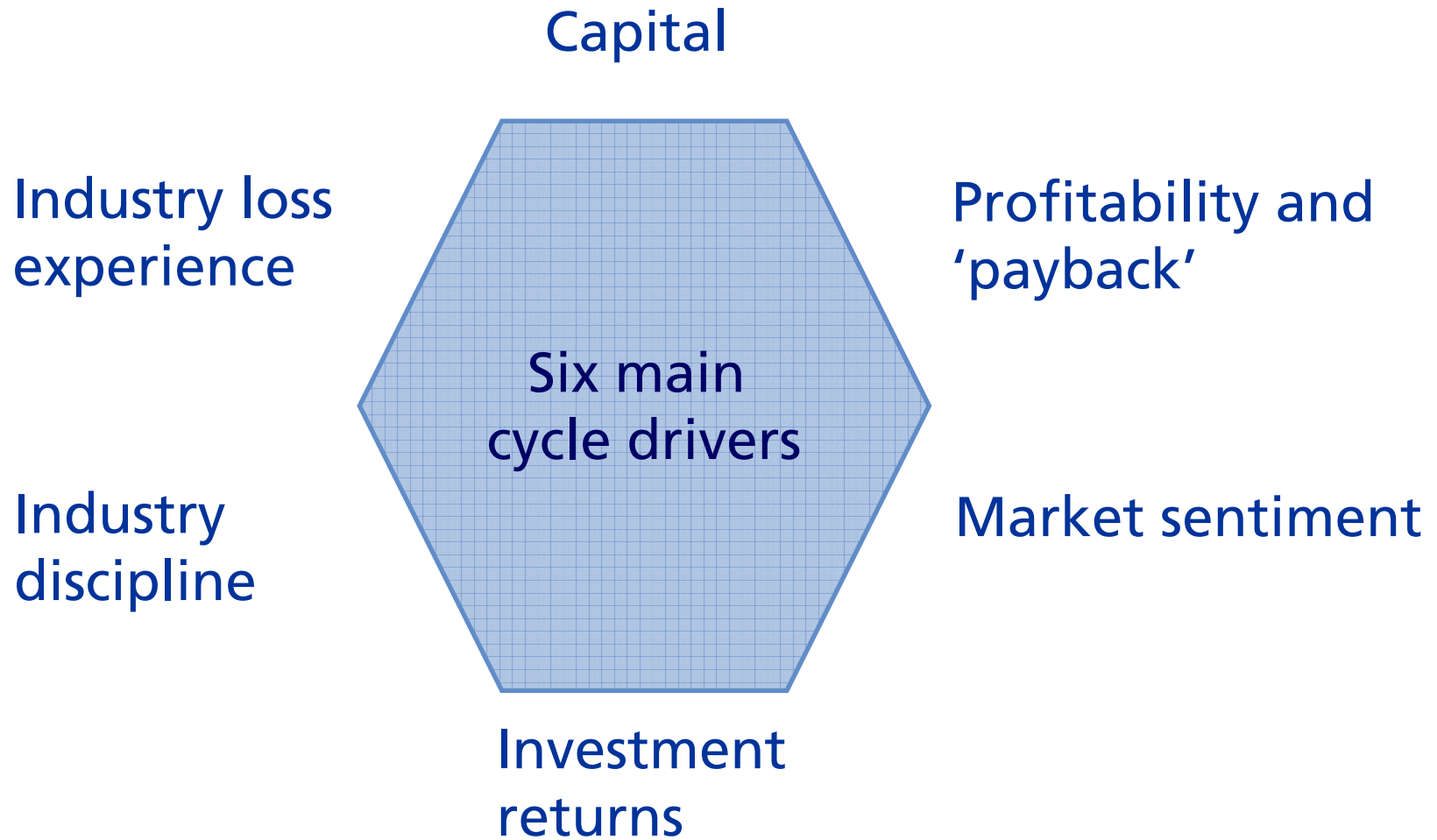

Insurance Cycle Management in a Competitive Environment

Dieter Wemmer
Chief Financial Officer

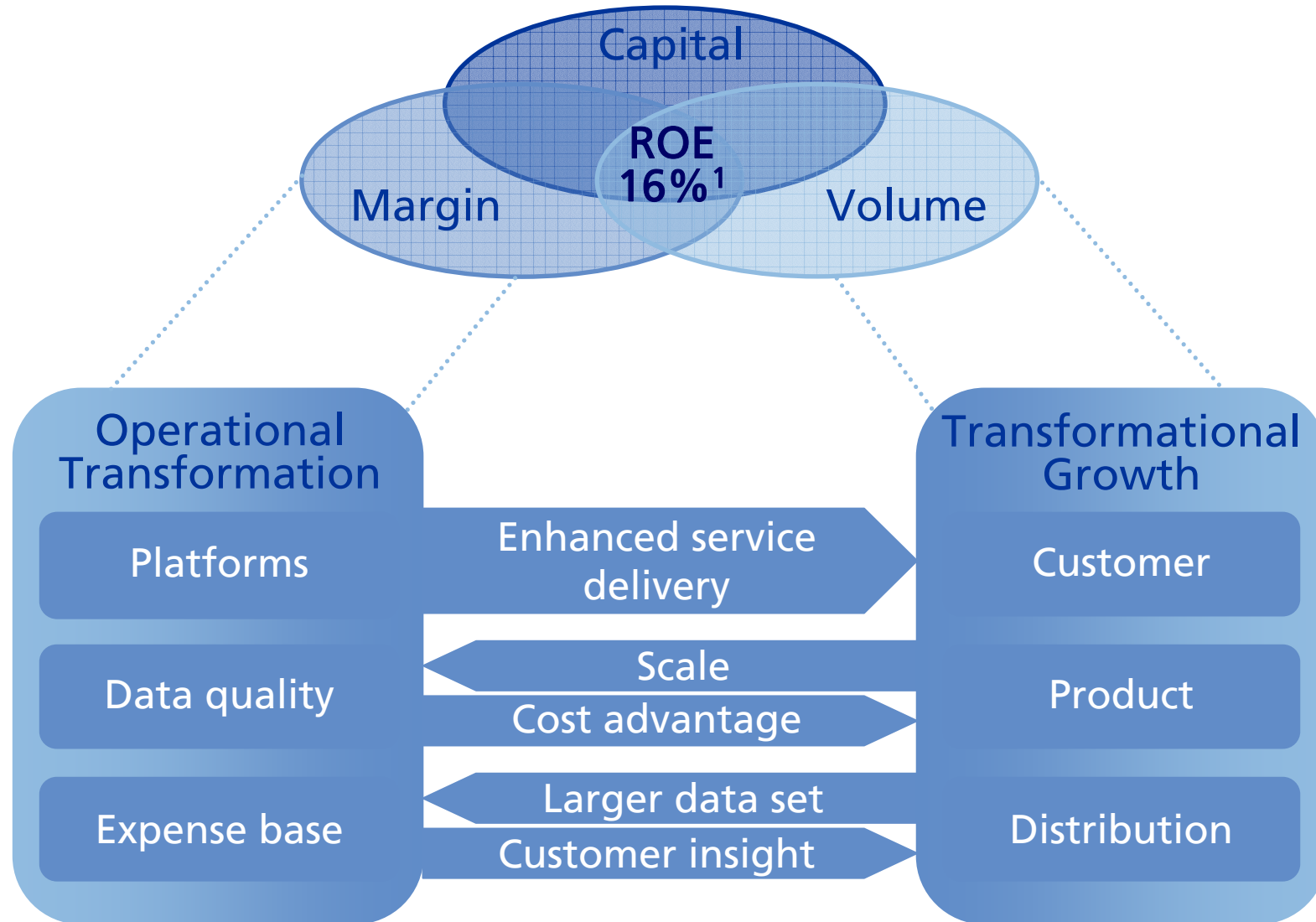
UBS Conference on P&C Insurance and Reinsurance in Europe
Zurich, June 26, 2007



How has the insurance cycle changed?



Strategic transformation

