +6% and Insurance revenue like-for-like growth Latin America +23% / Total +6%
2 GWP development due to premium rate change as a percentage of the renewed portfolio (monitored business) against the comparable prior year period.
3 Total includes Group Reinsurance and Eliminations.

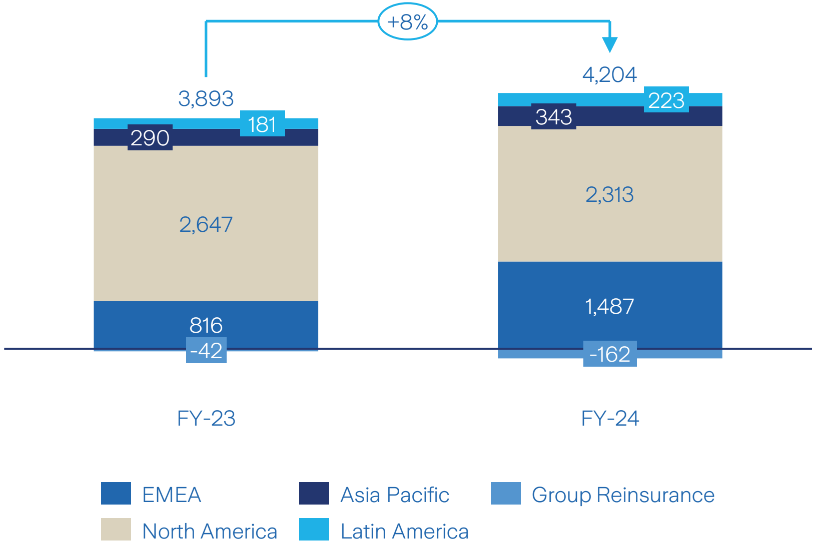
Commentary

- **Gross written premiums** rose 5% on a like-for-like basis and in U.S. dollar terms. Growth was supported by higher premium rates of 4% on a Group basis.
- **Insurance revenue** rose 5% on a like-for-like basis and in U.S. dollars benefiting from the earn-through of growth in gross written premiums.
- **Rate change** of 4% remains favorable and was driven by a commercial rate increase of 4% and retail rate increase of 5%.
- In **EMEA**, gross written premiums increased 8% on a like-for-like basis, driven by a strong performance across the region.
- In **North America**, gross written premiums remained stable on a like-for-like basis. Growth benefited from rate increases of 5% but was offset by a USD 0.6bn reduction in Crop volume due to less favorable commodity price developments.
- In **Asia Pacific**, gross written premiums rose 12% on a like-for-like basis, with strong contribution from all markets driven by growth in motor and travel.
- In **Latin America**, gross written premiums rose 12% on a like-for-like basis, with strong commercial growth and increased retail sales across the region.

P&C BOP up 8% driven by a strong performance in EMEA, compensating higher catastrophe losses in North America

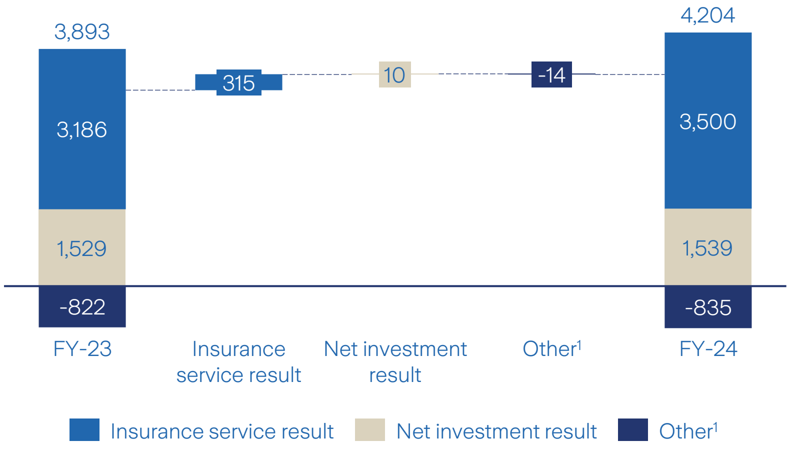
BOP by segment (USDm)

+8%
In local currencies



BOP by component (USDm)

+8%
In local currencies



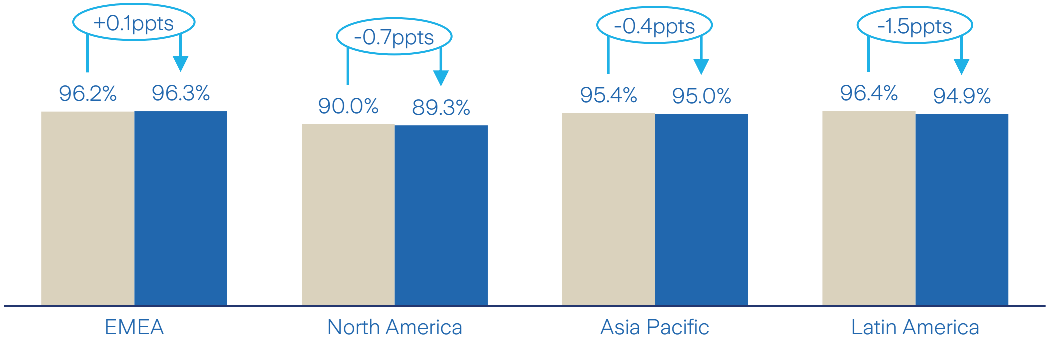
[1] Includes Fee result, Other result and non-controlling interests.

Commentary

- **P&C BOP** was USD 4,204m, 8% higher than in the previous year. In local currency, the P&C BOP was also 8% higher than in the previous year driven by higher insurance revenue and a lower combined ratio resulting in an increase of USD 315m in the insurance service result.
- **Net investment result** was USD 10m higher than in the previous year. This was mainly driven by additional **investment income** of USD 312m above prior year levels due to the earn-through of higher yields and higher **realized capital gains** of USD 44m coming from the Group's hedge fund portfolio. This was partially offset by an increase in the **insurance finance expenses** of USD 346m compared to the previous year due to an increase of the unwind of discount.
- The impact of **fee result, other result, policyholder tax and non-controlling interests** decreased USD 14m compared to the prior year period mainly reflecting an increase of the technical non-qualifying expenses.

P&C Commercial and Retail both with improved underlying profitability

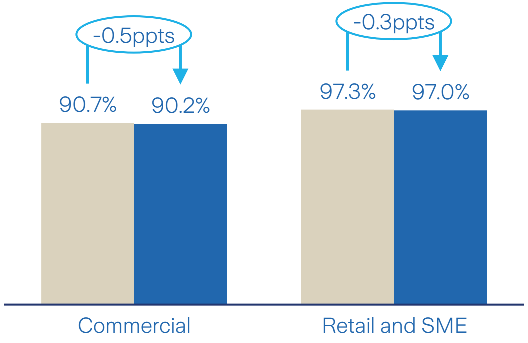
AY combined ratio (CR) excl. catastrophes by region (%)



% of Group FY-24 insurance revenue[1]	42%	47%	8%	7%

FY-23 FY-24

AY CR excl. catastrophes by customer unit (%)[1]



64%	36%

FY-23 FY-24

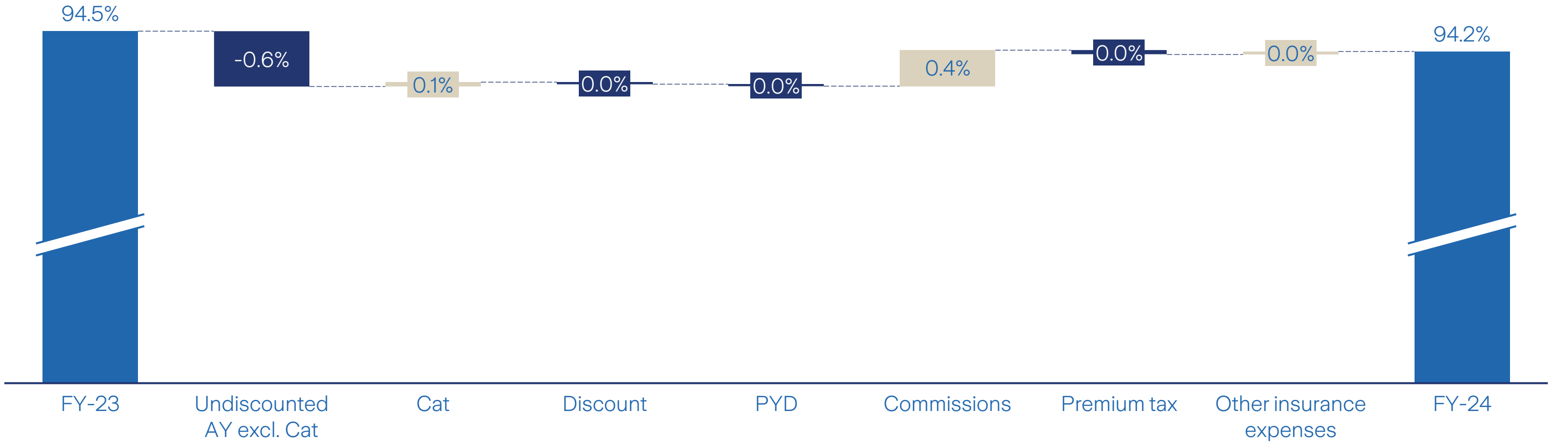
[1] Excluding Group Reinsurance and Eliminations. Discount impact: Commercial FY-23 4.1% / FY-24 4.3%; Retail and SME FY-23 2.4% / FY-24 2.2%.

Commentary

- In **EMEA**, the accident year combined ratio ex-catastrophes was broadly stable compared to prior year with lower non-cat losses and expenses offset by a lower discount benefit and higher commission expenses driven by mix effects.
- In **North America**, the accident year combined ratio ex-catastrophes improved 0.7 percentage points compared to prior year due, in equal parts, to a lower loss experience and higher discount benefit.
- The **Asia Pacific** accident year combined ratio ex-catastrophes improved 0.4 percentage points compared to prior year driven by an improved loss experience which was partially offset by an increase in commission expenses reflecting the impact of recovering travel business sales.
- In **Latin America**, the accident year combined ratio ex-catastrophes improved 1.5 percentage points compared to the previous year driven by overall lower losses and expenses.
- The **Commercial Insurance** accident year combined ratio ex-catastrophes decreased 0.5 percentage points compared to prior year. An improvement in the property loss experience was partially offset by higher expenses due to a shift towards specialties.
- For the **Retail and SME** business, the accident year combined ratio excluding catastrophes was 0.3 percentage points lower than in the previous year driven by favorable loss experience within property and motor.

