Note

Zurich deepens emissions cuts and adds green options for customers

- **New climate measures set to reduce CO2 emissions by more than 40,000 tons per year, equivalent to the amount absorbed annually by 2 million trees[1]**
- **Actions will impact operations globally, with cuts to air travel of 70%; other measures focus on vehicles, food, paper and real estate**
- **Sustainable products and services expanded with launch of first carbon neutral fund in industry and expansion of insurance offering for clean energy sector**
- **Publishes white paper ahead of COP26 with recommendations to achieve a net-zero economy**

Zurich, September 7, 2021 – Zurich Insurance Group (Zurich) is taking global measures to accelerate cuts in carbon emissions from its operations, reflecting the urgent need to respond to the climate crisis. New air travel guidance, a switch to cleaner vehicles and further commitments to reduce Zurich's environmental footprint all aim to encourage changes to the way we work and live.

Zurich is also expanding its offering of products and services to help customers transition to a net-zero emissions future. This includes the insurance industry's first carbon-neutral equity fund - a new sustainable savings option for life insurance customers – and an expansion of its commitment to underwrite renewable energy.

"The climate crisis calls for urgent action and small steps taken by each of us – individuals, organizations and businesses – will add up to a giant leap over time," said **Mario Greco, Group Chief Executive Officer**. "Our new measures aim to further reduce our own carbon footprint and, by having a direct impact on how we work, inspire employees, suppliers, customers and others to take action of their own."

"The experience of the global pandemic has shown us a pathway to improving many aspects of our daily and working lives, and there's no going back. Now is the time to push boundaries, embed new behaviors and adapt to a new reality. As the risks of climate change increase, helping our customers on their journey to net-zero is a priority and our latest sustainable insurance solutions reflect this commitment."

New climate actions

Zurich aims to be a net-zero emissions business by 2050, in line with the Paris Agreement's goal to limit global warming to 1.5°C. The Group has pledged to use every lever available: operations, investments, and insurance products and services.

While the Group's operations have been carbon neutral since 2014, Zurich is committed to reducing its remaining greenhouse gas emissions by 50% by 2025 and by 70% by 2029. Zurich is accelerating the journey toward these goals through the following global actions focusing on travel, vehicles, food, paper and real estate:

- Across the business worldwide, Zurich aims to reduce air travel-related emissions as of 2022 by 70% compared with their pre-pandemic level.
- Communication with customers, which accounts for 80% of the Group's paper consumption, is targeted to become fully digital by 2025, although customers may opt-in to paper-based communications.
- With immediate effect, new company vehicles will be electric or hybrid, with the goal to eliminate internal combustion engine-only vehicles from the fleet by 2025.
- The Group is aiming to implement a sustainable buildings program in an additional 50 offices by the end of 2022. A new energy efficiency ambition for real estate will be set once the target to switch to 100% renewable power across the Group is reached next year.
- By the end of 2022, all company restaurants are expected to serve healthy, seasonal and regionally sourced food and to introduce food waste-management programs for leftovers.

Altogether, the new measures are expected to cut carbon dioxide-equivalent emissions in the Group's operations by more than 40,000 metric tons annually by 2025, or 20% compared with 2019. One ton of CO2 is removed from the atmosphere when 50 trees grow for a year, according to the environmental consultancy Climate Neutral Group,[1] making the targeted saving equivalent to the annual amount captured by 2 million trees.

Supporting customers through the transition

A priority of Zurich's commitment to a 1.5°C future is helping customers navigate the transition to a net-zero emissions economy by providing products and services that lower their emissions and strengthen their resilience to climate change.

Zurich is launching a new carbon-neutral investment option for unit-linked life insurance solutions that combine savings with the protection of an insurance policy. The Zurich Carbon Neutral World Equity Fund invests in low-emission companies.

The Group is also expanding its offering for the renewable energy sector, further strengthening its clean energy underwriting capabilities to offer a more complete suite of products and services tailored to support our customers' transition, which will launch in January 2022.

COP26 climate conference – an opportunity for action

The latest edition of Zurich's annual climate scorecard, which tracks progress against net-zero targets for 2050, shows positive trends but warns that some might reverse as the pandemic recedes, such as lower energy consumption and emissions. The scorecard is published today in a white paper: Closing the Gap on Climate Action.

The report highlights where key challenges remain: these include the development of carbon-capture technologies to abate emissions in heavy industries and a significant green investment gap.

The analysis urges concrete short-term action to translate positive developments over the past 12-18 months into a stable path to net-zero. It highlights priority actions for businesses and the need for organizations to manage the physical risks of a changing climate and the transition risks of rapidly evolving investor and regulatory requirements.

The upcoming COP 26 conference provides a clear opportunity to agree on policy actions to deliver against ambitious climate commitments. In the white paper, Zurich urges participants to provide greater clarity and confidence for the private sector on the approach to transition by taking action on carbon pricing, the consistency of disclosures, and government risk sharing on the investments required.

Raising environmental awareness

Zurich will further raise awareness for the urgency of action on the environment by becoming the global sponsor of a series of exhibitions by world-renowned photographer and climate activist Sebastião Salgado.

Amazônia, which opens in Rome and London this year, is a celebration of the indigenous peoples of the rainforest in Mr. Salgado's native Brazil and a reflection on the precarious balance between humans and nature. It will be shown in other major cities during 2022, including Sao Paolo, Rio de Janeiro and Avignon.

Mr. Salgado and his wife Léila have spent more than two decades restoring native forest in the Brazilian state of Minas Gerais, on a tract of land made barren by cattle farming during the 20th century.

Zurich is already the exclusive sponsor of an eight-year project to develop the forest into a self-sustaining ecosystem by planting one million seedlings of 300 different native species. Approximately one quarter of the total will have been planted by the end of the year.

[1] https://www.climateneutralgroup.com/en/news/what-exactly-is-1-tonne-of-co2/

Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With about 55,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 215 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

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