


Strong platform for continued delivery

Annual results 2022








February 9, 2023
Investor and media presentation
Zurich Insurance Group



Main sections

-  Key highlights
-  Group results and outlook
-  Property & Casualty (P&C)
-  Life
-  Farmers
-  Group Functions & Operations and Non-Core Businesses
-  Group solvency, balance sheet and dividend proposal

Other important information

-  Disclaimer
-  Dividend policy
-  Customer KPIs
-  P&C reinsurance program
-  Farmers Exchanges details by line of business
-  Group solvency and investment details
-  Restatements and alternative performance measures



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Key highlights



Successful conclusion of the 2020-2022 cycle

Consistent execution of group strategy drives strong performance across all businesses. Exceeded financial targets for the 2020-2022 cycle¹. FY-22 BOP rises 12% to USD 6.5bn, the highest since 2007

Improved customer metrics support growth

Net promoter score improved in most major markets with 2.1m net new customers acquired in 2022, supporting retail business growth

P&C producing highly attractive results

Record P&C gross written premiums of USD 43.3bn up 14% like-for-like² while maintaining attractive combined ratio of 94.3%. Exceptional results in Commercial Insurance with rate increases of 8%

Strong performance in Life despite challenging markets

Continuing to reduce the capital intensity of the business while growing earnings. BOP of USD 2.0bn, up 8% year-on-year despite FX headwinds and difficult market backdrop

Growth accelerated at Farmers Exchanges³

Farmers Exchanges³ GWP up 9% driven by MetLife integration and focus on rate. Farmers segment BOP up by 18%, driven by a higher management result at FMS and improved COVID mortality at Farmers Life

Very strong capital position and increased dividend

SST ratio of 265%⁴ as of Q4-22 with 54ppts improvement compared to Q4-21; Proposed dividend⁵ increase of 9% to CHF 24

¹ Earnings per share adjusted for the impact of H2-22 loss on disposals of USD 260m mainly related to the sale of the legacy life back book in Italy.

² In local currency and after adjusting for closed acquisitions and disposals.

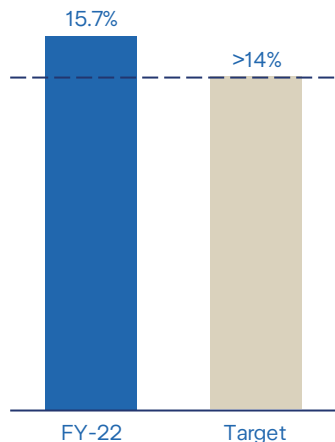
³ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

⁴ Estimated Swiss Solvency Test (SST) ratio, calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority FINMA. The SST ratio as of January 1 has to be filed with FINMA by end of April each year and is subject to review by FINMA.

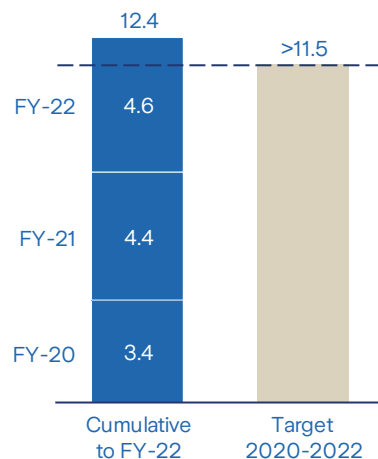
⁵ Subject to approval by General Meeting of Shareholders.

Group exceeded all financial targets for the 2020-2022 cycle¹

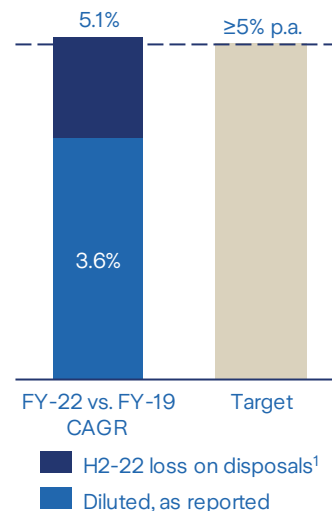
BOPAT ROE (%)²



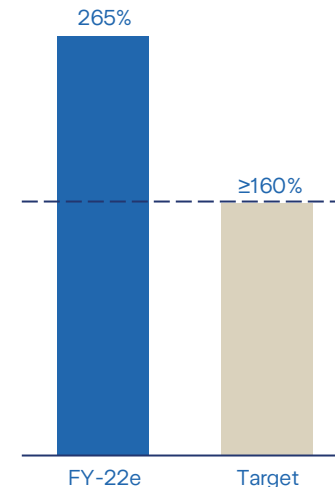
Cash remittances (USDbn)



EPS growth (%)³



SST (%)⁴



¹ Earnings per share adjusted for the impact of H2-22 loss on disposals of USD 260m mainly related to the sale of the legacy life back book in Italy.

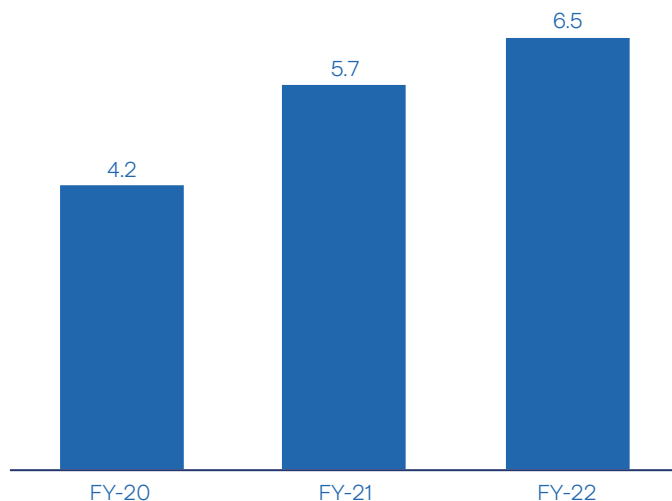
² Business operating profit after tax return on equity, excluding unrealized gains and losses.

³ Earnings per share growth (in USD), before capital deployment.

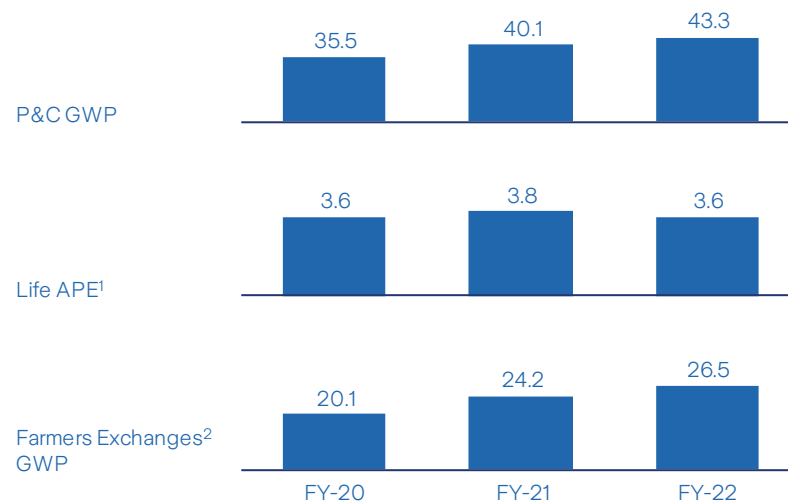
⁴ On Swiss Solvency Test (SST) see footnote on page 4.

Execution of Group strategy drives strong performance across all businesses

Group BOP (USDbn)



Top-line (USDbn)

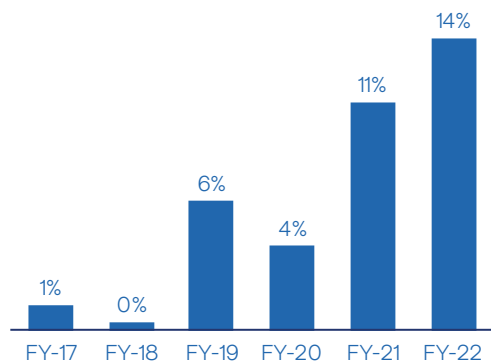


¹ Annual premium equivalent (APE) is reported before non-controlling interests. New business margin (NBM) and value (NBV) are reported net of non-controlling interests.

² For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Robust growth in Commercial as well as Retail and SME insurance, driven by higher premium rates and net new business

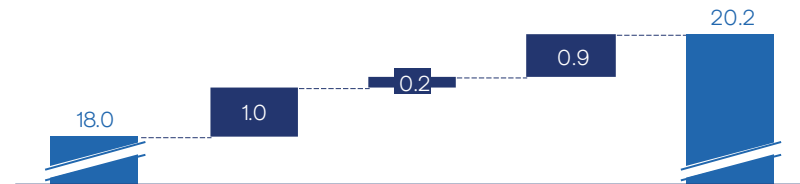
P&C GWP growth (%)¹



FY-22 P&C GWP growth by driver (USDbn)²

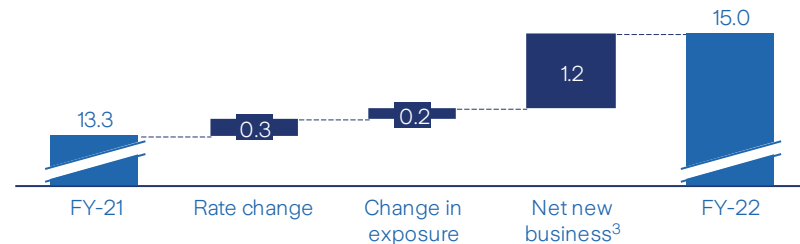
Commercial

+14%
Like-for-like¹



Retail and SME

+13%
Like-for-like¹



¹ In constant FX and after adjusting for closed acquisitions and disposals.

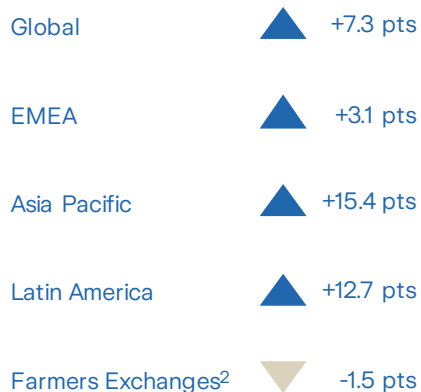
² In constant FX, net of premiums for ceded facultative reinsurance, captives and pools/co-reinsurance agreements. Commercial excludes crop (USD 10bn growth year-on-year at FY-22).

³ Includes also the impact of non-renewable business, changes in scope and other adjustments.

In Retail, customer satisfaction drives increased retention, customer growth and higher top-line

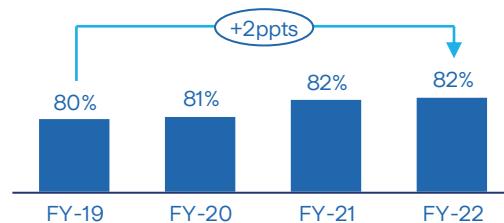
Customer satisfaction

Retail & SME – tNPS¹ FY-22 vs. FY-21

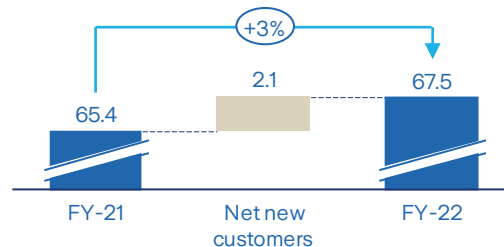


Customer loyalty and growth

Retail & SME - Retention rate (%)

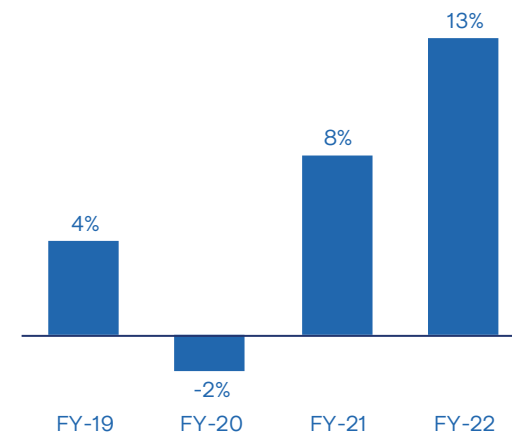


Retail net new customers (m)³



Growing portfolio

Retail & SME – GWP growth like-for-like (%)⁴



¹ Transactional net promoter score.

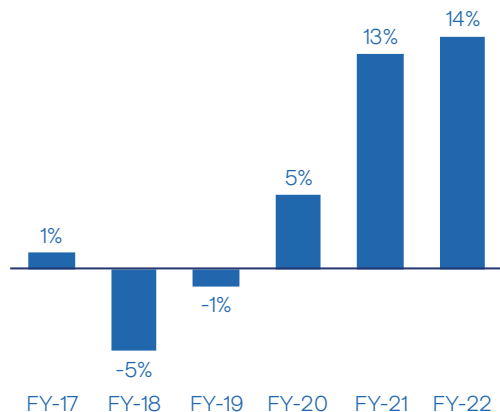
² For all references to Farmers Exchanges see the disclaimer and cautionary statement. Due to a change in provider, the NPS baselines were reset in Q1-22; consequently, the value shown for FY-21 corresponds to the first data point captured in Q1-22.

³ Net new customer number based on 19 retail markets. FY-21 numbers restated to reflected the increased scope (from 9 markets).

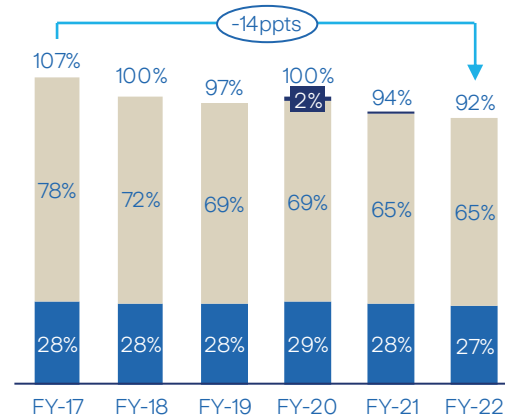
⁴ In constant FX and after adjusting for closed acquisitions and disposals.




