

Organizational Rules of Zurich Insurance Group Ltd

Valid as of December 14, 2018

ANNEX – COMMITTEES CHARTER

Contents

ABBREVIATIONS AND DEFINED TERMS	2
INTRODUCTION	
1. Basis and Purpose	5
2. Organization of the Group	5
BOARD OF DIRECTORS	
3. Function	6
4. Election, independence and constitution	6
5. Responsibilities and authorities	6
6. Meetings	8
7. Resolutions	9
8. Information Rights	9
9. Chairman	10
10. Vice-Chairman	10
11. Honorary Chairman	10
12. Group Company Secretary	10
13. Board Committees	11
MANAGEMENT	
14. Delegation	12
15. Management Committees	12
16. Group Chief Executive Officer	12
17. Executive Committee	14
GROUP AUDIT	
18. Function and Responsibilities	15
SPECIAL PROVISIONS	
19. Authority to sign	16
20. Conduct of Board and ExCo members	16
21. Accounting Principles	17
22. Entry into force, amendments	17
ANNEX: COMMITTEES CHARTER	
Charter for the Committees of the Board of Directors of Zurich Insurance Company Ltd	18

Abbreviations and defined terms

All references to the generic masculine used in these Organizational Rules apply equally to both sexes.

AC	Audit Committee
Affiliated Person	Person who directly or indirectly through one or more intermediaries controls or is controlled by or is under common control of the Company or any of its Subsidiaries
Agenda	Agenda with matters to be dealt with at a Board, Committee or ExCo meeting
AGM	Annual General Meeting of Shareholders
Annex	Committees Charter, Annex to these ORs
AoA	Articles of Association of the Company
ARM	Authorities and Responsibilities Matrix of the Group
Board/BoD	Board of Directors of the Company
Chairman	The Board member who is proposed by the Board to be Chairman and elected by the AGM
Chairpersons	The Board members who chair the Board Committees
Circular Resolution	Resolution taken in an expedited process (in writing only) (see section 7.5)
CO	Swiss Code of Obligations
Committees	Committees of the Board as set out in section 2.1(iii)
Committees Charter	Annex of the ORs which sets out the objectives, composition and responsibilities of the Board Committees
Company	Zurich Insurance Group Ltd (the listed parent company of the Group)
Conflict of Interest	Any personal interest, or the interest of a closely related person or company, that a Board or ExCo member might have in a particular matter which does or might be regarded to conflict with the interests of the Group, or conflicting situations that may arise within the same company (intra-company) or within several subsidiaries of the Zurich Group (intra-Group)
Corporate Bodies	The Board and bodies of the Group and the Company exercising delegated Board functions, such as all Board Committees, the ExCo or other bodies mentioned herein
ExCo	The Executive Committee
GNSC	Governance, Nominations and Sustainability Committee
Group	The Company and its Subsidiaries
Group Audit	The internal audit function of the Company and the Group
Group Audit Charter	Charter of the internal audit function (Company and Group)
Group Compliance Charter	Charter of compliance function (Company and Group)
Group CEO	Group Chief Executive Officer
Group CFO	Group Chief Financial Officer
Group Company Secretary	The secretary of the Board
Group Compliance	The compliance function of the Company and the Group
Group Management Rules	Internal set of rules for the Group further specifying the Group's organizational structure, including the composition of the ExCo, as well as core governance elements, processes and procedures

Group Risk Management	The risk management function of the Company and the Group
Minutes	Minutes of a Board or Board Committee meeting (section 6.7)
Nomination Principles	Principles regarding the nomination and qualifications of Board and ExCo members (set out in Committees Charter)
ORs	Organizational Rules of the Company including the Committees Charter (Annex) which forms an integral part of these ORs
ORSA	Own Risk and Solvency Assessment
Remuneration Rules	The remuneration policy of the Company and the Group which serves as a framework for the governance, design, implementation and monitoring of the Group's remuneration architecture, and is designed to support the Group's business strategy, risk management framework and operational and financial plans
RemCom	Remuneration Committee
RIC	Risk and Investment Committee
Shareholders	Shareholders of the Company
Stakeholders	Persons, groups or organizations that have a direct or indirect stake in the Group and may, as a result, affect or be affected by the Group's actions, objectives and policies
Subsidiaries	All entities which are either wholly or majority, directly or indirectly owned or otherwise controlled by the Company
Three Lines of Defense Model	The three lines of defense model, which is one of the cornerstones of the Group's approach to governance and enterprise risk management. The first line is business management, the second line consists of Group Risk Management and Group Compliance and the third line is Group Audit
Vice-Chairman	The Board member who is appointed by the Board as Vice-Chairman
Zurich's Code of Conduct	The key behaviors and ethical standards for the Group
Zurich Risk Policy	A Group policy containing the key risk management principles of the Group

Introduction

1. Basis and Purpose

- Basis 1.1 These Organizational Rules (ORs) are enacted by the Board pursuant to article 716b of the CO and articles 20, 22, 26 and 27 of the Articles of Association (AoA).
- Purpose 1.2 The purpose of these ORs is:
- (i) to implement and supplement requirements contained:
 - (a) in applicable laws;
 - (b) in regulatory and stock exchange rules; and
 - (c) in the AoA;
 - (ii) to define the functions, responsibilities and authorities of the Group's and the Company's Corporate Bodies and their members; and
 - (iii) to constitute the Group's primary governance guidelines.

2. Organization of the Group

- Organization in general 2.1 The Group and its business are organized as follows:
- (i) The Board, under the leadership of the Chairman, decides on the strategy of the Group upon recommendation of the Group CEO, exercises the ultimate supervision over management, appoints and removes ExCo members, and performs the other duties described herein.
 - (ii) As provided by mandatory law, rules and regulations, the AoA or these ORs, the management of the Group is delegated to the Group CEO and, under his supervision, to the ExCo and its members.
 - (iii) The following Committees assist the Board in the performance of its responsibilities:
 - (a) the Audit Committee (AC);
 - (b) the Governance, Nominations and Sustainability Committee (GNSC);
 - (c) the Remuneration Committee (RemCom); and
 - (d) the Risk and Investment Committee (RIC).
- Group steering 2.2 The Company as the listed parent company of the Group controls directly or indirectly all Subsidiaries. The Company sets standards for the Group to allow for an efficient and harmonized steering of the Group. Notwithstanding this, the legal independence of all Subsidiaries and the provisions of applicable local laws, rules and regulations must be observed to the extent legally required.
- Organization of the Group's business 2.3 The business of the Group is organized in regions, global businesses, functions and other structures, as appropriate, for the effective management and supervision of the business. This organization shall be described in detail in the Group Management Rules and related policies. The insurance business is operated through Subsidiaries and each Subsidiary has its own constitutional documents, in line with applicable local laws, rules and regulations.
- Transparency, collaboration and reporting within the Group 2.4 Subject to and in accordance with applicable local laws, rules and regulations, members of senior management and Corporate Bodies are bound to ensure transparency and collaboration within the Group and may have additional responsibilities and reporting lines within the Group, in addition to their reporting lines within each legal entity.

Board of Directors

3. Function

- Ultimate management responsibility 3.1 The Board is vested with the ultimate responsibility for the management of the Company and, to the extent legally permissible, of the Group, as well as with the supervision of the persons entrusted with the management of the Company and the Group.