Combined ratio improvement driven by improved attritional loss ratio, partially offset by higher mix-driven commissions

P&C combined ratio walk (%)



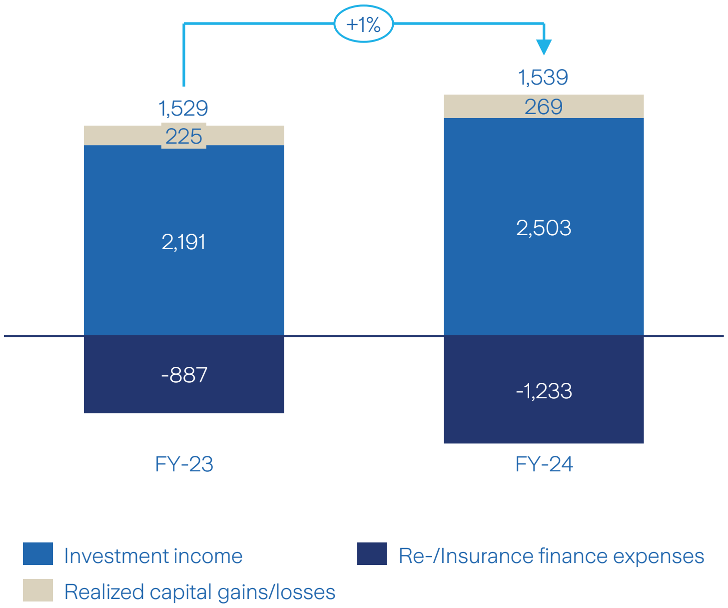
FY-23	68.2%	3.0%	-3.6%	-1.5%	16.4%	1.3%	10.6%
FY-24	67.6%	3.1%	-3.6%	-1.6%	16.8%	1.3%	10.6%

Commentary

- **P&C combined ratio** of 94.2% decreased by 0.2 percentage points compared to the prior year period as a 0.6 percentage point decrease of the attritional loss ratio was partially offset by an increase of commission expenses.
- The reported **loss ratio** decreased by 0.6 percentage points to 65.6%. The **undiscounted accident year loss ratio excl. catastrophe losses** decreased by 0.6 percentage points to 67.6% driven by an improvement across all regions.
- **Natural catastrophe losses** totaled 3.1%, slightly outside of the guided range of 2.5-3.0% compared to a catastrophe loss ratio of 3.0% in the prior year period.
- **Prior year development** of 1.6% was well within the indicated 1-2% range. All regions experienced favorable development in 2024.
- The **expense ratio** of 28.6% was 0.4 percentage points higher than in the previous year, mainly driven by an increase in commission expenses.

P&C investment result benefits from higher reinvestment yields, partially offset by a higher unwind of discount

Investment result in BOP (USDm)



Investment income yield of Group investments (%)[1]

	FY-23	FY-24
Book yield[2]	3.2%	3.6%
Reinvestment yield[2]	5.0%	5.0%

Insurance finance expense (% of liabilities for incurred claims)

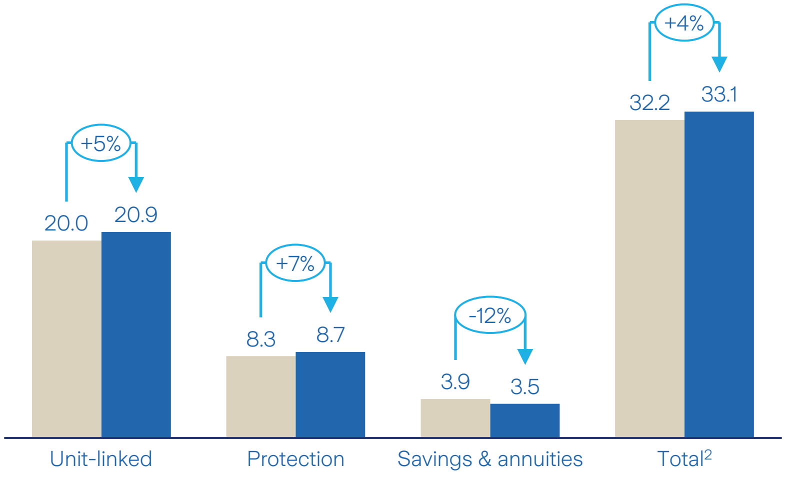
1 Net of investment expenses. Investment income yield calculated based on average Group Investments (accounting view) during the period on an annual basis.
2 Book yield calculated as weighted-average portfolio yield of debt securities during the period on an annual basis. Reinvestment yield calculated as a weighted-average trade yield of purchased debt securities with maturity >90 days during the period on an annual basis.

Commentary

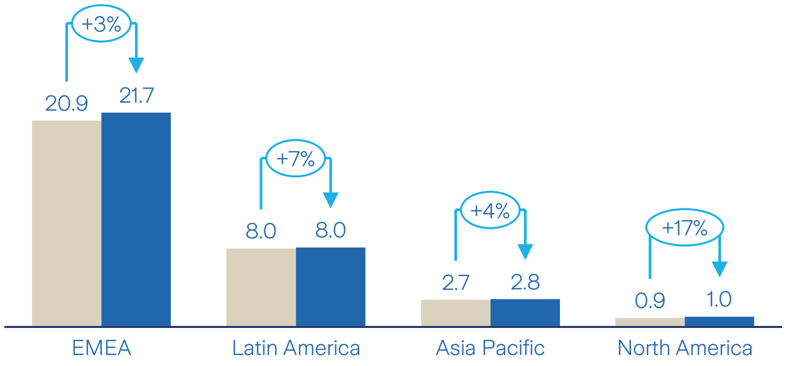
- **Net investment result** increased 1% compared to the previous year as higher investment income and realized capital gains outpaced the increase of the unwind of discount.
- **Investment income** was up 14% (USD 312m) compared to the prior-year period, driven by improved investment yields.
- **Realized capital gains** in BOP of USD 269m were driven by an appreciation of the market value of the hedge fund portfolio in 2024 compared to USD 225m in the prior year period.
- This was partially offset by an increase in the **insurance finance expenses** of USD 346m compared to the previous year due to an increase of the unwind of discount.
- The book yield for debt securities rose to 3.6% while **reinvestment rates** on debt securities remained stable at 5.0%.

Life gross premiums[1] up 4% in local currencies, with capital light growth driven by protection and unit-linked

Gross premiums by line of business (USDbn)[1]



Gross premiums by region (USDbn)[1,2]



FY-23 FY-24 Like-for-like change (%)[3]

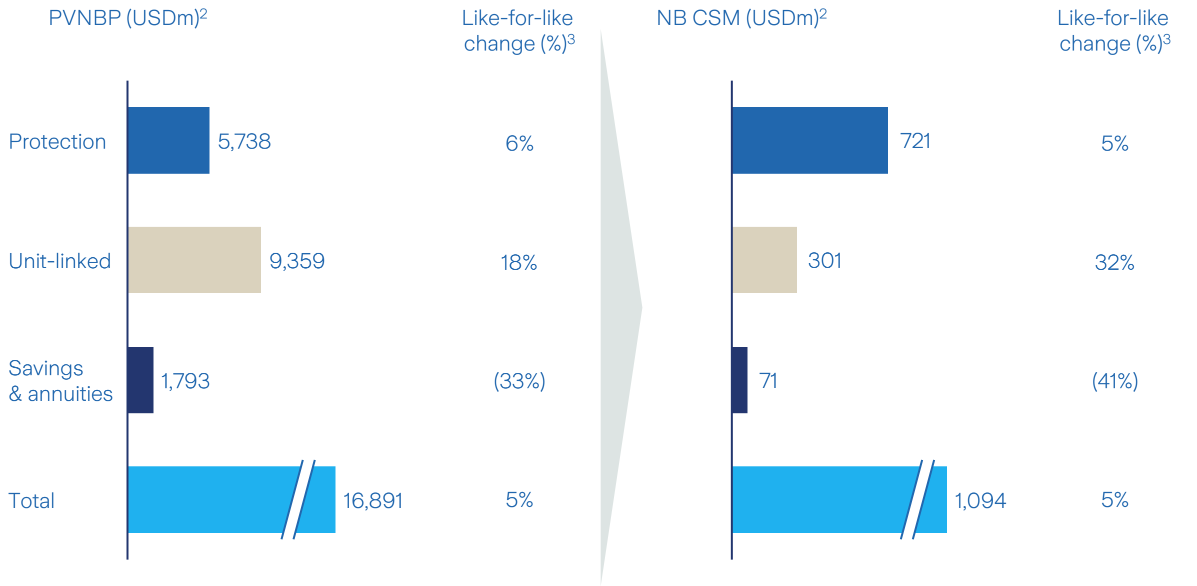
1 Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).
2 Total does not match with the sum of regions due to intercompany eliminations.
3 In local currencies, excluding Argentina and adjusted for acquisitions and disposals.

Commentary

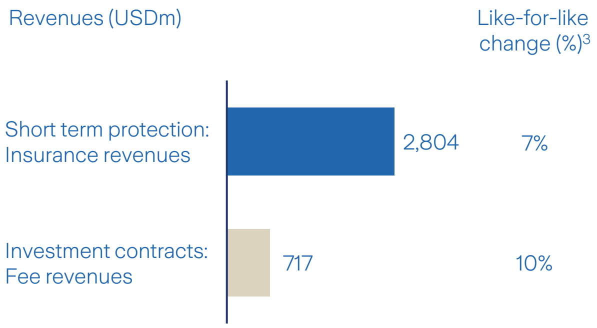
- In FY-24, **Life gross premiums** grew 4% on a like-for-like basis compared to the prior year, driven by our preferred lines unit-linked and protection.
- **Unit-linked gross premiums** grew 5% on a like-for-like basis, benefiting from strong inflows from investment contracts in Ireland and retirement savings in Latin America through the joint venture with Banco Santander.
- **Protection gross premiums** increased 7% on a like-for-like basis driven by growth in EMEA, Asia Pacific and Latin America. In EMEA, growth was driven by captive employee benefits solutions and by UK group and individual protection. In Latin America, growth was mainly driven by Mexico, while Asia Pacific benefited from higher sales in Japan and Australia.
- **Savings & annuities gross premiums** were 12% lower than in the prior year. The reduction was driven by retail savings, due to exceptional sales volumes in Spain in the prior year period.
- Gross premiums were up year-on-year in all regions. In **EMEA**, 3% growth on a like-for-like basis benefited from strong growth of investment contracts in Ireland, protection products in the UK and captive employee benefits solutions, which more than offset the impact of lower retail savings sales in Spain.
- In **Latin America**, gross premiums grew 7% on a like-for-like basis, driven by strong sales of unit-linked through the joint venture with Banco Santander, and protection products across the region.
- In **Asia Pacific**, gross premiums grew 4% on a like-for-like basis, primarily driven by protection sales in Japan.
- In **North America**, gross premiums grew 17% on a like-for-like basis, driven by unit-linked sales.

