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Annual General Meeting – Wednesday, April 3, 2019
Speech by Michel M. Liès, Chairman of the Board of Directors

Dear Ladies and Gentlemen,

Last year, I addressed you with closing comments at this very place.

Today, it is my honor to guide you through this Annual General Meeting after one year as the Chairman of the Board of Directors of Zurich Insurance Ltd.

Before the statutory part, I want to start where I left off last year, with an expression of confidence.

One year ago, I thoroughly enjoyed taking charge as the Chairman of the Board of Directors. During my prior activities, I knew Zurich Insurance Group from the outside as a first-class company. Zurich has always convinced me with its technical excellence and an open approach. And Zurich has always been exceptional for its combination of global presence, self-confident Swiss identity and strong ties with the city of Zurich.

My first year in my new position has strengthened my confidence that Zurich has a promising future.

The past year has shown that Zurich has the momentum to continue on its path of success in the future. The direction is right. We are on track to reach or exceed all of our financial goals – you will hear more about that later from our CEO Mario Greco.

In 2018, Zurich kept its promise. I can say this with a good conscience, especially as I increasingly experienced Zurich from the inside during the past 12 months. I have listened to many people – business leaders, customers, colleagues, employees, and other stakeholders.



These encounters have shown me how diverse Zurich's influence is and how the credo of the Executive Committee is built, putting customers at the center of our thinking and actions.

Above all, I have seen that Zurich's focus on people is not mere lip service.

For Zurich, customers are not abstract entities. They are companies and people with expectations and experiences. We listen to them, wanting to know what their needs are, where they see opportunities, and where they perhaps are feeling the pinch. In times of rapid technological and social change, this close contact is particularly important.

An example of this is a discussion during an internal event in which I recently participated at one of our Asian offices. You could literally feel the energy and passion in the room. I experienced people working with absolute devotion for their customers in one of the fastest growing insurance markets in the world.

Ladies and gentlemen, it's not a new realization that it is the people – and not just premiums, systems and processes – that make our service tangible to customers. But knowledge is one thing, implementation is another. I have experienced first-hand how Zurich lives up to this knowledge. I have experienced how we create an environment that attracts dedicated employees and enables them to develop and succeed.

In fact, I felt this commitment on a personal level. Shortly after I came to Zurich, I was approached by helpful colleagues regarding my insurance cover. I then gave them three thick folders with my insurance policies. They studied everything carefully, put together a better and more comprehensive protection for my needs, and finally exited or adjusted my existing contracts.

Incidentally, this is a service that is available to all employees in Switzerland, not just the Chairman of the Board. And it is an excellent example of how we look after our own employees just as closely and efficiently as we look after our customers.

Just as important as the needs of our customers and employees is the well-being of our planet. This brings us to the subject of sustainability, ladies and gentlemen. It will, as I

have observed in recent years, become an increasingly prominent topic among major investors.

Sustainability means that we place high priority on environmental and social criteria in our strategy and day-to-day business. Sustainability also means that we do not think from quarter to quarter, but from decade to decade. Our balance sheet contains obligations that can take 30 years to mature.

I am pleased that investors appreciate this element of Zurich's strategy.

And sustainability is not just important for investors. All our stakeholders, including customers, employees and society, demand that companies behave appropriately on a social and environmental level.

I also see sustainability as our endeavor to ensure that companies and individuals are not thrown off track by an unfavorable twist of fate.

Here the social and economic significance of insurance companies is paramount. In the case of Zurich, I am convinced by our commitment to helping society transition into a new professional world, for example through our extensive training programs, where we are inspired by the Swiss Vocational Education and Training System and transfer it to other national markets. Or our commitment to strengthening resilience against flooding around the world. This includes dialogue with policy-makers and governments on resilience issues. From my previous experience, I can tell you that such efforts are very effective and valuable.

Ladies and gentlemen, global insurance companies, as well as large corporations from other industries, need to have a great interest in the topic of sustainability. There are inconvenient truths that don't necessarily play into the hands of certain players, and this is not at all meant to be disparaging.

But there are many inconvenient truths in the world. Think of global warming or the current geopolitical changes. It is up to us, as insurers, to live up to our social and economic responsibility.

New technologies give us an opportunity to do so. They help us avoid risks rather than merely pay for them.