Disciplined execution drives outstanding financial results in Commercial Insurance

NEP growth (%)¹

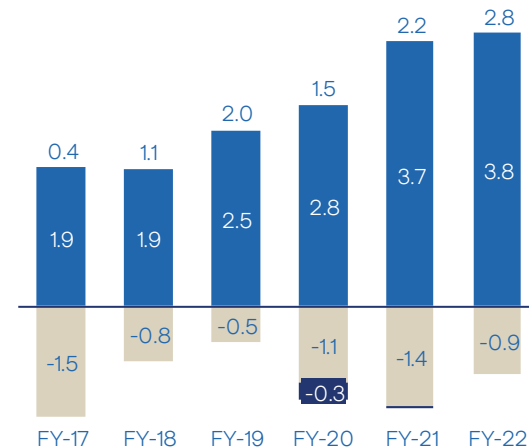




Combined ratio (%)



 COVID-19 impacts²
 Loss ratio
 Expense ratio

BOP (USDbn)



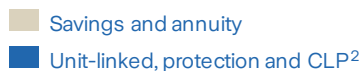
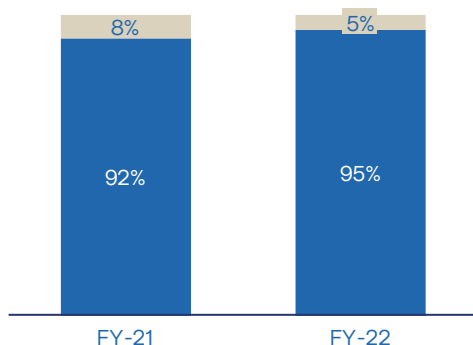
 BOP excl. cat losses and COVID-19
 Cat losses excl. COVID-19
 COVID-19 impacts²

¹ In constant FX.

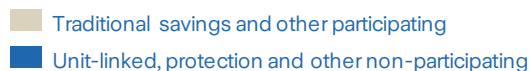
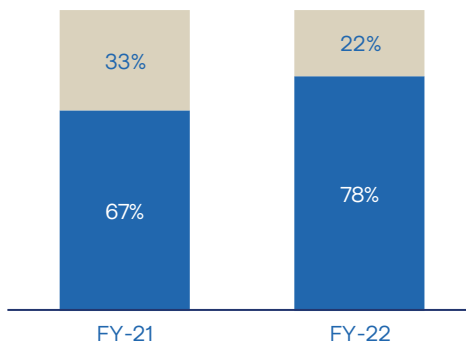
² COVID-19 claims, frequency benefits and premium refunds.

Life earnings up 8%, while exposure to capital intensive savings reduces both in new business and in-force

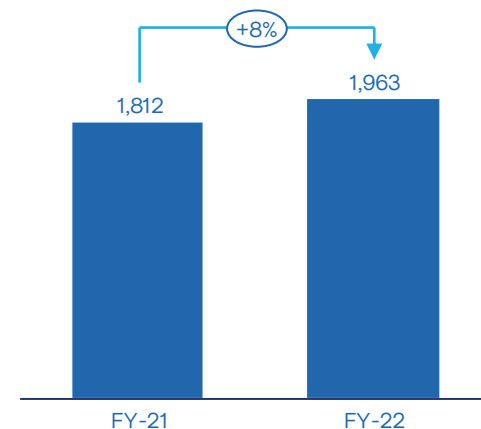
APE by product (%)



Reserves by product (%)¹



Life BOP (USDm)

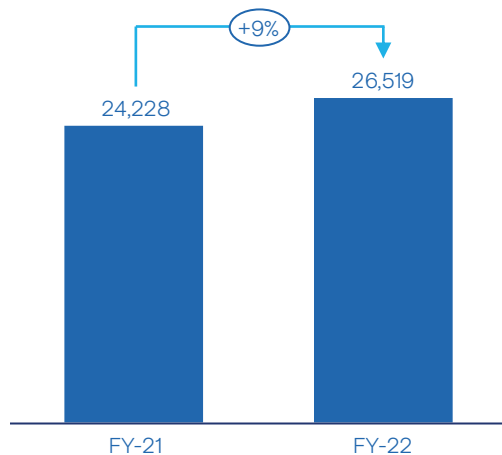
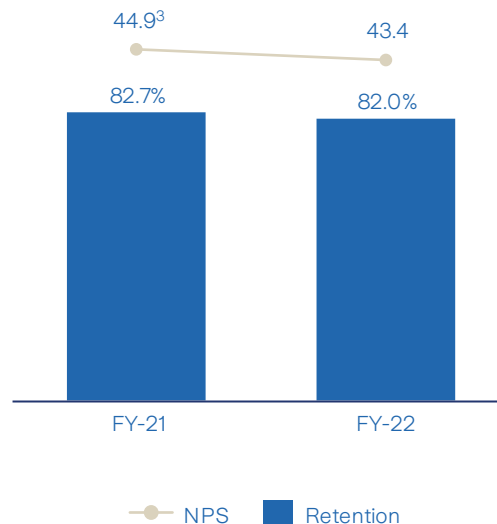


¹ FY-21 including USD 9bn of reserves reclassified as held for sale due to the disposal of a legacy life back book in Italy (completed in December 2022). FY-22 is net of USD 20bn of reserves reclassified as held for sale due to the announced disposal of a legacy life back book in Germany, expected to be completed in the second half of 2023, subject to regulatory approval.

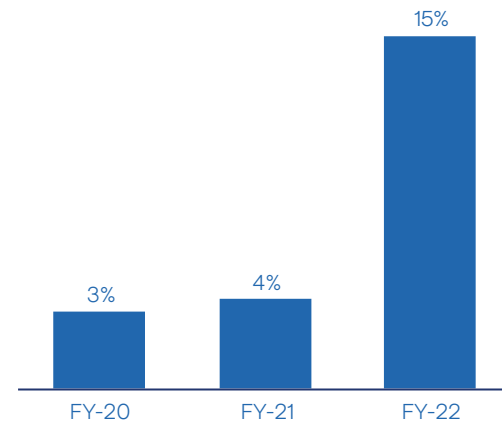
² Corporate life and pensions.

Farmers Exchanges¹ top-line benefiting from MetLife integration and positive rate momentum, with continued strong retention

GWP (USDm)

NPS and retention² (%)

Filed rate change (%)



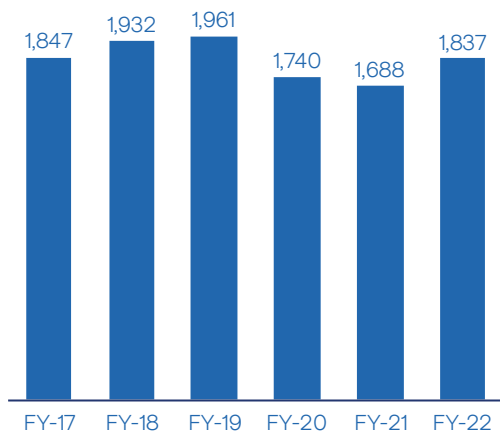
¹ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

² Reflects rolling 12-months retention ratio for the Farmers exclusive agents channel, excluding FWS, Bristol West Auto and Farmers Specialty Auto; based on weighted average GWP.

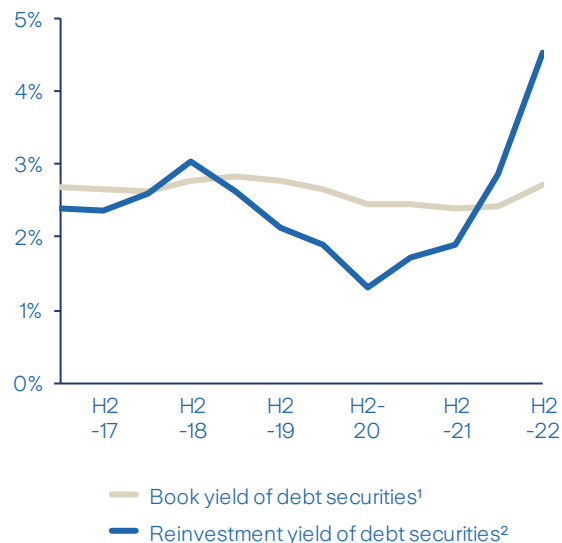
³ Due to a change in provider, the NPS baselines were reset in Q1-22; consequently, the value shown for FY-21 corresponds to the first data point captured in Q1-22.

Increased reinvestment yields continue to benefit P&C investment income, somewhat offset by FX headwinds

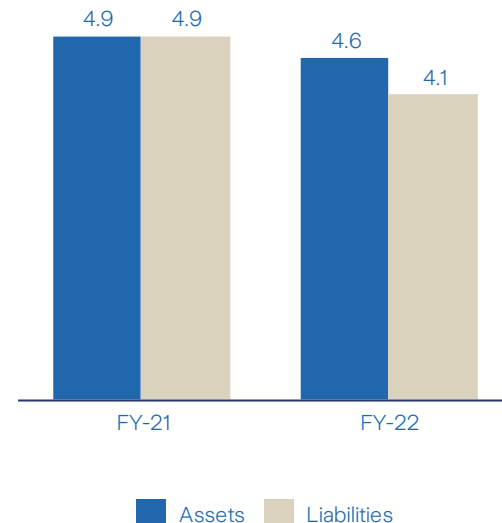
P&C investment income (USDm)



P&C investment yields (%)



P&C duration (# years)³

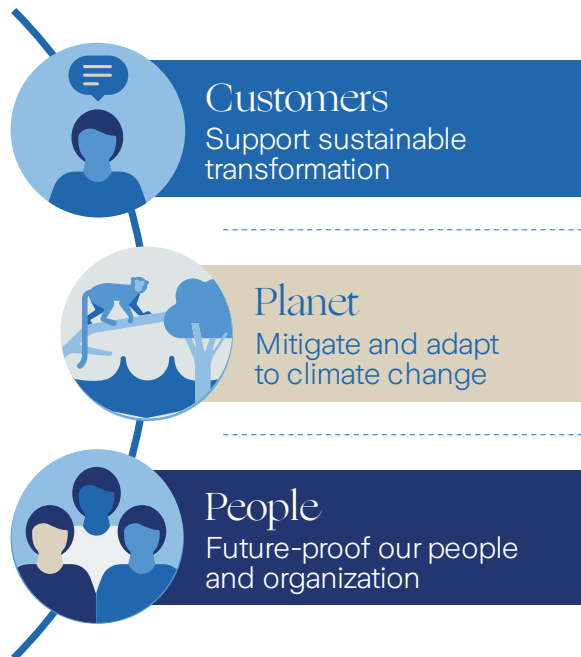


¹ Book yield calculated as weighted-average portfolio yield of debt securities during the period on an annual basis. P&C debt securities were USD 46bn at FY-22.

² Reinvestment yield calculated as weighted-average trade yield of purchased debt securities with maturity > 90 days during the period, on an annual basis.

³ Duration calculated as DV10 (dollar value of 10bp of move in interest rates over the period on the asset values) divided by market value of fixed income investments.

Continued progress in implementing our ESG priorities



Customers

Support sustainable transformation

Our progress during 2022

- tNPS¹ + 7%
- Sustainable solutions revenues almost **doubled**²
- CO₂e emissions intensity of corporate portfolio **-12%**³
- Engagement with investees corresponding to **54%**^{3,4} of financed emissions
- Females in senior management **+2ppts** to 29%⁵
- Internal hire ratio **+ 3pts** to 71%

More details at
'ESG at Zurich'
investor event on
March 30, 2023

¹ Transactional net promoter score (tNPS).

² From USD 289 to USD 566m; sustainable solutions refer to insurance products, add-on coverages, investment products and advisory services designed to support activities generating positive environmental or social impacts and contribute to mitigating climate risks.

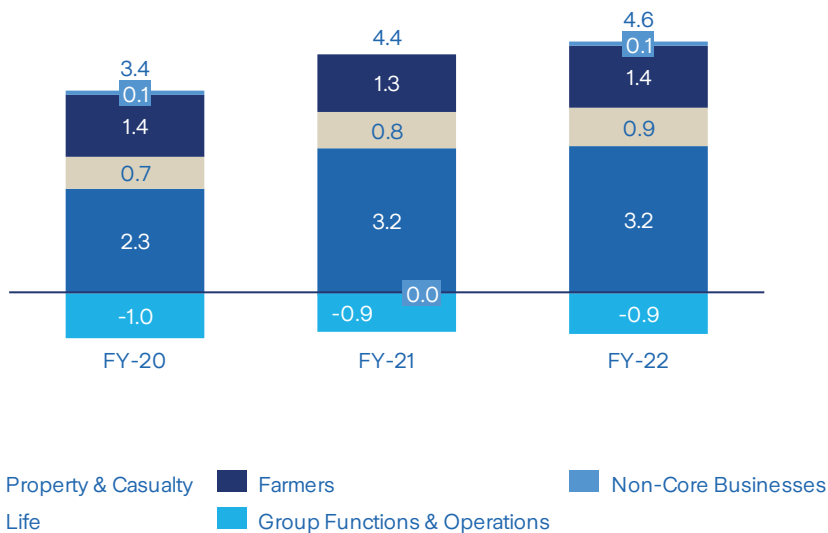
³ Cumulative 2019-2022.

⁴ Engagement with investees who do not yet have a Net Zero commitment; target is to engage with 65% by 2025.

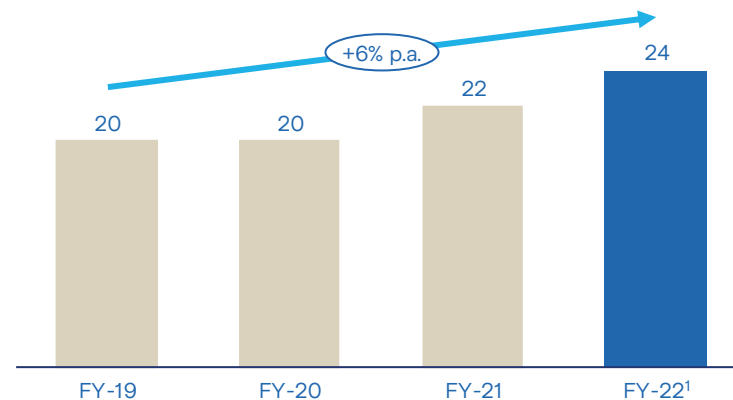
⁵ Includes career level D (senior executives and senior experts) and career level E (most senior roles such as country CEOs and other senior business leaders).

Continued strong cash remittance; CHF 24 dividend proposed¹

Cash remittances (USDbn)



Dividend per share (CHF)



¹ Proposed dividend, subject to approval by General Meeting of Shareholders.

