



ZURICH

Because life changes.

THE MARKET

Australians are becoming increasingly aware of the fact that their financial security, through the various stages of their lives, is their own responsibility. Zurich Financial Services Australia is providing the products, education and guidance to help them create and manage their own wealth.

Zurich's diverse range includes personal investment, superannuation, life and general insurance products, services and advice. These products and services can be purchased singly or as integrated packages, and they are easily tailored to individual, business or corporate needs.

Driven by research and a customer focus, Zurich responds quickly to changes in the Australian marketplace. Legislative reform in the financial services industry is also influencing Zurich, whose services now include online education for customers and advisers. Customers are also offered Internet access to their account details.



ACHIEVEMENTS

In recent years, Zurich Australia's profile has benefited from recognition of the company's long-term achievements. A large part of this recognition has come from the financial services industry's independent researchers and specialists.

In April 2001, Zurich received a four star Morningstar Star Rating, only six months after its initial Morningstar Review ranked it at three stars. The same industry research house credits Zurich with having 40 five star funds and 70 four star funds, placing it among industry front runners.

Zurich's Managed Growth Fund has also been recognised in recent years by Mercer Investment Consulting, which frequently cites the Fund as being one of the top performers in its class over periods of up to 20 years. At June 2001, it appeared among the top five in the balanced funds category at one, five, 10, 15 and 20 year increments.

Overall, Zurich's investment achievements have been due to its long-term, whole-of-life approach to investing. Its life, risk and general insurance businesses' achievements have been based on the appropriateness of its products in a changing market and its commitment to providing comprehensive solutions to customers and clients, regardless of their size.

HISTORY

The Zurich Financial Services Group was created in September 1998 when the Zurich Group, which was founded in Switzerland in 1872, merged with the financial services business of B.A.T. Industries

plc. The Group includes general insurer Eagle Star, life insurer Allied Dunbar and the Farmers Group in the USA.

In 1998 the Group formed Scudder Kemper Investments (now Zurich Scudder Investments Inc.), based in New York City, which is the core of its global asset management operations. The Group's key markets include the USA, the UK and Switzerland. The Group currently reaches over 35 million customers and has more than US\$440 billion in funds under management.

Zurich Australia's origins date back to 1920 when the Commonwealth General Assurance Company was established. This organisation became part of the international Zurich Group in 1961.

Locally, Zurich Scudder Investments Australia Limited manages funds invested in Australia while enjoying access to the expertise of a global investment team.

Zurich Australia is 100 per cent owned by the Zurich Financial Services Group. It owns, or has partial ownership of, a number of businesses and organisations in Australia whose activities relate directly to its own core areas of business. They include investment companies, financial planning dealer groups, fund administration companies, a specialist stockbroker and research house and financial software company.

Zurich is the principal sponsor of Rowing Australia, the ICAA/Zurich Business Leader of the Year Awards and various other events.

THE PRODUCT

Zurich Australia's range of products includes investment and superannuation solutions, general insurance and life coverage.

The company's investment and superannuation products include *i.super_invest*, an innovative master trust launched early in 2001. It allows members to combine their superannuation and personal savings into one investment vehicle; a range of retirement products including annuities and allocated pensions; and unit trusts for retail and wholesale customers. These investment vehicles give investors access to a range of Zurich funds plus a selection of externally managed funds that Zurich considers to be best in class.

The life products offered by Zurich locally include life insurance, income protection insurance and trauma insurance. The range is tailored to ensure customers can access and integrate protection against a broad spectrum of contingencies and can include coverage with their superannuation contributions.

The insurance range offered by Zurich Australia includes business, general, workers compensation and compulsory third party insurance. These products enjoy a Standard & Poor's A+ rating, largely due to Zurich's excellent claims paying ability.