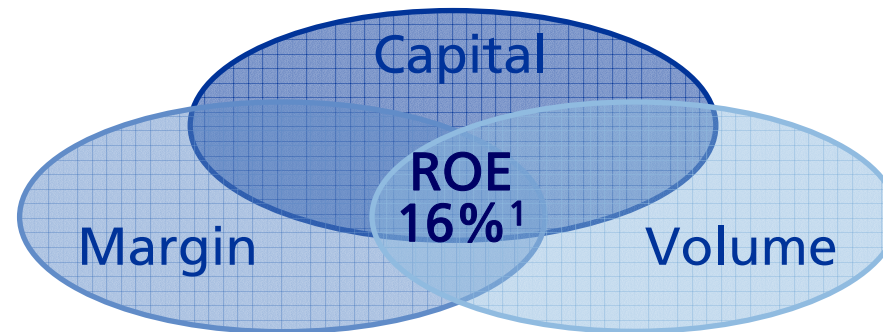


¹ Business operating profit (after tax) return on common shareholders' equity

Strategic transformation supports insurance cycle management



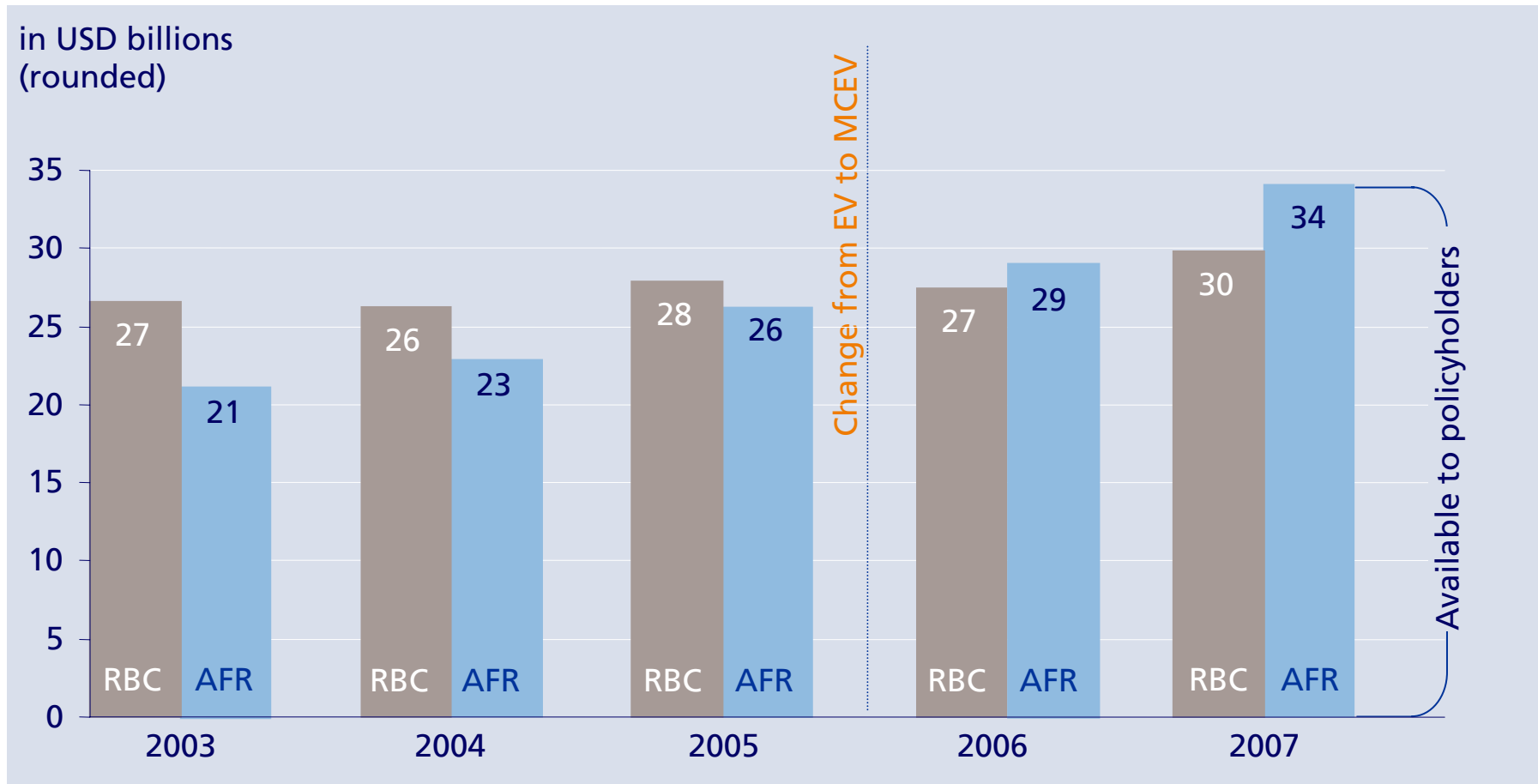
- Strong optimized capital base
- Active diversification
- Portfolio management