New business CSM grows by 5% driven by protection and unit-linked

CSM generating businesses[1]



Businesses without CSM[1]



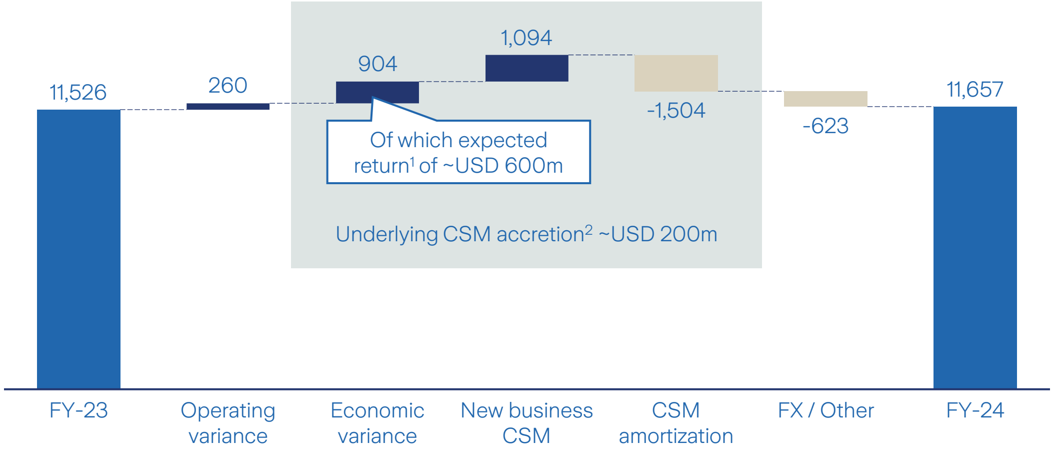
1 CSM generating businesses include long term insurance contracts accounted for under the Building Block Approach (BBA) and Variable Fee Approach (VFA). Businesses without CSM include short term insurance contracts accounted for under the Premium Allocation Approach (PAA) and investment contracts accounted for under IFRS 9.
2 PVNBP: Present value of new business premiums. NB CSM: new business contractual service margin.
3 In local currencies, excluding Argentina and adjusted for acquisitions and disposals, for the reclassification of Zurich Global Employee Benefit Solutions from Group Functions and Operations to Life and for the impact of a Life portfolio accounted for with the premium allocation approach in 2024 (previously accounted for with the building block approach).

Commentary

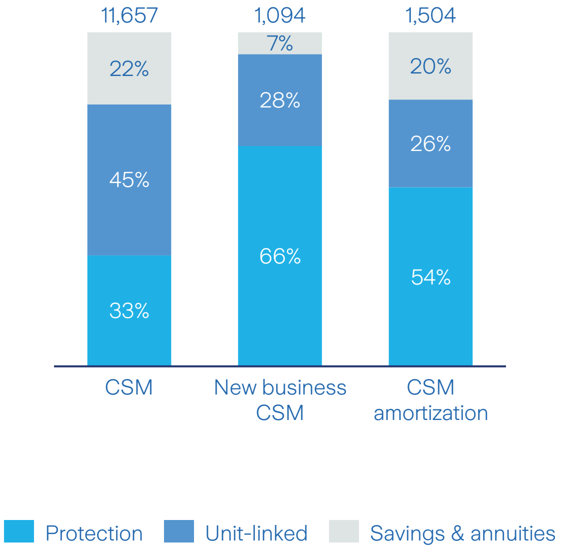
- In FY-24 the Group continued to grow Life new business, driven by protection and unit-linked. **Long term insurance** contracts earn profits over time mainly through the release of CSM and risk adjustment.
- New business written in FY-24 added USD 1,094m of CSM. **New business CSM** was 5% higher on a like-for-like basis compared with FY-23. This reflects sales growth and a slightly improved **new business margin** of 6.5% (vs. 6.3% in FY-23) mainly due to a more favorable business mix.
- In FY-24 the present value of new business premiums (**PVNBP**) generated by these contracts increased 5% on a like-for-like basis to USD 16.9bn, driven by growth in protection and unit-linked. Protection PVNBP increased 6% on a like-for-like basis driven by growth in EMEA, most notably in the UK and Switzerland. Unit-linked PVNBP rose 18% on a like-for-like basis. Bank distribution was a key driver of growth, particularly in Latin America, through the joint venture with Banco Santander, and in Germany through the distribution agreement with Deutsche Bank.
- **Insurance revenues** for short term life insurance, which is mainly related to the protection business in Latin America, grew 7% on a like-for-like basis. These contracts earn their technical result in the current year instead of releasing profits through CSM over time.
- **Fee revenues** for investment contracts, which are mainly written in EMEA, grew 10% on a like-for-like basis compared with the prior year, benefiting from higher assets under management resulting from favorable market movements and net inflows. Like short term Life, investment contracts do not generate CSM but earn their fee result within the year.

CSM 1% above prior year; 8% increase in local currencies

CSM walk (USDm)



FY-24 line of business split (USDm)



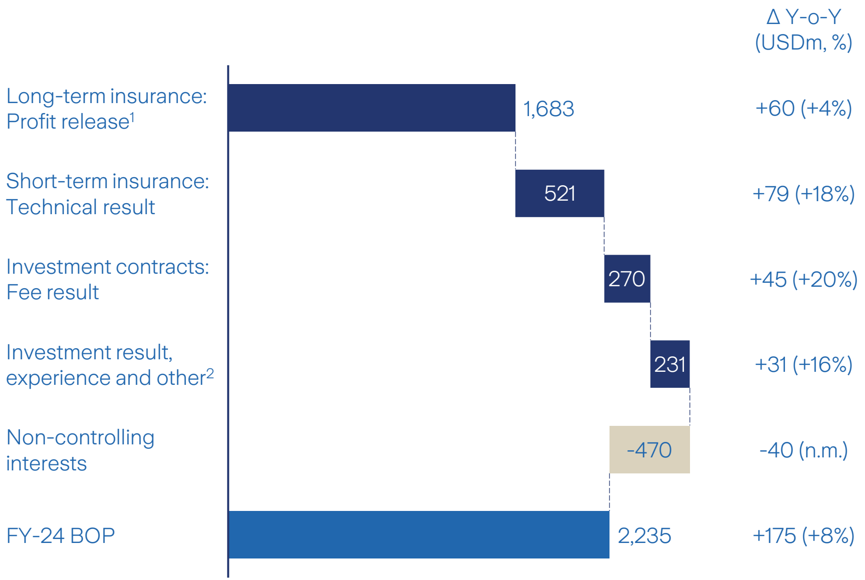
1 Discount unwind and contribution of expected realization of real-world excess-return over discount rates.
2 Sum of expected return, new business CSM and CSM amortization.

Commentary

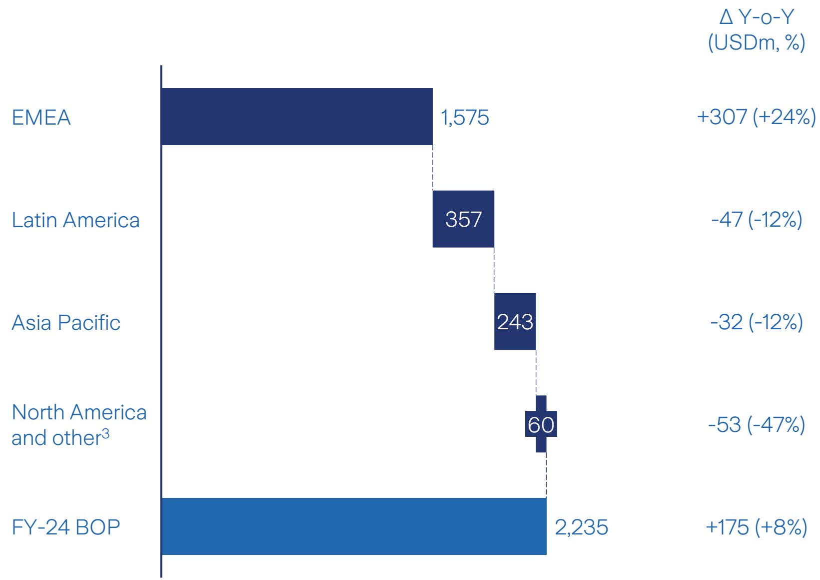
- The **Contractual Service Margin (CSM)** of the Life business increased 1% in FY-24 on a reported basis, with 8% growth in local currencies partially offset by the effect of U.S. dollar strength.
- **Operating variances** increased CSM by USD 260m driven primarily by EMEA, which saw a benefit from model alignment and assumption updates following the legacy book separation in Germany.
- **Economic variances** increased CSM by USD 904m. This includes ~USD 600m of expected return from in-force business, of which ~2/3 related to discount unwind and ~1/3 to contribution of excess return over discount rates. Furthermore, economic variances benefited from favorable market movements, especially in EMEA.
- **New business** added USD 1,094m of CSM, with protection and unit-linked contributing 66% and 28% of the total, respectively.
- **Amortization** into the P&L reduced CSM by USD 1,504m. This reflects a CSM amortization rate broadly in line with FY-23 and FY-22.
- Positive **underlying CSM accretion** of ~USD 200m in FY-24 resulting from new business CSM, expected return from in-force partially offset by CSM amortization.
- **FX and other movements** decreased CSM by USD 623m, with an unfavorable USD 774m impact from U.S. dollar appreciation partially offset by a USD 151m favorable impact from the non-completion of the disposal of a legacy Life back book in Germany and other movements.

Record high level of Life BOP, all drivers contribute to growth; strong increase in EMEA including non-recurring impacts

BOP by driver (USDm)



BOP by region (USDm)



1 Includes CSM amortization and risk adjustment release. CSM amortization includes USD 5m adjustment related to Argentina hyperinflation (USD 8m in FY-23).
2 Includes experience adjustments, net impact of onerous contracts, income tax expense or benefit attributable to policyholders, any fee result not related to investment contracts, and other result.
3 Includes Group Reinsurance.