4. Election, independence and constitution

- Election proposal 4.1 The Board proposes such persons who have been recommended by the GNSC for election by the Shareholders (Annex, section 16.7). In making such recommendation, the GNSC applies the criteria set out in the Nomination Principles (Annex).
- Independence of Board members 4.2 All candidates proposed by the Board must fulfill the independence requirements pursuant to the Nomination Principles (Annex, section 16.6).
- Number of members 4.3 The Board consists of seven to thirteen Board members pursuant to article 21 para. 1 of the AoA. Should the number of members drop below the minimum number, the completion of the Board may be deferred until the next Annual General Meeting of Shareholders (AGM) pursuant article 21 para.3 of the AoA, provided that the Board still consists of at least six members.
- Term of office 4.4 The term of office for each Board member ends with the conclusion of the next AGM pursuant to article 21 para. 2 of the AoA. No Board member may serve for more than 12 consecutive terms of office. At the time of election or re-election, a Board member shall not yet have passed his 72nd birthday. In exceptional circumstances, the Board can extend both of these limits.
- Constitutional meeting 4.5 The Board constitutes itself at its first meeting following the AGM. In this meeting the Vice-Chairman, the Committee Chairpersons and the Committee members, with the exception of the Remuneration Committee Chairperson and members, are appointed among and by the Board members. The Board may decide to reallocate these roles and to remove a Committee member or Committee Chairperson from their Committee member or Committee Chairperson role at any time. The Chairman has no casting vote for appointments to the Committees (exception to section 7.3(iii) of these ORs).

5. Responsibilities and authorities

- In General 5.1 The Board has the responsibilities and authorities set out in these ORs. Mandatory provisions of applicable laws, rules and regulations or rules contained in the AoA override the ORs.
- Supervision 5.2 The Board is responsible for the overall direction, supervision and control of the Group and its management as well as for supervising compliance with applicable laws, rules and regulations. The Board exercises oversight over the Company and its Subsidiaries. It is responsible for ensuring the establishment of a clear group governance framework to ensure effective steering and supervision of the Group taking into account the material risks to which the Group is exposed.
- Ultimate Responsibility 5.3 The Board has the ultimate responsibility for the success of the Group and for delivering sustainable shareholder value within a framework of prudent and effective controls. It decides on the Group's strategic goals and the necessary financial and human resources upon recommendation of the Group CEO. It sets the Group's values and standards to ensure that the expectations of Shareholders and other Stakeholders are met.
- Strategy 5.4 The Board's ultimate responsibility for the Group's strategy includes, in particular:

- (i) approving the Group strategic plan and the overall Group targets;
- (ii) monitoring the strategic performance;
- (iii) approving major changes within the Group's business activities including, in particular:
 - (a) entering new business areas or exiting an existing business area, and internal restructurings of the legal and / or business structure, in cases where the entry, exit or restructuring is not covered by previously approved strategic or financial plans and
 - where the amount involved is more than USD 200 million; or
 - where the entry, exit or restructuring is otherwise of Group or regional importance;
 - (b) M&A transactions with third parties (share and/or asset deals, acquisitions, disposals, mergers, co-operations, distribution arrangements, joint ventures, and similar transactions) not covered by previously approved strategic or financial plans
 - where the amount involved is more than USD 200 million; or
 - where the transaction is otherwise of Group relevance or regional importance;
 - (c) investments of more than USD 200 million
 - not covered by previously approved strategic or financial plans; or
 - real estate, single alternative investments hedge funds and other alternative investments covered by previously approved strategic or financial plans; and
- (iv) deciding on any other matter which is of strategic importance to the Company or the Group.

Finance

- 5.5 The Board's ultimate responsibility for finance includes, in particular:
- (i) approving the applicable accounting standards, financial control frameworks and approving significant changes to them;
 - (ii) overseeing the investment process;
 - (iii) annually reviewing and approving the Group financial plan;
 - (iv) monitoring the Group's financial performance;
 - (v) approving the lending and borrowing guidelines and the transactions defined therein;
 - (vi) deciding on any public borrowing of the Group (bond issues, note issues and the like) beyond the scope of a previous authorization by the Board;
 - (vii) reviewing and approving the annual financial statements of the Company and the annual and half-year financial statements of the Group, the updates for the first three and nine months of the Group as well as related communication materials to investors and media;
 - (viii) approving formal announcements providing material information or guidance regarding earnings in respect of either current reporting or future periods; and
 - (ix) proposing the external auditors for election at AGM.

Organization

- 5.6 The Board's ultimate responsibility for the organization of the business includes, in particular:
- (i) approving the organizational and management structure of the Group including major changes;
 - (ii) approving and regularly reviewing the ethical and compliance standards of the Group, in particular the Code of Conduct;
 - (iii) overseeing the implementation and operation of policies to identify and effectively manage potential Conflicts of Interest at all levels across the organization;
 - (iv) approving the Group's key risk management principles and procedures including, in particular, the Group's risk appetite and risk tolerance;
 - (v) setting an appropriate risk management and control framework; and
 - (vi) regularly reviewing and approving the Remuneration Rules.

Reporting and Disclosure	5.7	The Board approves the following documents: (i) Annual report of the Company and the Group, including for the Group the Corporate Governance report, the Sustainability Highlights report, the Remuneration report, the Risk review and the consolidated financial statements; (ii) Financial Condition Report of the Group; (iii) the Group's Own Solvency and Risk Assessment (ORSA) (iv) the Group Recovery Plan; and (v) further Group documents or reports by the Group if so required by applicable laws and regulations, also if not made public.
Meetings of Shareholders	5.8	The Board has a duty to convene general meetings of Shareholders, particularly the AGM. The Board is obliged to decide on proposals to be made to the Shareholders and to implement resolutions adopted by the Shareholders.
Share capital	5.9	The Board takes the legally required decisions in connection with increasing or reducing the share capital.
Delegation	5.10	The Board may delegate, within the limits of mandatory law and the AoA, certain parts of its responsibilities and authorities to the Committees, to single Board members or to the Group CEO.
Company trusts	5.11	The Board decides on the establishment of Company trusts and elects the board of trustees and, in the case of employee pension plans, the employer representatives to the boards of trustees.
Recognition of Shareholders	5.12	Save as otherwise provided in the AoA, the Board decides on a directive on the recognition of Shareholders in the share register.
Review of the Organizational Rules	5.13	The Board reviews at least annually the provisions of these ORs (including Annex) to assess whether they are consistent with international corporate governance best practice.

6. Meetings

Number of meetings	6.1	The Board meets as often as business requires but at least six times a year.
Convening meetings	6.2	Board meetings are convened by the Chairman or upon written request (including e-mail or other electronic means) of any Board member addressed to the Chairman.
Invitation, Agenda and notice period	6.3	The Chairman invites the Board members to the Board meetings. The invitation contains the Agenda and must be sent to Board members and other attendees at least ten days prior to the date of the Board meeting. In time-critical cases (as determined by the Chairman at his discretion), a Board meeting may be held on shorter notice.
Chair	6.4	Board meetings are chaired by the Chairman or, in his absence, by the Vice-Chairman or, in his absence, by another Board member selected by the Board members present. For the time of such a meeting, the chair shall have the powers and the authority of the Chairman, including the casting vote.
Attendees	6.5	The Board may hold Board meetings as determined by the Chairman: (i) with or without the participation of the Group CEO and all or some of the other ExCo members; and (ii) with the participation of other persons, subject to confidentiality, who are invited to attend.
Meeting format	6.6	Board meetings may be held in person, by telephone or video conference.
Minutes	6.7	Minutes will be taken of the discussions and resolutions. The minutes must be signed by the acting chair and the Group Company Secretary (article 24 para. 3 of the AoA).

