

Zurich posts record earnings, strong delivery sets the pace for new plan, raises dividend

- **Record profit, ROE and cash remittances:** Group business operating profit (BOP) of USD 7.8 billion, return on equity (Core ROE¹) at 24.6%, cash remittances at USD 7.1 billion
- **Sustainable earnings growth:** Adjusted Earnings per share² at USD 42.2, up 10%, net income attributable to shareholders at USD 5.8 billion
- **Property & Casualty (P&C)** BOP up 8% to USD 4.2 billion and improved combined ratio of 94.2%
- **Life** BOP at USD 2.2 billion driven by strong momentum in the unit-linked and protection businesses
- **Farmers** BOP reaches USD 2.3 billion, showing strong underlying growth; Farmers Exchanges³ combined ratio improves to 91.4%
- **Very strong capital position:** Swiss Solvency Test (SST) ratio at 252%⁴
- **Attractive dividend:** proposed dividend increase of 8% to CHF 28 per share
- **Board nomination:** Thomas Jordan nominated for election to Board of Directors

Zurich Insurance Group (Zurich) delivered record results, driven by strong momentum in all areas of the business, with P&C and Life achieving their highest-ever business operating profits and the Farmers Exchanges³ lowering their combined ratio by 12 percentage points in just one year. This strong set of results together with Zurich's track record of consistent delivery position the company strongly at the beginning of the new three-year cycle.

The Group's attractive dividend policy is confirmed by proposing a dividend of CHF 28 per share, an increase of 8%. Over the last eight years, Zurich has distributed more than CHF 28 billion to its shareholders in cash dividends and share buybacks contributing to an industry-leading total shareholder return of 16% per year.⁵

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All our businesses delivered an outstanding performance in 2024. P&C and Life posted their best-ever results and Farmers grew profitably. We continue to experience positive rate momentum in our commercial business and a healthy pricing environment in retail, positioning us strongly at the start of the new cycle for which we have already set our most ambitious targets yet. This reinforces our ability to execute and deliver on our plans and our commitment to create consistent long-term value for all our stakeholders.

Mario Greco, Group Chief Executive Officer

Select financial highlights (unaudited)

in USD billions, for the 12 months ended December 31, 2024, unless otherwise stated
(For a more comprehensive set of financial highlights see page 7)

BOP	NIAS	Core ROE ¹	Adjusted EPS (in USD) ²
7.8	5.8	24.6%	42.2
2023: 7.4 Change in USD: 5%	2023: 4.4 Change in USD: 34%	2023: 23.0% Change: 1.6pts	2023: 38.5 Change: 10%

Zurich's P&C business continues to increase profitability by focusing on underwriting discipline, maintaining a balanced portfolio, and simplifying customer and broker interactions. As a result of these efforts, P&C increased its insurance revenue to USD 44.8 billion, up 6%, and improved its combined ratio to 94.2%. The Group's leading Commercial Insurance business delivered a strong BOP of USD 3.4 billion, while the Retail business increased its BOP to USD 1.0 billion, up USD 618 million or 171%.

Life shows ongoing successful execution of its strategy supported by a robust underlying performance, delivering a record BOP of USD 2.2 billion, up 8% compared to the prior year. Gross premiums⁶ grew strongly in capital-light lines to USD 29.6 billion, with the unit-linked and protection businesses up 6% on a like-for-like⁷ basis. Building on this consistently strong delivery and to capture further growth opportunities, the Group has consolidated its Life protection business under a single unit, as announced at the November 2024 Investor Day.

The Farmers Exchanges³ continued their positive momentum, with gross written premiums up 4% compared with the prior year and a 11.9 percentage points improvement in the combined ratio to 91.4%. The surplus ratio was estimated at 42.4% as per December 31, 2024, well above the target range of 34-38%. These results reflect the positive impacts from the ongoing business transformation at Farmers and the Farmers Exchanges³ over the last year and position the business well for further growth.

As a result, Farmers Management Services (FMS) contributed a record BOP of USD 2.1 billion. This is a 5% increase compared to the prior year, reflecting the growth at the Farmers Exchanges³, lower operating expenses and the BOP contribution from the brokerage entities Zurich acquired from the Farmers Exchanges³ in December 2023.