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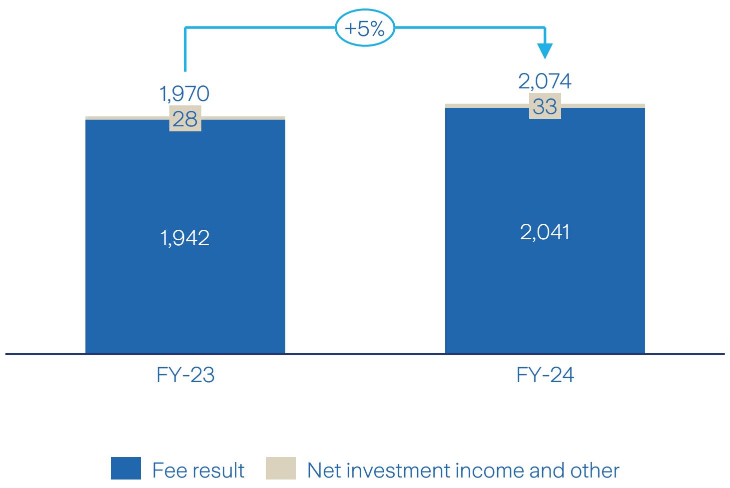
Commentary

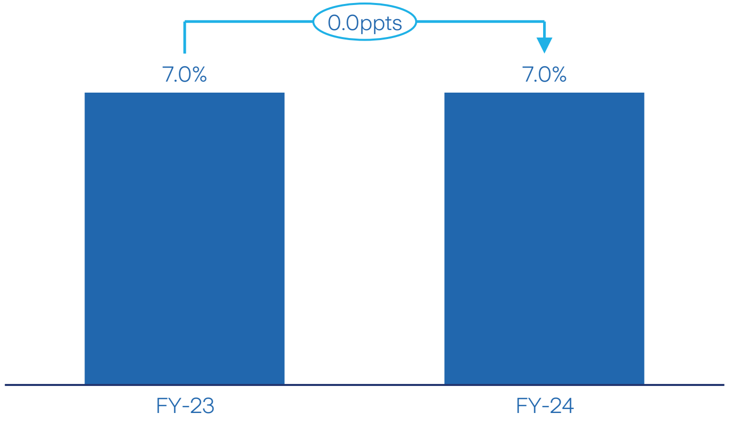
- In FY-24 the **Life** business generated BOP of USD 2,235m, an all-time high, driven by underlying growth and favorable experience.
- All key profit drivers contributed to Life BOP growth in FY-24. **Profit release** from long term contracts, which consists of CSM amortization and risk adjustment release, benefited from a higher contribution from protection businesses. Technical result from **short term protection contracts** continued to grow strongly driven by Latin America, as a result of higher revenues and margins broadly in line with the prior year. **Fee result** from investment contracts, which are predominantly written in EMEA, added USD 270m of BOP in FY-24. The 20% year on year increase was driven by higher assets under management and improved margins. BOP also benefited from ~USD 150m of **non-recurring impacts** in EMEA.
- In **EMEA**, BOP grew 24% year on year, driven by strong performance of fee businesses, primarily in Ireland and Switzerland, a strong contribution from protection, as well as the above mentioned non-recurring impacts.
- **Latin America** BOP was 12% below prior year, with growth in the technical result of short term protection offset by lower investment result and the impacts of inflation and currency depreciation in Argentina.
- **Asia-Pacific** BOP was 12% lower year on year, with the reduction reflecting a favorable non-recurring impact from re-pricing actions in Australia in the prior year.
- BOP for **North America and Other** was USD 53m below prior year, with the impact of improved mortality experience more than offset by a less favorable impact from assumption updates.

Growth in Farmers Exchanges[1] premiums drives higher FMS income, with MGEP margin at 7.0%

Business operating profit (USDm)



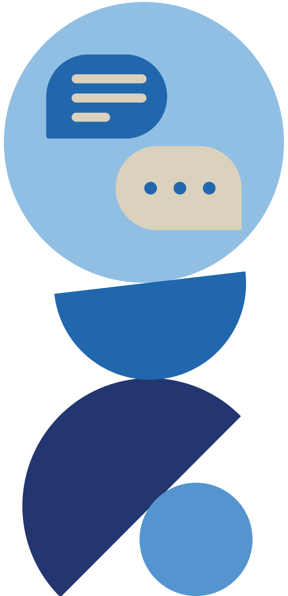
MGEP margin (%)[2]



1 For all references to Farmers Exchanges see the disclaimer and cautionary statement.
2 Margin on Gross Earned Premiums of the Farmers Exchanges.

Commentary

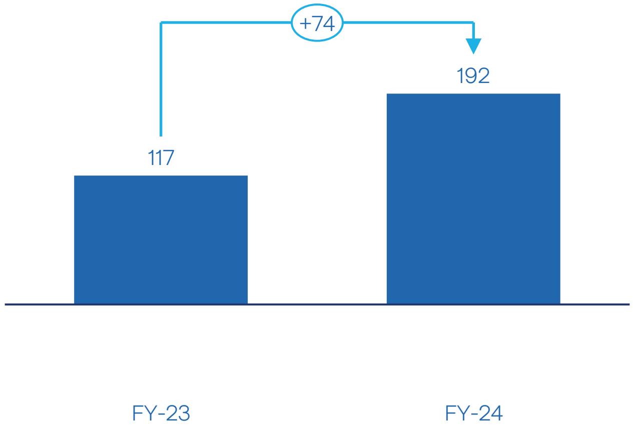
- **Farmers Management Services (FMS) BOP** increased 5% compared to the prior year, with Fee result driven by the higher gross earned premium base of the Farmers Exchanges[1] (up 4.9% compared to FY-23), lower operating expenses and the BOP contribution from the Brokerage entities acquired in December 2023.
- The **Managed Gross Earned Premium (GEP) margin** stood at 7.0%, the same as in prior year.



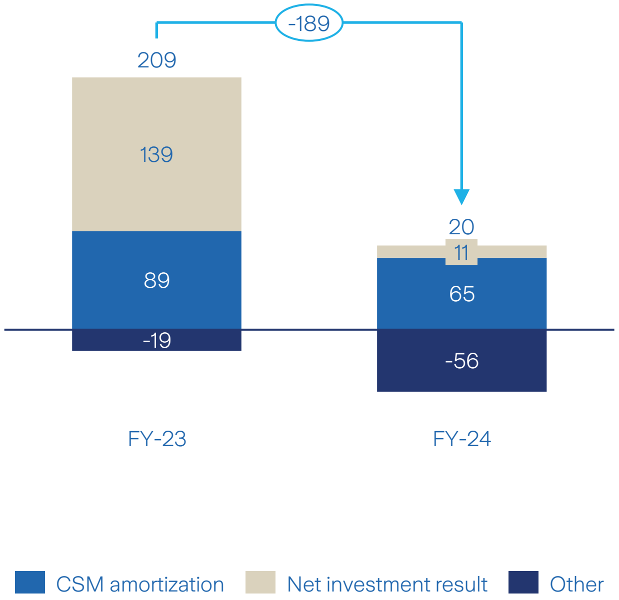
[1] For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Farmers Re benefits from improved underwriting result; Farmers Life reflects reinsurance transaction completed in 2023

Farmers Re BOP (USDm)

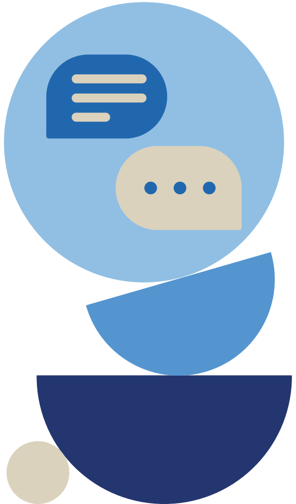


Farmers Life BOP (USDm)



Commentary

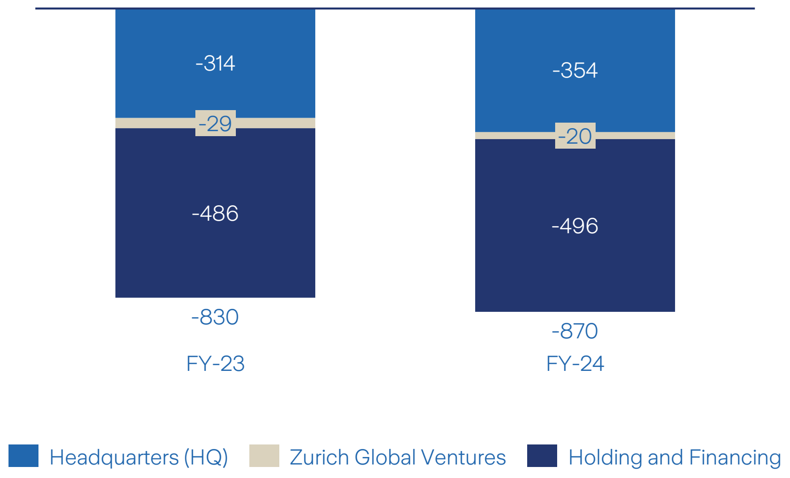
- **Farmers Re BOP** of USD 192m is USD 74m above prior year due to a lower combined ratio at a higher reinsurance participation percentage of 10.0%, compared to 8.5% in the prior year, and higher interest income. Effective December 31, 2024, the Farmers Reinsurance All Lines Quota Share treaty from Farmers Exchanges[1] decreased from 10.0% to 8.0%.
- **Farmers Life BOP** of USD 20m is USD 189m lower than prior year and reflects the reinsurance agreement to cede its individual life in-force book to Resolution Life which completed in August 2023.



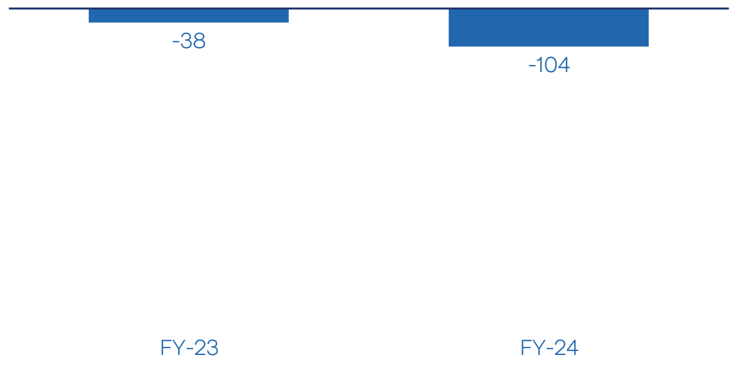
[1] For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Group Functions reported higher expenses; Non-Core Businesses losses from proactive actions on run-off portfolios

Group Functions and Operations BOP (USDm)

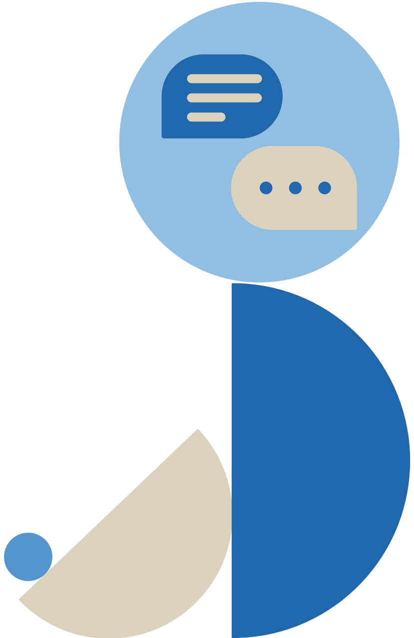


Non-Core Businesses BOP (USDm)