7. Resolutions

Quorum of attendance	7.1	The presence in person or by telephone or video conference of a majority of the Board members is required to pass valid Board resolutions. No such quorum is required in case of an adjourned meeting pursuant to section 7.2 and for decisions, confirming and amending resolutions relating to capital increases (article 24 para. 2 of the AoA).
Adjournment	7.2	The meeting is adjourned if the quorum pursuant to section 7.1 is not present within an hour after the beginning of the meeting. Notice of adjournment is given to all Board members. At the adjourned meeting, the Board members present constitute a quorum and can pass resolutions on all Agenda items on the invitation for the first meeting with no quorum.
Quorum of resolutions, decisive vote	7.3	Board resolutions are passed by an absolute majority of the votes cast. In case of a tie, the acting chair's vote is decisive except in the following matters set out in article 24 para.1 the AoA: (i) matters that are the subject of a motion or a recommendation from the AC; (ii) matters that are the subject of a motion or a recommendation from the Rem-Com in relation to the remuneration of the Chairman; (iii) appointments to the Committees according to section 4.5 of these ORs; (iv) nominations for the election of members of the Board that are not made on the basis of a motion or a recommendation by the GNSC.
Resolutions on items not on Agenda	7.4	If time-critical matters arise after a Board meeting has already been convened, such matters may be discussed at the Board meeting and Board resolutions may be passed if a majority of all Board members present agree.
Circular Resolutions	7.5	Board resolutions may also be passed in writing (including by e-mail or other electronic means). A proposal for a Circular Resolution must be communicated to all Board members and is only deemed to have passed if: (i) at least a majority of all Board members cast a vote or give written notice that they abstain; (ii) an absolute majority of all Board members casting a vote approve the proposed resolution; and (iii) no Board member requests a Board meeting in relation to the subject matter of the proposed Board resolution within three days of receiving notice of the proposal.
Effect of Circular Resolutions	7.6	A Circular Resolution is as binding as a Board resolution adopted at a Board meeting and must be documented in the Board minutes prepared pursuant to section 6.7 for the next Board meeting.

8. Information Rights

Right of information	8.1	Board members may request information concerning the business of the Company and the Group as may be necessary or helpful for them to fulfill their duties as Board members (art. 715a para. 1 CO).
Request during Board meetings	8.2	At Board meetings, any Board member may request information on any matter relating to the Company and the Group, and the Board or ExCo members present must provide such information to the best of their knowledge (art. 715a para. 2 CO).
Request outside Board meetings	8.3	Outside Board meetings, any Board member may request information from the management about the general course of business or, with the consent of the Chairman, the course of specific business cases. Where required to fulfill his duties, any Board member may request the Chairman to inspect any business documents. If the Chairman refuses a request for information or inspection, the Board must decide on the matter (art. 715a paras. 3, 4 and 5 CO). Board members, except the Committee Chairpersons, interacting with the Group CEO, other ExCo members or senior management inform the Chairman of the Board prior to such interaction.

9. Chairman

- Election 9.1 The Board proposes the Chairman who in turn is elected at the general meeting of Shareholders. Should the office of the Chairman become vacant, the Board shall designate from among its members a Chairman to serve until the conclusion of the next AGM (article 21 para. 2 and 4 of the AoA).
- In general 9.2 The Chairman leads the Board. He further coordinates the tasks within the Board and, in particular, calls Board meetings and sets their Agenda. He regularly informs the Board on his activities.
- Relationship with Board and ExCo 9.3 The Chairman has continuous contact with the Group CEO in order to be constantly informed about all important business developments. He facilitates a constructive relationship between the Board and the Group CEO and other ExCo members.
- Further responsibilities and authorities 9.4 The Chairman has in particular the following responsibilities and authorities:
- (i) presiding over the AGM;
 - (ii) ensuring that Board resolutions are accurate in form and content and that they are implemented properly;
 - (iii) ensuring that the Board members receive accurate, timely and clear information and that they are informed without delay of extraordinary events;
 - (iv) taking decisions in pressing instances for which no timely approval by the Board members can be obtained, even though the matter would otherwise be within the authority of the Board; any such decision shall be subject to ratification by the Board and must be immediately notified to the Board;
 - (v) ensuring, together with the GNSC that a satisfactory ongoing training and education is established for existing Board members and that new Board members are provided with a satisfactory introduction program; and
 - (vi) arranging the annual Board self-assessment as set out in the Annex (section 16.8).

10. Vice-Chairman

- Appointment 10.1 The Board appoints the Vice-Chairman upon proposal of the GNSC.
- Responsibilities and authorities 10.2 The Vice-Chairman supports the Chairman with his responsibilities and authorities and assumes all functions and powers of the Chairman if the Chairman is unable to exercise his functions.

11. Honorary Chairman

- Granting of title 11.1 The Board may grant the title of Honorary Chairman to an esteemed long-standing Chairman who has resigned.
- Function 11.2 The Honorary Chairman is not a Board member and has no rights or duties of a Board member. He is not entitled to receive any fees.

12. Group Company Secretary

- Appointment 12.1 The Board appoints the Group Company Secretary as secretary to the Board. The Group Company Secretary may as well act as secretary to the Committees (Annex, section 3.2).
- Responsibilities 12.2 The Group Company Secretary keeps the minutes of the general meetings of Shareholders and of the Board. He assists the Board, the Chairman and the Vice-Chairman in coordinating and fulfilling their duties and assignments.

13. Board Committees

Appointment and election

13.1 The Board appoints the Committee members and the respective Committee Chairpersons. The RemCom members are proposed by the Board and, in turn, elected at the AGM.

Responsibilities and authorities

13.2 Based on articles 20 and 22 of the AoA, the Board delegates certain responsibilities and authorities to the Committees pursuant to the Annex. If deemed necessary in a specific situation, the Board may take back such delegation and decide upon a certain matter without prior involvement of the respective Committee.

Management

14. Delegation

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| Delegation of management | 14.1 | The Board delegates the management as set out in section 2.1(ii). |
| Further delegation | 14.2 | The Group CEO delegates certain responsibilities and authorities to the ExCo members and his other direct reports. They may in turn delegate certain responsibilities and authorities to other members of the senior management and may empower them to delegate such responsibilities and authorities. Any ExCo member may intervene at any time, either in a specific case or within the scope of general powers reserved, in activities or decisions of a subordinate body (including revoking any delegation). Clear rules on responsibilities, authorities and accountabilities must be established. |
| Time-critical matters and incapability to act | 14.3 | The Group CEO and ExCo members will establish arrangements to ensure that decisions are made in time-critical business matters or in case the responsible member of senior management is unreachable or otherwise incapable to act. Where no such arrangements exist, the next higher hierarchical level has the authority to take such decision. |

15. Management Committees

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| Advisory bodies | 15.1 | Management committees act as advisory bodies to the Group CEO and serve as forum for discussion, alignment and coordination among Group CEO, ExCo members and other members of senior management. As a general rule, management committees have no decision-making powers; they support the Group CEO and the Board in their decision-making and may issue recommendations. |
| ExCo and additional management committees | 15.2 | The ExCo is the core management committee of the Group CEO. It is established by the Board pursuant to these ORs (section 17). The Group CEO may establish additional management committees that are composed of ExCo members and/or other members of senior management. |
| Committee Charters | 15.3 | The specific procedures, responsibilities, duties and permanent members of management committees established by the Group CEO shall be summarized in written charters approved by the Group CEO. |

