

News Release

January 3, 2022



Zurich to sell its Italian life and pensions back book to GamaLife

- **Transaction to release approximately USD 1.2 billion of capital and add 11 percentage points to the Group's Swiss Solvency Test ratio¹**
- **Significant reduction in the Group's exposure to credit risk**
- **Zurich will focus on protection and unit-linked solutions in the Italian life insurance and pension market**
- **First step in a series planned to significantly improve capital allocation across the Group**

Zurich Insurance Group (Zurich) today announced that its subsidiary Zurich Investments Life S.p.A. has agreed to sell its life and pension back book, composed of both traditional and unit-linked policies, to the Portuguese insurance company GamaLife – Companhia de Seguros de Vida, S.A. (GamaLife).

"The sale demonstrates our commitment to improve capital utilization across our life back book. The transaction also reduces our exposure to interest rates and credit risks and allows us to focus on the parts of the Italian life and pensions market where we can best serve our customers. We are confident that GamaLife will continue to provide our customers with the same high quality of service that they expect," said Group Chief Financial Officer George Quinn. "The Italian life insurance and pension market is important for us and the recent acquisition of Deutsche Bank's Italian financial advisor network provides a strong platform for further growth in our preferred products."

The transaction does not change contractual obligations toward policyholders and distributors. Zurich will continue to offer innovative protection and unit-linked solutions to customers in Italy.

"Together with Zurich, we believe this transaction represents strong strategic alignment between GamaLife's focus on sustainable growth and Zurich's intention to exit legacy business in Italy," said Matteo Castelvetti, Chief Executive Officer of GamaLife Group. "We look forward to welcoming Zurich's customers. Our focus will be to ensure a



seamless transition for all local stakeholders and to bring our values of innovation, simplicity and service across the enlarged GamaLife group.”

The transaction will see approximately USD 9.5 billion of net reserves² transferred to GamaLife. On completion of the transaction, Zurich’s capital requirement under the Swiss Solvency Test is expected to decrease by approximately USD 1.2 billion, adding approximately 11 percentage points to the Swiss Solvency Test ratio¹. In addition, the transaction is expected to increase the Group’s liquidity by approximately USD 200 million³.

The completion of the transaction is anticipated to take place in the second half of this year, subject to regulatory approvals.

¹ Completion of the transaction would result in an estimated Swiss Solvency Test (SST) ratio of 214%, on a pro forma basis based on our estimate of 203% as of September 30, 2021, and according to the Group’s internal model approved by the Swiss Financial Market Supervisory Authority FINMA.

² In accordance with International Financial Reporting Standards (IFRS) and on a pro forma basis as per June 30, 2021.

³ This includes the expected cash consideration of EUR 128 million (approximately USD 148 million, as per September 30, 2021, exchange rates).

Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With about 55,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 215 countries and territories. Zurich’s customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. 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.

GamaLife is a pan-European life and wealth management platform, founded in 2019 and backed by funds advised by Apax Partners, focused on technology and sustainability. GamaLife in Portugal, which is regulated by the Autoridade de Supervisão de Seguros e Fundos de Pensões, held total assets of EUR 3.7 billion and total equity of EUR 233 million as of June 2021 (December 2020: total assets EUR 4.1 billion and total equity EUR 201 million). For more information see: www.gamalife.com.



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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.

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