Successful conclusion of the 2020-2022 cycle

Consistent execution of group strategy drives strong performance across all businesses. Exceeded financial targets for the 2020-2022 cycle¹. FY-22 BOP rises 12% to USD 6.5bn, the highest since 2007

Improved customer metrics support growth

Net promoter score improved in most major markets with 2.1m net new customers acquired in 2022, supporting retail business growth

P&C producing highly attractive results

Record P&C gross written premiums of USD 43.3bn up 14% like-for-like² while maintaining attractive combined ratio of 94.3%. Exceptional results in Commercial Insurance with rate increases of 8%

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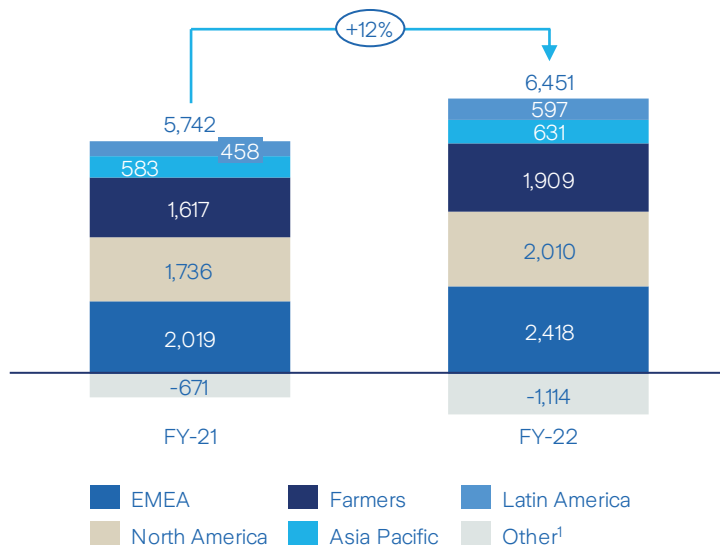
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CFO update

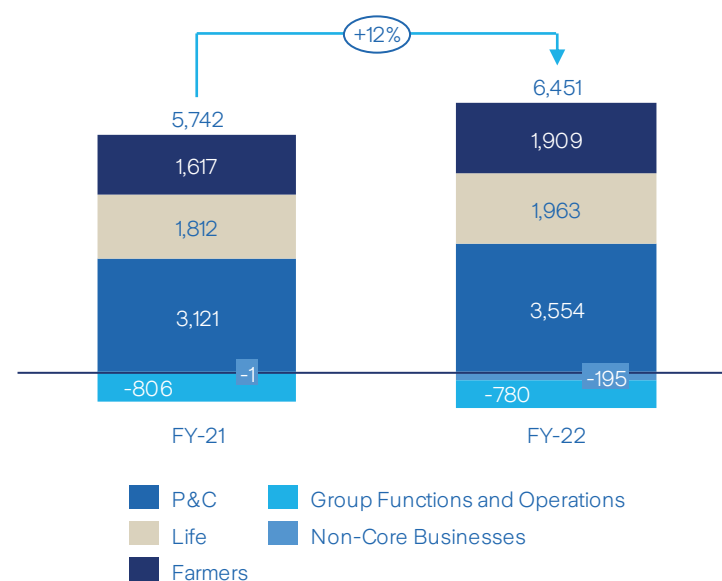


Strong results across regions and business lines drive increase in Group BOP

BOP by region (USDm)



BOP by business (USDm)



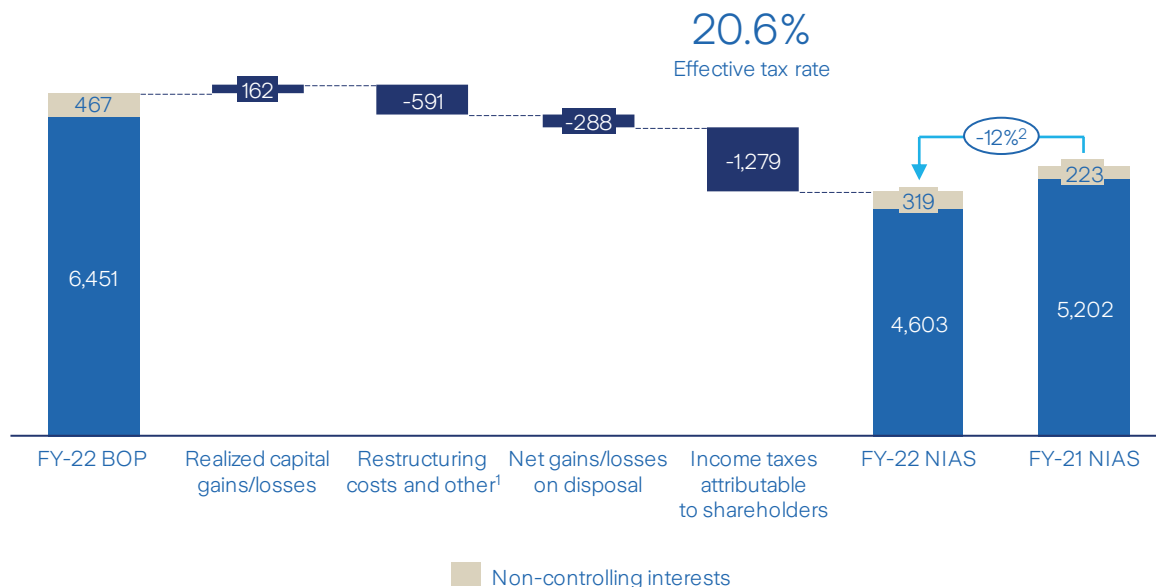
¹ Includes Group Functions and Operations, Non-Core Businesses and Group Reinsurance.

Commentary

- Overall **Group** business operating profit increased strongly in FY-22, with BOP up 12% in U.S. dollars and 18% in local currencies compared to FY-21, with improvement across almost all operating segments.
 - BOP in **EMEA** grew 20% in FY-22, as P&C experienced lower levels of catastrophe losses and a favorable development in the net non-technical result. The solid underlying performance and better COVID-19 claims experience in Life was largely offset by adverse currency impacts.
 - **North America** BOP improved by 16% as a result of improved performance in Commercial Insurance driven by higher premium rates and the lower impact of natural catastrophe losses.
 - **Asia Pacific** profit grew 8%, led by positive development across the P&C business and the strong rebound in travel insurance.
 - BOP in **Latin America** improved by 30%, driven by Life benefiting from improved claims experience, profitable growth and favorable market movements.
- By business, **P&C** BOP increased by 14% (19% in local currencies) compared to the prior year, driven by the earn-through of rates and lower natural catastrophe losses.
 - **Life** BOP was up 8% (20% in local currencies) driven by solid underlying performance, lower impacts of COVID-19 and management actions, more than offsetting unfavorable FX and market movements.
 - **Farmers** segment BOP increased by 18% over the same period in 2021, driven by the higher level of management fees at Farmers Management Services following the integration of the MetLife U.S. P&C business as well as improved pandemic-related mortality experience at Farmers Life.
 - Net expenses in the **Group Functions and Operations** units were below the prior year, benefiting from lower HQ expenses.
 - The Group's **Non-Core Businesses** reported an operating loss, driven by negative market impacts and reserve strengthening on run-off portfolios.

Net income attributable to shareholders down as BOP growth is offset by lower realized capital gains and losses on disposal

BOP to NIAS walk (USDm)



Key drivers

- Group BOP of USD 6.5bn is up 12% compared to FY-21 driven by strength of the underlying business
- Realized capital gains of USD 162m in FY-22 compared to gains of USD 1,547m at FY-21
- Net losses on disposal of USD 288m, mainly driven by the sale of the Italian back book in H2-22
- USD 591m restructuring/other impacts mainly driven by integration costs, IFRS 17 implementation and a hyperinflation charge related to our Latin American business

¹ Restructuring costs include restructuring provisions, other adjustments and impairment of goodwill.

² NIAS excluding non-controlling interests.

2023 outlook

Property & Casualty

- Commercial Insurance margins are expected to expand while rate continues to moderate through the year
- Retail and SME is expected to start to see improving results as the impact of price increases takes effect and claims inflation moderates

Life

- Weaker macroeconomic conditions and financial markets volatility expected to remain a headwind to new business sales

Farmers

- Low single-digit growth expected for Farmers Exchanges¹ GWP given focus on improving the underwriting performance through rate and non-rate actions

Other

- Group Functions and Operations net expenses expected to be in the normal range
- Operating loss for Non-Core Businesses expected to return to more moderate level in 2023
- Effective tax rate expected to be around 25%

Detailed comparative information for 2022 based on IFRS 17 will be provided along with the first quarter 2023 update on May 17

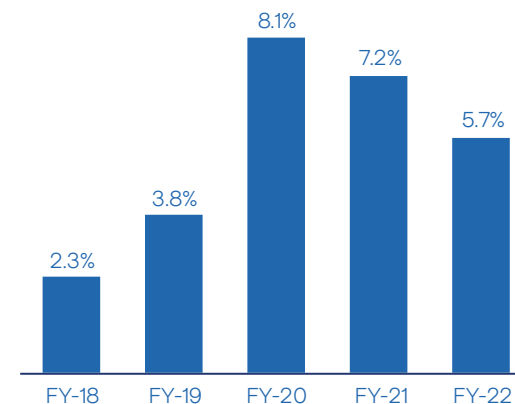
¹ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

Strong growth supported by favorable rate environment

FY-22 top-line development

	GWP (USDm)	GWP like-for-like growth (%) ¹	Rate change (%) ²	Rate change outlook
EMEA	17,806	10%	5%	Increasing
North America	21,034	16%	8%	Moderating
Asia Pacific	3,465	18%	3%	Stable
Latin America	2,844	26%	7%	Increasing
Total ³	43,335	14%	6%	Stable

Total rate change (%)²



¹ In local currency and after adjusting for closed acquisitions and disposals.

² GWP development due to premium rate change as a percentage of the renewed portfolio (monitored business) against the comparable prior year period.

³ Total includes Group Reinsurance and Eliminations.

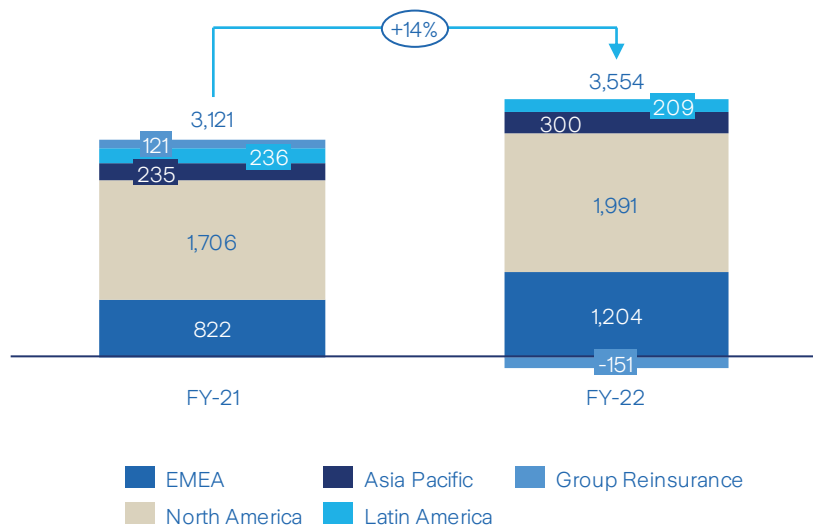
Commentary

- **Gross written premiums** rose 14% on a like-for-like basis and 8% in U.S. dollar terms. All regions demonstrated strong growth supported by higher premium rates of 6% on a Group basis.
 - **Net earned premiums** rose 13% on a like-for-like basis and 7% in U.S. dollars benefiting from the earn-through of growth in gross written premiums.
 - **Rate change** of 6% remains favorable and is supported by a commercial rate increase of 8%. Rate increases have slightly moderated throughout the year.
 - In **EMEA**, gross written premiums increased 10% on a like-for-like basis, driven by Retail and Commercial Insurance business growth across the region.
- **North America** grew 16% on a like-for-like basis, with crop insurance contributing about 5 percentage points to growth due to higher agricultural commodity prices. Growth benefited from rate increases of 8% which slightly moderated over the year as well as higher new business.
 - In **Asia Pacific**, gross written premiums rose 18% on a like-for-like basis, driven by a recovering travel insurance business and overall growth across the region.
 - In **Latin America**, gross written premiums rose 26% on a like-for-like basis, with a strong performance in Brazil supported by a rebound from lower levels in the previous year due to COVID-19.

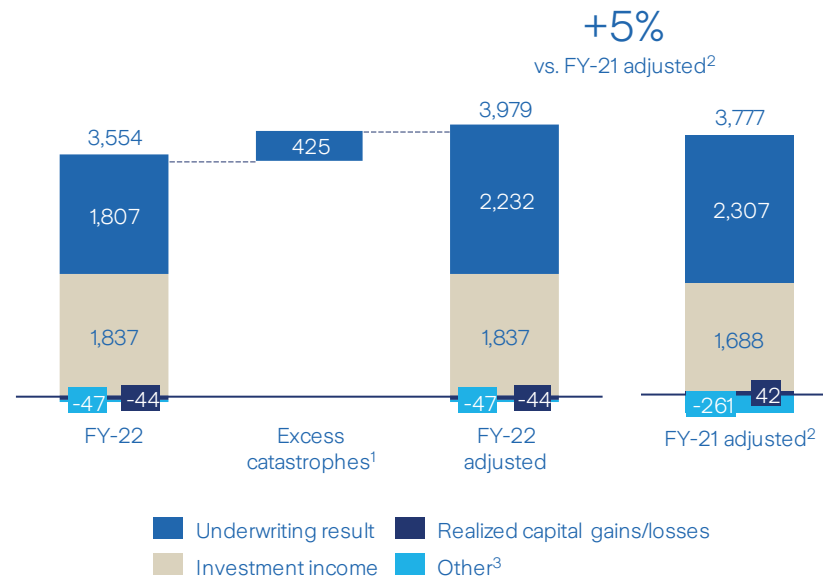


P&C BOP up 14% driven by higher top-line and improved combined ratio

BOP (USDm)



Break down by component (USDm)



¹ Catastrophes in excess of 3.5% of NEP.
² Adjusted for COVID-19 claims, frequency/benefits, premium refunds, Cover-More operating loss and catastrophes in excess of 3.5% of NEP.
³ Includes non-technical result and non-controlling interest.