16. Group Chief Executive Officer

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| Appointment | 16.1 | The Group CEO is appointed by the Board upon proposal of the GNSC. |
| Function | 16.2 | The Group CEO is the highest executive officer of the Group and is responsible and accountable for the management and performance of the Company and the Group as set out in sections 16.4 to 16.6. He represents the overall interests of the Company and the Group towards third parties to the extent such interests are not represented by the Board. |
| Preparation of board decisions | 16.3 | The Group CEO assumes a leading role in preparing and implementing Board decisions. He issues recommendations to the Board as set out in these ORs or upon request of the Board. In case such Group CEO recommendation to the Board deviates from a previous ExCo recommendation or recommendation from another management committee, the Group CEO informs the Chairman accordingly. |
| Strategy | 16.4 | With respect to strategy, the Group CEO has, in particular, the following duties:
(i) recommending and submitting to the Board for approval the Group strategic plan and the overall Group targets; |

- (ii) implementing the Group strategic plan and reporting to the Board on the strategic performance;
- (iii) recommending and submitting to the Board for approval major changes within the Group's business activities pursuant to section 5.4(iii) of the ORs;
- (iv) approving the following changes within the Group's business activities:
 - (a) enter new business areas or exit an existing business area, or internal restructurings of the legal and/or business structure, in cases where the entry, exit or restructuring is not covered by previously approved strategic or financial plans and where the amount involved is more than USD 25 million and less than USD 200 million;
 - (b) M&A transactions with third parties (share and/or asset deals, acquisitions, disposals, mergers, cooperations, distribution arrangements, joint ventures, and similar transactions) not covered by previously approved strategic or financial plans where the amount involved is more than USD 25 million and less than USD 200 million;
 - (c) investments of more than USD 10 million and less than USD 200 million not covered by previously approved strategic or financial plans; and
- (v) reviewing the competitive environment.

Finance

- 16.5 With respect to finance, the Group CEO has, in particular, the following duties:
- (i) approve the core Group investment policy;
 - (ii) annually recommending and submitting the Group financial plan to the Board for approval;
 - (iii) delivering the Group's financial performance and respective reporting to the Board;
 - (iv) approving the financial targets for regions, global businesses and functions;
 - (v) monitoring the financial performance of regions, global businesses and functions;
 - (vi) approving capital allocation requests from regions, global businesses and functions;
 - (vii) recommending and submitting to the Board for approval the lending and borrowing guidelines and the transactions that require Board approval as defined therein;
 - (viii) recommending and submitting to the Board for approval any public borrowing of the Group beyond the scope of a previous authorization by the Board; and
 - (ix) recommending and submitting to the Board for approval the annual financial statements of the Company and the annual and half-year financial statements of the Group, the updates for the first three and nine months of the Group as well related communication materials to investors and media.

Organization

- 16.6 With respect to the organization of the business, the Group CEO has, in particular, the following duties:
- (i) regularly reviewing and deciding on the organizational and management structure of the Group, including basic management processes;
 - (ii) recommending and submitting to the Board for approval the basic organizational and management structure of the Group including major changes;
 - (iii) managing, supervising and coordinating the activities of the ExCo members and of other direct reports; and
 - (iv) approving and regularly reviewing the Management Rules and related policies for the Group.

Reporting to the Board

- 16.7 The Group CEO ensures that the Chairman and the Board are kept informed in a timely and appropriate manner as agreed from time to time between the Board and the Group CEO. The Group CEO (either personally or through any other ExCo member) regularly informs the Board on the current business development and on important business issues. Such reports must cover:
- (i) key performance indicators and other relevant financial data of the Group;
 - (ii) existing and emerging risks;
 - (iii) updates on developments in important markets and on peers;

- (iv) information on all issues which may affect the supervisory or control function of the Board; and
- (v) extraordinary events that considerably impair the financial position of the Group or have a significant effect on the Group's business activities.

17. Executive Committee

Appointment	17.1	All ExCo members (with the exception of the Group CEO) are proposed by the Group CEO and the GNSC. The appointments are made by the Board.
Main responsibilities	17.2	The ExCo serves the Group CEO as the core management team by <ul style="list-style-type: none">(i) receiving and reviewing on a regular basis important strategic, financial and business information on key indicators of the Group; and(ii) acting as forum for discussion, alignment and coordination for strategic, financial and business policy issues of Group-wide relevance.
Meetings	17.3	The ExCo meets at least monthly upon request of the Group CEO. The Group CEO presides the ExCo and chairs those meetings. The Group CEO sets the Agenda, sends out invitations and appoints a person to take the minutes. The Group General Counsel participates ex officio in each ExCo meeting. Further participants may be invited by the Group CEO, as appropriate.

Group Audit

18. Function and Responsibilities

Responsibilities	18.1	Group Audit is the third line of defense within the Group's Three Lines of Defense Model. The responsibility of Group Audit is to review the adequacy and effectiveness of the Group's risk management, internal control and governance processes.
Appointment	18.2	The Head of Group Audit is appointed by the AC and reports functionally directly to the Chairperson of the AC (Annex, section 5.3(v)(b)).
Charter	18.3	Details of the role, responsibilities and authorities of Group Audit are set out in the Group Audit Charter which is approved by the AC (Annex, section 5.3(v)(c)).
Independence	18.4	Group Audit is independent in determining its activities (e.g. when defining audit scope and executing audit engagements) and Group Audit reports are not subject to any restrictions.
Special audits	18.5	Special audits or reviews may be requested by the Chairman, the AC or the Group CEO.
Reporting	18.6	Group Audit submits its reports to the Chairperson of the AC, the members of the AC and the Group CEO. The Chairman and / or the Chairperson of the AC informs the Board of the essential contents of an extraordinary nature of the audit reports at the occasion of the next Board meeting. The Chairman and the Chairperson of the AC may submit the audit reports to the Board.

Special Provisions

19. Authority to sign

- Granting of signatory powers
- 19.1 Signatory powers registered with the commercial register have to be approved by the Board. The following persons shall be registered with the commercial register with joint signature:
- (i) the Chairman and the Vice-Chairman;
 - (ii) other Board members and the Group CEO as determined by the Board;
 - (iii) ExCo members as determined by the Board; and
 - (iv) other members of senior management.

The Board delegates the authority to determine and approve signatory powers of other members of senior management pursuant to section 19.1(iv) to the Chairman, the Vice-Chairman or the Group CEO.

- Signature form
- 19.2 All authorized signatories sign by adding their signature to the name of the Company.

20. Conduct of Board and ExCo members

- Duty of care and loyalty
- 20.1 Each Board and ExCo member is under a duty to carry out its responsibilities with due care and to safeguard and promote the interests of the Group, the Company and their Shareholders (art. 717 para. 1 CO).

- Conflicts of Interest
- 20.2 The Board and ExCo members arrange their personal and business affairs so as to avoid, to the extent possible, a Conflict of Interest.

- Disclosure of Conflict of Interest
- 20.3 Each Board and ExCo member must disclose to the Chairman or, respectively, the Group CEO any Conflict of Interest generally arising or relating to any matter to be discussed at a meeting, as soon as the Board or ExCo member becomes aware of its existence. Conflicts of Interest include personal conflicts of interest (as addressed in the Group Compliance Policy on Conflicts of Interest and External Engagements), conflicts of interest that may arise within the same company (intra-company conflicts of interest) or within several subsidiaries of the Zurich Group (intra-Group conflicts of interest).

- Procedural measures
- 20.4 Each Board and ExCo member with a Conflict of Interest shall not participate in the discussions and decision-making involving the interest at stake and shall not be counted for any applicable quorum. The member with a Conflict of Interest shall use best efforts to ensure that he does not receive any related confidential information.

- Duty of confidentiality
- 20.5 Each Board and ExCo member keeps all information – except information already in the public domain – relating to the Company and the Group, which he has learned during the performance of his duties, strictly confidential at all times. Such information can only be disclosed to third parties with prior written clearance from the Chairman or the Group CEO. This obligation and duty continues after the term of office of the Board or ExCo member has expired for as long as the relevant information remains confidential.

