

## C0. Introduction

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### C0.1

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**(C0.1) Give a general description and introduction to your organization.**

Zurich is a leading multi-line insurer that serves its customers in global and local markets. With about 53,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 210 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.

### C0.2

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**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2017	December 31 2017	Yes	2 years
Row 2	January 1 2016	December 31 2016	<Not Applicable>	<Not Applicable>
Row 3	January 1 2015	December 31 2015	<Not Applicable>	<Not Applicable>
Row 4	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

### C0.3

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**(C0.3) Select the countries/regions for which you will be supplying data.**

Argentina  
Australia  
Austria  
Bahrain  
Belgium  
Bermuda  
Bolivia (Plurinational State of)  
Brazil  
Canada  
Chile  
China  
China, Hong Kong Special Administrative Region  
Colombia  
Cyprus  
Denmark  
Finland  
France  
Germany  
Indonesia  
Ireland  
Isle of Man  
Italy  
Japan  
Luxembourg  
Malaysia  
Malta  
Mexico  
Netherlands  
New Zealand  
Norway  
Poland  
Portugal  
Qatar  
Russian Federation  
Singapore  
Slovakia  
Spain  
Sweden  
Switzerland  
Turkey  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United States of America  
Venezuela (Bolivarian Republic of)

**C0.4**

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**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

**C0.5**

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**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.**

Operational control

## C1. Governance

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### C1.1

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#### (C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

#### C1.1a

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##### (C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board/Executive board	The Governance, Nominations and Corporate Responsibility Committee reviews and approves the Group's sustainability strategy and objectives and oversees the Group's approach and conduct with regard to sustainability. This sub-committee of the board which meets at least twice a year, consists of five non-executive directors. A Sustainability Leaders Council, set up by the Executive Committee, ensures that we achieve our sustainability objectives. The Council comprises senior representatives from across the business and is chaired by the Group Head of Communications and Public Affairs. The Risk and Investment Committee oversees Zurich's overall risk management framework and, over the course of 2017 and 2016, has repeatedly discussed the management of climate risk.
Chief Risk Officer (CRO)	The Group Chief Risk Officer formally convened a Climate Change Working Group in 2016. After its initial risk assessment and recommendations, the Working Group was disbanded at the end of 2017 as climate change was identified as a focus area for Zurich's new sustainable business framework. The Group CRO oversees implementation of that framework as executive-level sponsor and is responsible for the further integration of sustainability risk into the overall risk management framework.
Other C-Suite Officer	The Group Chief Underwriting Officer is responsible for reviewing relevant external trends and drives Zurich's underwriting strategy. Zurich uses internal and external information from sources such as the Advisory Council for Catastrophes and Zurich's Current Risk Group, an internal body tasked to identify risks and trends with near term potential impacts on Zurich underwriting results, to evaluate climate risk impacts.
Other C-Suite Officer	The Group Chief Investment Officer is responsible for execution of Zurich's responsible investment approach and climate change investment strategy. The Chief Market Strategist and Head of Macroeconomics annually assesses high-level climate change scenario narratives.

#### C1.1b

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**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The Governance, Nominations and Corporate Responsibility Committee reviews and approves the Group’s sustainability strategy and objectives and oversees the Group’s approach and conduct with regard to sustainability. They receive updates on strategy implementation, reporting and progress against targets on a quarterly basis including the climate-related issues. The Risk and Investment Committee oversees Zurich’s overall risk management framework and, over the course of 2017 and 2016, has repeatedly discussed the management of climate risk.
Other, please specify (See additional comments below) <i>The Board Risk and Investment Committee has received periodic dedicated updates on climate-change related risks and strategic responses.</i>	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies	Risk and Investment Committee: Key tasks and responsibilities: In general, the Risk and Investment Committee: <ul style="list-style-type: none"> <li>• oversees the Group’s risk management, in particular the Group’s risk tolerance, including agreed limits that the Board regards as acceptable for Zurich to bear, the aggregation of agreed limits across the Group, the measurement of adherence to agreed risk limits and the Group’s risk tolerance in relation to anticipated capital levels</li> <li>• further oversees the Group’s enterprise-wide risk governance framework, including risk management and control, risk policies and their implementation and the risk strategy and the monitoring of operational risks</li> <li>• reviews the methodologies for risk identification</li> <li>• oversees the impact of various risk types on economic and regulatory capital</li> <li>• reviews, with business management and the Group risk management function, the Group’s general policies and procedures and satisfies itself that effective systems of risk management are established and maintained</li> <li>• receives periodic reports from the Group risk management function and assesses whether significant issues of a risk management and control nature are being appropriately addressed by management in a timely manner</li> <li>• oversees the investment process</li> <li>• reviews transactions above the pre-defined threshold</li> <li>• receives updates on the Group’s annual strategic asset allocation, market risk consumption relative to allocated market risk capital and limit and major market risk drivers, accounting investment result, economic investment return relative to liabilities, as well as updates on the performance of asset managers</li> <li>• assesses the independence and objectivity of the risk management function and reviews the activities, plans, organization and the quality of the risk management and investment management functions</li> <li>• oversees Zurich’s overall risk management framework and investment process.</li> </ul>