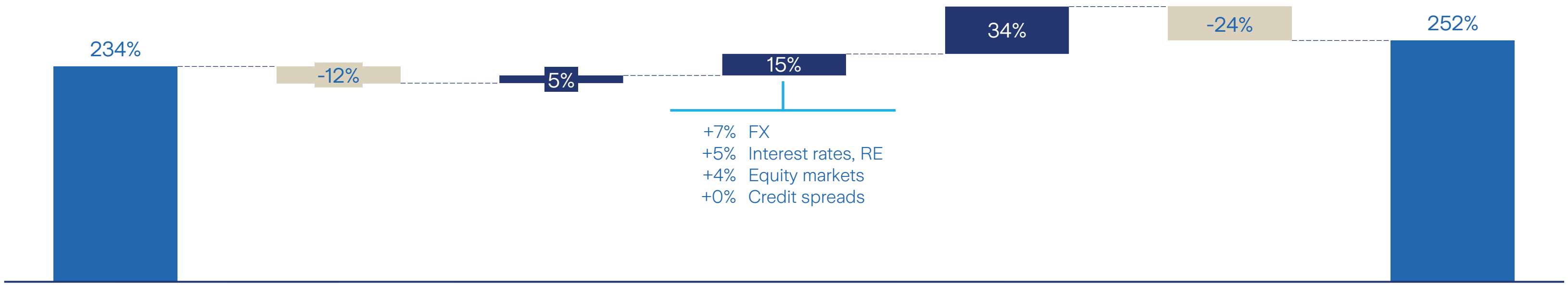
Commentary

- **Group Functions and Operations** reported net expenses of USD 870m compared to USD 830m in the prior-year period. The increased expenses in Headquarters unit driven by growth initiatives.
- The Group's **Non-Core Businesses**, which comprises run-off portfolios that are managed to proactively reduce risk and release capital, reported an operating loss of USD 104m for FY-24, compared to a loss of USD 38m in prior year. The result includes losses from reinsurance on certain run-off portfolios.



Very strong capital position with SST ratio at 252%

SST ratio (%)[1]

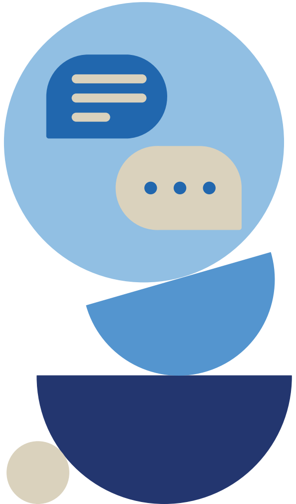


	FY-23	Assumption and model changes	Management actions and other	Market	Economic profit / business growth	Capital actions[2]	FY-24e
AFR (USDbn)[1]	34.3	+0.3	+0.1	+1.0	+5.7	-4.9	36.4
TC (USDbn)[1]	14.7	+0.9	-0.3	-0.5	+0.3	-0.5	14.4

[1] On Swiss Solvency Test (SST) see footnote on page 4. SST ratio is defined as: Available Financial Resources (AFR) / Target Capital (TC). AFR is net of Market Value Margin (MVM) of USD 3.7bn in FY-24e (USD 4.1bn in FY-23).
[2] Capital actions include dividend, debt movements and M&A.

Commentary

- As of FY-24e, the **Swiss Solvency Test (SST) ratio** based on the Group's Internal Model as approved by the Swiss Financial Market Supervisory Authority (FINMA) was estimated at 252%, well above the Group’s SST ratio floor of 160%.
- **The ratio was 19ppts higher compared with 234% recorded as of December 31, 2023**. The increase was driven by favorable market movements (+15ppts), economic profit (+34ppts, net of capital required for growth), as well as the positive impact from the disposal of an annuity book in Chile (+9ppts) which demonstrates our proactive management of market risk. The issuance of USD 500m of subordinated debt in October added 3ppts to the SST ratio. These movements more than offset an unfavorable impact from model and assumption changes (-12ppts mainly recorded in H1-24), the accrual of the proposed FY-24 dividend (-31ppts), as well as the impact of the acquisition of Kotak General Insurance in India and AIG’s global personal travel business (-3ppts and -4ppts respectively).
- **FY-24e SST ratio was 28ppts higher than the Q3-24 SST ratio of 224%.** The improvement was driven by favorable market movements (+13ppts), mainly due to U.S. dollar strength and higher interest rates, capital generation in excess of dividend accrual, as well as a net positive impact from capital actions, which included the above-mentioned disposal in Chile, the acquisition of AIG’s global personal travel business and the issuance of USD 500m of subordinated debt in October.



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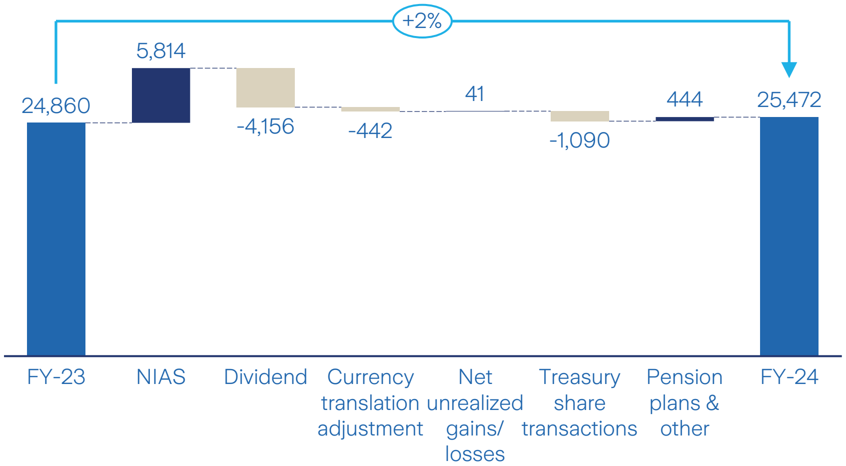
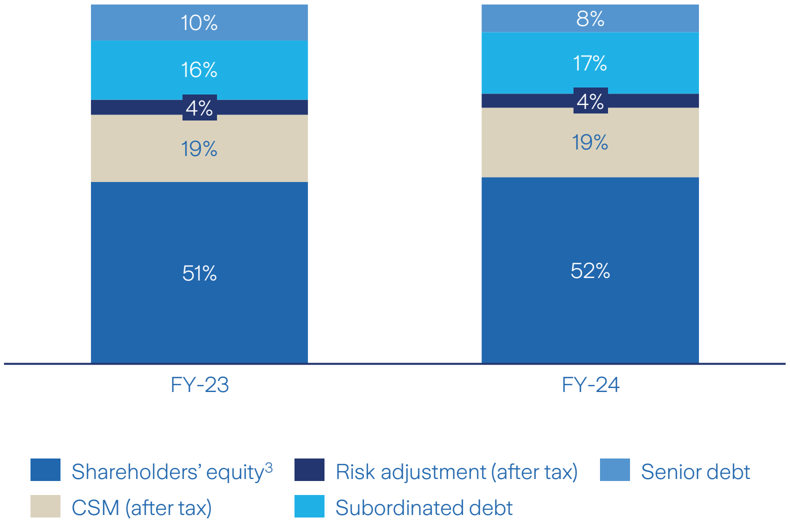
Shareholders' equity increases as strong NIAS covers dividend and share buyback

Shareholders' equity (USDm)[1]



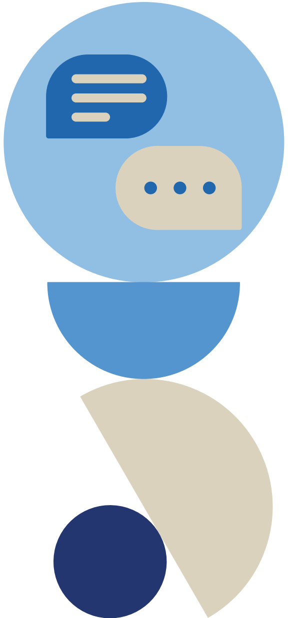
Capital structure (%)[2]



1 Includes effect of adoption of IFRS 9, IAS 29, and restatement under IFRIC 7 of USD 516m.
2 Based on IFRS balance sheet.
3 Including non-controlling interests.

Commentary

- **Shareholders' equity** increased by USD 0.6bn compared to year end 2023. This was driven by strong NIAS of USD 5.8bn, which more than compensated for the payment of the Group dividend of USD 4.2bn and USD 1.1bn of treasury share transactions mostly related to the share buyback program announced in February 2024.
- **CSM after tax** of USD 10.1bn was USD 0.4bn higher than in the prior year, driven by favorable movements in P&C, Life and Farmers.
- **Risk adjustment** after tax of USD 2.0bn was USD 0.2bn lower than in the prior year, driven by USD strengthening compared to main currencies and changes in reinsurance.
- The stock of **subordinated debt** increased by USD 0.3bn to USD 8.9bn, reflecting the issuance of USD 500m of subordinated debt in October and foreign currency movements.
- **Senior debt** declined year on year by USD 1.2bn to USD 4.0bn, following the repayment of a EUR 500m note in September, CHF 350m in December, as well as foreign currency movements.
- As a result, the proportion of debt in the IFRS based **capital structure** decreased to 24.8% compared to 26.5% in FY-23. Group leverage remains in line with the Moody's Aa range, with an estimated financial leverage of 21.5% as of FY-24.