- Benefits of Board and ExCo members
- 20.6 Financial or non-financial benefits that Board and ExCo members receive as a result of their Board membership or employment with the Group, other than any salary, remuneration or other benefit from the Group, are subject to disclosure and approval as set out in the respective written policies and guidelines.

- Share dealings
- 20.7 Each Board and ExCo member has to comply with the Group's policy on dealing in securities, reflecting applicable laws, rules and regulations.

21. Accounting Principles

Annual accounts and financial statements

- 21.1 The annual accounts of the Company (consisting of the profit and loss statement, the balance sheet, and the notes to the financial statements), as well as the consolidated financial statements of the Group, shall be drawn up:
- (i) for the Company in accordance with the provisions of the CO, in particular art. 957 ss. CO;
 - (ii) for the Group in accordance with IFRS with default to US GAAP or other relevant accounting principles as interpreted and applied as agreed by the Company; and
 - (iii) with a view to the exchange regulations on accounting and reporting promulgated by the exchange(s) on which the shares of the Company are listed.

22. Entry into force, amendments

Amendments

- 22.1 Any amendment of these ORs requires the approval of a majority of all Board members (whether present or not at a meeting).

Entry into force

- 22.2 These ORs, including the Committees Charter (Annex), come into effect on December 14, 2018.

Annex:

**Charter for the Committees
of the Board of Directors of
Zurich Insurance Group Ltd**

Contents

INTRODUCTION

- 1. Basis and purpose 20

MEMBERSHIP AND CONSTITUTION

- 2. Number of Committee members, composition and knowledge 21
- 3. Constitution 21

RESPONSIBILITIES AND AUTHORITIES

- 4. Delegation of responsibilities and authorities 22
- 5. Audit Committee 22
- 6. Governance, Nominations and Sustainability Committee 24
- 7. Remuneration Committee 26
- 8. Risk and Investment Committee 27
- 9. Further responsibilities and Subcommittees 28
- 10. Information rights 28
- 11. Advice from third parties 28

MEETINGS AND RESOLUTIONS OF THE COMMITTEES

- 12. Meetings 29
- 13. Resolutions and reporting 29

SPECIAL PROVISIONS

- 14. Adequacy review, self-assessment and Conflict of Interest 30

NOMINATION PRINCIPLES

- 15. Purpose 31
- 16. Board 31
- 17. Executive Committee 32

Introduction

1. Basis and purpose

- Basis
- 1.1 This Committees Charter is enacted by the Board pursuant to articles 716-716b CO, articles 20, 22 and 26 of the AoA and sections 5.10 and 13.2 of the ORs.
- Purpose
- 1.2 The purpose of this Committees Charter is to set out the objectives, composition and responsibilities of the following Board Committees:
- (i) Audit Committee (AC),
 - (ii) Governance, Nominations and Sustainability Committee (GNSC),
 - (iii) Remuneration Committee (RemCom), and
 - (iv) Risk and Investment Committee (RIC).

Membership and constitution

2. Number of Committee members, composition and knowledge

- | | | |
|---------------------------|-----|---|
| Minimum number of members | 2.1 | The AC, the RIC and the GNSC must have at least four Committee members. The RemCom must have at least three Committee members. |
| Composition | 2.2 | Each Committee must consist entirely of Board members who are non-executive and independent. The AC Chairperson must be a member of the RIC. At least one additional member of the RIC must also be a member of the AC. |
| Knowledge | 2.3 | Committee members must have the necessary knowledge and experience to fulfill their functions. Committee Chairpersons are expected to have special expertise within their area of responsibility. |

3. Constitution

- | | | |
|--------------------------------------|-----|---|
| Appointment and removal by the Board | 3.1 | The Chairpersons and members of the Committees, with the exception of the Chairperson and members of the RemCom, are appointed pursuant to section 4.5 of the ORs. The Board may reallocate these roles and remove any Committee member or any Chairperson from their Committee member or Committee Chairperson role at any time. Generally, the Chairman of the Board chairs the GNSC. |
| Secretary | 3.2 | The Group Company Secretary acts as secretary to the Committees, unless the Committee appoints another person for this role. The secretary keeps the Minutes of the Committee. |

Responsibilities and authorities

4. Delegation of responsibilities and authorities

- In general 4.1 Pursuant to section 13.2 of the ORs, the Committees have the responsibilities and authorities set out in this Committees Charter. As a general rule, the Committees provide their views and recommendations to the Board prior to its decision and do not have decision powers, unless specifically stated in this Committees Charter. Provisions of applicable laws, rules and regulations or rules contained in the AoA and in the ORs will take precedence over this Committees Charter.
- Resources 4.2 The Committees shall have the resources and authority appropriate to discharge all responsibilities as delegated by the Board.

5. Audit Committee

- Mission Statement 5.1 The AC supports the Board by:
- (i) serving as a focal point for communication and oversight regarding financial accounting and reporting, internal control, actuarial calculations and analyses and compliance, among ExCo members, Group Audit, external auditors, Group Chief Actuary and Group Compliance; and
 - (ii) serving as a consolidation point for oversight and audit (committee) activities of Subsidiaries and groups of Subsidiaries.
- Special expertise 5.2 AC members, as a group, must have the necessary qualifications and skills to perform all of their duties and must, together and individually, possess financial literacy. In particular, the AC members, as a group, are expected to have:
- (i) an understanding of IFRS and financial statements;
 - (ii) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
 - (iii) experience in preparing, auditing, analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to those of the Company or Group, or experience in actively supervising one or more persons engaged in these activities;
 - (iv) an understanding of internal controls and procedures for financial reporting;
 - (v) and an understanding of the AC's functions.
- Responsibilities and authorities 5.3 The AC's responsibilities and authorities are to:
- (i) Financial affairs:
 - (a) review the accounting and reporting principles, policies and practices applied by the Company and the Group in preparing their financial statements;
 - (b) review with Group Chief Actuary and external auditors the reasonableness in establishing claims and other reserves in the Group on a quarterly basis;
 - (c) review upon completion of the annual audit of the Company and the Group, the annual financial results, which should encompass:
 - the Company's and the Group's audited financial statements;
 - related communication materials to investors and media;
 - significant transactions;
 - significant issues potentially affecting the close in the area of risk management, internal audit, legal and compliance;
 - ExCo members' assessment of the effectiveness of internal controls and risk management;
 - any significant adjustments made to the financial statements at year-end that pertained to prior periods;