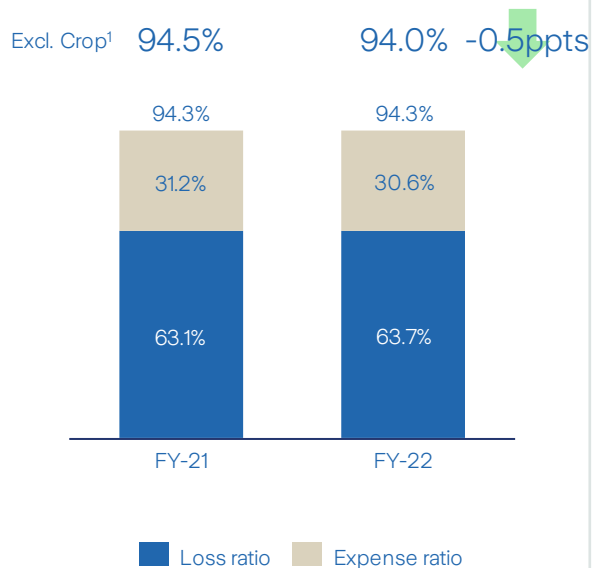
Commentary

- FY-22 **P&C BOP** was USD 3,554m, 14% higher than in the previous year. The improvement was supported by higher prices feeding into the result. Adjusting for normalized natural catastrophe and weather-related claims as well as the favorable net COVID-19 impact in the prior year period, the FY-22 P&C BOP was 5% higher than in the previous year.
- **Natural catastrophe and weather-related claims** were 1.4 percentage points above our long-term expectations mainly driven by Hurricane Ian estimated at USD 485m.
- **Investment income** was USD 148m above prior year levels driven by the earn-through of higher yields.
- **Realized capital losses** of USD 44m driven by the Group's hedge fund portfolio due to adverse financial markets compared with a gain of USD 42m in the previous year.
- The **net non-technical result** of USD 73m was USD 256m better than in the previous year, mainly reflecting a gain from a real estate transaction, a rebound in travel business, positive impacts due to improving interest rates as well as favorable currency movements.

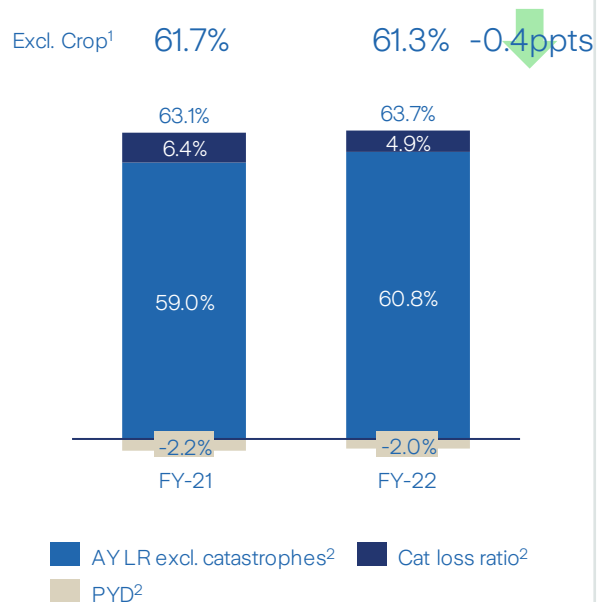


Underlying improvements offset by impact of crop, motor inflation and absence of frequency benefits

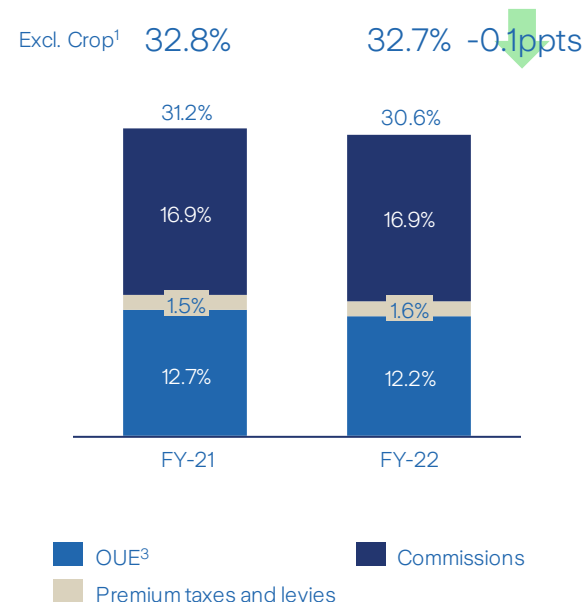
Combined ratio (%)



Loss ratio (%)



Expense ratio (%)



¹ Excluding the North American crop insurance business.

² Accident year loss ratio (AY LR) excludes prior year reserve development (PYD). Catastrophes (Cat) include major and mid-sized catastrophes including significant weather-related events.

³ Other underwriting expenses.

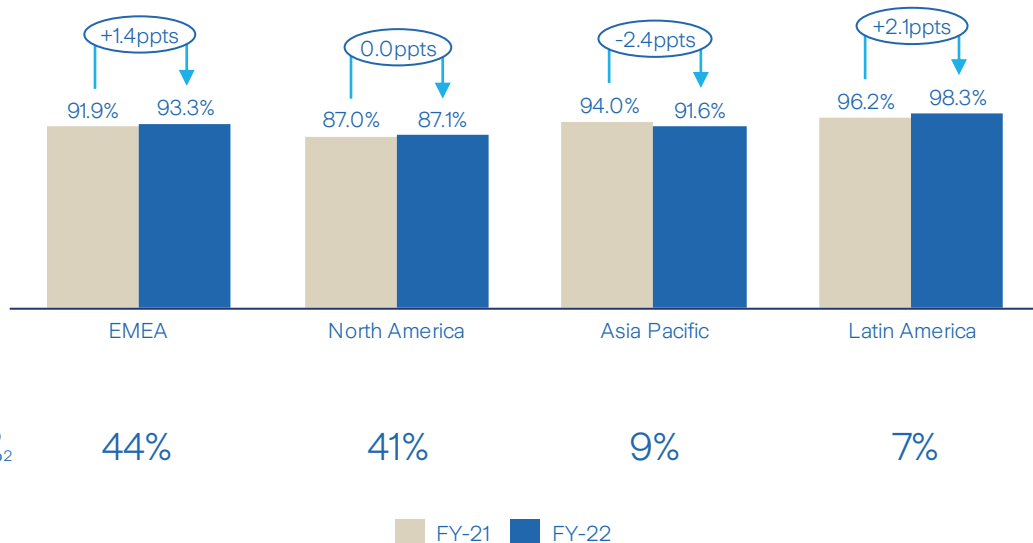
Commentary

- The **P&C combined ratio** of 94.3% remained stable compared to the prior year period. Excluding crop insurance, the P&C combined ratio improved 0.5 percentage points year over year driven by a 3.0 percentage points improvement in the commercial insurance combined ratio compared to the prior period.
- The reported **loss ratio** deteriorated by 0.6 percentage points to 63.7%. The **accident year loss ratio excl. Cat** deteriorated by 1.8 percentage points to 60.8% mainly due to a business mix shift towards crop insurance which experienced slightly elevated levels of claims, deterioration in the retail motor business, and the absence of COVID-19 related frequency benefits of 0.8 percentage points in the prior year period.
- **Natural catastrophe and weather-related losses** totaled 4.9% including USD 485m for Hurricane Ian compared to a catastrophe loss ratio of 6.4% in the prior year period.
- **Prior year development** of 2.0% was at the upper end of the indicated 1-2% range. All regions experienced favorable development.
- The **expense ratio** of 30.6% was 0.6 percentage points lower than in the previous year, mainly driven by the increase in earned premium.

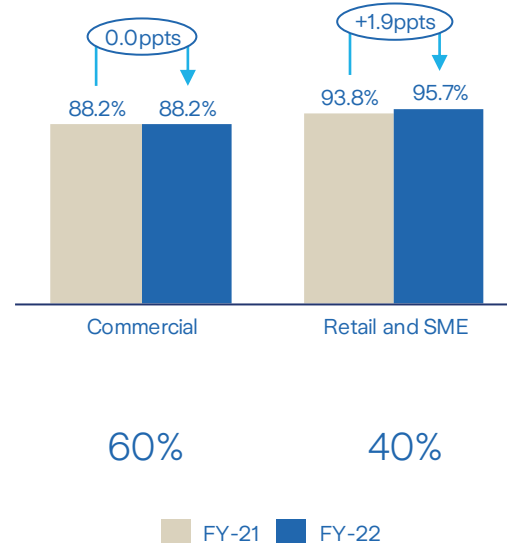


Commercial maintains strong profitability while Retail and SME experienced headwinds from motor inflation

AY combined ratio (CR) excl. catastrophes and COVID-19 by region (%)¹



AY CR excl. catastrophes and COVID-19 by customer unit (%)¹



¹ COVID-19 impacts include frequency benefits, Cover-More operating loss included in accident year underwriting result, and premium refunds. Retail and SME includes USD 86m of eliminations in FY-22 (USD 28m in FY-21).

² Excluding Group Reinsurance and Eliminations.

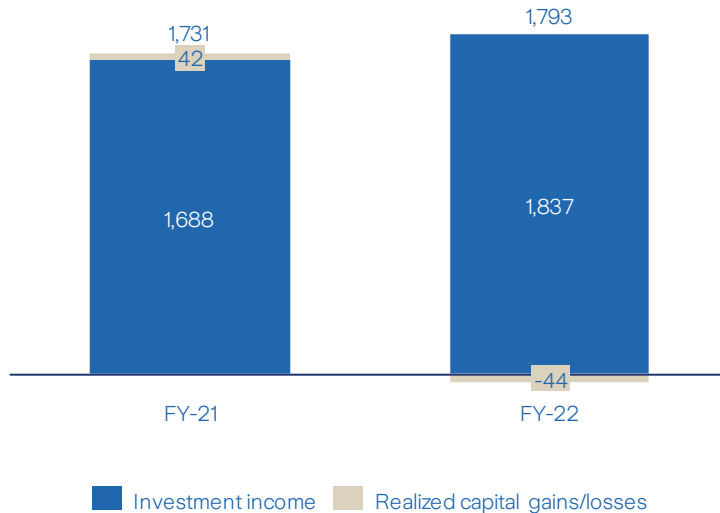
Commentary

- In **EMEA**, the accident year combined ratio ex-catastrophes and COVID-19 deteriorated by 1.4 percentage points mainly due to an uptick in motor inflation during H2-22 and an increased loss experience in the UK compared to a very favorable prior year performance.
 - In **North America**, the accident year combined ratio ex-catastrophes and COVID-19 remained in line with the prior year. The improvement from the earn-through of rate increases was offset by the strong increase in crop insurance volumes which experienced slightly elevated levels of claims.
 - The **Asia Pacific** accident year combined ratio ex-catastrophes and COVID-19 improved by 2.4 percentage points mainly driven by a reduction of the attritional loss ratio due to favorable experience and a rebound in travel business.
 - In **Latin America**, the accident year combined ratio ex-catastrophes and COVID-19 was 2.1 percentage points higher compared to the previous year mainly due to the inflationary environment impacting the loss ratio.
- The **Commercial Insurance** accident year combined ratio ex-catastrophes and COVID-19 remained stable at a strong level benefiting mainly from the earn-through of rate increases which was offset by the increase in crop insurance volumes.
 - For the **Retail and SME** business, the accident year combined ratio excluding catastrophes and COVID-19 was 1.9 percentage points higher than in the previous year, mainly driven by a higher loss ratio due to headwinds from inflation.

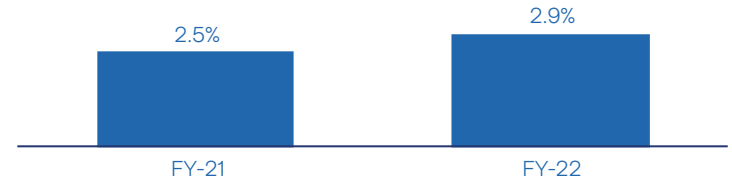


P&C investment result benefits from increase in reinvestment yields, partially offset by realized losses on hedge funds

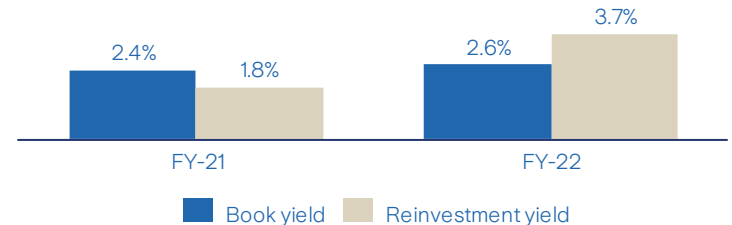
Investment result in BOP (USDm)



Investment income yield (%)¹



Book and reinvestment yield of debt securities (%)²



¹ Net of investment expenses. Investment income yield calculated based on average Group Investments (accounting view) during the period on an annual basis.

² Book yield calculated as weighted-average portfolio yield of debt securities during the period on an annual basis. Reinvestment yield calculated as a weighted-average trade yield of purchased debt securities with maturity >90 days during the period on an annual basis.