- Platforms delivering consistently high standards
- Data quality driven analysis
- Operational Transformation powered by The Zurich Way
- Customer experience
- Product differentiation
- Distribution excellence

¹ Business operating profit (after tax) return on common shareholders' equity

Capital: strong optimized capital base / economic financial strength (based on AA calibration)

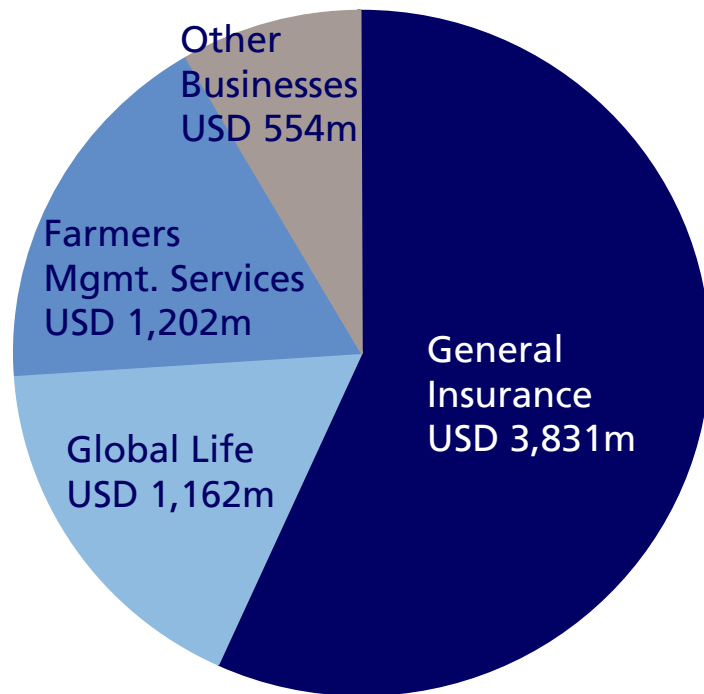


Economic financial strength is based on available financial resources (AFR) at the beginning of the period and expected risks to be taken during the period as measured by risk based capital (RBC).

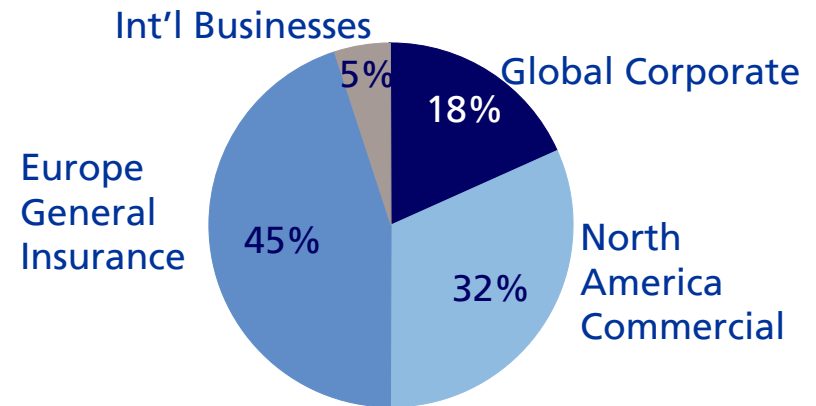
Active diversification: Zurich has a well diversified, global book



