

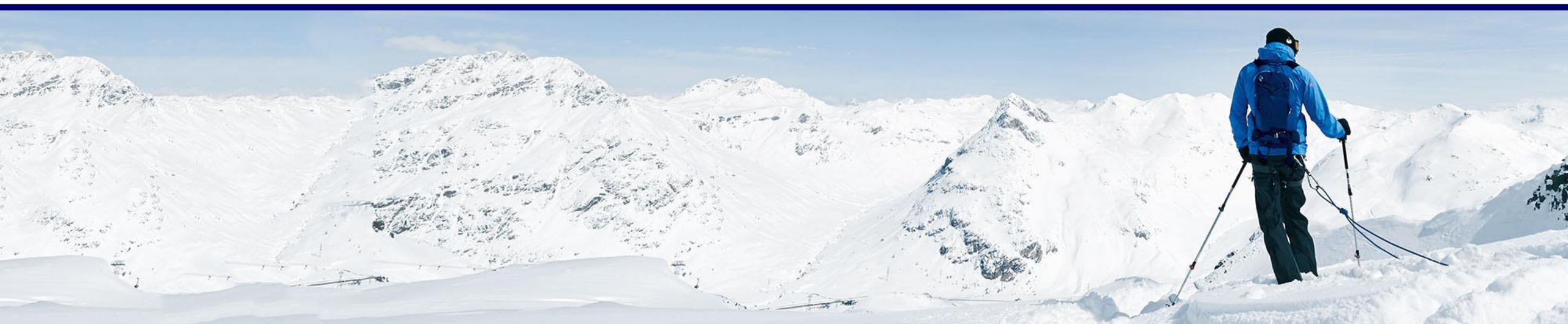
# Investor Day – Well positioned for the future

Media presentation

November 15, 2017

London

**Zurich Insurance Group**



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# Key messages

## Strong franchise and financials

We have a uniquely diversified business with strong franchises and well balanced access to distribution backed by a strong balance sheet

## Delivering on our targets

The group's ability to grow earnings and deliver on targets has been restored through improved efficiency, a focus on technical excellence and strengthening of core businesses

## Positioned for industry change

We are well positioned for industry change with a diverse and flexible business and we will actively lead industry transformation

## Stepping up the pace

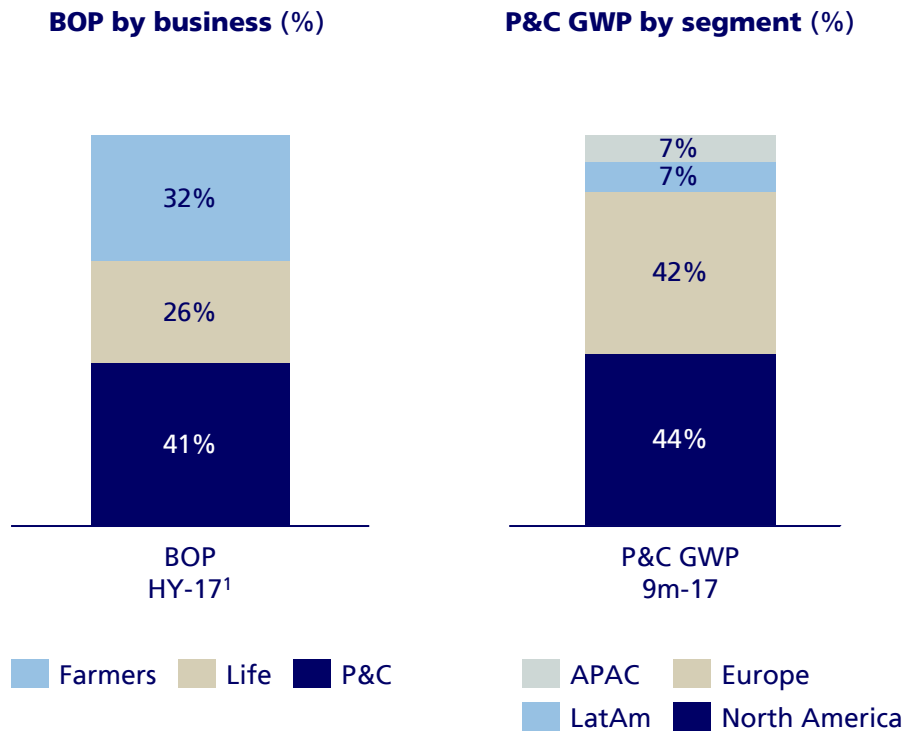
We are accelerating the cultural change to become customer centered, through simplification of our business and investment in targeted innovation