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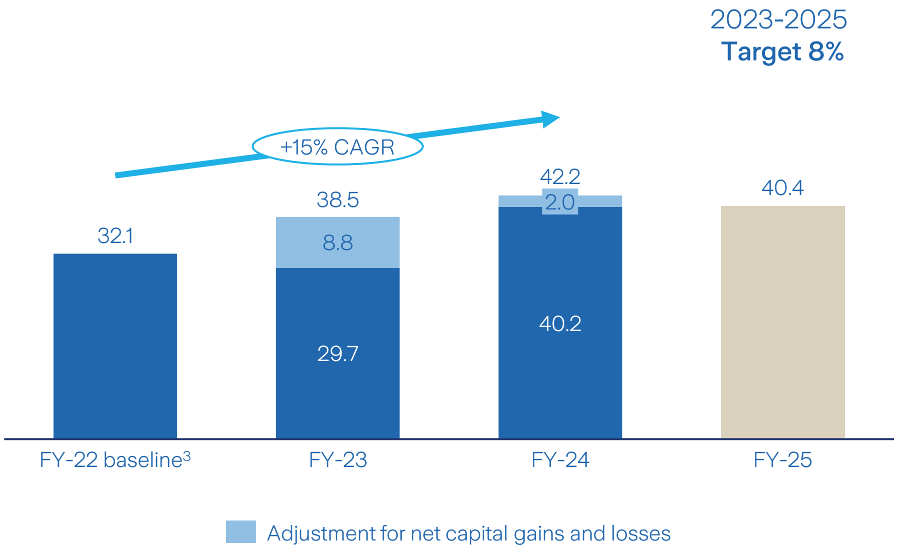
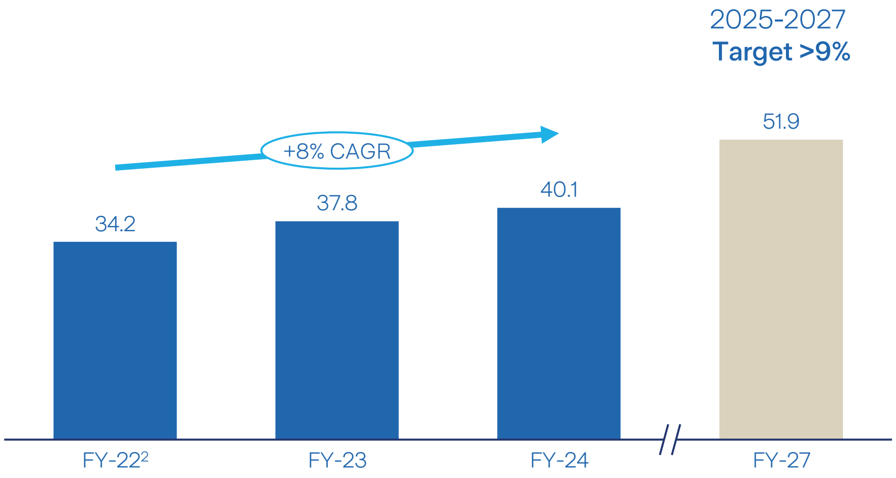
Appendix

Earnings per share performance against targets

2023-2025 cycle: Adjusted EPS (USD)[1]



2025-2027 cycle: Core EPS (USD)



1 Adjusted earnings per share substitutes actual net capital losses with net capital gains expected under long term market assumptions (~USD 0.8bn).
2 Based on IFRS 4.
3 The baseline for the 2023-2025 EPS growth target is the assumed achievement of the 5% EPS CAGR target of the 2020-2022 financial cycle (i.e., EPS of USD 32.1).

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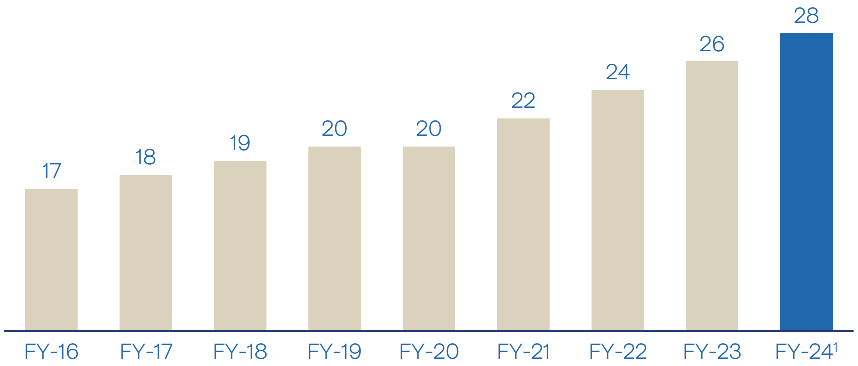
We are focused on continuing to reward our shareholders

Dividend policy[1]

- NIAS[2] payout ratio of ~75%
- Dividend increases based on sustainable earnings growth
- Minimum target of prior year level

Dividend per share (CHF)



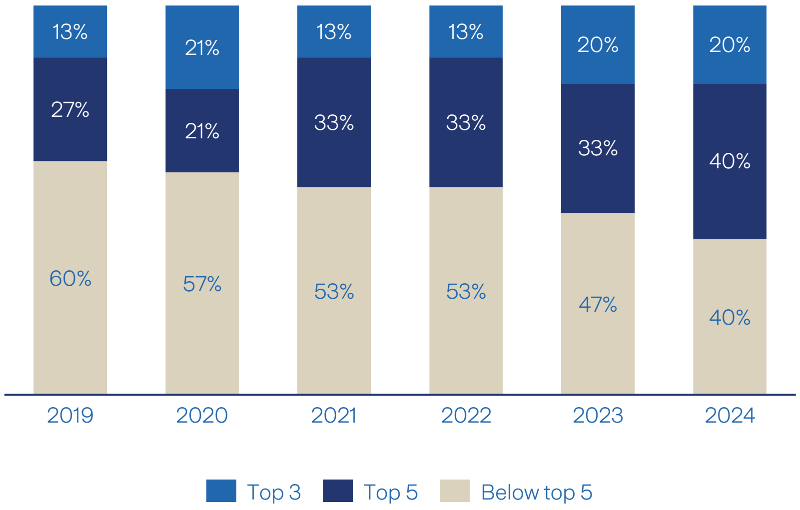
1 The dividend is subject to the approval by the shareholders at the Annual General Meeting.
2 Net income attributable to shareholders.

Update on customer satisfaction and brand consideration

tNPS[1] FY-24 vs. FY-23

Global[2]	+3.8pts
EMEA	+2.8pts
Asia Pacific	+6.6pts
Latin America	+3.8 pts
Farmers Exchanges[3]	-10.0 pts

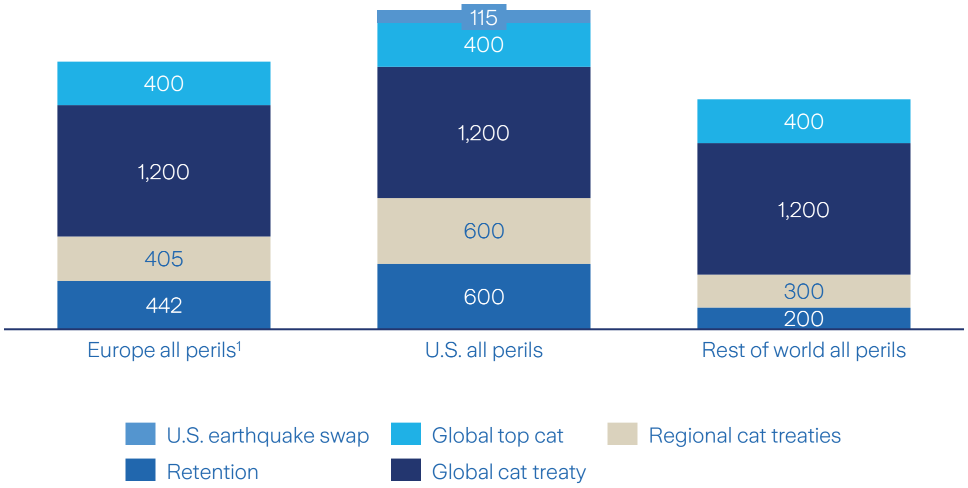
Brand consideration ranking[4]



1 Transactional net promoter score (Retail & SME).
2 Zurich Retail & SME. Does not include Farmers Exchanges.
3 For all references to Farmers Exchanges see the disclaimer and cautionary statement.
4 Retail markets in scope: Argentina, Australia, Austria, Brazil, Germany, Hong Kong (excluding 2020), Ireland, Italy, Japan, Malaysia, Mexico, Portugal, Spain, Switzerland, UK.

Reinsurance program protecting our balance sheet

Group catastrophe reinsurance protection (USDm)



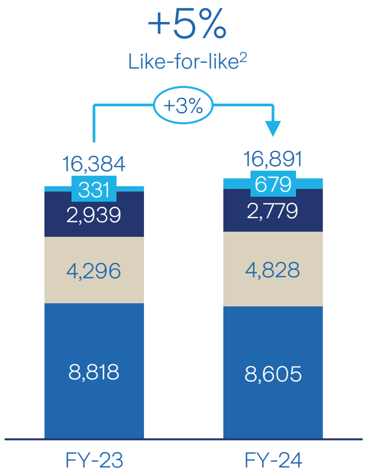
Main additional treaties

- Global property per risk
- Global surety excess of loss
- U.S. liability quota share

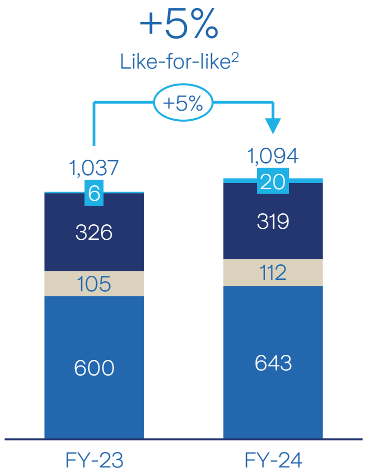
[1] Europe cat treaty calculated with EUR/USD exchange rate of 1.03965 as of January 31, 2025 (EUR 390m in excess of EUR 425m).

Strong new business and top-line growth driven by protection and unit-linked

Long term insurance[1]



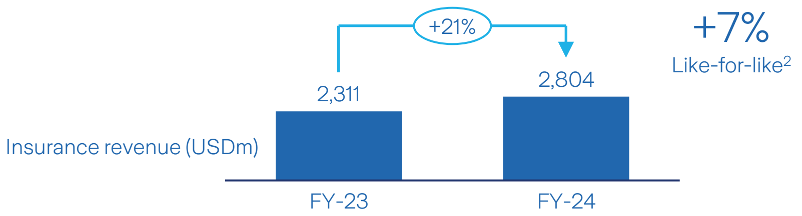
Present value of new business premiums (PVNBP) (USDm)



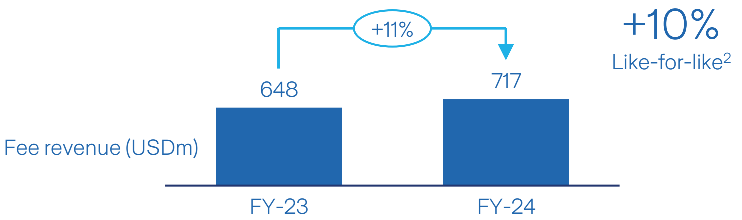
New business contractual service margin (NB CSM) (USDm)

EMEA | Latin America | Asia Pacific | Other[3]

Short term insurance[1]



Investment contracts[1]

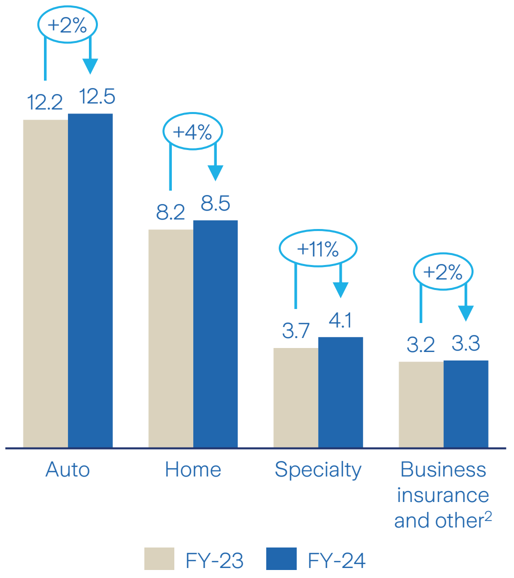


1 Long term insurance includes participating and non-participating contracts accounted for under the Building Block Approach (BBA) and Variable Fee Approach (VFA). Short term insurance includes non-participating contracts accounted for under the Premium Allocation Approach (PAA). Investment contracts include contracts which are accounted for under IFRS 9.
2 In local currencies, excluding Argentina and adjusted for acquisitions and disposals, for the reclassification of Zurich Global Employee Benefit Solutions from Group Functions and Operations to Life and for the impact of a Life portfolio accounted for with the premium allocation approach in 2024 (previously accounted for with the building block approach).
3 Other includes North America, Group Reinsurance and Eliminations.