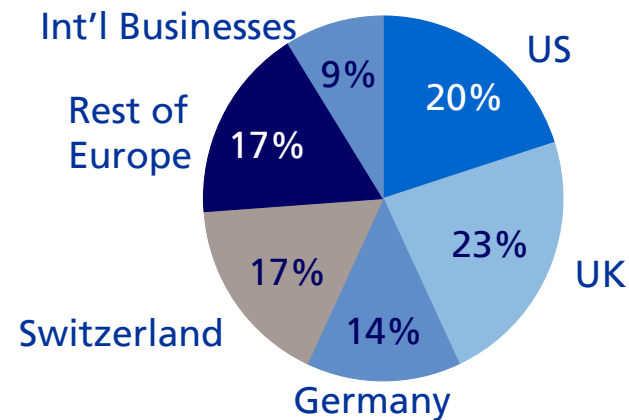
Business Operating Profit by segment^{1,2}



Business Operating Profit General Insurance^{1,3}



Business Operating Profit Global Life¹

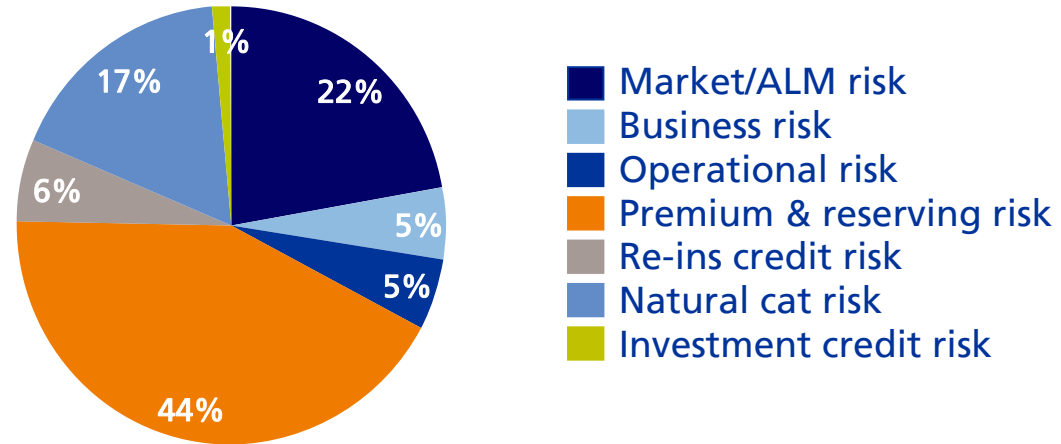


¹ For the year ended December 31, 2006
² Excluding Corporate Functions
³ Excluding Group Reinsurance

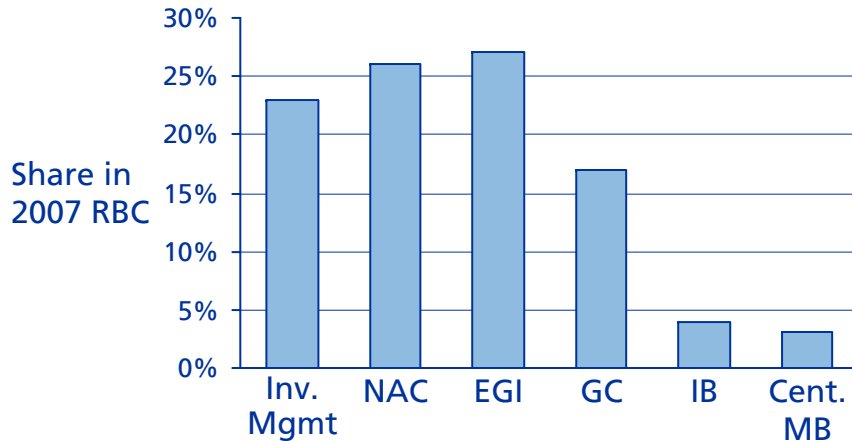
Active diversification: balanced global General Insurance portfolio benefits from diversification



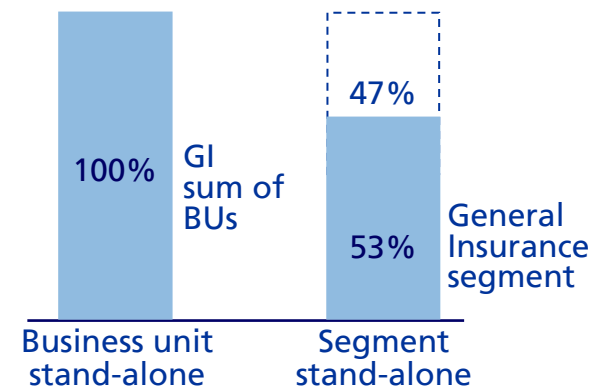
A balanced risk landscape...