2025 California wildfires

The Farmers Exchanges,³ which are based in California, are deeply committed to supporting the recovery process for all their customers, employees and communities impacted by the devastating fires that occurred in the first quarter of 2025. As communicated by the Farmers Exchanges³ [↗](#), initial estimates indicate an expected net pre-tax loss resulting from the wildfires of USD 600 million⁸ and approximately USD 250 million reinstatement premium payment. Farmers' strong capital base and underlying profitability positions it well to manage this event and continue to grow the business.

For Zurich, this event is estimated to have a pre-tax impact of USD 200 million including Farmers Re.

Outlook

Zurich expects compound annual growth in Core earnings per share (EPS)² to exceed 9% in 2025–2027 compared to a baseline of USD 40.1, a Core ROE¹ of more than 23% in 2027 as well as cumulative cash remittances in excess of USD 19 billion over the three-year cycle. This compares with a target of 8% CAGR of EPS growth in 2023–2025, a BOPAT ROE of more than 20% in 2025 and cumulative cash remittances in excess of USD 13.5 billion over the period 2023–2025, all of which were established at the 2022 Investor Day.

The investor and media presentation provides more detailed guidance for the 2025 earnings outlook. It includes mid-single digit percentage growth in insurance revenue for P&C, with the Life BOP expected to be in line with the record high level of 2024.

Business performance

Property & Casualty

in USD millions, for the 12 months ended December 31, 2024, unless otherwise stated

	2024	2023	Change in USD	Change like-for- like ⁷
P&C business operating profit (BOP)	4,204	3,893	8%	8%
P&C gross written premium and policy fees	46,624	44,401	5%	5%
P&C insurance revenue	44,792	42,293	6%	5%
P&C combined ratio	94.2%	94.5%	0.2pts	n.m.

P&C business operating profit (BOP) of USD 4,204 million was 8% higher than in the previous year in U.S. dollars and on a like-for-like⁷ basis. The Group benefited from a stronger insurance revenue, lower combined ratio and higher investment result.

Gross written premiums grew 5% in U.S. dollars and on a like-for-like⁷ basis, but less favorable commodity prices in the U.S. crop business led to a reduction of USD 0.6 billion of gross written premiums. Excluding crop, gross written premiums increased 7%. The Group achieved exposure adjusted price increases of 4%. Insurance revenue rose 6% in U.S. dollars and 5% on a like-for-like⁷ basis, benefiting from the earn-through of growth in gross written premiums.

The combined ratio of 94.2% improved 0.2 percentage points year-over-year. A strong improvement in the loss ratio was partially offset by an increase in the expense ratio.

In Commercial Insurance, gross written premiums increased 2% on a like-for-like⁷ basis with an overall rate increase of 4% compared with the prior year. Gross written premiums remained flat on a like-for-like⁷ basis in North America, driven by lower crop insurance volumes. In Europe, Middle East and Africa (EMEA), gross written premiums increased 7% on a like-for-like⁷ basis, mainly driven by higher property business volumes.

The combined ratio of 92.3% increased 0.9 percentage points year-over-year, with underlying improvement offset by a 1.5 percentage point increase related to higher catastrophe losses.

In Retail, gross written premiums increased 11% on a like-for-like⁷ basis supported by rate changes of 5%. EMEA showed strong top-line growth of 9% on a like-for-like⁷ basis due to further rate strengthening driven by an 8% increase in motor rates, and an increase in overall net new business. Asia Pacific grew gross written premiums by 16% on a like-for-like⁷ basis due to a strong contribution from all markets driven by growth in motor and travel. Latin America increased gross written premiums by 14% on a like-for-like⁷ basis, led by increased retail sales across the region.

The combined ratio of 96.5% improved 3.4 percentage points year-over-year, mainly due to a lower level of catastrophe losses.