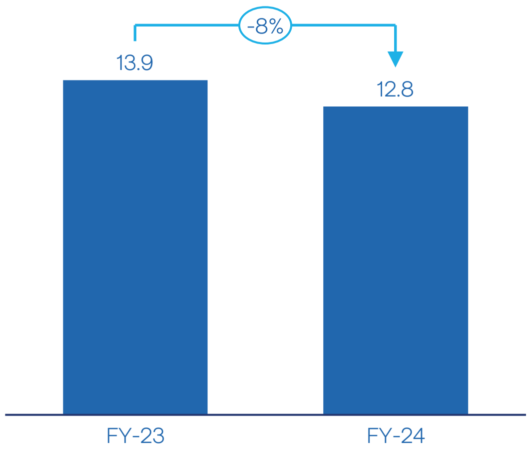
FARMERS INSURANCE

Pricing actions impact premiums favourably; organic surplus generation from strong underwriting results

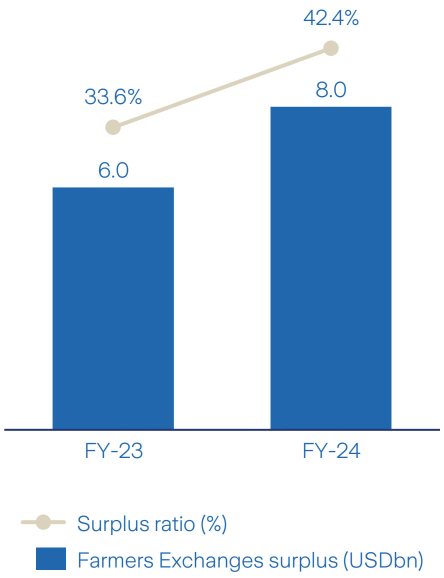
Gross written premiums (USDbn)



Policies-in-force (m)



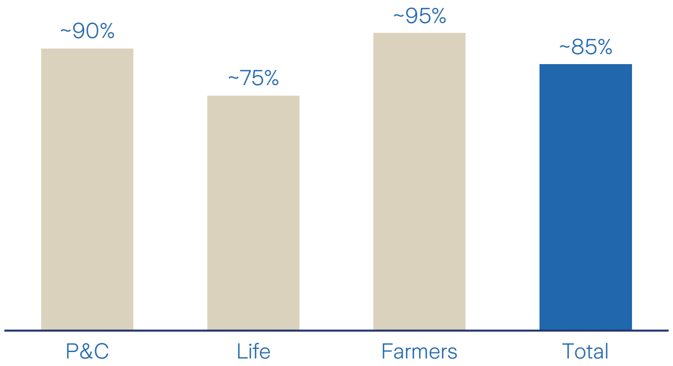
Surplus (USDbn, %)



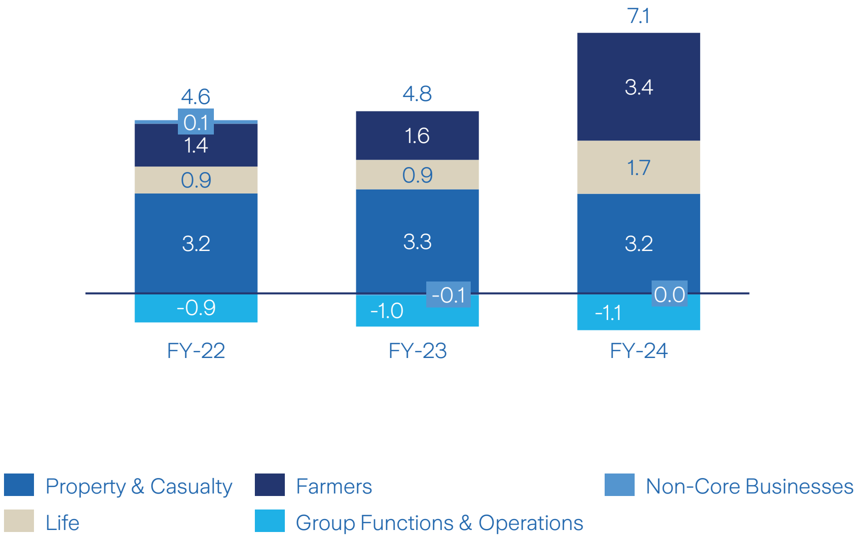
[1] For all references to Farmers Exchanges see the disclaimer and cautionary statement.
[2] Includes GWP from discontinued operations of USD 89m in FY-23 and USD 63m in FY-24.

Strong cash remittances from all business segments

Normalized cash remittances in % of NIAS

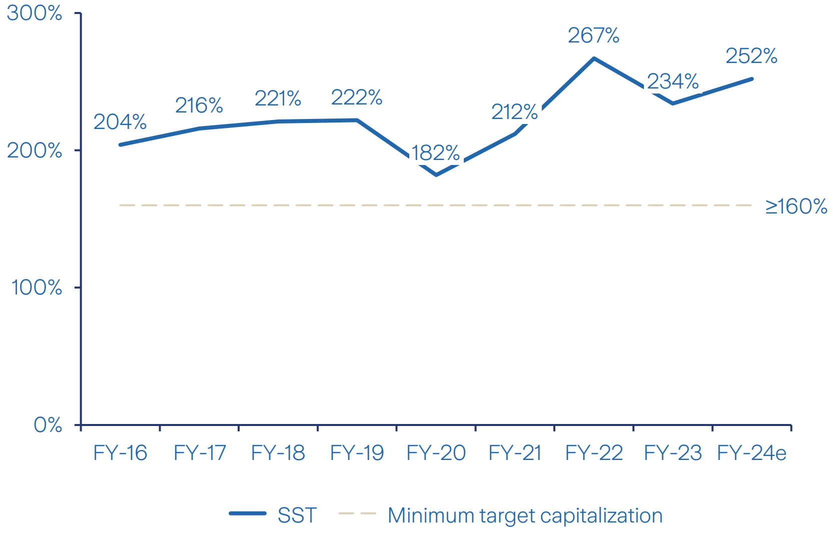


Cash remittances (USDbn)

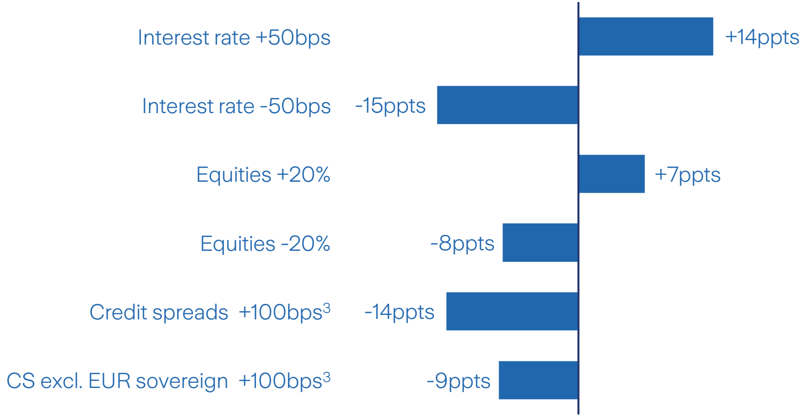


Very strong capital position, SST ratio well in excess of the 160% floor

Group Swiss Solvency Test (%)[1]



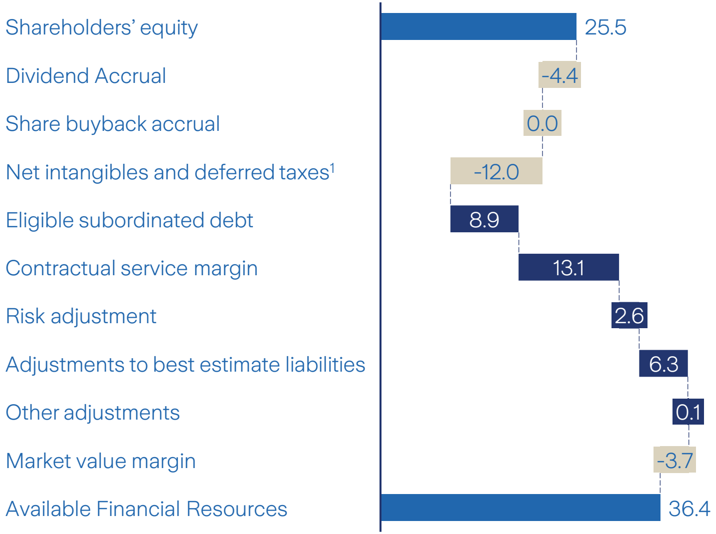
Q3-24 SST sensitivities impact (ppts)[2]



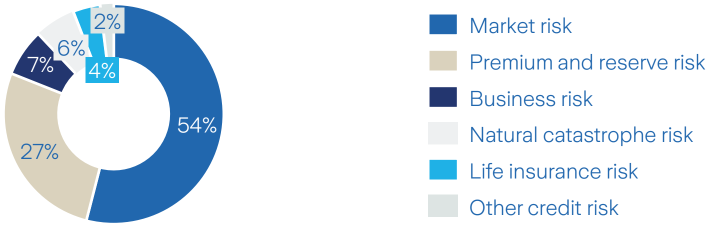
1 On Swiss Solvency Test (SST) see footnote on page 4.
2 Sensitivities are best estimates and include the impact on the pension plans in the UK. For the interest rate sensitivities, shocks are applied to the liquid part of the yield curve. Baseline adjusted for the impact of the Chile disposal and other Q4-24 changes.
3 Credit Spreads (CS) include mortgages. CS sensitivities of available capital include changes to the volatility adjustment applied to interest rates curves.