Take, for example, the improved performance of Zurich's natural disaster radar in Switzerland. The natural disaster radar is based on cantonal and national hazard maps. With just a few clicks of the mouse, users can find out which natural hazard, if any, threaten their home or company head office. All you have to do is enter the address of the building and you will get an analysis with the specific risk for your property, along with expert tips to help you protect your property efficiently and cost-effectively.

Ladies and gentlemen, our commitment to sustainability is directly linked to our values. And these have their roots in Switzerland.

And in Zurich, our name is inseparable from the city. The city of Zurich, so to speak, is ingrained in the DNA of our company. Many employees work here, at the Zurich Group or Zurich Switzerland. We are currently building a new, state-of-the-art headquarters at Mythenquai. This complements our listed building on the site, which has existed for nearly 120 years, and also physically expresses our attachment to the city.

As a Luxembourger, I am a great admirer of the local culture and democracy. And I am quite amazed at the stability Switzerland provides, as demonstrated by the number of extremely dynamic companies established here in recent decades.

Switzerland's economic and political environment has traditionally been based on openness and consistency. These values have enabled its companies to be successful on the global stage. They go back to the status of the country as a trade route in Roman times. Thanks to its geographical location, Switzerland has always been active in trade with emerging countries along the Rhine or across the Alps.

Perhaps more importantly: without mineral resources, Switzerland was and still is particularly dependent on the strengths of its people – diligent, innovative and well educated. Such qualities, coupled with an open and cooperative approach to dealing with others, have been the focus of Zurich's business for almost 150 years.

Finally, ladies and gentlemen, as the new Chairman of the Board of Directors, of course, I did not just talk to customers and employees. Rather, in the last 12 months, work on the Board of Directors has been my focus.

The Swiss Code of Obligations assigns various responsibilities to the Board of Directors. The board of directors should not only control, it should also help to shape the company. Among its non-transferable and inalienable duties, the board is, among other things, the steering entity of the company. One could say that the board of directors is also a council that fashions the future.

I believe that the Board of Directors of Zurich – and now more and more boards of directors in general – take on a more dynamic role: to reflect the company's strategic direction in close and trusting cooperation with the Executive Committee. In this context, we challenge ourselves and our strategy. We think about the steps we need to take in order to stay on course. We discuss where and how we can provide new momentum.

Timing is crucial when implementing any strategy. Good ideas must be communicated to the market at the right time – not too early, not too late.

We have a lot of experience on the Board of Directors regarding such timing and how to successfully implement a strategy like Zurich's around the world.

Working together with my colleagues on the Board of Directors, I sense the benefits of different backgrounds, approaches and practices – be it due to origin, gender, age or sector-specific experience. One of my duties is to make this varied knowledge fruitful and usable for the Executive Committee and the company. I am convinced that this "diversity of thinking" helps to make work more efficient and effective, not only on the board but throughout the organization. Diversity brings Zurich forward.

I would like to sincerely thank my colleagues on the Board of Directors for their dedication and their valuable insights – and the Group Executive Committee for their good cooperation.



Ladies and gentlemen, I am about to conclude my opening remarks.

What we all already know is: Zurich Insurance Group has a long established tradition. It has a strong, finely developed network around the world. With our 54,000 employees, we are present in almost every country. Zurich is a true global player.

The more I experience it on a daily basis, the more confidently I can tell you that this global player has gained momentum under the aegis of Mario Greco. Zurich is bursting with energy today.

Dear Shareholders, I conclude my welcome by handing over to the CEO of Zurich Group, Mario Greco.

[...]

Concluding remarks

This concludes the formal part of today's Annual General Meeting. Ladies and Gentlemen, thank you again for joining us. Finally, let me pick up where I started today.

As an outsider, I knew Zurich's traditional strengths: technical excellence, resilience and reliability. Now I can see that this is just the tip of the iceberg. Under the waterline, true customer orientation, transformation, commitment and appreciation for employees there is. And a deep understanding of the role that insurers can and should play in addressing some of the biggest societal challenges.

Based on these strengths and our strategic focus, we can seize the opportunities that digitalization offers us. I look forward to reporting back to you on our achievements in the year 2019 at the next Annual General Meeting, which is expected to take place on April 1, 2020.