## Shareholder focused







Our cash generative business model and strong balance sheet allow us to increase the return of capital to shareholders over time

# A strong and globally diversified group

## A GLOBALLY DIVERSE BUSINESS

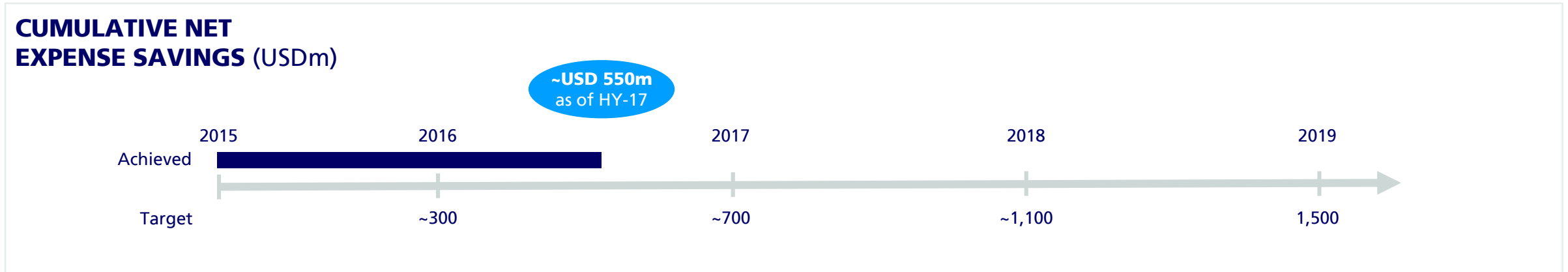
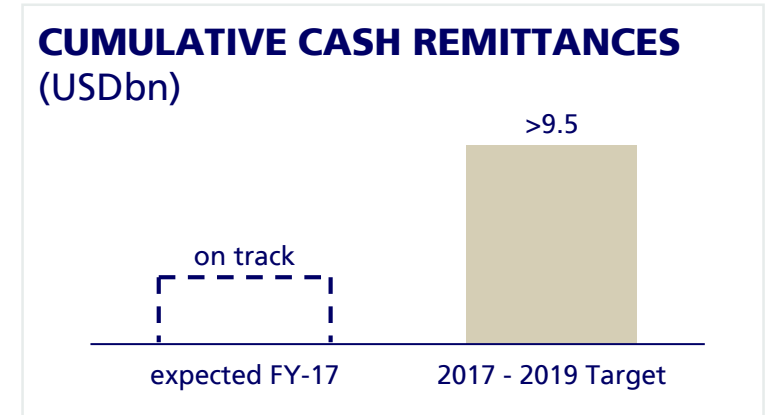
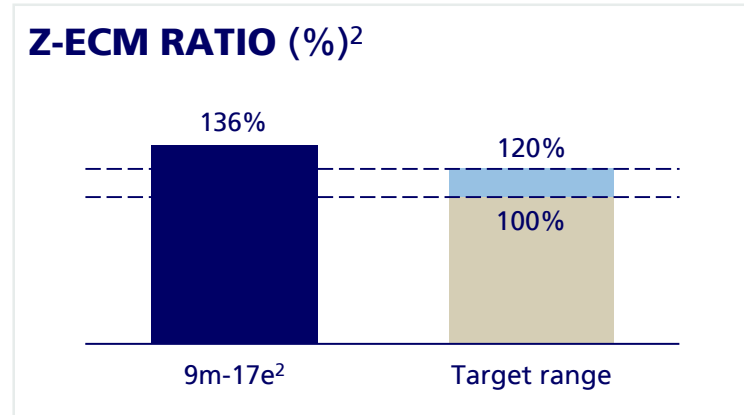
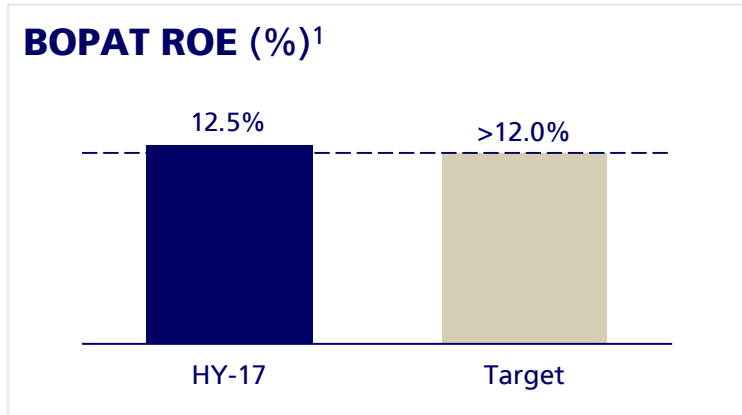


## KEY STRENGTHS

-  Powerful, international brand
-  Clear customer focus
-  Global customer relationships
-  Distribution partnerships
-  Strong technical capabilities
-  Our people

<sup>1</sup> Excludes Non-Core Businesses, Group Functions & Operations and Eliminations.