**C1.2**

**(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Risks Officer (CRO)	Both assessing and managing climate-related risks and opportunities	Annually
Other C-Suite Officer, please specify (Chief Investment Officer)	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify (Chief Underwriting Officer)	Both assessing and managing climate-related risks and opportunities	Quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Half-yearly
Risk manager	Both assessing and managing climate-related risks and opportunities	As important matters arise
Environmental, Health, and Safety manager	Both assessing and managing climate-related risks and opportunities	As important matters arise
Other, please specify (Head of Macroeconomics) <i>Chief Market Strategist and Head of Macroeconomics</i>	Both assessing and managing climate-related risks and opportunities	Half-yearly
Other, please specify (Group Head of Responsible Investment)	Both assessing and managing climate-related risks and opportunities	As important matters arise

**C1.2a**

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**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.**

While climate change is not singled out as a separate item in Zurich's Organizational Rules, clear roles and responsibilities, both at the level of the Zurich Board of Directors and Zurich management, ensure effective oversight and action with respect to climate change-related risks. Relevant key accountabilities of Executive Management include:

- The Group Chief Risk Officer formally convened a Climate Change Working Group in 2016. After its initial risk assessment and recommendations, the Working Group was disbanded at the end of 2017 as climate change was identified as a focus area for Zurich's new sustainable business framework. The Group CRO oversees implementation of that framework as executive-level sponsor and is responsible for the further integration of sustainability risk into the overall risk management framework. The Group Chief Risk Officer is also responsible for Zurich's annual Task force on Climate Change-related Financial Disclosure (TCFD) disclosure.
- The Group Chief Investment Officer is responsible for execution of Zurich's responsible investment approach and climate change investment strategy. The Chief Market Strategist and Head of Macroeconomics annually assesses high-level climate change scenario narratives.
- The Group Chief Underwriting Officer is responsible for reviewing relevant external trends and drives Zurich's underwriting strategy. Zurich uses internal and external information from sources such as the Advisory Council for Catastrophes and Zurich's Current Risk Group, an internal body tasked to identify risks and trends with near term potential impacts on Zurich underwriting results, to evaluate climate risk impacts. In addition, the Governance, Nominations and Corporate Responsibility Committee (GNCRC), a standing committee of the Board, reviews and approves the Group's sustainability strategy and objectives.

The Zurich Executive Committee (ExCo) reviews Zurich's approach to sustainability and ensures its inclusion in the Group strategy. The ExCo is accountable for the execution of Zurich's sustainability approach. To ensure the integration of sustainability across our value chain and make sustainability part of how we do business, accountability for delivery of each key area of Zurich's sustainability approach is assigned to the relevant ExCo member.

The Sustainability Leaders Council will ensure that Zurich's approach to sustainability is effectively integrated in the way we do business and enables Zurich to live up to its code of conduct and purpose and values and the UN Global Compact. The Council comprises senior executives from across the business and is chaired by Group Head of Communications and Public Affairs. The Council has the following responsibilities:

- Formulate and formalize the integration of sustainability across functions and functions including target setting and tracking
- Lead the ongoing implementation of that ambition by providing management support, time and sufficient resources
- Ensure that sustainability principles are adequately reflected in ongoing and future change projects or initiatives
- Advocate and communicate about Zurich's sustainability ambition
- The Chair of the Sustainability Leaders Council reports at least twice a year to the ExCo and GNCRC on progress and new developments.