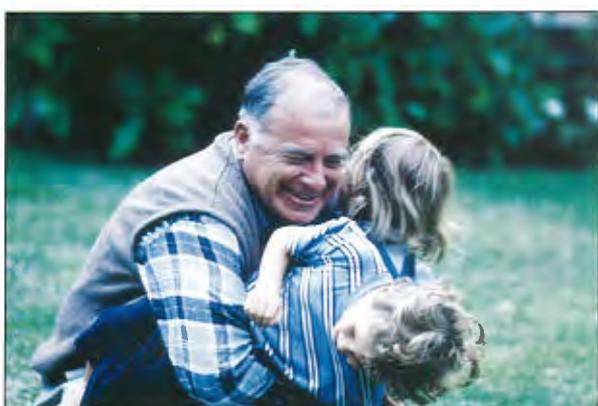
For its extensive network of advisers and advisory contacts, Zurich also offers financial planning and regulatory education services. Its in-house technical services team also provides up-to-date financial services industry information to Zurich's intermediary network.

RECENT DEVELOPMENTS

In accordance with Zurich Australia's commitment to keeping abreast of change, two of its key initiatives have been the introduction of an Internet-based master trust earlier this year and fully accredited online education facilities in 1999.

The master trust, *i.super_invest*, offers an online superannuation and personal investment solution to employers, employees and private individuals. It includes superannuation, personal investment and wealth protection products that are fully integrated and Internet based. This product has sufficient flexibility to answer the needs of large corporations, small to medium sized enterprises and individuals.

Zurich Australia's key education offering for



financial intermediaries has been designed in conjunction with Indelta, the online education arm of the University of Southern Queensland. The courses offer advisers, intermediaries and Zurich employees access to study programs geared towards undergraduate degrees, postgraduate diplomas and masters degrees in financial planning.

Reflecting its solid commitment to ongoing product development and knowledge improvement, Zurich has formed specialist research and development segments within its own business. These groups develop and deliver changes within the organisation and support services to its advisers and customers.

This initiative also benefits from access to Zurich's global research and knowledge base and the organisation's worldwide commitment to knowledge sharing.



PROMOTION

In March 2000, Zurich Australia relaunched its advertising and marketing plan under the 'Because life changes' theme. The television commercials were backed by an adaptation of Lennon and McCartney's 'Across the Universe' song. They conveyed the message that, regardless of time of life, Zurich has the solutions to individuals' and businesses' wealth creation, protection and distribution needs.

These commercials won local and international awards and had a significant impact on unaided awareness of Zurich locally. They also served to redefine perceptions of Zurich and align them with the climate of change being experienced in the financial services industry at the time.

Zurich's current theme is based on the notion that transition through change can be managed, in a financial sense, with integrated solutions and a customer needs-focused approach to both products and services.

These themes are also reflected in the accessibility and user-friendliness of Zurich Australia's interactive website at www.zurich.com.au and the various portals designed for Zurich's customers.

BRAND VALUES

The Zurich brand is based on five values summarised by the acronym 'BASIC'. They are: Be proactive, Aim high, Show empathy, Inspire trust and Communicate clearly. These five values describe a business culture that looks both internally and outside to enable a holistic picture of itself.

In living the five BASIC values, Zurich encourages staff to extend themselves in delivering genuine and personal service to all customers, whether existing or potential. It aims to ensure every individual experiences care, convenience and support when considering or investing in a financial future with Zurich.

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THINGS YOU DIDN'T KNOW ABOUT ZURICH

- In the early 1970s, Zurich became one of the world's first companies to embark on a corporate sponsorship program, supporting cross country skiing. Their slogan was, "Cross country skiers live longer."
- Japan is the highest per capita insuring nation in the world, closely followed by Switzerland, Zurich's home country.
- After the Titanic sank in 1912, Commercial Union insurance paid 20 million pounds in compensation. Even now a substantial theory exists that the sinking was an insurance swindle.
- Franklin Delano Roosevelt was the branch manager for F&D insurance in New York from 1920 until 1928, prior to becoming US president. F&D joined the Zurich Group in 1980.
- In 1902 Zurich's car insurance in Europe was a flat 50 francs per year, regardless of vehicles' power, make, model and intended use. This represented the equivalent of a motor mechanic's weekly wage in the City of Zurich.
- Since 1887, Zurich has been the insurer of the Swiss Army.