# On track to achieve our financial targets



<sup>1</sup> Business Operating Profit after tax return on equity, excluding unrealized gains and losses. HY-17 excludes the impact from the change in the Ogden discount rate.

<sup>2</sup> 9m-17 Z-ECM reflects midpoint estimate with an error margin of +/- 5ppts.

# We are focused on paying an attractive and growing dividend and managing our capital in a disciplined way



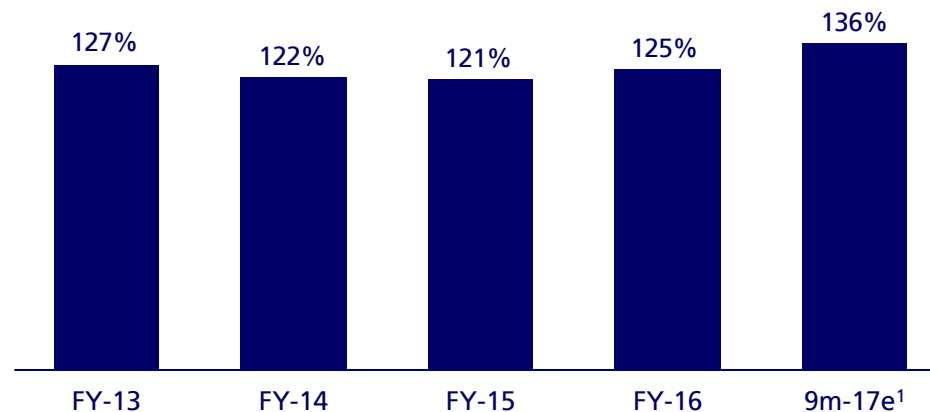
## ZURICH'S DIVIDEND POLICY

**NIAS payout ratio of approximately 75%**

**Dividend increases based on sustainable earnings growth**

**Target minimum CHF 17 per share dividend**

## STRONG CAPITAL WITH LOW INVESTMENT RISK (Z-ECM, %)<sup>1</sup>



<sup>1</sup> 9m-17 Zurich Economic Capital Model (Z-ECM) reflects midpoint estimate with an error margin of +/- 5ppts.

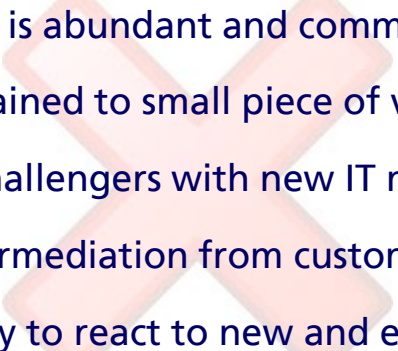
# The insurance industry is changing fast and profoundly, with customer needs quickly evolving



**OPPORTUNITY**

# Customer relationships will be key for long term success of insurance companies

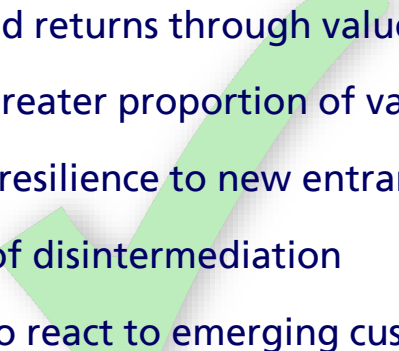
## MANUFACTURER AND BALANCE SHEET PROVIDER

- 
- Capital is abundant and commoditized
  - Constrained to small piece of value chain
  - New challengers with new IT more efficient
  - Disintermediation from customers
  - Inability to react to new and evolving risks



**Low ROEs and eventual consolidation**

## OWNER OF THE CUSTOMER RELATIONSHIP

- 
- Enhanced returns through value added services
  - Own a greater proportion of value chain
  - Greater resilience to new entrants
  - No risk of disintermediation
  - Ability to react to emerging customer needs