Life

in USD millions, for the 12 months ended December 31, 2024, unless otherwise stated

	2024	2023	Change in USD	Change like-for- like ⁷
Life business operating profit (BOP)	2,235	2,060	8%	9%
Life gross premiums ⁶	33,061	32,214	3%	4%
Life present value of new business premiums (PVNBP)	16,891	16,384	3%	5%
Life new business contractual service margin (NB CSM)	1,094	1,037	5%	5%
Life insurance revenue, short-term contracts	2,804	2,311	21%	7%
Life fee revenue, investment contracts	717	648	11%	10%

Life BOP grew 8% to USD 2.2 billion, an all-time high. EMEA benefited from strong performance of fee businesses, growth in the contractual service margin (CSM), a higher investment result, favorable experience in Germany and the UK, as well as approximately USD 150 million of non-recurring benefits. In Asia Pacific and North America, underlying growth was more than offset by the non-recurrence of favorable one-off impacts in the prior year. In Latin America, BOP was affected by adverse market movements in Argentina, mainly in the first half, while the technical result from short-term protection products continued to grow.

Life gross premiums⁶ and new business premiums (PVNBP) increased 4% and 5% respectively on a like-for-like⁷ basis, driven by growth in Zurich's preferred lines of protection and unit-linked. This more than offset lower sales in savings, which saw exceptional volumes in Spain in the prior-year period.

Protection gross premiums⁶ increased 7% on a like-for-like⁷ basis to USD 8.7 billion, 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 Brazil and Mexico, while Asia Pacific benefited from higher sales in Japan and Australia. Protection new business premiums increased 6% on a like-for-like⁷ basis to USD 5.7 billion, driven by growth in EMEA, most notably in the UK and Switzerland. Insurance revenues for short-term protection products increased 7% on a like-for-like⁷ basis, driven by sales growth in Latin America.

Unit-linked gross premiums⁶ grew 5% on a like-for-like⁷ basis to USD 20.9 billion, benefiting from strong inflows from investment contracts in Ireland and retirement savings in Latin America through the joint venture with Banco Santander. Unit-linked new business premiums rose 18% on a like-for-like⁷ 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. Fee revenue generated by investment contracts, which are mainly written in EMEA, grew 10% on a like-for-like⁷ basis driven by higher assets under management resulting from favorable market movements and net inflows.

Farmers

in USD millions, for the 12 months ended December 31, 2024, unless otherwise stated

	2024	2023	Change in USD ⁹
Farmers			
Farmers business operating profit (BOP)	2,286	2,296	(0%)
Farmers Exchanges³			
Gross written premiums	28,371	27,351	4%
Gross earned premiums	28,004	26,702	5%
Combined ratio	91.4%	103.3%	11.9pts
Surplus ratio	42.4%	33.6%	8.8pts

Farmers BOP of USD 2.3 billion was in line with the record level achieved in 2023. A record Farmers Management Services (FMS) result was supported by higher gross earned premiums by the Farmers Exchanges³ and lower operating expenses. Farmers Re BOP compared favorably with the prior year following improved underwriting at the Farmers Exchanges³ and a higher participation rate of 10.0% compared with 8.5% in 2023. These favorable factors were offset by a lower BOP from Farmers Life, reflecting the completion of the reinsurance agreement to cede its in-force individual life portfolio to Resolution Life in August 2023.

The Farmers Exchanges³ which are owned by their policyholders, reported an increase of 4% in gross written premiums reflecting growth in most books of business. Gross earned premiums increased by 5%.

The Farmers Exchanges³ combined ratio of 91.4% was 11.9 percentage points lower than in 2023, reflecting higher premium rates and moderating cost trends, and an improved expense ratio. The continued strong focus on pricing led to an earned rate impact of 17.4% for the 12 months period.

The surplus ratio improved by 8.8 percentage points to 42.4%, driven by favorable underwriting results and investment income partially offset by interest expense on surplus notes and funds withheld balances.

Capital position

As of December 31, 2024, Zurich's Swiss Solvency Test (SST) ratio was estimated at 252%⁴, which compares with 234% as of December 31, 2023. The increase was mainly driven by favorable market movements, capital generation in excess of dividend accrual, as well as a positive impact from the disposal of an annuity book in Chile and the issuance of USD 500 million of subordinated debt in October. Cash remittances rose by USD 2.4 billion to USD 7.1 billion driven by operational earnings and remittances of excess capital.