- external auditors' opinion regarding the presentation of the Company's and the Group's financial statements and the adequacy of related internal controls;
 - material departures from the external audit plan;
 - material litigation and other contingent liabilities involving the Group; and
 - significant adjustments proposed by the external auditors.
- (d) review the half year financial statements of the Group, the updates for the first three and nine months of the Group as well as related communication materials to investors and media;
- (e) review the appropriateness of any formal announcements proposed to be made by the Company and the Group which give material information or guidance regarding earnings in respect of either current or future reporting periods prior to approval of such announcements by the Board;
- (f) receive and assess ICFR (Internal Control over Financial Reporting) updates (quarterly);
- (g) evaluate the cooperation received by the external auditors during their audit examination, including their access to all requested records, data and information;
- (h) evaluate the overall quality of the financial reporting.
- (ii) Group reporting: review and recommend to the Board, in particular, the following reports and documents for approval:
- (a) the Annual report of the Group;
 - (b) the Financial Condition Report of the Group.
- (iii) Financial and regulatory compliance:
- (a) review litigation and regulatory updates (half- and full year);
 - (b) assess and report to the Board whether an appropriate framework is in place for the Company and the Group to comply with the applicable statutory provisions and regulations, the AoA, the ORs and other internal regulations, as well as with the Group's Code of Conduct;
 - (c) ensure that reports of external auditors to the AC on illegal acts they become aware of specifically address whether the illegality would materially affect the reported financial results; and
 - (d) establish and maintain procedures for the receipt, retention and treatment of complaints received by the Group regarding conduct that violates laws, regulations, internal policies or Zurich's Code of Conduct and ensure that the Group Chief Compliance Officer establishes and maintains a reporting hotline for the confidential anonymous submission by employees of the Group (anonymous where legally permitted) of concerns regarding conduct that they in good faith believe violates laws, regulations or internal policies or Zurich's Code of Conduct.
- (iv) Standards of internal controls:
- (a) review with ExCo members, Group Audit, external auditors and Group Compliance, the Company's and the Group's general policies and procedures, and satisfy itself that effective systems of accounting, risk management, compliance and internal control are established and maintained;
 - (b) receive and review periodic reports from Group Audit and Group Compliance and assess whether significant issues described therein are being appropriately addressed in a timely manner; and
 - (c) review written responses to any "management letter" prepared by the external auditors and follow up to ascertain whether appropriate corrective action has been taken on these recommendations.
- (v) Group Audit:
- (a) assess the independence and objectivity of Group Audit;
 - (b) appoint, oversee, discharge and review the performance of the Head of Group Audit, who functionally reports directly to the Chairperson of the AC; for administrative purposes, the Head of Group Audit reports to the Group CEO or to another ExCo member as designated by the Group CEO;
 - (c) approve the Group Audit Charter;
 - (d) review the activities, plans, organization and the quality of Group Audit as well as its mutual cooperation with external auditors; and

- (e) annually approve the Group Audit plan and quarterly, or more frequently, review the Group Audit report on internal audit activities and significant risk management, control and governance issues.
- (vi) Group Compliance:
 - (a) assess the independence and objectivity of Group Compliance;
 - (b) approve the Group Compliance Charter; and
 - (c) review the activities, plans, organization and the quality of Group Compliance, and the adequacy of the efforts to make the compliance principles known and observed within the Group.
- (vii) External audit:
 - (a) make a proposal to the Board regarding the nomination of the external auditors (for election at the general meeting of Shareholders);
 - (b) approve the remuneration of the external auditors;
 - (c) take note of the external audit plans;
 - (d) oversee the work of the external auditors (including the resolution of any disagreements between ExCo members and external auditors which, if not satisfactorily resolved, would have caused them to issue a qualified report on the Company's and the Group's financial statements);
 - (e) review the external auditors' reports;
 - (f) review, at least annually, the qualifications, performance, effectiveness and independence of the external auditors; in conducting such review, the AC shall obtain and review a report by the external auditors describing:
 - the firm's internal quality-control procedures;
 - any material issues raised by the most recent internal quality-control review, or peer review, of the firm or by any formal investigation by governmental or professional authorities regarding services provided by the firm which could affect the financial statements of the Company or the Group, and any steps taken to deal with any such issues; and
 - all relationships between the external auditors and the Group that could be considered to bear on the external auditors' independence; this evaluation shall include the review and evaluation of the lead partner of the external auditors and shall ensure the rotation of partners in accordance with applicable rules; in addition, the AC shall consider the advisability of regularly rotating the audit firm in order to maintain the independence between the external auditors and the Group;
 - (g) establish that guidelines for the retention of the external auditors for any permissible non-audit services are in place;
 - (h) establish policies for the Group's hiring of employees or former employees of the external auditors who participated in any capacity in the audit of the Company and the Group; and
 - (i) review the scope and general extent of the external auditors' examination and suggest, if desired, areas requiring special emphasis.
- (viii) General:
 - (a) review and assess reliability and adequacy of management reporting to the Board;
 - (b) apprise the Board of significant developments in the course of performing the above duties.

6. Governance, Nominations and Sustainability Committee

Mission Statement

- 6.1 In line with the Group's commitment to good corporate governance, sustainable business conduct and value creation, the GNSC supports the Board by establishing best practices in corporate governance across the Group, and by overseeing the Group's sustainability strategy. The GNSC assists the Board in setting an appropriate tone at the top to promote key values and behaviors, and to ensure a sound and open culture throughout the organization. Committed to diversity, the GNSC provides assistance by establishing and maintaining a process for proposing new Board members to the AGM and appointing new ExCo members. The Chairman ensures that the Group engages with shareholders in the area of corporate governance on a regular basis.

- 6.2 The GNSC's responsibilities and authorities are to:
- (i) Corporate governance:
 - (a) oversee the Group's governance and measure it against best practice standards with a view to ensure that rights of Shareholders and other important stakeholders are protected;
 - (b) ensure structures and processes are in place allowing for sound corporate governance practices and ensure they are properly documented;
 - (c) ensure compliance with corporate governance disclosure requirements as well as legal and regulatory requirements; and
 - (d) review the corporate governance report and the sustainability highlights report in connection with the Annual report prior to approval by the Board;
 - (ii) Committees Charter:
 - (a) annually review the Committees Charter, taking into account best practices, and propose to the Board respective updates, as necessary;
 - (iii) Board and ExCo composition:
 - (a) make proposals to the Board for submission to the AGM for the election and re-election to and removal from the Board, including Chairman, and the Remuneration Committee, and proposals for the election, re-election and removal of the independent voting rights representative;
 - (b) make proposals to the Board for the appointment of the Vice-Chairman and the election and removal of the members to the AC, RIC and GNSC and the Committee Chairpersons; the Chairperson of the GNSC consults with the other Committee Chairpersons prior to making such proposals to the Board;
 - (c) the Chairman succession planning as well as any related activities is led by the Vice-Chairman. The Vice-Chairman and the GNSC make proposals to the Board for the appointment of the Chairman;
 - (d) the GNSC shall take steps to avoid that the Chairman and Vice-Chairman reach tenure or the age limit at the same time;
 - (e) make proposals to the Board for the appointment and removal of the Group CEO;
 - (f) plan future succession to the above positions; and
 - (g) review proposals by the Group CEO regarding appointments to or removals from the ExCo and submit such proposals to the Board.
 - (iv) Board assessment and education:
 - (a) ensure that at least once a year a self-assessment of the full Board is carried out as set out in section 16.8 (Nomination Principles);
 - (b) review at least once a year the independence of the Board members as well as compliance with the number of mandates permitted pursuant to article 33 of the AoA, and report its findings to the Board for final determination; and
 - (c) support the Chairman in his duty pursuant to section 9.4(v) of the ORs of ensuring the establishment of a satisfactory ongoing training and education program for existing Board members and of a satisfactory introduction program for new Board members, and periodically review the Board orientation and continuing education guideline and propose any changes to the Chairman;
 - (v) Human resources:
 - (a) ensure that at least once a year the Group CEO reports on talent management and management succession planning, and review with the Group CEO succession plans and candidates to the ExCo and selected positions (as defined by the Group CEO); and
 - (b) ensure that the Group CEO informs the GNSC of an appointment to one of these positions (see 6.2(v)(a)), and if possible prior to such appointment the Chairman.
 - (vi) Sustainability:
 - (a) review and approve the Group's sustainability strategy and objectives;
 - (b) oversee the Group's approach and conduct with regard to sustainability, assessing progress against agreed actions at least annually; and
 - (c) monitor legislative and regulatory developments and reporting requirements relating to sustainability;

- (d) review and propose to the Board for approval targets on ESG matters which have a material impact on business strategy, underwriting or business performance.