**Higher ROEs and market success**



# Annex



# Key messages

## Targets

Well on track to deliver on our Group financial targets

## Efficiency

On track for ~USD 700m in expense savings by the end of 2017

## Reduce volatility

Improvements in underwriting and reinsurance reducing the impact of natural catastrophes and quarterly large loss volatility

## Capital management

Continued active capital management across the business to release trapped capital and enhance returns, while having a disciplined approach to investments

## Dividend

Focused on delivering an attractive and growing dividend

# For further information

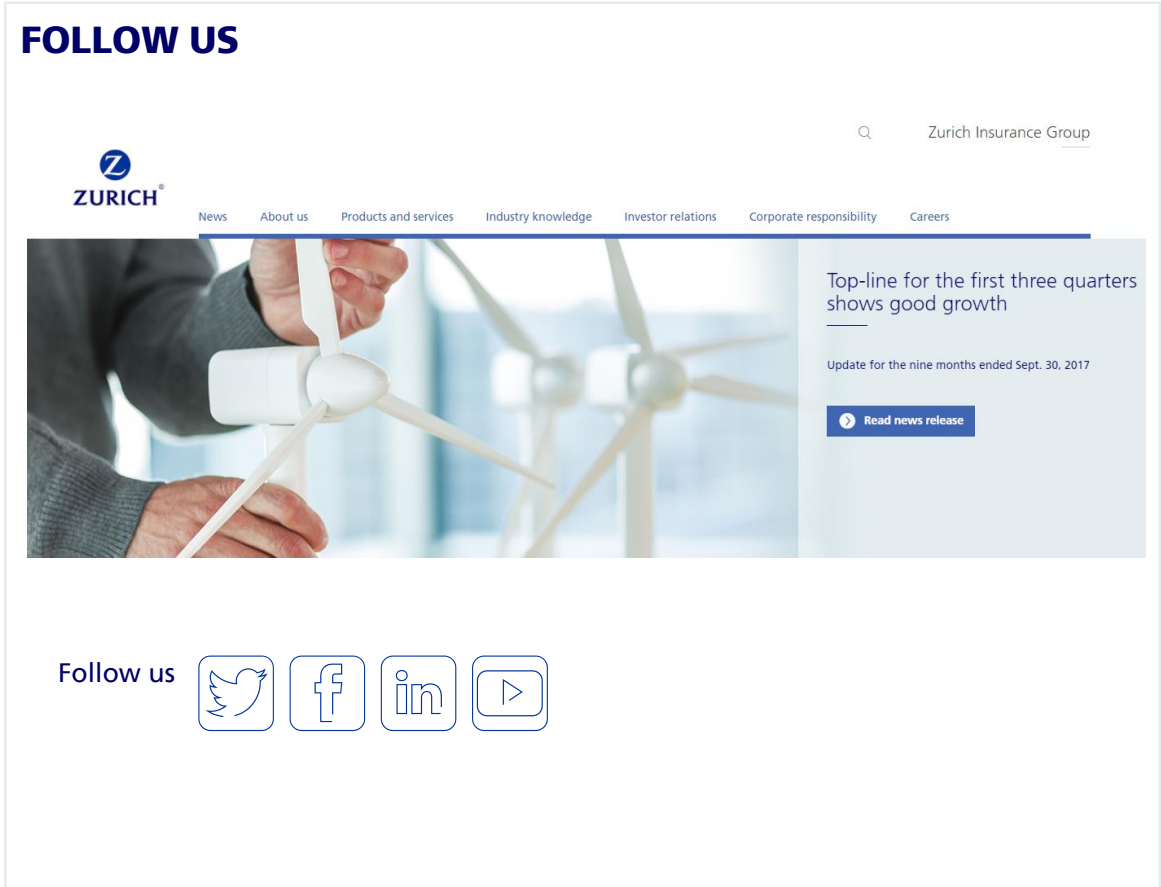
## CONTACT US

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The screenshot shows the Zurich website header with the logo and a search bar. The navigation menu includes: News, About us, Products and services, Industry knowledge, Investor relations, Corporate responsibility, and Careers. Below the menu is a featured article titled "Top-line for the first three quarters shows good growth" with a sub-headline "Update for the nine months ended Sept. 30, 2017" and a "Read news release" button. At the bottom of the screenshot, there are social media icons for Twitter, Facebook, LinkedIn, and YouTube.

## CALENDAR

- February 8, 2018, Annual results 2017
- April 4, 2018, Annual General Meeting 2018
- May 9, 2018, Update for the three months ended March 31, 2018
- August 9, 2018, Half year results 2018
- November 8, 2018, Update for the nine months ended September 30, 2018

