News release

ZURICH

Zurich to transfer UK legacy employers' liability portfolio to Catalina

- **Portfolio includes gross liabilities of USD 2 billion**
- **Transaction will be completed in two steps**
- **Transaction is expected to have a small negative impact on business operating profit in the fourth quarter of 2018 and a small positive impact on Zurich's capital position in the first quarter of 2019**

Zurich, December 17, 2018 – Zurich Insurance Group (Zurich) today announced that its subsidiary Zurich Insurance plc has entered into an agreement with Catalina Holdings (Bermuda) Ltd and certain of its subsidiaries (Catalina), a specialist acquirer of legacy insurance portfolios, to transfer its pre-2007 UK legacy employers' liability policies[1] to Catalina.

As of December 31, 2017, the portfolio comprised gross liabilities of USD 2 billion relating principally to industrial disease related claims, including asbestos.

George Quinn, Group Chief Financial Officer, commented: "The sale of this portfolio reflects Zurich's strategy to eliminate or reduce exposure to legacy lines of business. This focus on actively managing capital allocation to improve overall returns will continue in 2019."

The transaction will be completed in two steps. The first step will consist of a reinsurance agreement between Zurich Insurance plc and Catalina General Insurance Ltd., a Bermudan reinsurer. In a second step the policies and liabilities will be transferred to Catalina London Limited, a UK insurer. The transaction is subject to regulatory and court approvals, with the final transfer expected to occur within two years.

In the fourth quarter of 2018 upfront expenses related to the transaction are expected to lead to a small loss recognized in business operating profit, while over the full period to completion of the transfer of the policies the Group expects to achieve an overall positive contribution to the business operating profit.

The transaction is expected to have a negligible impact on Zurich's Economic Capital Model (Z-ECM) capital position and a modest positive benefit to capital under the S&P model expected in the first quarter of 2019.

[1] The transfer excludes Zurich Municipal policies, International Programme policies and certain packaged policies.

Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With about 53,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

Contact
Zurich Insurance Group Ltd
Austrasse 46, 8045 Zurich, Switzerland
www.zurich.com
SIX Swiss Exchange/SMI: ZURN, Valor: 001107539

Media Relations
Neil Gordon-Henderson, Thomas Baer, Riccardo Moretto
phone +41 (0)44 625 21 00
Twitter @Zurich
media@zurich.com

Investor Relations

Richard Burden, Francesco Bonsante, Samuel Han, Michèle Matlock, Gianni Vitale
phone +41 (0)44 625 22 99, fax +41 (0)44 625 36 18
investor.relations@zurich.com