In 2024, Zurich became one of the best-in-class insurers among European peers for its financial strength ratings with three rating agencies. This is the result of recent upgrades by Moody's (Financial Strength rating to Aa2 from Aa3 in September) and AM Best (Issuer Credit rating upgraded to aa from aa- in November). S&P's Insurance Financial Strength (IFSR) rating remained at the AA level. This reflects the recognition of the Group's diversified and resilient earnings profile, balance sheet strength and strong capital flexibility, underpinned by conservative risk management.

Board nomination

The Board of Directors will propose the election of Thomas Jordan to the Board at Zurich's Annual General Meeting on April 9, 2025. Mr. Jordan has substantial international financial market and monetary policy experience, as his nomination follows a distinguished career at the Swiss National Bank, where he was Chairman of the Governing Board from 2012 until 2024, after having been appointed as Vice-Chairman in 2010. In 2004 the Swiss Federal Council appointed him as Alternate Member of the Governing Board and Chief Investment Officer of the Swiss National Bank, before appointing him as Member of the Governing Board in 2007.

¹ Previously referred to as BOPAT ROE.

² Adjusted earnings per share (EPS) substitutes actual net capital gains and losses with net capital gains expected under long term market assumptions (~USD 0.8 billion). Full-year 2024 EPS on a reported basis was USD 40.2. Core EPS, which is based on business operating profit after tax (BOPAT), was USD 40.1 in the full-year 2024.

³ Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc. (FGI), a wholly owned subsidiary of the Group, and certain of its subsidiaries, provide certain non-claims and ancillary services to the Farmers Exchanges as their attorney-in-fact and receive fees for their services.

⁴ Estimated Swiss Solvency Test (SST) ratio as of December 31, 2024, 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.

⁵ Annualized TSR in USD from January 1, 2017, to December 31, 2024.

⁶ Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).

⁷ Like-for-like comparisons represent the change in local currencies and after adjusting for acquisitions and disposals and excluding Argentina. Including Argentina, P&C GWP like-for-like growth +6% and P&C Insurance revenue like-for-like growth +6%, Life GWP like-for-like growth +4%, Life PVNBP and NB CSM like-for-like growth +6%.

⁸ Estimate is before the impact of the Farmers Exchanges All Lines Quota Share reinsurance.

⁹ Parentheses around numbers represent an adverse variance.

Financial highlights (unaudited)

The following table presents the summarized consolidated results of the Group for the twelve months ended December 31, 2024, and December 31, 2023, and the financial position as of December 31, 2024, and December 31, 2023, respectively. All amounts are shown in U.S. dollars and rounded to the nearest million unless otherwise stated, with the consequence that the rounded amounts may not add up to the rounded total in all cases. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts. This document should be read in conjunction with other financial reports published by Zurich Insurance Group on zurich.com. In addition to the figures stated in accordance with International Financial Reporting Standards (IFRS), the Group uses business operating profit (BOP), new business measures and other performance indicators to enhance the understanding of its results. Details of these measures are set out in the separately published Glossary. These should be viewed as complementary to, and not as substitutes for the IFRS figures.

Financial highlights (unaudited)

in USD millions, for the 12 months ended December 31, 2024, unless otherwise stated

	2024	2023	Change ¹
Business operating profit (BOP)	7,751	7,381	5%
Net income attributable to shareholders after tax	5,814	4,351	34%
P&C business operating profit (BOP)	4,204	3,893	8%
P&C gross written premiums and policy fees	46,624	44,401	5%
P&C insurance revenue	44,792	42,293	6%
P&C combined ratio	94.2%	94.5%	0.2pts
Life business operating profit (BOP)	2,235	2,060	8%
Life gross premiums ²	33,061	32,214	3%
Life present value of new business premiums (PVNBP)	16,891	16,384	3%
Life insurance revenue, short-term contracts	2,804	2,311	21%
Life fee revenue, investment contracts	717	648	11%
Farmers business operating profit (BOP)	2,286	2,296	(0%)
Farmers Management Services managed gross earned premium (MGEP) margin	7.0%	7.0%	0.0pts
Average Group investments ³	148,383	142,389	4%
Net investment result on Group investments ³	6,814	4,687	45%
Net investment return on Group investments ^{3,4}	4.6%	3.3%	1.3pts
Total return on Group investments ^{3,4}	4.3%	6.3%	(2pts)
Shareholders' equity	25,472	24,860	2%
Swiss Solvency Test ⁵	252%	234%	19pts
Diluted earnings per share (in CHF)	35.33	26.71	32%
Core earnings per share (in USD)	40.08	37.85	6%
Book value per share (in CHF)	162.23	145.40	12%
Return on common shareholders' equity (ROE) ⁶	24.7%	18.1%	6.6pts
Business operating profit (after tax) return on common shareholders' equity (Core ROE) ⁶	24.6%	23.0%	1.6pts