## C1.3

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**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

Yes

## C1.3a

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**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.**

**Who is entitled to benefit from these incentives?**

Chief Risk Officer (CRO)

**Types of incentives**

Other non-monetary reward

**Activity incentivized**

Other, please specify (See comment box)

**Comment**

The CRO has been given qualitative performance targets linked to sustainability, in particular to oversee the development of Zurich's new sustainability strategy as well as related implementation plans as project sponsor.

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**Who is entitled to benefit from these incentives?**

Environment/Sustainability manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Emissions reduction target

**Comment**

The Group Head of Environmental Performance has objectives defining the accountability for: defining and managing the implementation of the Group's CO2 neutrality strategy; program managing Group Operations sustainability leadership initiatives, e.g. sustainable sourcing, sustainable IT; stakeholder / employee engagement to develop environmental awareness and support environmental improvements. Zurich ensures that sustainability is an integral part of its sourcing and procurement function to ensure that we are able to uphold our commitment to sustainability through the products and services we purchase, and contractual agreements we enter into. We incorporate appropriate evaluation criteria to assess the goods and services we buy, taking into account environmental, social and governance (ESG) factors in line with best value and in compliance with relevant legislation. We also ensure relevant sustainability clauses are included in contracts with suppliers, including environmental standards.

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**Who is entitled to benefit from these incentives?**

Environment/Sustainability manager

**Types of incentives**

Monetary reward

**Activity incentivized**

Behavior change related indicator

**Comment**

The Group Head of Sustainability - Action: Lead the global roll-out of Zurich's Sustainability Framework in functions and countries. Impact: (1) Implementation plans and impact measurements in place for at least 5 key functions and countries within the Sustainability Leaders Council. (2) Develop a definition and strategy for sustainable products and services, mapping of current offerings and catalyzed discussions in at least five countries to grow the portfolio.

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**C2. Risks and opportunities**

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**C2.1**

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**(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.**

	From (years)	To (years)	Comment
Short-term	0	5	This is aligned with strategic planning horizon. While Zurich formulates its business strategy for three year cycles, longer time horizons are reflected in the formulation of the strategy.
Medium-term	5	10	While Zurich formulates its business strategy for three year cycles, longer time horizons are reflected in the formulation of the strategy.
Long-term	10	15	This time frame was identified for the purpose of defining scenario narratives related to climate change.

**C2.2**

**(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.**

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

**C2.2a**

**(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.**

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Zurich uses a comprehensive risk management framework throughout the Group. The risk review describes the Group's risk management framework and risk governance, reports on capital management and capital adequacy, and presents an analysis of its main risks. Zurich is affected by natural catastrophes. The Group models exposures in a center of excellence, which works with local businesses to help improve the overall quality of data to have a consistent approach and to form a global perspective on accumulations. The risk modelling principally addresses climate-induced perils such as windstorms, river floods, tornadoes and hailstorms and geologically induced perils such as earthquakes. Ultimately, Zurich's approach to managing climate risk is embedded within its multi-disciplinary Group-wide risk management processes. Zurich conducts a climate risk assessment annually using Zurich's proprietary Total Risk Profiling (TRP) methodology to identify relevant risks and mitigating actions.

