

Working together to support our customers

Customer Wellbeing
2025





Drazen Jaksic
UK CEO

“

Putting our customers at the heart of our business means more than just providing a service. By actively supporting their wellbeing when they need us most, we can make a positive impact throughout their lives as the relationship grows.

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The Consumer Duty

The Financial Conduct Authority's (FCA) Consumer Duty is designed to put customer care at the heart of all financial services firms, both culturally and practically.

The Consumer Duty introduces a new Consumer Principle, which requires firms to act to deliver good outcomes for retail customers*. The FCA wants to address the challenges that consumers may encounter and to see firms deliver a higher standard of customer care and protection. The overarching principle of the Duty is to deliver good outcomes for customers, this is something we've always taken pride in and is central to our culture. It's our belief that caring about our customers and putting their needs at the heart of everything we do is fundamental to our business.

The Consumer Duty sets clearer and higher expectations on the standards of care retail customers receive and represents an opportunity to demonstrate aspects of our business which are oriented towards delivering greater protection for customers when choosing, selecting, and accessing financial products.

Protecting customers in vulnerable circumstances

Protecting consumers in vulnerable circumstances is a key focus for the FCA's Consumer Duty. In its guidance for firms on the fair treatment of vulnerable customers, the FCA identifies a vulnerable customer as:

“ Someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care. ”

It views vulnerability as a spectrum of risk. All customers are at risk of becoming vulnerable, but this risk is increased by having characteristics of vulnerability. These could be poor health, such as cognitive impairment, life events such as new caring responsibilities, low resilience to cope with financial or emotional shocks and low capability, such as poor literacy or numeracy skills.

For further information on the Consumer Duty and the guidance on the fair treatment of vulnerable customers, visit the FCA website.

Zurich's customer wellbeing guidance and framework

We've designed our Customer Wellbeing guidance and framework to enable us to identify and support our customers when they face challenging times. Our aim is to ensure we:

- Make our products clear and easy to understand.
- Offer flexible communications to make sure they are inclusive of all customers.
- Work with vendors and suppliers who uphold our standards in supporting customers with characteristics of vulnerability.
- Provide appropriate employee training and support to increase awareness of customer vulnerability.

* The Consumer Duty applies to all retail customers.

We're applying the Consumer Duty to all Personal Lines, Small and Medium sized Enterprises, Zurich Municipal, Life Protection and Corporate Protection customers, and existing customers who have a Pension or Investment with Zurich.

We'll also be applying Consumer Duty principles to some Commercial customers too.



Understanding vulnerability and customer wellbeing

While we may refer to customers as having characteristics of vulnerability or being in vulnerable circumstances, many customers do not want to be labelled as 'vulnerable'. We recognise that anyone can find themselves in challenging circumstances at some point in their lives, which can either be permanent or temporary.

We want to prioritise and consider our customers wellbeing just as we do for our employees. This helps us better understand the potential harm or disadvantages they may face and how these factors could impact their experience or outcomes.

The support we can offer falls into these four areas of wellbeing:



Financial wellbeing

Financial Wellbeing is about a sense of security and feeling as though you have enough money to meet your needs. It's about being in control of your day-to-day finances and having the financial freedom to make choices that allow you to enjoy life. It is about having the set of skills, and knowledge that allows individuals to make informed decisions with all their financial resources.



Mental wellbeing

Mental Wellbeing is about your thoughts and feelings and how you cope with the ups and downs of everyday life. It's not the same thing as mental health, although the two can influence each other.



Physical wellbeing

Physical Wellbeing is the ability to maintain a healthy quality of life that allows us to get the most out of our daily activities without undue fatigue or physical stress. Physical and neurological characteristics may also mean accessing our products, services and communications in different ways, including different means of interacting with us.



Social wellbeing

Social Wellbeing, which is the social dimension of health, is about our ability to make and maintain meaningful, positive relationships and regular contact with other people in our lives – like family, friends, neighbours and co-workers.

Our customers may face challenges across multiple wellbeing pillars simultaneously, because some of the drivers and challenges can overlap. For example, a life event like a relationship breakdown or bereavement may lead to mental ill-health or low financial resilience. This may be made worse if the customer has low or limited capability to manage their finances or has no social circle to support them.

Assessing customer wellbeing and responding

We don't believe it's possible to identify vulnerability through a checklist or specific criteria. Not all customers in vulnerable circumstances or with characteristics of vulnerability will be 'vulnerable' and the severity of the vulnerability will matter because vulnerability is:

Contextual: The potential harm depends on a specific interaction combined with a characteristic.

A dynamic state: It can change over time based on circumstances and how a person responds.

A spectrum of risks: Our customers might move along this spectrum based on their personal situations.

