Message from our Group CEO

Delivering on our commitments

“After reshaping our business, Zurich is well-positioned to face this transformation from a position of strength.”

Mario Greco
Group Chief Executive Officer

A changing world demands focus and a clear understanding of how to create value. Zurich is delivering on both while transforming itself for a digital age.
Embracing a customer-led transformation
In a world undergoing such fundamental change, it is critical that organizations consciously choose their path, make clear commitments to how they will travel along that path, and then regularly examine their surroundings to ensure progress is being made. At Zurich, the path we have chosen is not to resist the digital revolution or to cling to old models. Instead, we are embracing a customer-led technology-enabled transformation that will redefine how we create value for our customers, shareholders, employees and society more broadly.

Positioned to succeed
After two years of reshaping our business, Zurich is well-positioned to face this transformation from a position of strength. Our business portfolio reflects a better mix of risks, while reducing volatility and expanding our customer base. We exhibit more underwriting discipline and manage our cost base more efficiently. We are meeting or even exceeding our 2017 to 2019 financial targets, including profitability, capital strength and cash remittances. And we are delivering one of the top total shareholder returns in the insurance sector.

Together with these accomplishments we are also achieving profitable growth through targeted acquisitions that build on our geographic footprint and differentiate ourselves from peers. In Latin America these actions position us as the top composite insurer in Argentina, the biggest life insurer in Chile and the fourth-largest insurer in the region. In the Asia Pacific region, we are acquiring 80 percent of Adira, making us the largest foreign P&C insurer in Indonesia. And we essentially globalized the Cover-More travel assistance business – after acquiring it only two years ago – through a series of bolt-on acquisitions in Latin America and Europe that now make Zurich the second-largest player globally in this fast-growing market.

But our growth has not been limited to acquisitions. We also established a series of collaborations that expand our service offerings and gain us new ways to access customers, ranging from new mobility solutions through Bright Box to smart home services with Vodafone to cyber prevention capabilities with Cyence. In addition, we developed new offerings internally, including an insurance-on-demand device coverage for millennials in Spain and an innovative software-as-a-service tool for automobile dealers in the U.S. All of these represent ground-breaking new approaches to managing customers’ risks, challenging traditional product concepts and distribution models.

Customers will define the path ahead
As the balance shifts in customers’ favor, a critical part of the journey involves constantly measuring and improving customer satisfaction, with the aim being that our customers become our greatest promoters.

Timeline of 2018 events

January 2018
Zurich launches Make the Difference, inviting all employees to propose ways to improve how we work.

February 2018
Zurich names Amanda Blanc new CEO of Europe, Middle East & Africa business, effective October 1, 2018.

March 2018
Zurich accelerates growth of its Cover-More business with an acquisition in Latin America.

April 2018
Zurich to acquire EuroAmerica’s life businesses in Chile.

April 2018
Shareholders elect Michel M. Liès as new Chairman and approve dividend of CHF 18 per share.

July 2018
Zurich extends its award-winning Flood Resilience Alliance program for another five years.

August 2018
Zurich to acquire 80 percent of Adira Insurance in Indonesia.

September 2018
Zurich to acquire Latin American operations of QBE to become leading insurer in Argentina.

November 2018
Zurich strengthens its efforts on cyber security by becoming a partner of the World Economic Forum’s Global Centre for Cybersecurity.
We have started introducing customer satisfaction measures across the organization, as we are committed to learn from every interaction that our millions of customers have with us. Satisfied customers, after all, tend to be more loyal, and tend to have a longer and broader relationship with Zurich. Through our efforts, and by truly listening to customers, we are making changes and seeing net promoter scores improve. And to underscore how serious we are, we have also included ‘NPS’ metrics as a measure to determine leaders’ incentive plans.

To accelerate this customer journey we are also creating global capabilities to support our local businesses. For example, Zurich Insurance Mobile Services is creating digital platforms that can be used in any market, while Zurich Customer Active Management provides analytical support to better interpret customer needs, preferences and expectations. Both represent areas where skills and scale can create impact, and both are already creating value across the Group.

Engaging employees

In the end, though, our transformation will be led by our people, who are increasingly demonstrating a renewed sense of purpose that is more agile, collaborative and entrepreneurial. You can read one way we are doing this through our Make the Difference campaign described here.

We are also listening more to our employees, using the ‘employee’ NPS, or ‘ENPS’ measure, to better understand employees’ needs. And we are increasingly being recognized for our efforts to promote diversity across our organization, while providing opportunities for all our people to work to the best of their ability and develop their careers.

Having an impact on the world around us

The impact we are making goes beyond customers, shareholders and employees, though. We are also redoubling our efforts to share our expertise, spirit and energy with communities across the world. This commitment starts in Switzerland, where we provide about 4,600 people with fulfilling and rewarding careers, sponsor life-enriching programs like Vita Parcours, the music festival Lucerne Summer Festival and the Europa Institut, and educate children on computer coding and financial literacy.

We also support a range of charities that aim to improve the lives of many people and groups. Outside of Switzerland we extended the award-winning global Flood Resilience Alliance that has already enhanced resilience in 110 mostly low-income communities, expanded the Z Zurich Foundation local grants program to over 20 countries, and contributed extensively to the debates around the future of work, climate change, cyber security and other critical risk topics. We are proud of these and countless other efforts our people make to improve the lives of our neighbors, and are committed to doing even more in the years to come to promote an inclusive and resilient future.

Conclusion

Zurich embraces this customer-driven world. We have demonstrated our ability to improve our core business while creating new opportunities. We have positioned customer feedback as a key source of learning. We have energized our people around a clear purpose. And we have recognized the greater societal impact we can and must have to truly deliver sustainable value to all stakeholders. This is the path we have chosen, and it is one we believe will serve as our strength not just in today’s insurance environment, but also in tomorrow’s.

Mario Greco
Group Chief Executive Officer