**C2.2b**

## (C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Climate change is perhaps the most complex risk facing society today: it is inter-generational, international and interdependent. As a global insurer, Zurich faces risks from climate change. In 2017, Zurich conducted its first Group-wide analysis of climate change-related risks and identified a set of actions to address them. Zurich uses the framework of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) to distinguish between two types of climate-related risks:

- Transition risk – risks associated with the transition to a low-carbon economy
- Physical risks – risks associated with physical manifestations of excessive warming

Zurich based its analysis on two scenarios to represent an archetypical transition pathway and a physical risk pathway, and applied a scorecard approach to assess the relative likelihood of the two scenarios, and their progression along pathways over time. The two scenarios are not mutually exclusive as transition risks and physical risks coexist, but Zurich's initial assessment shows that a physical risk pathway currently is significantly more likely than a transition pathway. Overall the Group considers its near-term (less than five years) climate change-related risks to be manageable and foreseeable, whereas long-term (more than 10-15 years) risks to be elevated and highly uncertain. The Group analyzed the effect of climate-change risk on its major risk types:

Underwriting risks:

- Physical risks: Generally, annual policy renewals provide a degree of insulation against increasing physical risks for short-tail business. Initial analysis suggests that property, motor and crop lines of business are potentially most at risk from climate change, with rainfall, cyclone and hail as the driving perils. While standard industry natural catastrophe models are regularly updated and designed to reflect today's risk, including climate change, potential gaps are addressed as part of Zurich's model validation process and the 'Zurich View' approach, leveraging both internal and external expertise. For long-tail business, legal liability represents the most significant potential risk from climate change. However, based on Zurich's current assessment, this and related risks are not material at this time, although climate change-related legal action could become more frequent going forward.
- Transition risks: Specific lines of business may be at risk from transition effects. Initial assessment suggests that this risk is contained. Zurich has considerable expertise in providing insurance solutions for green assets but not all types of 'green' assets represent, to date, profitable business opportunities.

Investment risks: Zurich analyzed physical and transition risks for selected parts of its investment portfolio. While Zurich is exposed to both near-term transition and long-term physical risk, initial analysis suggests that very significant impairments would be required for the Zurich portfolio to be materially impacted. The Group does not consider such impairments currently likely, and exposure is expected to be further mitigated with ongoing implementation of Zurich's responsible investment and climate change investment strategies.

Operational risks: Given the low-carbon nature of Zurich's business, continuous progress on energy and carbon reduction targets, Zurich's voluntary carbon offsetting scheme, and strong local disaster and recovery planning in place for all facilities, Zurich does not consider operational risks related to climate change to be material.

Based on expert opinion and applying Zurich's proprietary Total Risk Profiling (TRP) methodology, the risks identified are highly unlikely in the near term to have an impact considered "moderate" or higher on any of the impact dimensions (capital, earnings, liquidity and reputation) considered as part of the assessment. Efforts are underway to further assess climate change-related risk exposures for underwriting and investment portfolios. Among its follow-up actions, the Group plans to further analyze its underwriting portfolio for transition risk, amend its governance requirements to reflect climate risk in catastrophe modeling, and monitor and assess opportunities in green assets.

In addition, the Group is integrating climate and sustainability risk assessments into its standard enterprise risk management framework and tools to consistently identify risks and create mitigating actions over time. For more information about Zurich's assessment of climate risk, see [www.zurich.com/en/knowledge/articles/2017/11/me-topicnavigating-climate-change](http://www.zurich.com/en/knowledge/articles/2017/11/me-topicnavigating-climate-change).

## C2.2c

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**(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment an examination of how current and emerging regulations can be a contributing factor for switch to alternative energy cars, for example, formed part of the 360 degree view.
Emerging regulation	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment an examination of how current and emerging regulations can be a contributing factor for switch to alternative energy cars, for example, formed part of the 360 degree view.
Technology	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment an analysis of the impacts of technology, e.g. the decarbonisation of energy grids, on various lines of business formed part of the 360 degree view.
Legal	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment an examination of climate related litigation against Zurich policyholders formed part of the 360 degree view.
Market	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment analyses of transition and physical risk on invested assets formed part of the 360 degree view.
Reputation	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment an examination of reputation risks and opportunities across a broad range of stakeholders, including customers, employees and investors, form part of the 360 degree view.
Acute physical	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment Zurich's exposure to specific climate related events, for example large hail, was analysed and formed part of the 360 degree view.
Chronic physical	Relevant, always included	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. In the latest assessment latest insights to changes in the intensity and frequency of severe weather and climate related events arising from increasing temperatures, provided by Zurich's external advisory body (Advisory Council for Catastrophes), were used as inputs to form part of the 360 degree view.
Upstream	Not evaluated	
Downstream	Not evaluated	