... and a balanced business portfolio

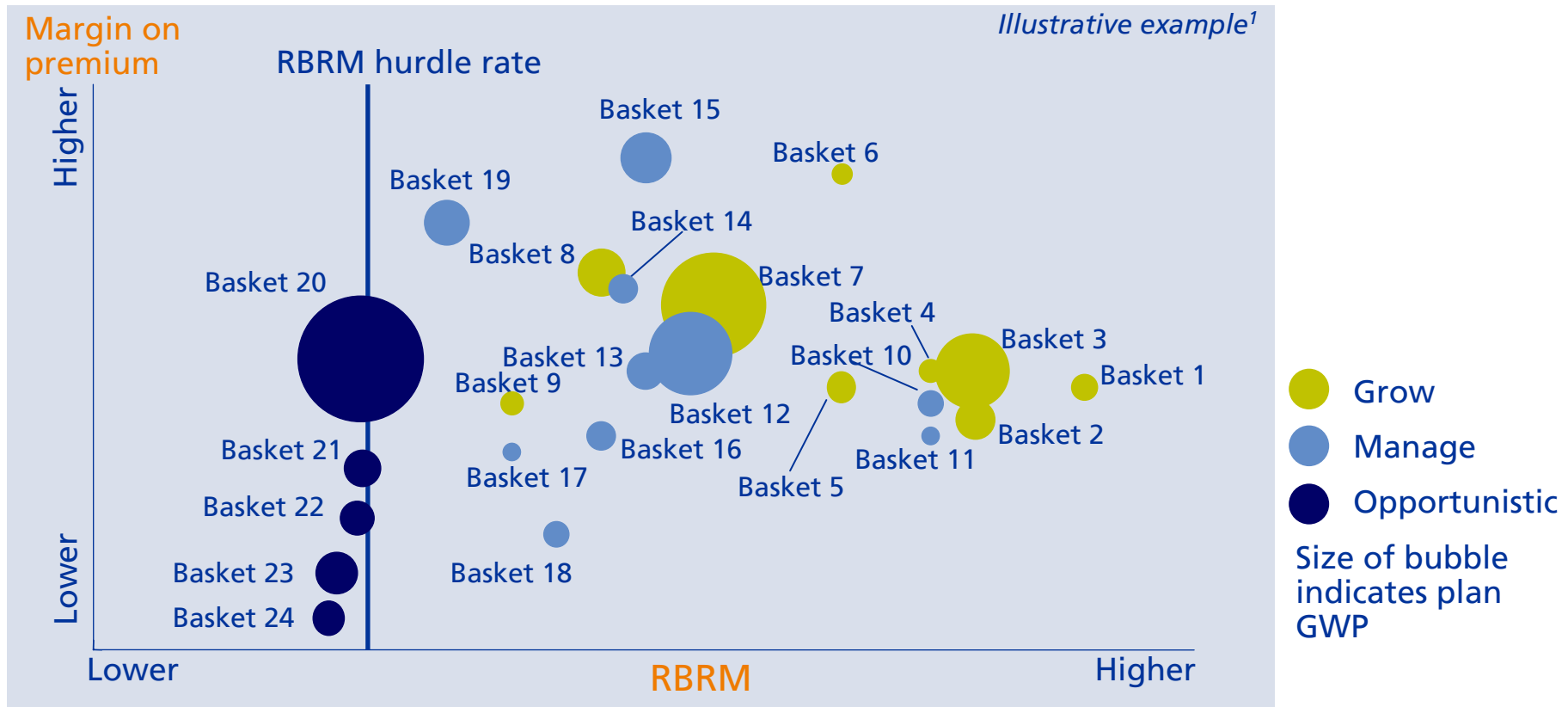


... result in superior capital efficiency



RBC numbers as of 2007

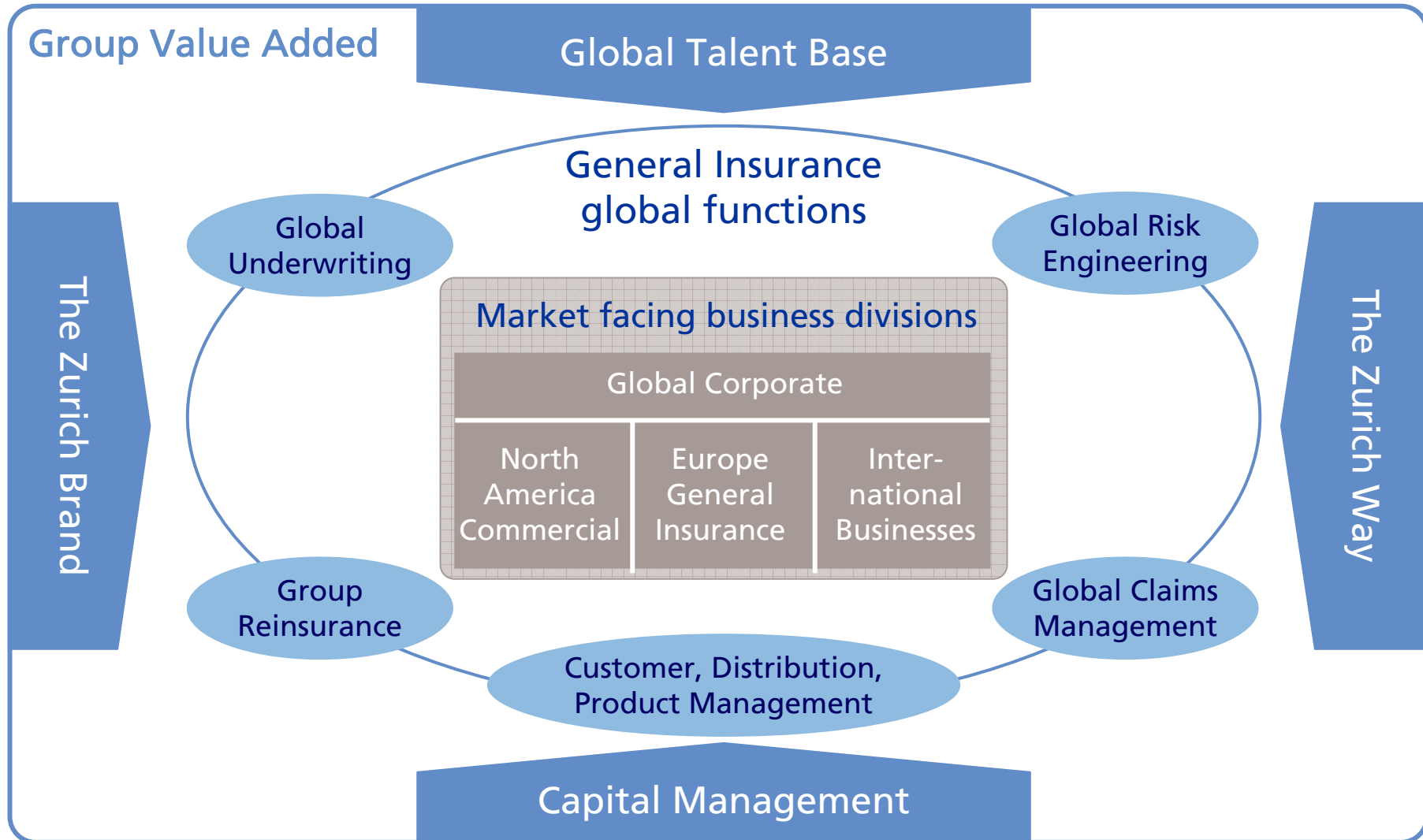
Portfolio management: balance risks and returns across portfolios