7. Remuneration Committee

- Mission Statement** 7.1 The RemCom supports the Board in the design and implementation of Zurich's Remuneration Rules, which include the overall remuneration philosophy and the resulting remuneration system and practices. The remuneration philosophy is an integral part of the overall employment offering to employees. Based on established remuneration principles, the Group strives to operate a balanced and effectively managed remuneration system that provides competitive total remuneration opportunities which attract, retain, motivate and reward employees to deliver outstanding performance. The remuneration system and practices are embedded in the Group's risk management framework and take into consideration legal and regulatory requirements, as well as market developments. The Group's incentive plans are designed in a way that they do not promote excessive risk-taking and are aligned with the interests of the Group, the Company and its Shareholders.
- Responsibilities and authorities** 7.2 The RemCom's responsibilities and authorities are to:
- (i) regularly evaluate the Group's remuneration architecture and system and propose amendments to the Board, as appropriate;
 - (ii) review the Remuneration Rules and propose respective amendments to the Board, as appropriate, and update subject to approval by the Board;
 - (iii) propose to the Board the terms of remuneration of the members of the Board;
 - (iv) based on the Remuneration Rules, review from time to time the terms and conditions of employment of the Group CEO and of the ExCo, including the annual review of performance objectives and performance against these objectives and propose respective amendments to the Board, as appropriate, for approval;
 - (v) analyze the results of benchmarking studies, market practices in the various countries and internal relativities, in order to set and propose to the Board the fee levels for the Board and the remuneration structure and levels for the Group CEO and the ExCo;
 - (vi) review and propose to the Board the proposals for submission to the AGM on the approval of the maximum total amounts of Board and ExCo remuneration;
 - (vii) review on a regular basis the STIP and LTIP design and propose amendments to the Board for approval;
 - (viii) review the performance achievements of the predefined performance metrics related to the short-term and long-term incentive plans (STIP and LTIP), and also make a qualitative assessment of the performance;
 - (ix) review and propose to the Board the funding of the STIP pools, the vesting level of the LTIP and the amount of the total variable remuneration pool for approval;
 - (x) review and propose to the Board for approval the individual STIP and LTIP awards for the Group CEO and the members of the ExCo;
 - (xi) review any compensation for lost benefits with former employers of any new ExCo member and seek Board approval;
 - (xii) review any sign-on or severance payments to any new, current or former employee who is not an ExCo member exceeding the threshold defined in the Remuneration Rules;
 - (xiii) liaise with the Group CEO on other important employment, salary and benefit matters including regular reports on retirement plans;
 - (xiv) observe the regulatory environment regarding remuneration, as well as external developments and the implications for the Group;
 - (xv) discuss risk management aspects of the Group's remuneration architecture, as well as key activities with respect to identified key risk taker positions at the annual joint meeting with the RIC;
 - (xvi) review the mandates and fees, and evaluate ongoing performance of external executive compensation consultants that provide advice on the remuneration structures and practices on a regular basis and
 - (xvii) annually prepare the remuneration report in accordance with applicable laws and regulations and propose it to the Board for approval.

8. Risk and Investment Committee

- Mission Statement**
- 8.1 The RIC supports the Board to ensure sound risk and investment management for the Group. In particular, the RIC assists the Board in fulfilling its duty
- (i) to oversee the Group's risk profile and the Group-wide risk management framework;
 - (ii) to set an appropriate risk management and control framework; and
 - (iii) to oversee the Group's investment process.
- Responsibilities and authorities**
- 8.2 The RIC's responsibilities and authorities are to:
- (i) Risk tolerance and risk governance framework:
 - (a) have the oversight of the Group's risk tolerance, including agreed limits by type of risk which the Board regards as acceptable for the Company and the Group to bear (e.g. underwriting, natural catastrophe, credit, investment, asset/liability management), the aggregation of agreed limits across the Group, measurement of adherence to the agreed risk tolerance, and the Group's risk tolerance in relation to anticipated capital levels;
 - (b) have the oversight of the Group's enterprise-wide risk governance framework (embracing policies, models - including models for determining risk based capital -, methodologies, reporting, systems, processes and people), including more specifically:
 - oversight of risk management, risk policies and their implementation, including the transparency and appropriateness of the Group's risk management processes;
 - oversight of risk strategy and risk tolerance for the most significant risk taking activities, including investment risk and the strategic risk allocation;
 - oversight of the monitoring of operational risks, including IT and cyber risk;
 - review of the methodologies for risk identification, measurement and adherence to the Group's risk tolerance; and
 - review of the performance of the risk management function; and
 - (c) have the oversight of the impact of risk on economic and regulatory capital requirements.
 - (ii) Risk management and controls:
 - (a) review with ExCo members and the risk management function the Company's and the Group's general policies and procedures, and satisfy itself that effective systems of risk management are established and maintained; and
 - (b) receive periodic reports from the risk management function and assess whether all "significant" risk matters (as defined in the Zurich Risk Policy) of a risk management and control nature are being appropriately addressed by ExCo members in a timely manner;
 - (c) review and propose to the Board for approval the Group ORSA report as well as the Group Recovery Plan.
 - (iii) Investments:
 - (a) oversee the investment process;
 - (b) review and recommend for approval to the Board investments (including real estate transactions) of more than USD 200
 - not covered by previously approved strategic or financial plans; or
 - real estate, single alternative investments hedge funds and other alternative investments covered by previously approved strategic or financial plans;
 - (c) monitor developments in the macroeconomic environment;
 - (d) receive updates on the Group's annual strategic asset allocation;
 - (e) receive updates on the market risk consumption relative to allocated market risk capital and limit and major market risk drivers;
 - (f) receive updates on the accounting investment result;
 - (g) receive updates on the economic investment return relative to liabilities; and
 - (h) receive updates on the performance of asset managers.
 - (iv) Risk management and investment management functions:

- (a) assess the independence and objectivity of the risk management function;
 - (b) approve the terms of reference for the risk management function;
 - (c) review the key risk management principles and procedures; and
 - (d) review the activities, plans, organization and the quality of the risk management and investment management functions.
- (v) General
- (a) review regulatory framework reforms affecting areas within the scope of the RIC's mandate and recommend any required changes to the Board;
 - (b) appraise the Board of significant developments in the course of performing the above duties.

9. Further responsibilities and Subcommittees

Further responsibilities and authorities

9.1 The Board may entrust further responsibilities and authorities to the Committees by Board resolution.

Subcommittees

9.2 Each Committee may delegate some of its tasks to a subcommittee comprised of one or more Committee members and, in doing so, ensures appropriate reporting. The Chairman must be informed about any such delegation.

10. Information rights

Committees

10.1 Each Committee has access to all information that is required with regard to its respective responsibilities set out in sections 5 to 9.

AC and RIC have access, to the extent available and required, to all work products of the other parties involved in the Group auditing (AC) and risk management (RIC) processes without being bound by any conclusions being reached therein.

Chairman, RIC and Group CEO may independently order special risk reviews.