**C2.2d**

## **(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.**

The Group assesses risks systematically and from a strategic perspective through its proprietary Total Risk Profiling™(TRP) process, which allows Zurich to identify and evaluate the probability and severity of a risk scenario. The Group then develops, implements and monitors improvements. The TRP process is integral to how Zurich deals with change, and is particularly suited to evaluate strategic risks, including climate change, as well as risks to Zurich's reputation. At Group level, this process is ongoing, with regular reviews with senior management. The Group's risk appetite statement includes capital, liquidity, earnings volatility and non-financial metrics. The Group regularly measures and quantifies material risks to which it is exposed. Zurich's policy is to maintain capital consistent with an 'AA' financial strength rating for the Group. The Group translates that goal into a quantified risk tolerance. The primary metric used to steer business is the Zurich Economic Capital Model (Z-ECM). The Z-ECM provides a key input into the Group's strategic planning process as an assessment between the Group's risk profile and the Group's risk tolerance. The Z-ECM forms the basis for optimizing the Group's risk-return profile by providing consistent risk measurement across the Group. Zurich has a cross-functional Emerging Risks Group to ensure business owners are provided with knowledge across the range of emerging risks within the identified time horizon. Emerging risk threats and opportunities are identified, prioritized, researched, monitored and strategies developed to support profitable underwriting results. To provide a holistic view of these emerging risks, the Group maintains and monitors the Zurich Risk Radar, with 4 categories (Science & technology, Legal & Regulatory, Environment and Social trends) according to the respective time horizon and potential impact. The main concentrations of risks arising from such potential catastrophes are regularly reported to executive management. The most important peril regions are U.S. & Caribbean tropical cyclone, Europe windstorm and California earthquake. Zurich has a well-established Virtuous Circle process that ensures collaboration and common understanding between Underwriting, Actuarial, Claims, Sales and Distribution, Finance and Risk Engineering on trends and risks, including climate related changes. In modelling natural catastrophes, the Group uses internal and external knowledge in modelling accumulations. One such source of external knowledge is the Advisory Council for Catastrophes. In addition, Zurich conducts annually a dedicated climate risk TRP exercise and will continue to report according to the TCFD guidelines.

Zurich's assessment of climate change to date has been focussed on understanding the risks posed by climate change to the company and our stakeholders. Zurich does have considerable expertise in providing insurance solutions for green assets and takes advantage of 'green' opportunities through products and services for electric vehicles, renewable energy, etc. around the world. However, not all types of 'green' assets represent, to date, profitable business opportunities for insurance. As an investor, Zurich's established responsible investment and climate change investment strategies take into account both risks and opportunities, for instance through allocations to impact investments, including green bonds, and through a comprehensive approach of ESG integration.

We have a direct interest in sustainable global economic growth and supporting communities in becoming more resilient to environmental and social challenges. Impact investments can help address these issues through their targeted, positive impact, and also offer a financial return commensurate with risks. Zurich will consider impact investments that help increase energy efficiency, generate renewable energy or mitigate climate change and/or protect the environment in other ways. Through its commitment to the green bonds market, Zurich is seeking to capture opportunities across the universe of green, social and sustainable bonds. Impact objectives for green bonds:

- Helping communities to protect the environment and mitigate or adapt to climate change.
- Supporting the development and spread of environmentally-friendly technologies.
- Helping communities to become more resilient in the face of environmental challenges.

While many green bonds are focused on issues around climate change, Zurich will also consider investing in green bonds that provide financing to other projects that offer benefits to the environment, such as sustainable water use, waste management, biodiversity, etc., as well as social and sustainability bonds.