- We continually review and reshape the business by growing the most attractive portfolios that exceed our internal hurdle rate.
- We grow and shrink baskets to optimize return on our portfolio.

¹ As used in the case study on North America Commercial's Specialties business in our presentation on Capital Management.

Consistency: platform with matrix of functions providing high standard controls and metrics



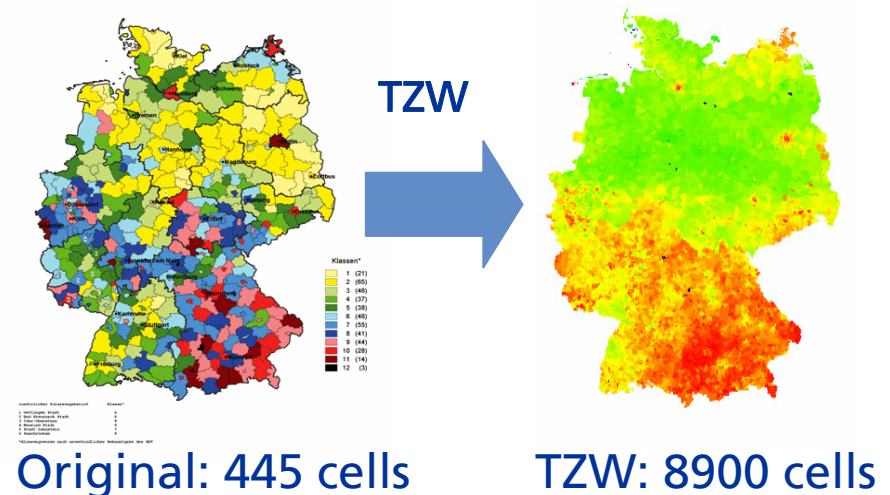
Data: micro-segmentation common technique across General Insurance



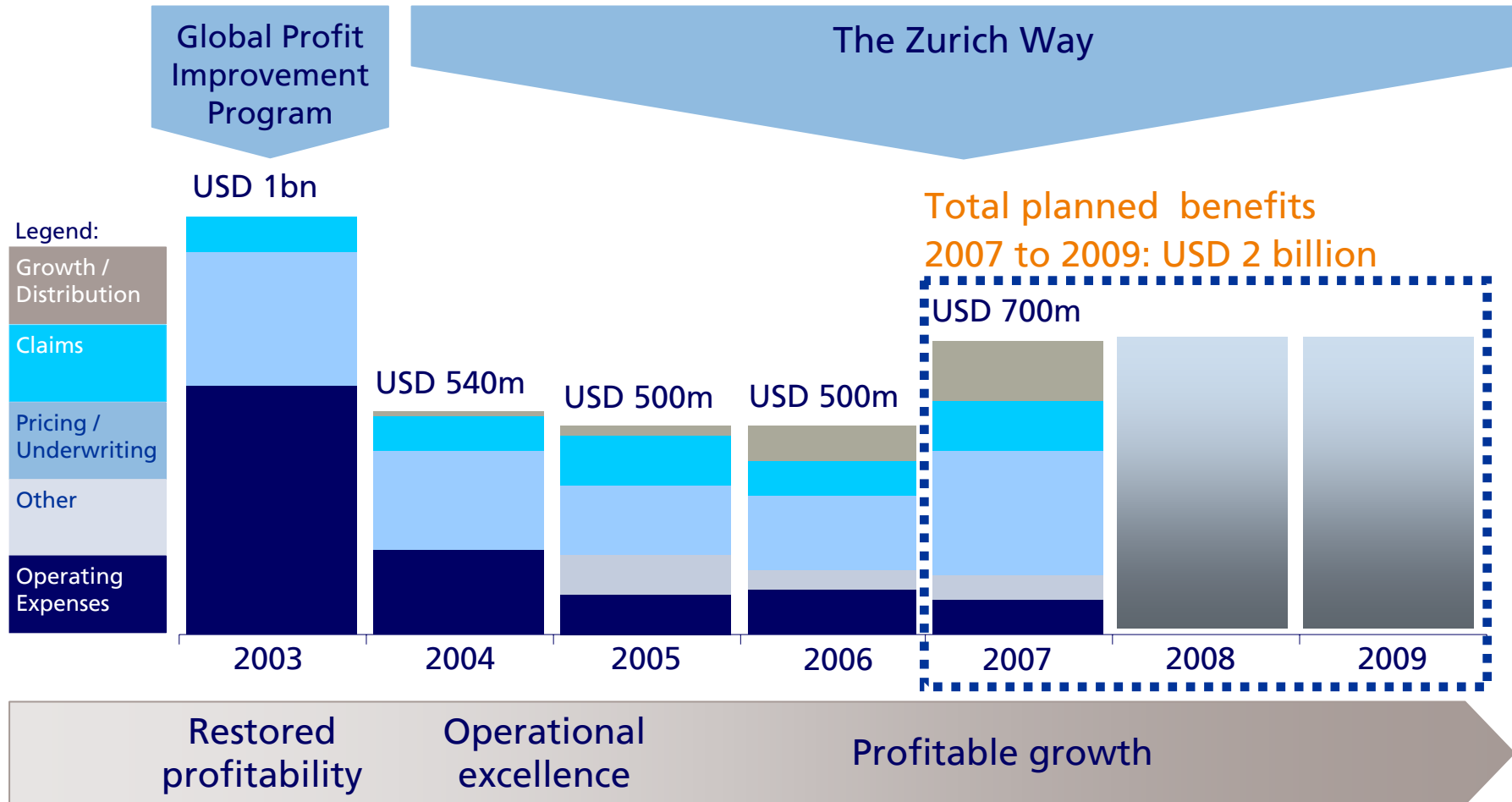
- Micro-segmentation in the UK, the US, Italy, Switzerland and Germany. Expected benefits of USD 1bn GWP across General Insurance from global application of this technique.