Committee members

10.2 For the information rights of each Board member, see section 8 of the ORs.

11. Advice from third parties

External advice and assistance

11.1 The Committees may, in performing their duties, take advice or get assistance from third parties.

Meetings and resolutions of the Committees

12. Meetings

Number of meetings	<p>12.1 Each Committee meets as often as its business requires, but at least:</p> <ul style="list-style-type: none">(i) four times a year for the AC and the RIC; and(ii) twice a year for the GNSC and the Remuneration Committee. <p>The Remuneration Committee and RIC hold at least one joint meeting a year to discuss a risk review of the remuneration architecture.</p>
Convening meetings, invitation, Agenda, notice period, meeting format	<p>12.2 Committee meetings are called and held in compliance with the rules set out in the ORs (see sections 6.2, 6.3 and 6.6 of the ORs to be applied mutatis mutandis).</p>
Chair	<p>12.3 Section 6.4 of the ORs applies mutatis mutandis for the chair of Committee meetings. The Chairperson of a Committee meeting has no casting vote.</p>
Presence of third parties at Committee meetings	<p>12.4 Each Committee Chairperson may, on his own motion or upon request of any Committee member, invite other persons, including third parties, to attend Committee meetings, subject to confidentiality obligations.</p>
Special rules for the AC and RIC	<p>12.5 Generally, the following persons participate (to the extent necessary) in each AC and RIC meeting:</p> <ul style="list-style-type: none">(i) the Group CEO;(ii) the Group CFO;(iii) the Chief Operating Officer;(iv) the Chief Risk Officer;(v) the Chief Investment Officer (RIC meetings only);(vi) the Group General Counsel;(vii) the Head of Group Audit and representatives of the external auditors.
Minutes	<p>12.6 Committee Minutes must fulfill the conditions set out in section 6.7 of the ORs.</p>
Confidentiality	<p>12.7 The deliberations and resolutions of the Committees are highly confidential. All Committee and ExCo members are subject to the duty of confidentiality pursuant to section 20.5 of the ORs.</p>

13. Resolutions and reporting

Resolutions and information rights	<p>13.1 Section 7 of the ORs applies mutatis mutandis to the decision-making process regarding recommendations of the Committees except that the Chairperson has no casting vote as stated in section 7.3 of the ORs. In case of a tie, the decision is passed on to the Board.</p>
Reporting	<p>13.2 The Chairperson reports to the Board on the occasion of the next Board meeting.</p>

Special provisions

14. Adequacy review, self-assessment and Conflict of Interest

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| Adequacy review | 14.1 | Each Committee reviews the adequacy of its general description and its responsibilities and authorities as set out in this Committees Charter at regular intervals, but at least annually, and recommends to the GNSC any changes considered to be necessary or appropriate. |
| Self-assessment | 14.2 | For the self-assessment, section 16.8 of the Nomination Principles applies. |
| Conflict of Interest | 14.3 | In case of a Conflict of Interest, sections 20.2 to 20.4 of the ORs apply mutatis mutandis. |

Nomination Principles

15. Purpose

- GNSC Guidance 15.1 With a view to ensure adequate succession planning and a continuing high quality of the Board as well as of the ExCo, the GNSC has developed the following principles. They are designed to provide guidance to GNSC during the process of identifying and proposing candidates to the full Board.

16. Board

- Succession planning 16.1 Succession planning involves an assessment of the challenges and opportunities the Group is facing and an evaluation of the skills, the knowledge and the expertise that will be needed on the Board at present and in the foreseeable future.
- Profile of potential candidate 16.2 Based on this analysis, a profile for potential candidates should be developed. When identifying and proposing candidates as new Board members, the preservation and improvement of the Board's diversity is a key factor. This includes diversity in many respects, such as gender, culture, geographical origins, a variety of complementary backgrounds and track records, industry experience, technical and interpersonal skills and knowledge, education and viewpoints, in the context of the needs of the Board to meet the current and future challenges of the Group.
- Fitness and proper-ness 16.3 Each candidate shall assure proper business conduct and, in particular, shall possess integrity, be of good standing and have the required competence, capability, expertise and experience for his office. He should be capable and available to fulfill his duty of care by serving, in close collaboration with the other members of the Board, to the best interest of the Group's Stakeholders.
- Conflicts of interest 16.4 When reviewing candidates, potential conflicts of interest must be investigated whether they result from personal positions, from affiliations with other companies or from public functions. To this end, attention should be given to interlocking or cross-directorships, to other significant links between Board members or to close (family) ties between a Board member and a member of the senior management of the Group.
- Additional man-dates 16.5 Board members may not hold more mandates than permitted pursuant to art. 33 of the AoA. Board members shall notify the Chairman before becoming a member on the board of any listed company. They shall also notify the Chairman immediately when resigning from a board of a listed company.
- Independence 16.6 All Board members must be free of any relationship that interferes with their impartial judgment in carrying out their responsibilities. Board members must
- (i) receive neither directly nor indirectly any consulting, advisory or other compensatory fees from the Group or any of its Affiliated Persons other than in her or his capacity as Board or Committee member;
 - (ii) not be an Affiliated Person of the Company; for the avoidance of doubt, serving as a member of the Board of a Subsidiary of the Group and receiving remuneration for such activity does not, of itself, make a Board member an Affiliated Person; and
 - (iii) not be an employee of the Group or a member of the immediate family of an employee of the Group.

A former member of senior management may only become a Board member if he has not been employed with the Group for at least three years preceding the appointment. No Board member shall be or have been for at least three years preceding the appointment, an employee or affiliate of the Company's external auditor. The Board members shall not maintain any material direct or indirect relationship with the Group. Whether or not a relationship is considered material depends in particular on the following factors:

- (iv) the volume and size of any transactions concluded in relation to the financial status of the relevant Board member or the organization with which the Board member has an affiliation;
- (v) whether the transactions are structured in a way and on such terms and conditions that the transaction could easily be concluded with a third party on comparable terms and conditions;
- (vi) whether the transactions are not performed in the ordinary course of business.

Notwithstanding the foregoing, an independence determination must always consider all relevant facts and circumstances. Material relationships can include, among others, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships with members of the Board or the management of the Group.

No Board member shall enter or have entered into an agreement with any other natural or legal person which will influence the way in which he exercises his voting rights in the Company or the way in which he otherwise behaves in his relationship with the Company.

Recommendations	16.7 For each vacancy, the full Board should be provided with a short list of candidates with recommendations from the GNSC.
Board self-assessment	16.8 At least annually, the Board reviews, on the basis of an assessment conducted by the GNSC (which includes an appraisal by an external expert at least every three years), its own performance, as well as the performance of each of the Committees. Such a review seeks to determine whether the Board and the Committees function effectively and efficiently and whether any changes should be made to the membership of the Board and the Committees. The annual board-self assessment includes, in particular, the review of the profile of the Board members and the assessment of their availability to devote time to their mandate with the Board and its Committees (also with a view to the type and number of mandates carried out with other companies).
Resignation in case of a changed profile	16.9 Should Board members during their term of office become aware that they no longer adhere to the profile or be in a position of a structural Conflict of Interest (or indeed any other situation that hinders them in carrying out their duties to the full), they should immediately notify the Chairman and offer their resignation forthwith.
Change in principal occupation	16.10 A Board member shall immediately notify the Chairman if his principal occupation changes from that at the time such Board member was last elected or re-elected.

17. Executive Committee

Review of succession plans and potential ExCo members	17.1 The GNSC will review with the Group CEO at least once a year the succession plans and candidates for future potential ExCo members. Any proposals for appointments to the ExCo are to be submitted to the GNSC for a recommendation prior to the approval of the Board.
Performance and career progression	17.2 The Group CEO will at least once a year inform the GNSC on the performance and the career progression of current and potential members of the ExCo.
Emergency planning	17.3 The GNSC will also assess periodically the situation, which would arise if the Group CEO would unexpectedly and suddenly become incapacitated or otherwise unavailable.
Additional mandates	17.4 ExCo members may not hold more mandates than permitted pursuant to art. 33 of the AoA. Any membership of ExCo members on the board of a listed company has to be approved by the Group CEO and the Chairman. Any membership of the Group CEO on the board of a listed company has to be approved by the GNSC.
Retiring ExCo members	17.5 As a general rule, retiring ExCo members should not be proposed for election to the Board unless warranted by special circumstances.

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