Well diversified capital base by business segment

FY-24 Available Financial Resources (USDbn)



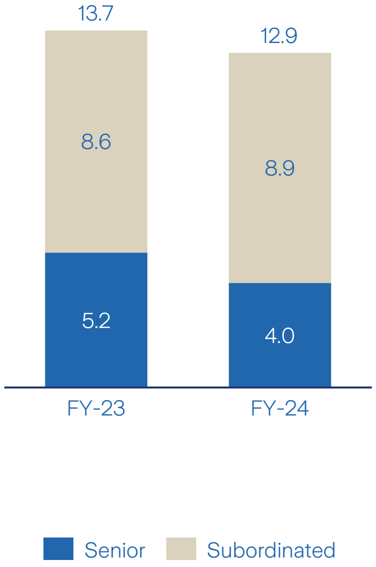
FY-24 Risk Capital Split (%)[2]



1 Net intangibles excluding insurance acquisition cash flows, gross of non-controlling interests.
2 Split is based on the contribution to the aggregated risk.
3 Includes Farmers, Group Functions & Operations and Non-Core Businesses.

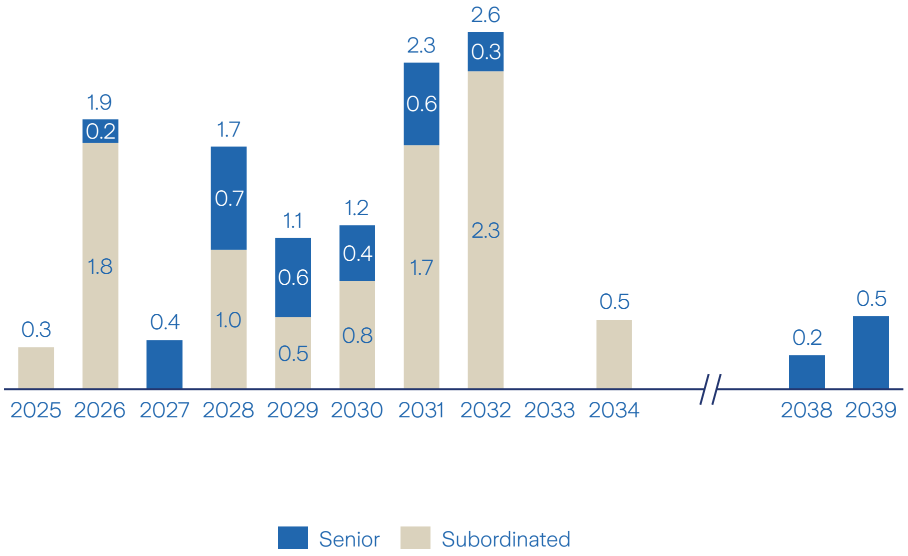
Low average debt cost and balanced maturity profile

Debt (USDbn) and average debt cost (%)



Average debt cost (%)	FY-23	FY-24
Subordinated	3.9%	4.1%
Senior	1.8%	1.8%
Total	3.1%	3.2%

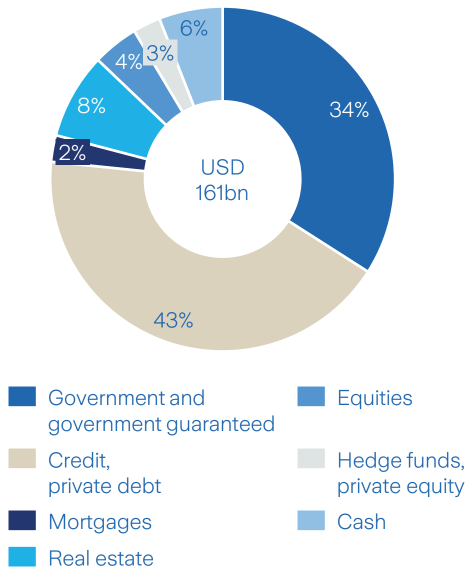
Balanced refinancing needs (USDbn)[1]



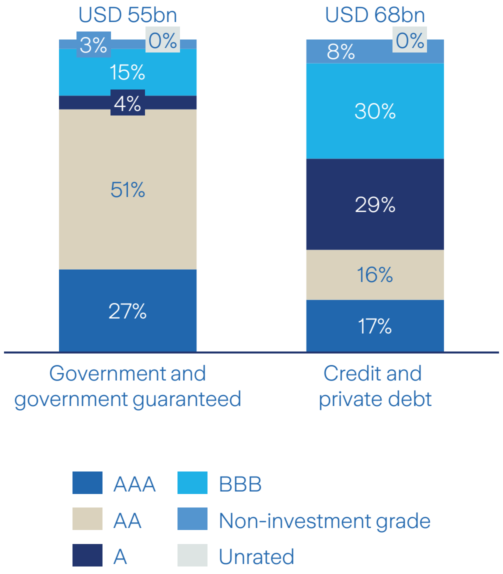
[1] Maturity profile based on first call date for subordinated debt and maturity date for senior debt, excluding commercial papers.

Well diversified and high-quality investment portfolio

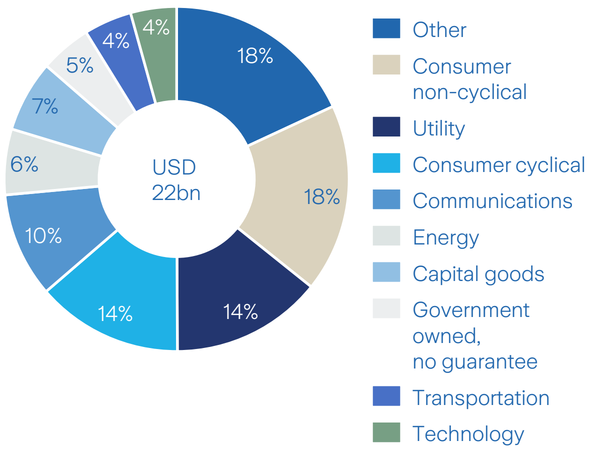
FY-24 Group investments (%)[1]



FY-24 asset quality (%)



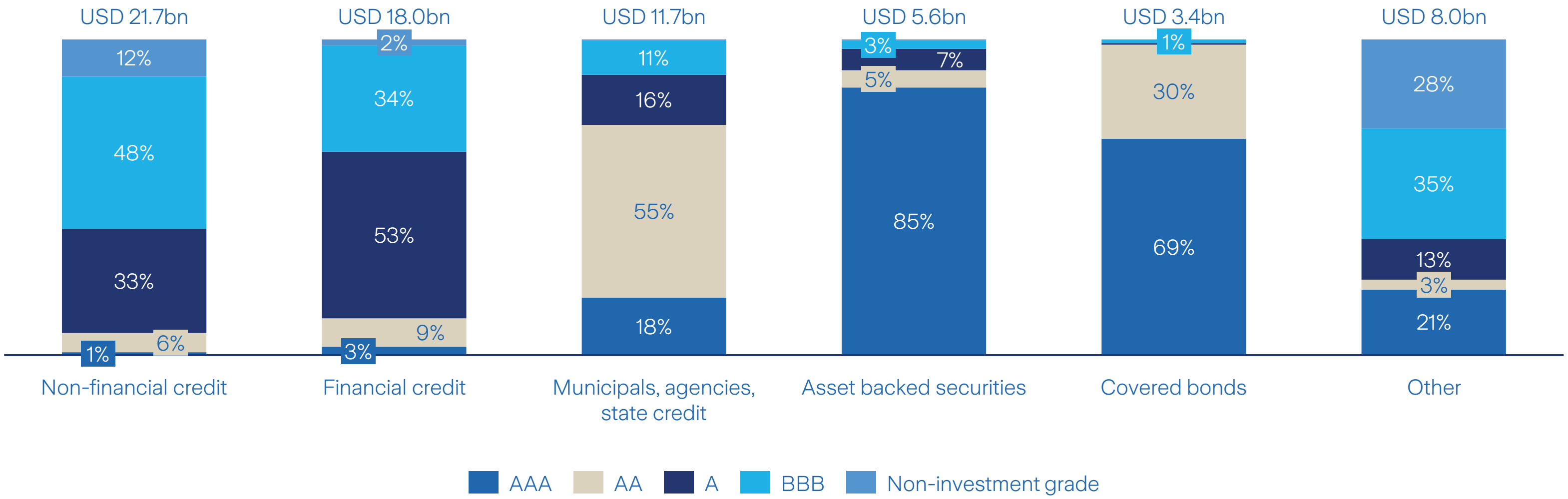
FY-24 non-financial credit (%)



1 Market value of the investment portfolio (economic view).

Well diversified and high-quality credit and private debt exposure

FY-24 rating of credit and private debt securities (%)



Calculation of like-for-like growth

Like-for-like growth

Business	KPI	FY-23 (USDm)			FY-24 (USDm)				Like-for-like (%)
		Rep	M&A/Other[1]	Adj	Rep	FX	M&A/Other[1]	Adj[1]	
P&C	GWP	44,401	(398)	44,003	46,624	291	(897)	46,018	5%
P&C	Insurance revenue	42,293	(326)	41,967	44,792	251	(892)	44,151	5%
Life	GWP[2]	32,214	(120)	32,094	33,061	522	(319)	33,264	4%
Life – long term insurance	PVNBP	16,384	(215)	16,169	16,891	424	(281)	17,033	5%
Life – long term insurance	NB CSM	1,037	(28)	1,009	1,094	17	(52)	1,059	5%
Life – short term insurance	Insurance revenue	2,311	(126)	2,185	2,804	151	(607)	2,348	7%
Life – investment contracts	Fee revenue	648	-	648	717	-4	-	713	10%

1 In constant rates. Other includes Argentina (distorted by inflation and currency devaluation), the effect of the reclassification of Zurich Global Employee Benefit Solutions from Group Functions and Operations to Life.
2 Gross written premiums for protection and gross policyholder inflows (including deposits) for unit-linked and savings & annuities (including investment and asset management contracts).

Other information

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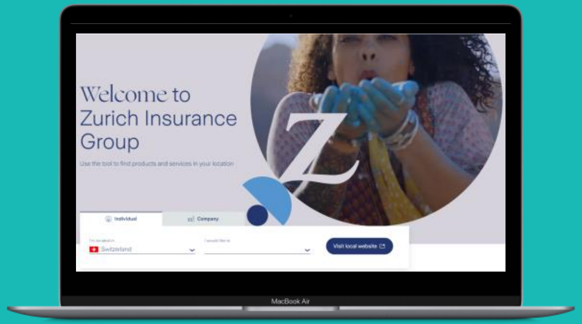

Investor Relations website

Financial results and reports

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Upcoming events

- March 6, 2025 – Annual Report 2024
- March 31, 2025 – P&C reserve disclosure 2024
- April 9, 2025 – Annual General Meeting 2025
- May 8, 2025 – Update for the three months ended March 31, 2025
- August 7, 2025 – Half year results 2025
- November 6, 2025 – Update for the nine months ended September 30, 2025
- November 18, 2025 – Investor Update