Example: German Motor Segmentation

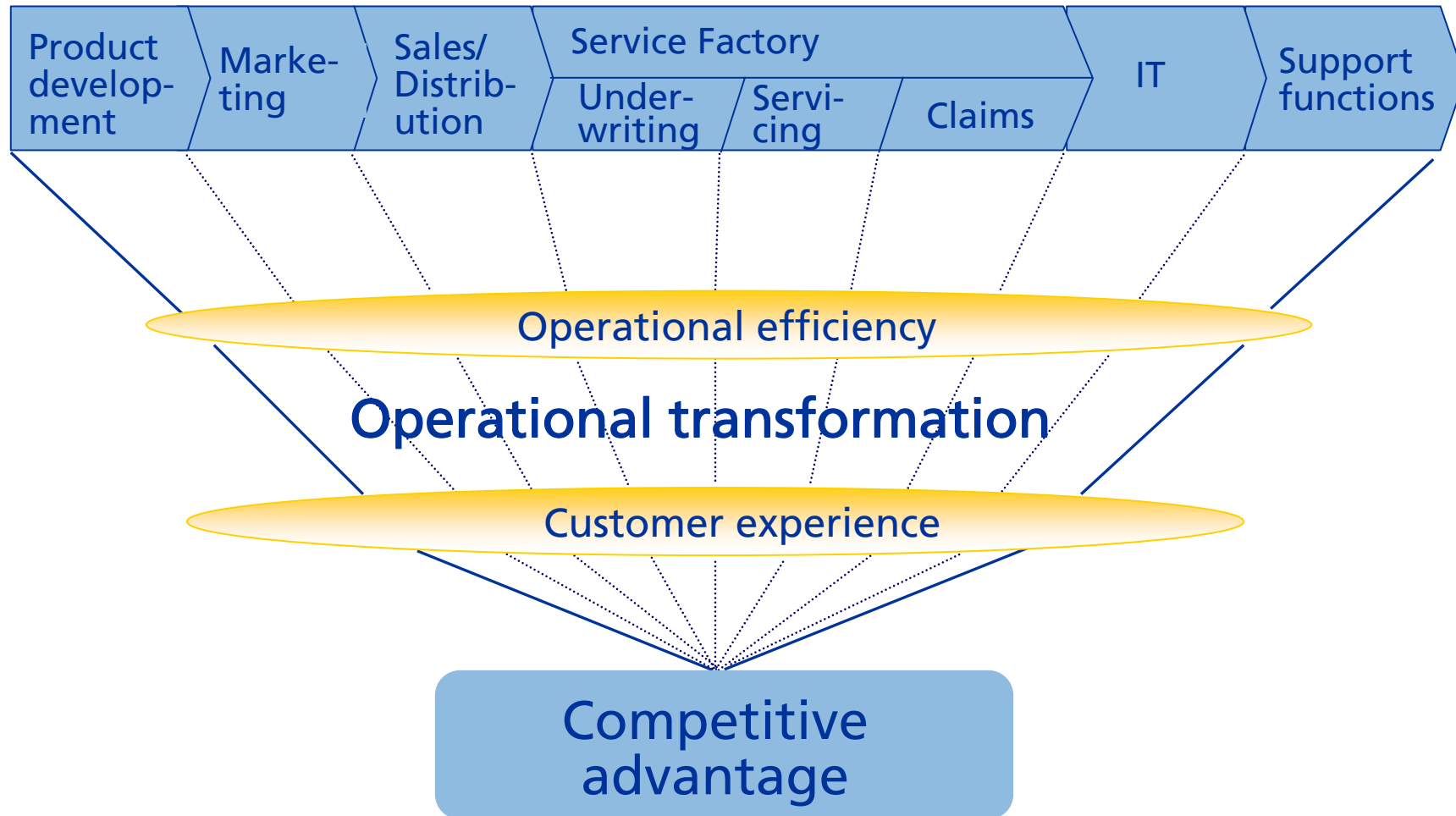
- Market leader in combining data to evaluate technical price model for motor products
- Based on technical price models the Zurich motor Personal Lines tariffs are the most granular in the German market – enabling sales focus on most profitable pockets