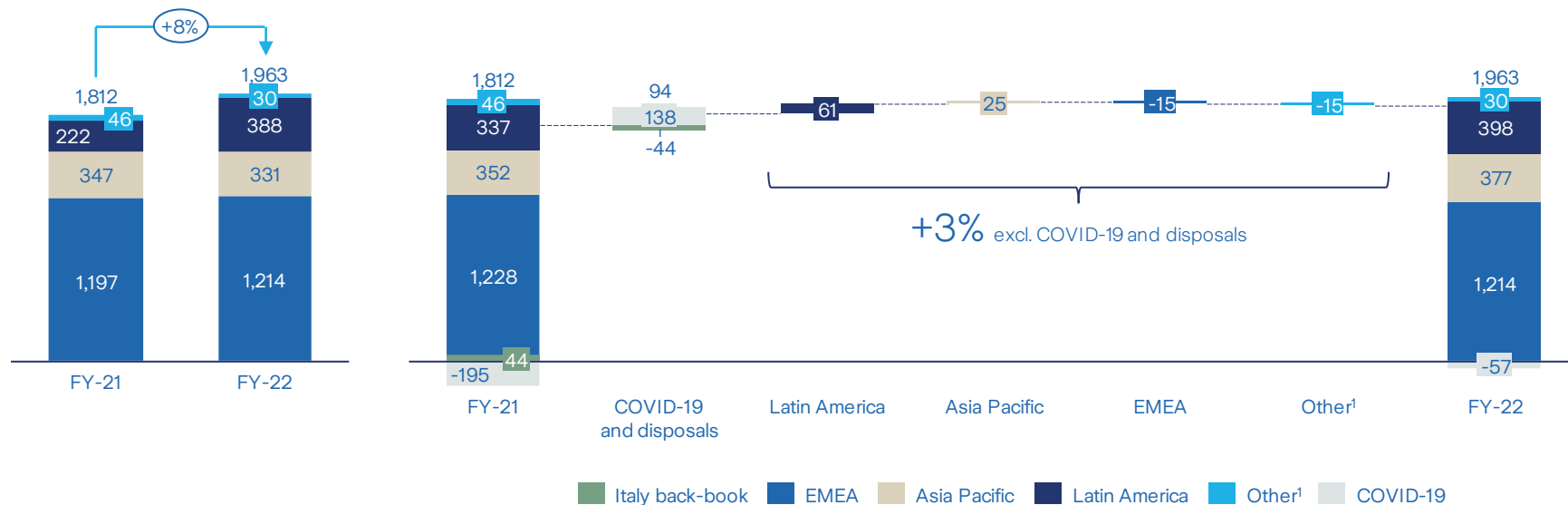
Commentary

- **Investment income** in FY-22 was up 9% (USD 148m) compared to the prior-year period, driven by improving investment yields.
- This was partially offset by **realized capital losses** in BOP of USD 44m driven by a reduction in the market value of the hedge fund portfolio in the first half of 2022 compared to capital gains of USD 42m in the prior year period.
- The book yield for debt securities rose to 2.6% as **reinvestment rates** on debt securities increased by 1.9 percentage points to 3.7% driven by favorable evolution of market rates. This translates into a positive 1.1 percentage point difference between reinvestment and book yield (from negative 0.6 percentage points in the prior-year period).



Life BOP up 8% driven by solid underlying performance, improved COVID-19 claims experience and management actions

BOP (USDm)



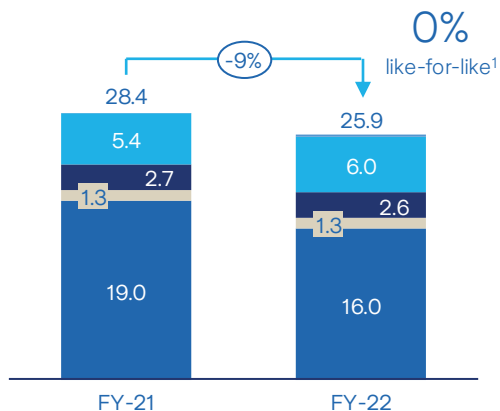
¹ Includes North America and Group Reinsurance.

Commentary

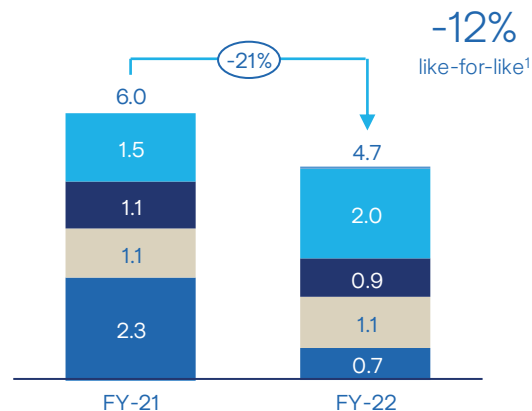
- In **EMEA**, Life BOP increased 1% to USD 1,214m on a reported basis. This benefited from the absence of COVID-19 claims, which amounted to USD 76m in FY-21. Adjusted for COVID-19 claims and the disposal of the Italian back book, BOP was 1% below the previous year, with growth in local currencies offset by adverse currency movements. The result also reflects the impact of adverse market movements, mainly related to accelerated amortization of deferred acquisition costs, which were more than offset by the favorable impact of management actions, resulting in a net positive contribution to BOP of around USD 100m. This compares to USD 150m of favorable impact from management actions in the prior year.
- In **North America**, which is reported under Other and excludes Farmers Life, BOP reduced by USD 12m due to unfavorable assumption updates.
- In **Asia Pacific**, Life BOP decreased 5% to USD 331m on a reported basis. In FY-22 the business recorded USD 46m of COVID-19 claims, mainly driven by hospitalization benefits in Japan, while FY-21 did not have material COVID-19 impacts. Adjusting for COVID-19 claims, BOP increased 7%, driven by a net favorable impact of assumption updates, reserve releases and underlying growth, partially offset by adverse currency movements.
- In **Latin America**, BOP increased 75% to USD 388m on a reported basis. This was driven by higher investment income, profitable growth and a reduction of COVID-19 claims from USD 115m in FY-21 to USD 10m in FY-22.

GWP, net inflows and AuM below prior year reflecting adverse currency and market movements

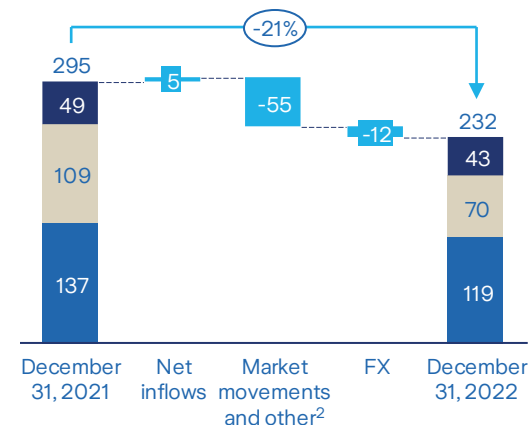
GWP and deposits (USDbn)



Net inflows by segment (USDbn)



Assets under management (USDbn)



EMEA North America Asia Pacific Latin America Other

Unit-linked 3rd party investments Group investments

¹ In local currencies and adjusted for closed acquisitions and disposals

² Includes USD21bn reclassification from AuM to assets held for sale due to the planned disposal of the German legacy life insurance back book announced on June 24, 2022, subject to regulatory approval.

Commentary

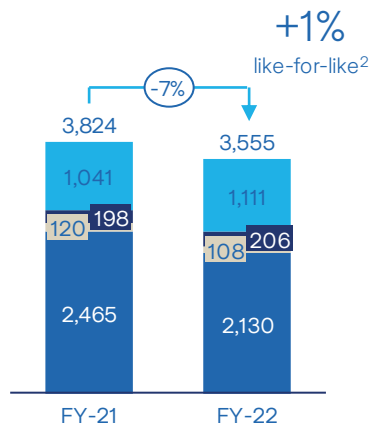
- In the Group's Life business, **gross written premiums and deposits** were in line with the previous year on a like-for-like basis, and 9% lower on a reported basis due to the U.S. dollar appreciation against major currencies.
- In EMEA, gross written premiums and deposits were 4% below prior year on a like-for-like basis, mainly due to lower sales in Spain, Italy, UK and Zurich International.
- In Latin America, gross written premiums and deposits increased by 14% on a like-for-like basis driven by growth in all major units.
- In Asia Pacific, gross written premiums and deposits were 2% above prior year on a like-for-like basis, benefiting primarily from growth in Australia.

- **Net inflows** of USD 4.7bn were 21% lower than in the prior year on a reported basis and 12% lower on a like-for-like basis, mainly driven by EMEA, which has seen net outflows in the second half.
- The Group's Life **assets under management** (AuM) decreased 21% to USD 232bn. Net inflows increased AuM by around 2%. The announced disposal of a German legacy life insurance back book subject to regulatory approval led to the reclassification of USD 21bn of AuM into assets held for sale. Unfavorable financial markets movements and adverse currency movements further reduced AuM by USD 35bn and USD 12bn respectively.

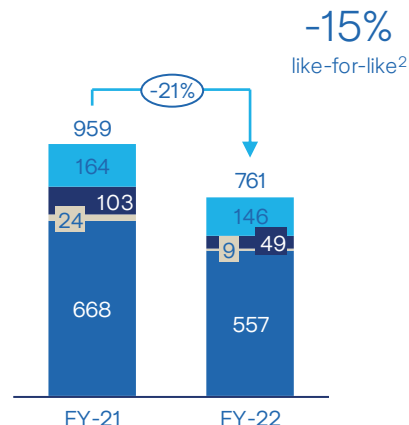


APE up 1% on a like-for-like basis, with new business margin at an attractive 24.8%

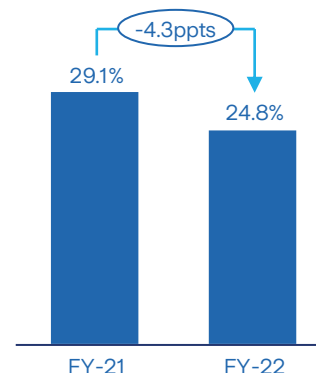
APE (USDm)¹



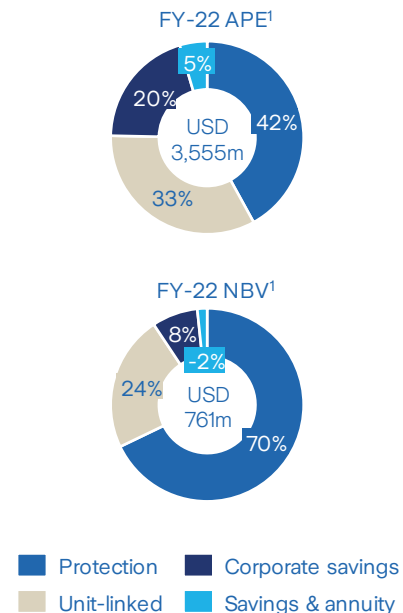
NBV (USDm)¹



NBM (%)¹



New business mix (%)



¹ Annual premium equivalent (APE) is reported before non-controlling interests. New business margin (NBM) and value (NBV) are reported net of non-controlling interests.

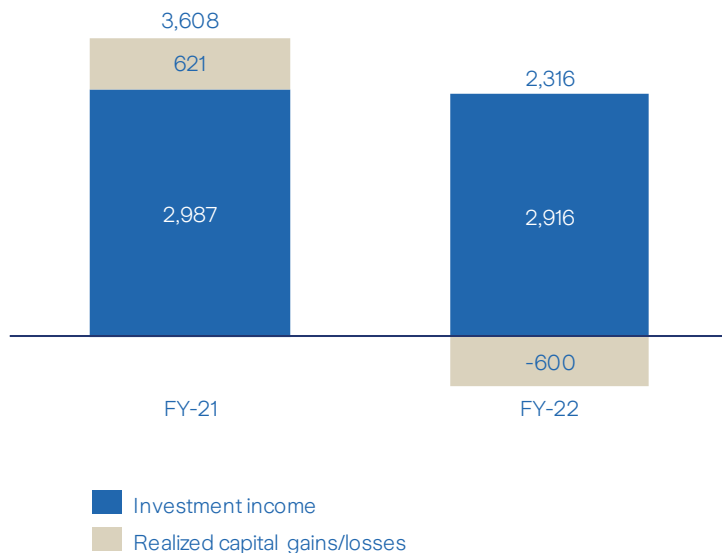
² In local currencies and adjusted for acquisitions and disposals.

Commentary

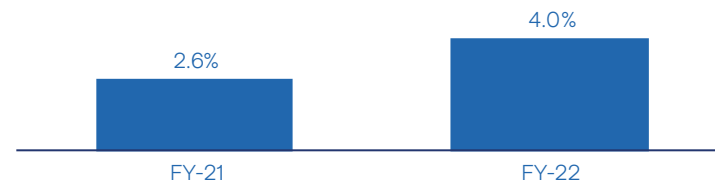
- Life **new business annual premium equivalent** (APE) increased 1% on a like-for-like basis driven by higher sales in capital efficient savings and protection products. On a reported basis APE declined 7%, with local currency growth offset by U.S. dollar appreciation against major currencies.
 - In **EMEA**, APE were 3% below the previous year on a like-for-like basis. This was primarily driven by a reduction of low-margin individual savings in Spain and a slowdown of unit-linked sales in the second half, partially offset by growth in corporate savings in Switzerland.
 - APE in **Latin America** increased 8% on a like-for-like basis, driven by growth in protection in the Zurich branded business.
 - In **Asia Pacific**, APE increased 14% on a like-for-like basis, driven by growth in the second half, benefiting from higher protection sales in Japan and Australia.
- In **North America**, APE were 10% below the previous year on a like-for-like basis, driven by underwriting actions implemented in the second half.
 - **New business margin** (NBM) remained attractive at 24.8%, down from 29.1% in the previous year. The lower margin reflects the impact of modelling and assumption updates, a less favorable product mix within our preferred lines, as well as adverse economic variances mainly related to higher discount rates. This resulted in new business value (NBV) of USD 761m, 15% below the previous year on a like-for-like basis.
 - The Group continues to focus on **protection, unit-linked and corporate savings**, with these products accounting for 95% of APE sales. Protection business contributed 70% of the total NBV.

Lower investment result in Life driven by market impacts and FX movements, partially offset by higher reinvestment yield

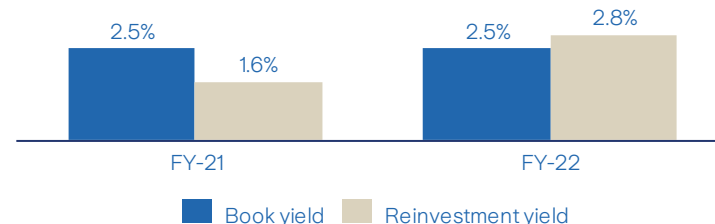
Investment result in BOP, gross of PH (USDm)¹



Investment income yield of Group investments (%)²



Book and reinvestment yield of debt securities (%)³



¹ Gross of policyholder participation (PH).

² Net of investment expenses. Investment income yield calculated based on average Group Investments (accounting view) during the period on an annual basis.

³ Book yield calculated as weighted-average portfolio yield of debt securities during the period on an annual basis. Reinvestment yield calculated as a weighted-average trade yield of purchased debt securities with maturity >90 days during the period on an annual basis.