We aim to identify and support any *retail customers who are natural persons and exhibit characteristics of vulnerability, to avoid placing them at greater risk of harm, limiting their ability to make decisions, or represent their own interests. To achieve this, we will:



Identify

Train all employees to recognise the drivers and indicators of vulnerability in the four areas of wellbeing and identify potential issues or harm. Once vulnerabilities or potential customer harm are identified, we will assess the specific risks, how they may impact the customer experience or outcome, and determine the appropriate response.



Engage

Empower and equip our customer-facing employees with the time and practical tools to discuss customers' wellbeing needs and seek consent to record their disclosures in a legal and sensitive manner. We also use tools developed by the Royal College of Psychiatrists and Money Advice Trust, including the TEXAS, IDEA, CARERS, and BLAKE drills.



Support

Encourage employees to adopt a flexible approach to delivering support, tailored to the interaction and the unique characteristics and needs of our customers based on their personal situations. In addition to tools and guides, we have a referral process that connects employees to a network of Customer Wellbeing Champions to assist and make sure we deliver the best outcome for customers.



Signpost

With our customers' consent, we'll also direct them to organisations or charities for further assistance. This includes Zurich Support Services—an independent, free, and confidential health and wellbeing service provided by our partner, Workplace Options, which includes access to up to five free counselling sessions.

Prioritising customer wellbeing - our approach

Caring about our customers and putting their needs at the heart of everything we do is fundamental to our business, and we have a robust customer wellbeing framework in place, to help us deliver this.

Skills and capability of our people

We aim to ensure that all employees understand how their role affects the outcomes of customers in vulnerable circumstance and has the knowledge and skills to support our customers' wellbeing. We take a risk-based approach to customer wellbeing training, with higher-level training provision for customer-facing employees in our retail business, in addition to mandatory awareness training for all employees. We regularly assess the effectiveness of this training.

We offer both practical and emotional support for employees facing challenging situations. For instance, a network of Mental Health First Aiders is available for emotional support, while Customer Wellbeing Champions provide best practice guidance.

Supporting our customer needs



Customer Service

We regularly monitor the customer support we provide and prioritise fixing any issues or areas needing improvement. We design and deliver support to meet the needs of our customers, adopting a flexible approach when dealing with customers with characteristics of vulnerability.

We aim to work actively with our partners and suppliers to create an environment of shared responsibility of supporting customers in vulnerable circumstances.



Communications

Across our business, we review and test our customer communications to identify if:

- they meet customer expectations,
- our customers understand what the communication says,
- customers understand what actions they should take next.

Where our research indicates areas of improvement, we will update these documents to deliver good customer outcomes.



Products and services

We have a robust Product Oversight and Governance process which reviews whether our products and services are fit for purpose, designed to meet the needs of the intended target market and are distributed appropriately.

When designing new products, and through our ongoing monitoring of existing open and closed products, we consider whether they have features that could cause harm for any group of customers, including those with characteristics of vulnerability. Where we find issues and areas that we need to improve, we'll make it a priority to fix them.

Understanding our customer needs

We will actively seek to identify the characteristics of vulnerabilities that exist or are likely to exist among our customers, customer base, or target markets, and the potential areas of harm for these customer cohorts in relation to the product.

Monitoring and assessing customer outcomes

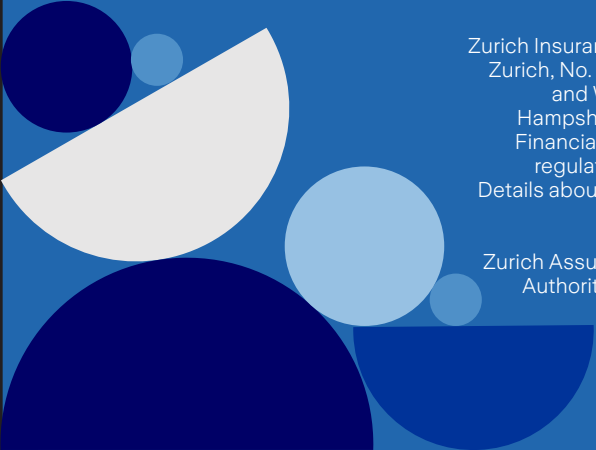
We will regularly monitor and assess management information for customer outcomes at material points in the customer journey. Where we identify any issues or gaps in customer service or support, we will prioritise fixing them. We will regularly report on the outcomes customers in vulnerable circumstances receive at key parts of the journey, including actions to address any issues identified, with senior executive oversight.

Working together to support our customers

We understand that by working together and prioritising the wellbeing of our customers, we can meet their needs when it matters the most, deliver outstanding outcomes and truly make a positive impact on their lives.

If you have any questions or would like to speak to one of our team members, please contact us using your usual method. Our team members can reach out to their Customer Wellbeing Champions, who can offer guidance and support as needed.





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