¹ Parentheses around numbers represent an adverse variance.

² Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).

³ Including investment cash and derivatives.

⁴ Calculated on average Group investments.

⁵ Estimated Swiss Solvency Test ratio (SST) ratio as of December 31, 2024, 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.

⁶ Shareholders' equity used to determine ROE and Core ROE includes net unrealized gains/(losses) on financial assets, net change in discount rate for (re-)insurance contracts and net change in fair value of underlying items through OCI. Core ROE was previously referred to as BOPAT ROE.

Further information

Supplemental financial information and written comments to accompany the investor presentation, are available on Zurich's [webpage](#).

The Annual Report 2024 will be published on March 6, 2025, on Zurich's [webpage](#).

The invitation to the Annual General Meeting 2025 of Zurich Insurance Group Ltd, which will be held on April 9, 2025, at the Hallenstadion in Zurich, will be published on March 14, 2025, in the Swiss Official Gazette of Commerce, and will also be available on Zurich's [webpage](#).

Q&A session for media

There will be a conference call Q&A session for media starting at 09:00 CET. Media may dial in using the details provided below. The call will be held in English. Please dial in approximately 10 minutes prior to the start of the conference call.

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Q&A session for analysts and investors

There will be a conference call Q&A session for analysts and investors starting at 13:00 CET. Media may listen in. A podcast of this Q&A session will be available from 17:00 CET.

Participants who wish to attend the Live Q&A session will need to register ahead of the call under this link ([Zurich Q&A call registration](#)) and follow the on-screen instructions.

Zurich Insurance Group (Zurich) is a leading global multi-line insurer founded more than 150 years ago, which has grown into a business serving more than 75 million customers in more than 200 countries and territories, while delivering industry-leading total shareholder returns.

Reflecting its purpose to 'create a brighter future together,' Zurich offers protection services that go beyond traditional insurance, to support its customers in building resilience. Since 2020, the Zurich Forest project supports reforestation and biodiversity restoration in Brazil's Atlantic Forest.

The Group has more than 63,000 employees and is headquartered in Zurich, Switzerland. Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depository Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information is available at [www.zurich.com](#).

Disclaimer and cautionary statement

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy, underwriting and claims results, business initiatives (including, but not limited to, sustainability matters), as well as statements regarding the Group's understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans, policies, initiatives and objectives of Zurich Insurance Group Ltd or the Group to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in key markets; (ii) the risk of a global economic downturn, in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; (viii) increased litigation activity and regulatory actions; and (ix) changes in laws and regulations and in the policies of regulators, and the possibility of conflict between different governmental standards and regulatory regimes may have a direct bearing on the results of operations of Zurich Insurance Group Ltd and the Group and on whether the targets will be achieved. Zurich Insurance Group Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

All references to 'Farmers Exchanges' mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled interinsurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and certain of its subsidiaries are appointed as the attorneys-in-fact for the three Exchanges and in that capacity provide certain non-claims services and ancillary services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of full year results.

Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

THIS COMMUNICATION DOES NOT CONTAIN AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES; SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION, AND ANY PUBLIC OFFERING OF SECURITIES TO BE MADE IN THE UNITED STATES WILL BE MADE BY MEANS OF A PROSPECTUS THAT MAY BE OBTAINED FROM THE ISSUER AND THAT WILL CONTAIN DETAILED INFORMATION ABOUT THE COMPANY AND MANAGEMENT, AS WELL AS FINANCIAL STATEMENTS.

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