

Zurich Australia Capital Disclosures - 31 December 2025

The Australian Prudential Regulation Authority (APRA) is the prudential regulator of the Australian financial services industry. APRA establish and enforce prudential standards and practices on the institutions they supervise in order to protect the financial interests of the Australian community.

The Capital Adequacy Prudential Standards (LPS 110 and GPS 110) require insurers and Level 2 Insurance Groups to maintain adequate capital against the risks associated with its activities. A key feature of the standards is also a requirement that an insurer and a Level 2 Insurance Group make certain public disclosures about its capital adequacy position.

The following information has been prepared for the purpose of satisfying these requirements and to improve the understanding of policy owners and other market participants of capital adequacy.

The information below is issued by Zurich Australia Limited ABN 92 000 010 195, Zurich Australian Insurance Limited ABN 13 000 296 640 and Zurich Financial Services Australia ABN 11 008 423 372 and is current as at 31 December 2025.

Zurich Australia Limited

Statutory Fund (SF)	SF2	SF3	Shareholder Fund	Zurich Australia Limited
(\$m)				
Net Assets	2,136	56	239	2,431
Regulatory adjustments to net assets	(1,003)	(1)	(201)	(1,205)
Net assets after regulatory adjustments	1,133	55	38	1,226
Capital Base	1,133	55	38	1,226

Notes to table:

- The entire capital base is Common Equity Tier 1 Capital.
- All regulatory adjustments to ZAL's net assets are applied to the calculation of Common Equity Tier 1 Capital.
- No Additional Tier 1 Capital or Tier 2 Capital is held by ZAL, the statutory funds SF2 or SF3, or the Shareholder fund. No regulatory adjustments are applied to the calculation of Additional Tier 1 Capital or Tier 2 Capital.

Statutory Fund (SF)	SF2	SF3	Shareholder Fund	Zurich Australia Ltd
(\$m)				
Common Equity Tier 1 Capital and Capital Base	1,133	55	38	1,226
Prescribed Capital Amount				
Asset risk charge	223	3	2	228
Insurance risk charge	365	1	-	366
Aggregate risk charge for variable annuities	3	-	-	3
Asset concentration risk charge	-	-	-	-
Operational risk charge	103	3	-	106
Less aggregation benefit	(124)	-	-	(124)
Combined stress scenario adjustment	128	1	1	130
Total Prescribed Capital Amount	697	8	3	708
Capital Adequacy Multiple	1.63	6.70	14.04	1.73

Each policy written by Zurich Australia Limited is associated with and supported by the assets of one of the statutory funds (Statutory Fund No. 2 is wholly non-investment linked, Statutory Fund No. 3 is wholly investment linked) in addition to the Shareholder Fund (SHF). Each individual statutory fund is required to comply with the APRA requirements as is the Life Company as a whole.

Zurich Australian Insurance Limited

Capital Requirements and Capital Adequacy Multiple	(\$m)
Common Equity Tier 1 Capital and Capital Base	691
Prescribed Capital Amount	
Insurance risk capital charge	232
Insurance concentration risk charge	18
Asset risk charge	248
Asset concentration risk charge	-
Operational risk charge	61
Less aggregation benefit	(112)
Total Prescribed Capital Amount	447
Capital Adequacy Multiple	1.54

Notes to table:

- Included in the determination of Common Equity Tier 1 Capital are regulatory adjustments comprising deductions of \$18m.
- No Additional Tier 1 Capital or Tier 2 Capital is held by ZAIL. No regulatory adjustments are applied to the calculation of Additional Tier 1 Capital or Tier 2 Capital.

Zurich Financial Services Australia Level 2 Insurance Group

Capital Requirements and Capital Adequacy Multiple	(\$m)
Common Equity Tier 1 Capital and Capital Base	684
Prescribed Capital Amount	
Insurance risk capital charge	232
Insurance concentration risk charge	18
Asset risk charge	250
Asset concentration risk charge	-
Operational risk charge	62
Less aggregation benefit	(113)
Total Prescribed Capital Amount	449
Capital Adequacy Multiple	1.52

Notes to table:

- Included in the determination of Common Equity Tier 1 Capital are regulatory adjustments comprising deductions of \$3,453m.
- No Additional Tier 1 Capital or Tier 2 Capital is held by ZFSA. No regulatory adjustments are applied to the calculation of Additional Tier 1 Capital or Tier 2 Capital.

Glossary

Common Equity Tier 1 Capital (CET1) – comprises the highest quality components of capital that:

- provide a permanent and unrestricted commitment of funds;
- are freely available to absorb losses;
- do not impose any unavoidable servicing charge against earnings; and
- rank behind the claims of policy owners and other creditors in event of winding-up.

Additional Tier 1 Capital (AT1) – comprises high quality components of capital that meet certain characteristics but do not meet the definition of CET1.

Tier 2 Capital – includes other components of capital that fall short of the quality of Tier 1 capital but nonetheless contribute to the overall strength of a company and its capacity to absorb losses.

Capital Base – the net assets of the company after all deductions and regulatory adjustments, that are able to meet the capital requirements as prescribed by APRA. It is equal to the sum of all the components of Capital (CET1, AT1 and Tier 2).

Prescribed Capital Amount (PCA) – the APRA required level of capital which is intended to take account of the full range of risks to which a regulated institution is exposed. The Capital Base must be greater than the PCA.

Capital Adequacy Multiple – the ratio of Capital Base divided by Prescribed Capital Amount. The amounts disclosed are the actual entity Capital Adequacy Multiple and may slightly differ those calculated from this disclosure due to roundings.