Operational improvements in The Zurich Way



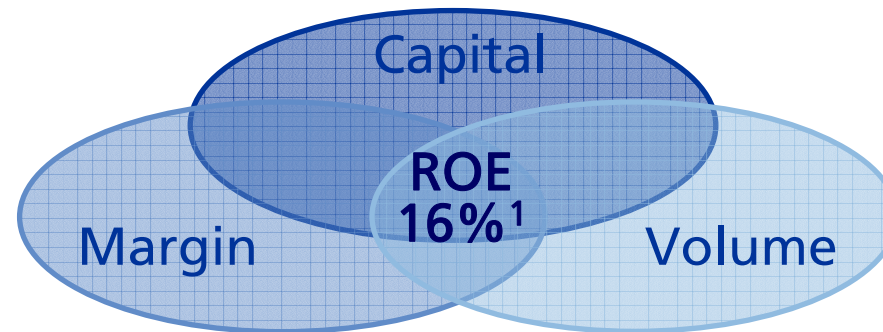
Operational Transformation: sharpens business processes to create competitive advantage



Strategic transformation supports insurance cycle management



- Strong optimized capital base
- Active diversification
- Portfolio management

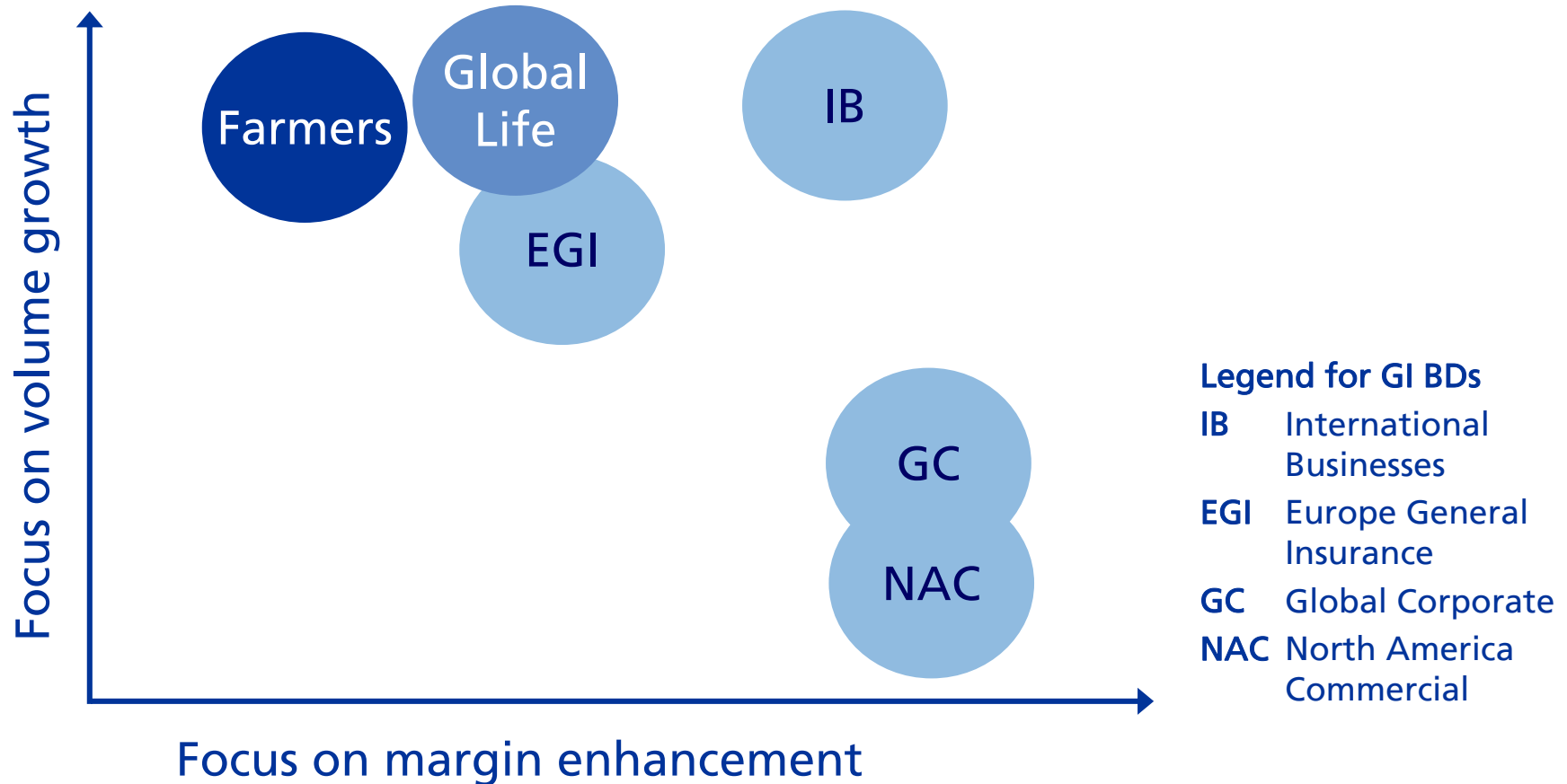


- Platforms delivering consistently high standards
- Data quality driven analysis
- Operational Transformation powered by The Zurich Way
- Customer experience
- Product differentiation
- Distribution excellence

¹ Business operating profit (after tax) return on common shareholders' equity

Appendix

Zurich applies a differentiated focus to unlock and grow business value



Strategic objectives



- Become a top-five insurer globally
- Strengthen our market leadership positions
- Expand capital light and fee income businesses
- Position Zurich as the employer of choice in the insurance industry globally
- Generate a consistent mid-term BOPaT-ROE¹ of 16%

¹ Business operating profit (after tax) return on common shareholders' equity