

Zurich reshapes for long term success

Move to simplified structure creating greater accountability and customer focus

Zurich, June 10, 2016 – Zurich Insurance Group (Zurich) has begun a process to reshape and simplify the Group to create a framework for enhanced future success. Over the coming months, the business will move to a simpler, more customer-oriented structure, reducing complexity, creating greater accountability and empowering teams to deliver products and services in a differentiated way.

Decisive action on reshaping the business over the coming months will create the platform on which Zurich will build its longer-term profitability strategy. The new structure will enable countries to strengthen customer relationships with a comprehensive customer view. The global businesses will continue to expand and deepen their footprint by offering broad risk solutions - both life and non-life - to customers around the world. The new structure is the acceleration and globalization of work already underway in key markets like Switzerland, Germany and Italy, combining life and non-life under one leadership team and applying a unified go-to-market approach.

“This new organization will be more agile and more accountable, with a clearer line of sight between the top of the company and the people looking after our customers,” said Group Chief Executive Officer Mario Greco. “We will approach our target customers with a unified and distinctive face to the market. We will prioritize sound customer outcomes and in so doing ensure that the business delivers consistent levels of profitability.”



“I want to renew the sense of an ambitious, entrepreneurial and innovative culture at Zurich, where talented team members put the customer at the center of everything they do and have all the tools to develop their business within a clearly defined framework towards a shared vision for the company overall.”

New leadership structure

Zurich will be organized in a customer-oriented structure in which the heads of regions (North America; Europe, Middle East and Africa; Latin America; Asia Pacific), Global Corporate, Farmers and Investment Management will report to the Group CEO. Their people will be focused on first-class global and local provision of the right mix of products and services to help customers understand and manage risk.

Zurich is also creating the new role of Chief Operating Officer, which is a new approach in that it combines responsibility for operations and technology with underwriting, claims, reinsurance, actuarial and pricing, creating a unified sense of purpose and responsibility for technical excellence, efficiency and business transformation across all parts of the business. This new responsibility will also enhance our ability to manage costs throughout the whole organization.

The Zurich Executive Committee, effective July 1, 2016, will be formed of the following members:

- Mario Greco - Group CEO
- Urban Angehrn - Chief Investment Officer
- Jeff Dailey - CEO Farmers
- Mike Foley - CEO North America
- George Quinn - Chief Financial Officer
- Cecilia Reyes - Chief Risk Officer
- Gary Shaughnessy - CEO EMEA (Europe, Middle East and Africa)
- Kristof Terryn - Chief Operating Officer



“This new organization and strong accountability, empowerment and outcome orientation will be the foundation for our future strategy. We will see greater market focus and simplification, and deliver the transformation we need for future success in a disciplined way,” continued Mario Greco. “The simplified structure will also allow us to become more efficient and support the implementation of our communicated cost reduction programs.”

Robert Dickie, Chief Operations and Technology Officer, has decided to step down by mutual agreement with the Board of Directors to pursue other opportunities outside Zurich. He has agreed to support the transition and will leave the company in the coming months. The Board of Directors expressed its gratitude to Robert for his excellent contributions since his appointment in March 2014.

Industry changes create market opportunity

The decisions announced today are a response to the changed dynamics of the insurance industry and the turning point at which Zurich finds itself. The new structure will promote innovative thinking and meet the demanding expectations of customers, employees, shareholders and the broader societies in which Zurich operates. The prospects for the insurance sector are strong in a world of proliferating risks, but the company must adapt to remain effective at helping customers manage those risks.

“Zurich is a sound business with an excellent brand, a strong capital position and adequate reserves. The company has excellent people around the globe and I count on them to shape our successful future. The business has been improving its profitability in recent months, as evidenced by 2016 first quarter results. The changes announced today reinforce this positive momentum,” concluded Mario Greco.



Further information

There will be a media conference call in English starting at 09.00 CEDT for questions by journalists to Group Chief Executive Officer Mario Greco. Please dial-in to register 5 to 10 minutes prior to the start of the call.

Dial-in numbers

- Europe +41 (0)58 310 50 00
- UK +44 (0)203 059 58 62
- USA +1 (1) 631 570 56 13

For instant access to Zurich's news releases, calendar and other corporate publications on your iPad, iPhone or Android phone please go to your App Store and get the free [Zurich Investors and Media App](#).

Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With around 55,000 employees, it provides a wide range of general insurance and life insurance products and services. Zurich's customers include individuals, small businesses, and mid-sized and large companies, including multinational corporations, in more than 170 countries. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

Contact

Zurich Insurance Group Ltd
Mythenquai 2, 8022 Zurich, Switzerland

www.zurich.com

SIX Swiss Exchange/SMI: ZURN, Valor: 001107539

Media Relations

phone +41 (0)44 625 21 00, fax +41 (0)44 625 26 41

twitter [@Zurich](#)

media@zurich.com



Investor Relations

phone +41 (0)44 625 22 99, fax +41 (0)44 625 36 18

investor.relations@zurich.com

Disclaimer and cautionary statement

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy 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; and (viii) 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. 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 inter-insurance 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 Farmers Exchanges and in that capacity provide certain non-claims administrative and management 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.

Persons requiring advice should consult an independent adviser.

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

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