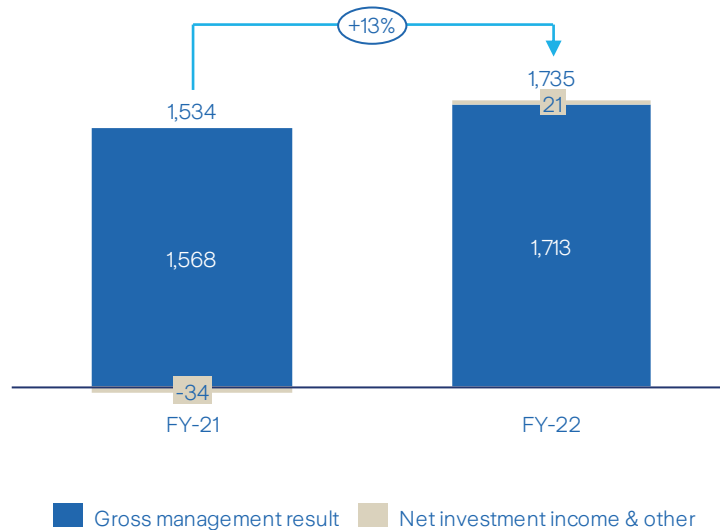
Commentary

- The Life **investment result**, which is gross of policyholder sharing, reduced by 36% to USD 2.3bn in FY-22, driven by realized capital losses from increasing market rates, low performing equity markets and the USD strengthening.

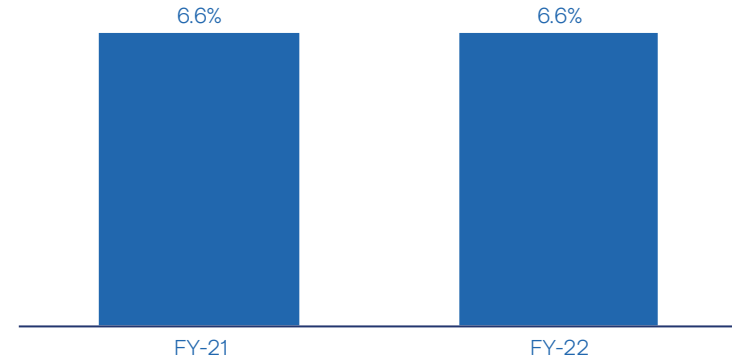


Growth in Farmers Exchanges¹ drives increase in fees; MGEF margin impacted by MetLife integration

Business operating profit (USDm)



MGEF margin (%)²



¹ For all references to Farmers Exchanges see the disclaimer and cautionary statement.

² Margin on Gross Earned Premiums of the Farmers Exchanges.

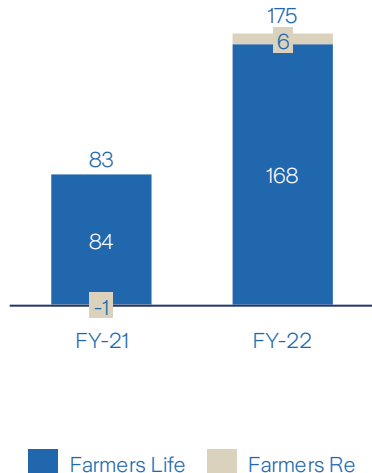
Commentary

- **Farmers Management Services (FMS) BOP** increased 13% compared to the prior year. This was mainly driven by growth in the premium base of the Farmers Exchanges (up +9% compared to FY-21), boosted by the inclusion of the acquired MetLife U.S. P&C business.
- The **Managed Gross Earned Premium margin** for the year was 6.6%, reflecting the impact of integration costs related to the MetLife U.S. P&C business (only included from April 2021 in the prior-year period). Over the medium-term, the margin is expected to return to 7.0%.
- The result was also impacted by more favorable **net investment and other income**, benefiting from recovering investment yields, more favorable financing conditions and the absence of one-time MetLife deal-related costs, partially offset by unfavorable mark-to-market impacts on a deferred compensation.

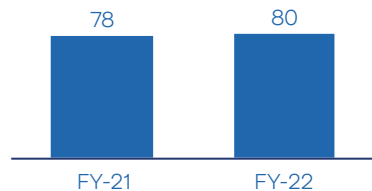


Farmers Life with lower pandemic-related mortality; NBV drop driven by mix and market impacts; Farmers Re improved

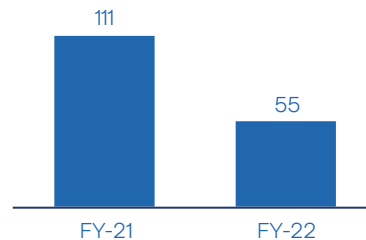
Business operating profit (USDm)



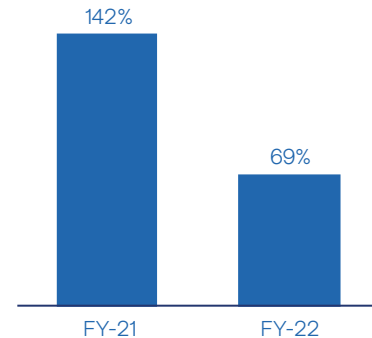
Farmers Life APE (USDm)¹



Farmers Life NBV (USDm)¹



Farmers Life NBM (%)¹



¹ Annual premium equivalent (APE); newbusiness value (NBV) and margin (NBM).

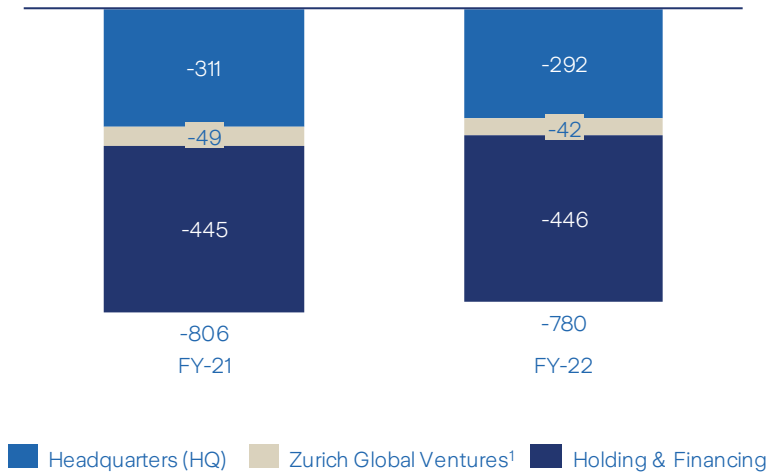
Commentary

- **Farmers Life BOP** of USD 168m was well above the prior year, closer to the expected annual run-rate. The improvement was driven by an improved mortality experience related to COVID-19 and favorable actuarial impacts, partially offset by negative market impacts on amortization of deferred acquisition costs.
 - Farmers Life experienced USD 46m of **COVID-19 related mortality** claims in FY-22, compared to USD 121m in the prior year. The majority of losses occurred in the first quarter of the year, with strong improvements over the remainder of the period.
 - **Farmers Life new business APE** of USD 80m was broadly in line with prior year.
 - **Farmers Life new business value (NBV)** of USD 55m is below prior year due to the lower sales volumes, the impact of higher discount rates and shifts in business mix to lower-margin products. As a result, new business margin reduced to 69%.
- **Farmers Re BOP** of USD 6m was USD 7m above the prior year driven by higher investment income and an improved combined ratio compared to FY-21.
 - Effective December 31, 2022, Farmers Re increased its **participation in the Farmers Exchanges' all lines quota share treaty** from 1.75% to 8.50%.

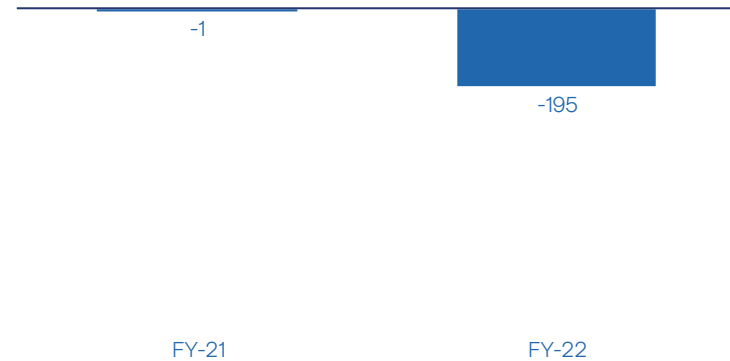


Group Functions benefiting from lower HQ expenses; Non-Core Businesses with negative market and reserve impacts

Group Functions and Operations BOP (USDm)



Non-Core Businesses BOP (USDm)



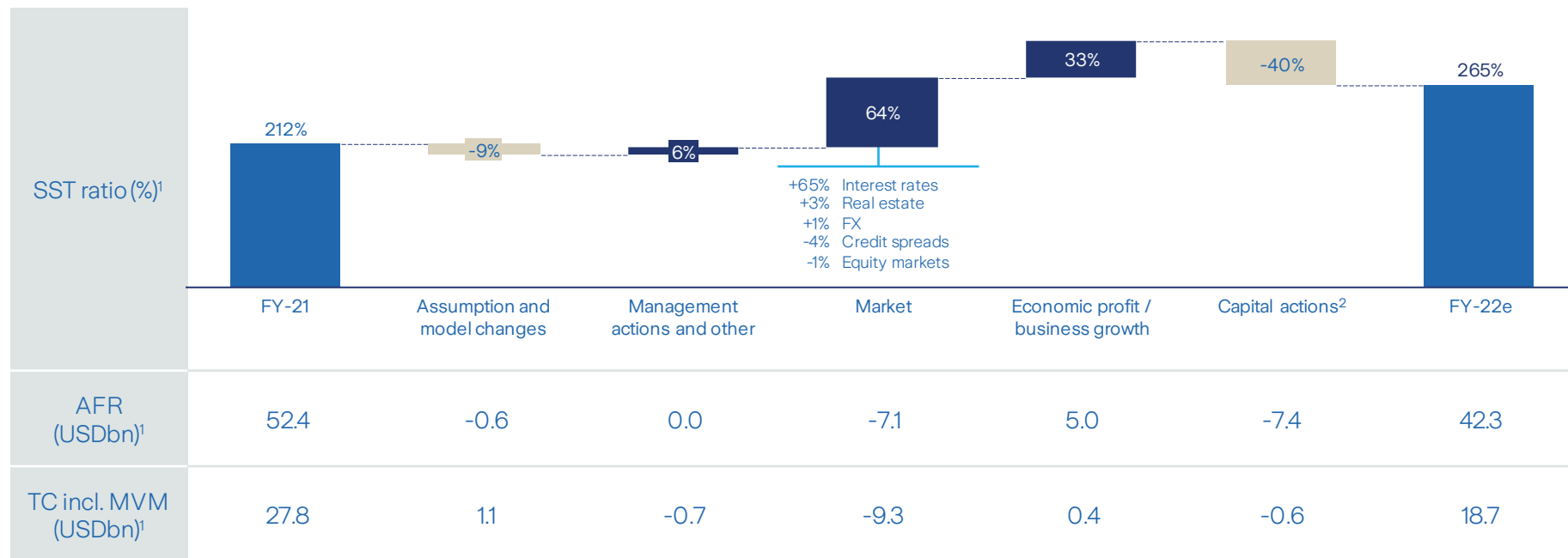
¹ Includes Zurich Global Employee Benefit Solutions, new ventures, and initiatives.

Commentary

- **Group Functions and Operations** reported net expenses of USD 780m compared to USD 806m in the prior-year period. The improvement was mainly driven by lower HQ expenses.
- The Group's **Non-Core Businesses**, which comprises run-off portfolios that are managed to proactively reduce risk and release capital, reported an operating loss of USD 195m for FY-22, compared to a loss of USD 1m in FY-21. The result was mainly driven by negative market impacts and reserve strengthening on run-off portfolios.



Strong underlying capital generation combined with favorable markets lead to increased SST ratio



¹ On Swiss Solvency Test (SST) see footnote on page 4. SST ratio is defined as: $(AFR - MVM) / (TC - MVM)$. AFR = Available financial resources; TC = Target capital; MVM = Market value margin (FY-22e: USD 45bn; FY-21: USD 5.7bn).

² Capital actions includes special share buyback, LTIP related share buyback, dividend payment, debt issuances and repayments, and M&A.

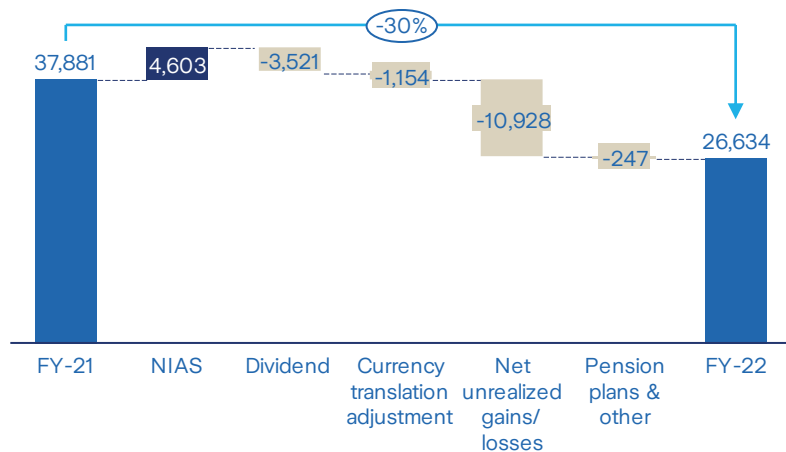
Commentary

- As of Q4-22, the Group's **Swiss Solvency Test (SST) ratio** based on the Group's Internal Model as approved by the Swiss Financial Market Supervisory Authority FINMA was estimated at 265%, well above the Group's SST ratio target of 160% or above.
- The **13ppts improvement compared to the Q3-22 SST ratio of 252%** was mainly driven by the sale of the Italian legacy life back book (+9ppts), the favorable impact of management actions mainly due to equity sales (+8ppts), partially offset by the negative impact of model and assumption updates (-7ppts).
- Farmers Re's **increased participation in the Farmers Exchanges' all lines quota share** to 8.50%, effective December 31, 2022, did not have a material impact on the SST ratio.
- The Q4-22 SST ratio does not reflect the impact of the **sale of the German legacy life back book**, which is expected to complete in H2-23, subject to regulatory approval.

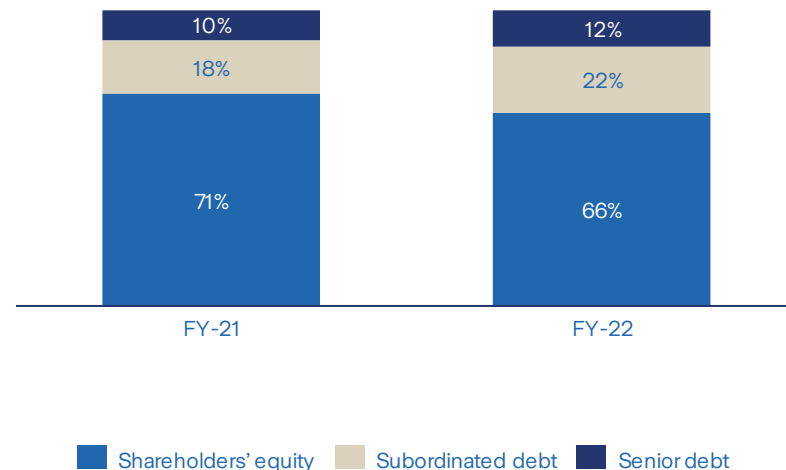


Decline in shareholders' equity driven by unrealized losses, dividend payment, and FX movements

Shareholders' equity (USDm)



Capital structure (%)¹



¹ Based on IFRS balance sheet.

Commentary

- **Shareholders' equity** declined by USD 11.2bn compared to year end 2021, mainly driven by net unrealized losses, unfavorable currency movements, and the payment of the Group dividend of USD 3.5bn, which were partially offset by net income attributable to shareholders of USD 4.6bn.
- The negative change in **unrealized gains and losses** was driven by rising interest rates and underperformance in equity markets. As a result, the amount of unrealized capital gains and losses included in shareholders' equity moved from a positive balance of USD 4.1bn at FY-21 to a negative balance of USD 6.8bn at FY-22.
- In 2022 the Group redeemed USD 1bn, GBP 450m of perpetual capital notes, EUR 500m of dated subordinated debt, as well as EUR 500m and CHF 120m of senior capital notes. The Group successfully placed GBP 1bn and CHF 300m of **subordinated debt** as well as CHF 400m and AUD 200m of **senior debt**.
- As a result, the proportion of shareholders' equity in the IFRS based **capital structure** reduced to 66%. Group leverage remains in line with the Moody's Aa range, with an estimated Adjusted Financial Leverage of 30.3%.



Disclaimer and cautionary statement



Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy and underwriting and claims results, as well as statements regarding the Group's understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans and objectives of Zurich Insurance Group Ltd or the Group to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in key markets; (ii) the risk of a global economic downturn, in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; (viii) increased litigation activity and regulatory actions; and (ix) changes in laws and regulations and in the policies of regulators may have a direct bearing on the results of operations of Zurich Insurance Group Ltd and its Group and on whether the targets will be achieved. Specifically in relation with the COVID-19 related statements, such statements were made on the basis of circumstances prevailing at a certain time and on the basis of specific terms and conditions (in particular applicable exclusions) of insurance policies as written and interpreted by the Group and may be subject to regulatory, legislative, governmental and litigation-related developments affecting the extent of potential losses covered by a member of the Group or potentially exposing the Group to additional losses if terms or conditions are retroactively amended by way of legislative or regulatory action. Zurich Insurance Group Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

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

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

Persons requiring advice should consult an independent adviser.

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

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Appendix



We are focused on continuing to reward our shareholders

Dividend policy¹



NIAS² payout ratio of ~75%

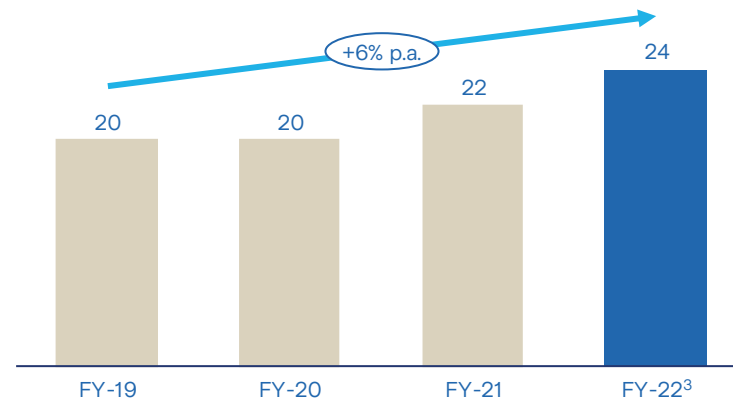


Dividend increases based on sustainable earnings growth



Minimum target of prior year level

Dividend per share (CHF)



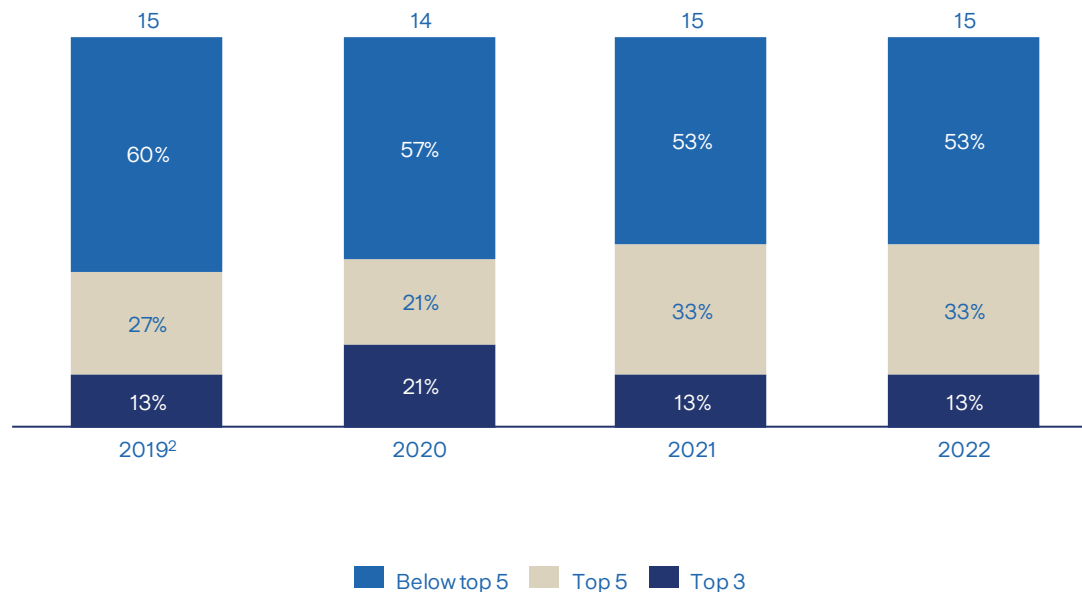
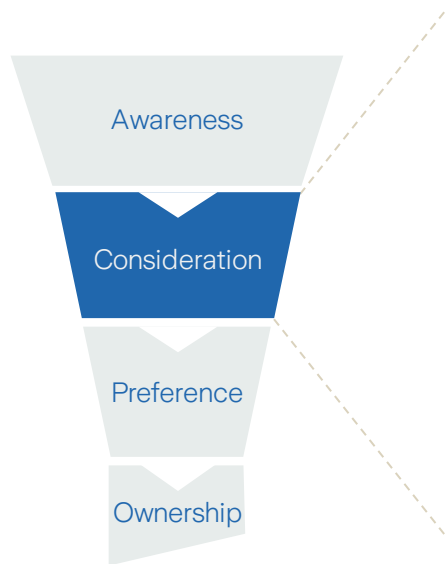
¹ The dividend is subject to the approval by the shareholders at the Annual General Meeting.

² Net income attributable to shareholders.

³ Proposed dividend subject to approval by General Meeting of Shareholders.

Update on brand consideration

Brand consideration ranking¹

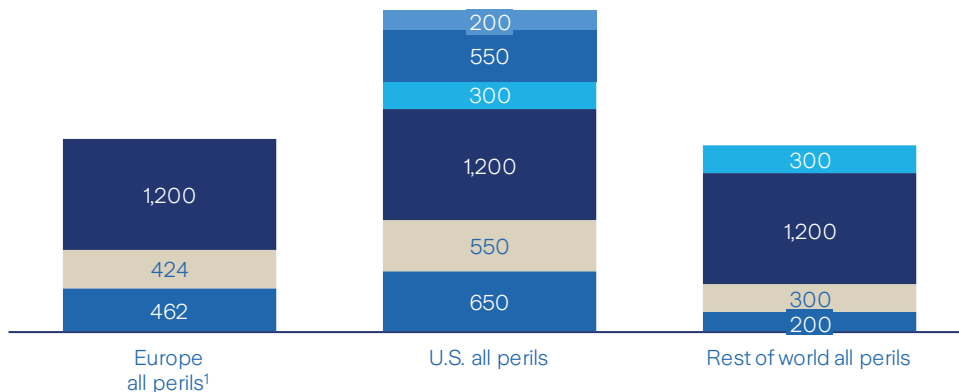


¹ Retail markets in scope: Argentina, Australia, Austria, Brazil, Germany, Hong Kong (excluding 2020), Ireland, Italy, Japan, Malaysia, Mexico, Portugal, Spain, Switzerland, UK.

² Re-calibrated on a comparable basis with the following years. 2019 split as reported at the 2019 Investor Day: Top 3 (13%), Top 5 (33%), Below top 5 (53%).


Reinsurance program protecting our balance sheet

Group catastrophe reinsurance protection (USDm)



■ U.S. earthquake swap
 ■ Retention
 ■ Top cat layer²
■ Global cat treaty
 ■ Regional cat treaties

Main additional treaties

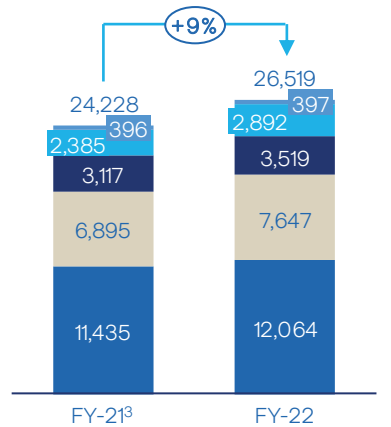
-  Global property per risk
-  Global surety excess of loss
-  U.S. property quota share
-  U.S. liability quota share

¹ Europe cat treaty calculated with EUR/USD exchange rate of 1.08645 as of January 31, 2023 (EUR 390m in excess of EUR 425m).

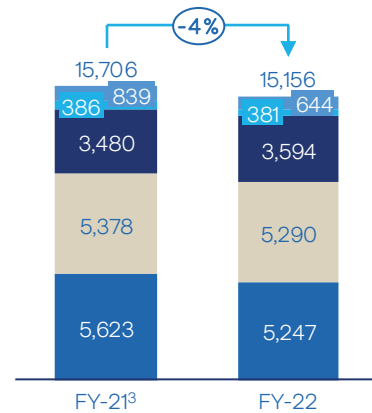
² Only relevant for U.S. named windstorms, U.S. earthquake, and Canada earthquake.

All lines of businesses contributed to premium growth at the Farmers Exchanges¹; rate push impacting policies-in-force

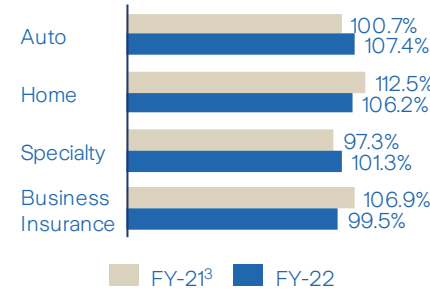
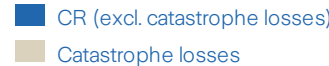
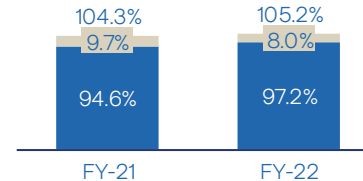
Gross written premiums (USDm)



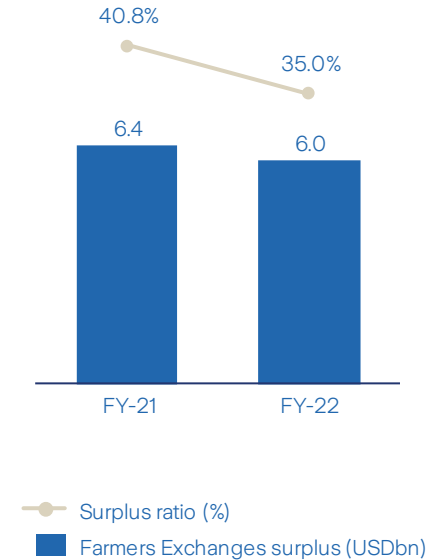
Policies-in-force (000's)



Combined ratio² (%)



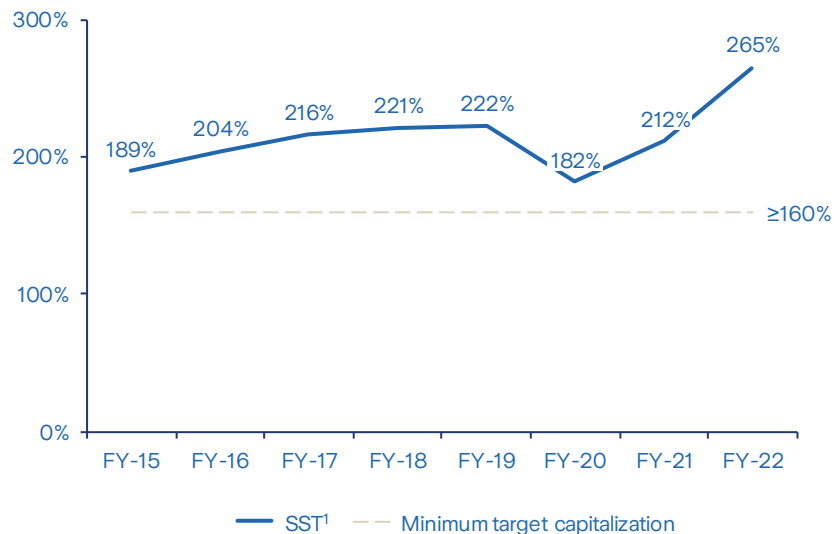
Surplus



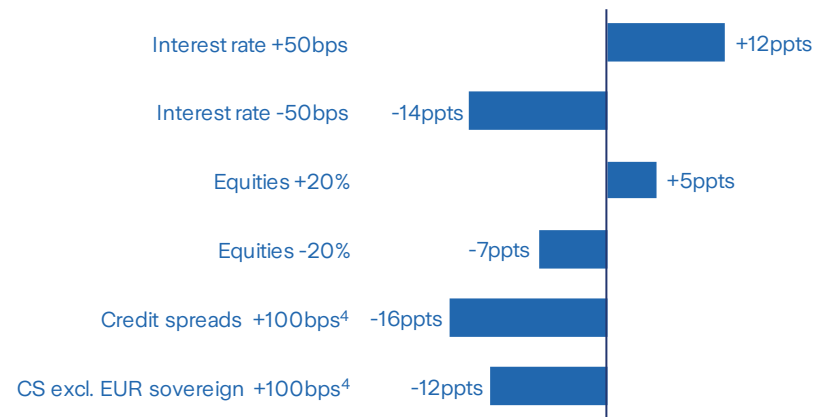
¹ For all references to Farmers Exchanges see the disclaimer and cautionary statement.
² Combined ratio before quota share reinsurance.
³ FY-21 line of business split not fully comparable to FY-22 due to reclassification of acquired MetLife P&C business.

Very strong capital position; balance sheet resilient to market movements

Group Swiss Solvency Test (%)¹



Q3-22 SST sensitivities impact (ppts)^{2,3}



¹ On Swiss Solvency Test (SST) see footnote on page 4.

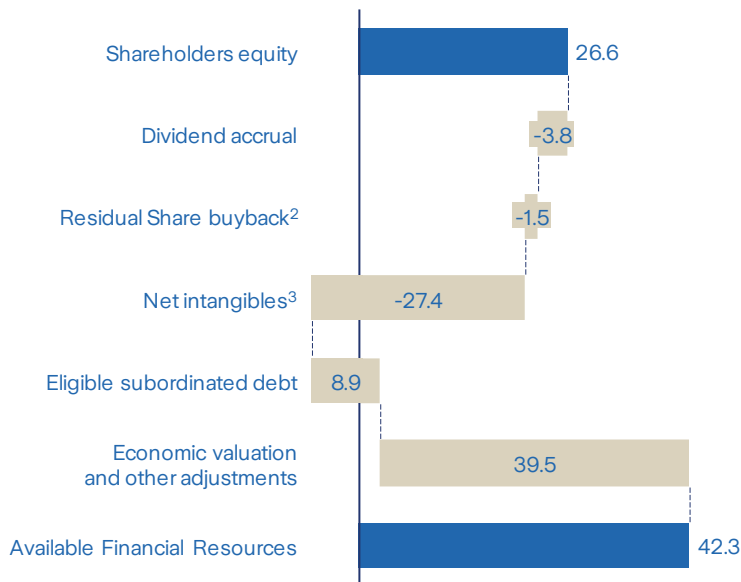
² Base ratio and sensitivities are calculated post sale of Italian life and pensions back book completed in Q4-22.

³ Sensitivities are best estimates and reflect the impact on the pension plans in the UK. For the interest rate sensitivities, shocks are applied to the liquid part of the yield curve.

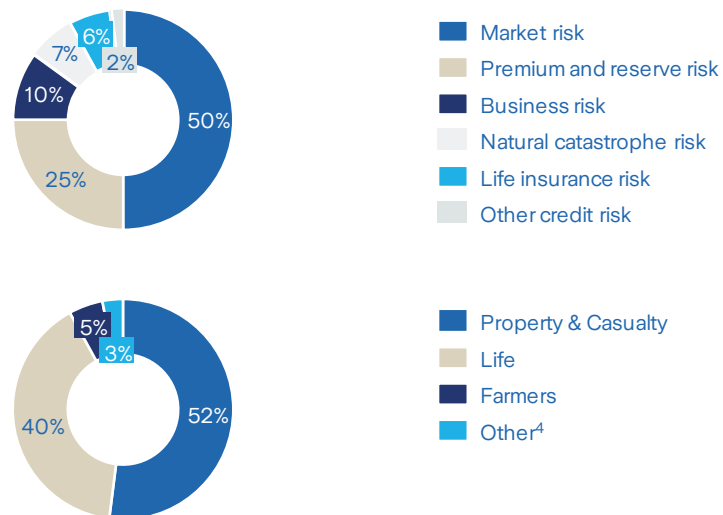
⁴ Credit Spreads (CS) include mortgages. CS sensitivities of available capital include changes to the volatility adjustment applied to interest rates curves.

Well diversified capital base by business segment

FY-22 Available Financial Resources (USDbn)



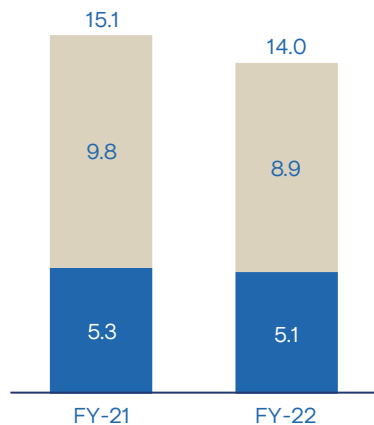
FY-22 Risk Capital Split (%)¹



¹ Split is based on the contribution to the aggregated risk, excluding market value margin and other effects on target capital.
² Amount not repurchased as of December 31st 2022 as part of the announced special share buyback program of CHF 1.8 billion.
³ Net intangibles incl. intangible assets and liabilities, gross of non-controlling interests.
⁴ Includes Group Functions & Operations and Non-Core Businesses

Low average debt cost and balanced maturity profile

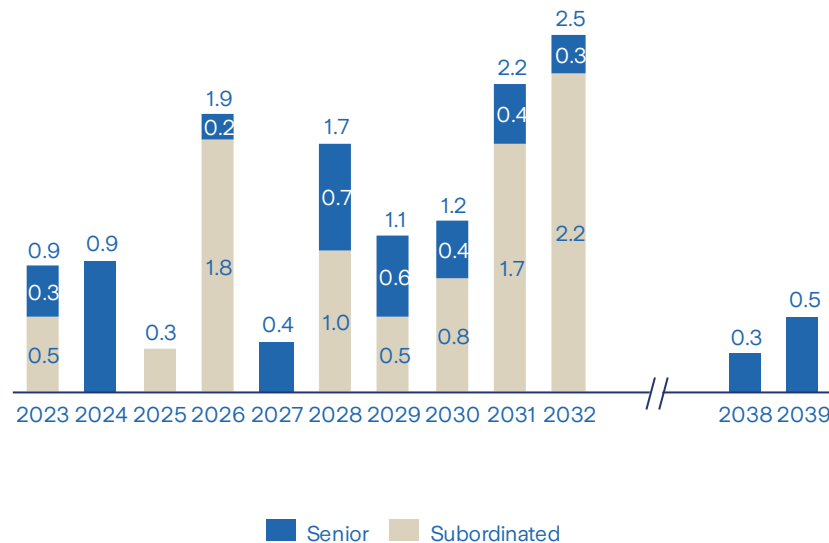
Debt (USDbn) and average debt cost (%)



Average debt cost (%)	FY-21	FY-22
Subordinated	4.1%	3.8%
Senior	1.6%	1.6%
Total	3.2%	3.0%

■ Senior ■ Subordinated

Balanced refinancing needs (USDbn)¹

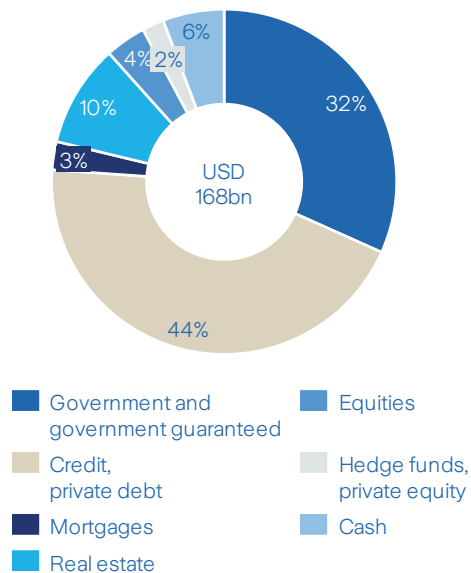


■ Senior ■ Subordinated

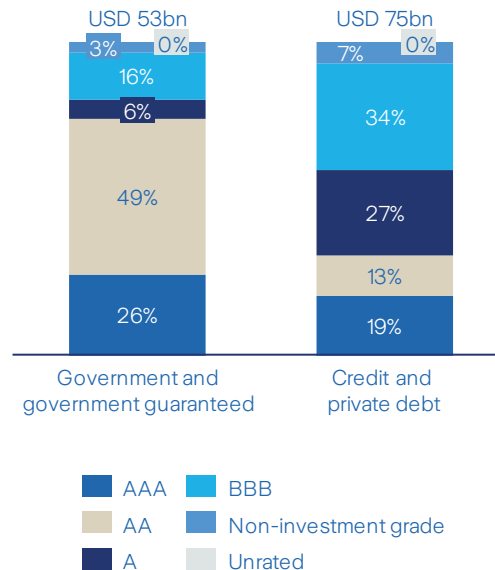
¹ Maturity profile based on first call date for subordinated debt and maturity date for senior debt, excluding commercial paper.

Well diversified and high-quality investment portfolio

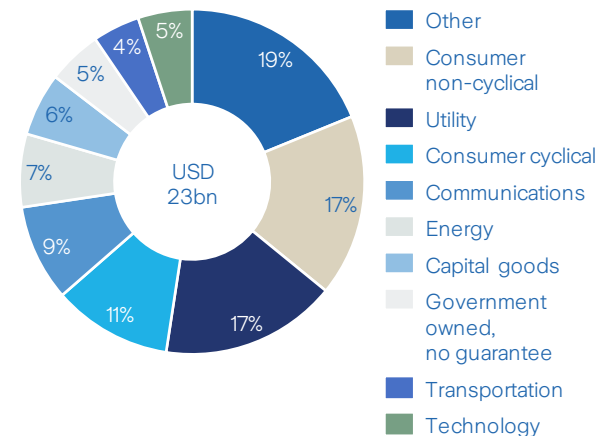
FY-22 Group investments (%)¹



FY-22 asset quality (%)



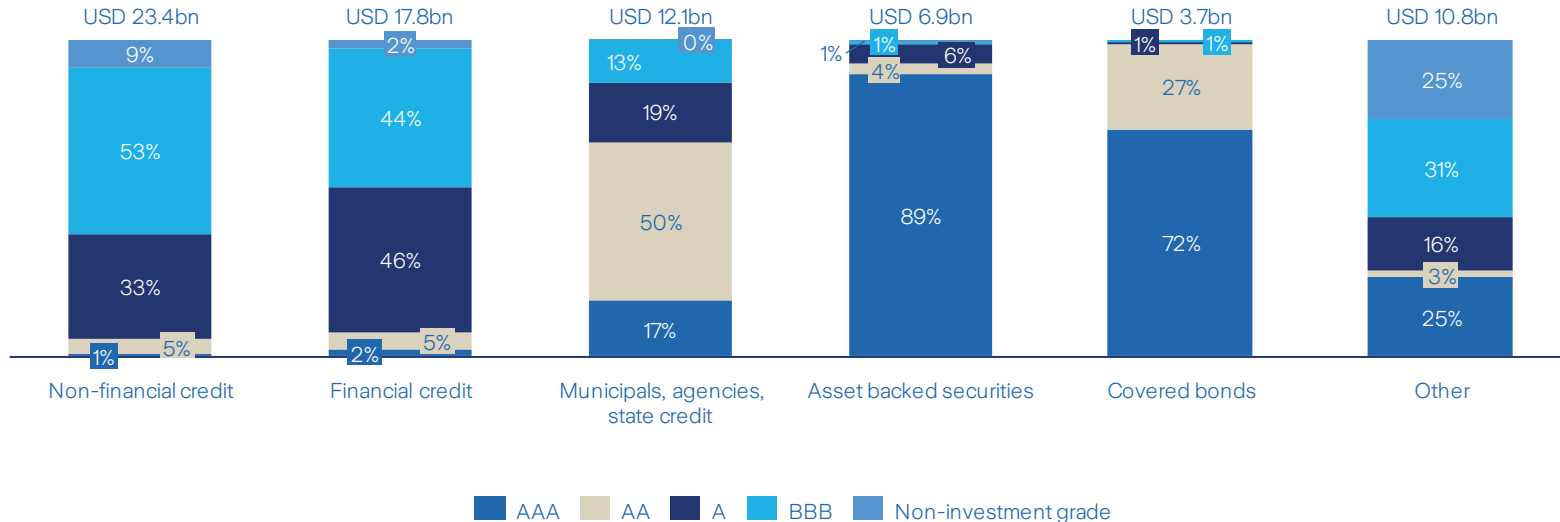
FY-22 non-financial credit (%)



¹ Market value of the investment portfolio (economic view).

Well diversified and high-quality credit and private debt exposure

FY-22 rating of credit and private debt securities (%)



Calculation of like-for-like growth

Like-for-like growth

KPI	FY-21 (USDm)			FY-22 (USDm)				L-F-L ² (%)
	Rep	M&A	Adj	Rep	FX	M&A ¹	Adj ¹	
P&C GWP	40,123	0	40,123	43,335	2,595	0	45,930	14%
Life GWP / deposits	28,353	-542	27,811	25,890	2,122	-214	27,798	0%
Life net inflows	6,002	58	6,060	4,749	157	413	5,319	-12%
Life APE	3,824	-51	3,772	3,555	257	0	3,813	1%
Life NBV	959	9	968	761	64	0	825	-15%

¹ In constant rates.

² Like-for-like.

Other information





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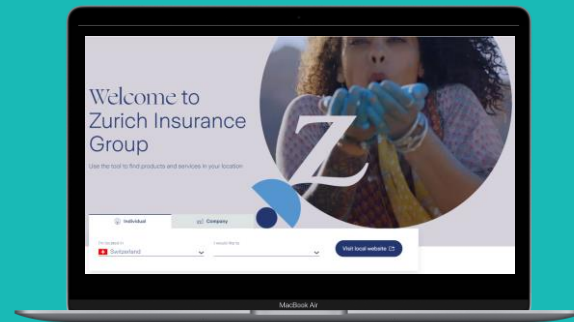
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Thank you

Upcoming events

- March 30, 2023 – ESG at Zurich (live webcast)
- April 6, 2023 – Annual General Meeting 2023
- May 17, 2023 – Update for the three months ended March 31, 2023
- August 10, 2023 – Half year results 2023
- November 9, 2023 – Update for the nine months ended September 30, 2023
- November 16, 2023 – Investor Day 2023