## **C2.3**

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### **(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

## **C2.3b**

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**(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	Climate related exposures were examined over the course of 2016 and 2017 as part of a comprehensive risk assessment undertaken by a dedicated Climate Risk Working Group, the membership of which included all key organisational functions (Investment Management; Underwriting; Group Strategy; Group Legal; Group Communications and Public Affairs; Group Financial Accounting and Reporting). Starting in 2018, annual 360 degree reviews of climate risk will be conducted as part of regular Enterprise Risk Management practices, using Zurich's proprietary Total Risk Profiling (TRP) methodology and involving the same key organizational functions. While, as outlined in question C2.2.b, underwriting (including legal), investment and operational risks, as well as reputational risks, were identified through this process, those risks, given the scenario analysis conducted (as summarized in 2.2b) and based on expert judgment, were not deemed to have a financially or strategically material impact on Zurich over a 3-5 year time horizon, in alignment with Zurich's strategic planning cycle. Zurich does, however, deem the impact of these risks over the long term (more than 15 years) to be elevated and highly uncertain.

**C2.4**

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a**

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development of climate adaptation and insurance risk solutions

**Type of financial impact driver**

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

**Company- specific description**

Climate related regulations aimed at incentivizing a low carbon economy, result in an increased demand for alternative low carbon solutions, providing opportunities for new markets. To meet the needs of the growing sustainable mobility segment, Zurich in Ireland launched one of the world's first tailored electric vehicle insurance products in May 2011. This was developed in association with Ireland's premier electricity utility, the Electricity Supply Board (ESB). Zurich has also introduced market leading electric vehicle insurance propositions in Switzerland, Germany, Spain, Austria and Portugal with more countries under active consideration. These are among the first customized electric vehicle insurance products globally and they support the move toward more environmentally-friendly transportation. In Germany, Zurich provides award-winning additional accidental damage cover for batteries used in electric cars, commercial electric vehicles, and electric motor bikes. In Switzerland, Ireland, Spain, Austria and Portugal, Zurich offers insurance discounts for these vehicles in order to financially incentivise the ownership of low emissions electric vehicles. In Ireland, Spain, Germany, Austria and Portugal Zurich also innovatively addresses the fear of running out of electricity mid-journey by providing tailored breakdown assistance for our private electric car customers. This involves Zurich committing to tow customers' electric cars at no extra cost to the nearest recharging station in the event that they run out of charge. We also work with our corporate customers in the automotive, power generation and infrastructure sectors to support their evolving needs as they move towards low carbon alternatives. We see this demand increasing in the medium to longer term with opportunities for products and services to support a low carbon economy.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Low

**Potential financial impact**

0.1

**Explanation of financial impact**

According to Navigant Research combined worldwide sales of hybrid and plug-in electric vehicles will reach 6.6 million annual units by 2020. According to preliminary analysis from EV-Volumes.com, an electric vehicle world sales database, in 2017 "there were around 1.2 million units [of electric vehicles] being registered", which was "57 % higher than 2016". For 2018 they expect "a sales increase to 1.9 million units" and by the end of the year they "expect over 5 million plug-in cars and light trucks to be in use, worldwide". According to Navigant Research, "that number is expected to increase more than 10 times" by 2027. As electric vehicles are an emerging technology, differences in annual premium income between countries range from below €50,000 to over €500,000. Therefore as a percentage of Property and Casualty GWP, which in 2017 was USD 33.0bn, this would be less than 0.1% (see potential financial impact box).

**Strategy to realize opportunity**

Zurich's Irish based resource is responsible for managing and co-ordinating our global EV insurance initiative. This role involves research and strategy development, including the development of a very detailed, extensively researched, Guide to EV Insurance Proposition Development for our local business units, together with the carrying out of global and local market research. The role also involves identifying countries where the proposition can be developed, while also working closely with local underwriting and marketing teams as the proposition goes through Zurich's rigorous assessment and proposition development processes.

**Cost to realize opportunity**

0

**Comment**

Zurich's Irish based resource is responsible for managing and co-ordinating our global EV insurance initiative. The development of an e-car proposition at a local level involves a number of local Zurich employees. These costs are part of our business as usual proposition development costs.

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Use of lower-emission sources of energy

**Type of financial impact driver**

Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon

**Company- specific description**

Zurich has a focus to increase the percent of renewable electricity purchased across our global operations. In 2017, Zurich sourced the following percent renewable electricity (out of total electricity) in our major markets: - 97% Austria - 97% Germany - 78% Ireland - 99% Italy - 94% Portugal - 92% Spain - 92% Switzerland - 73% United Kingdom - 49% USA In Europe, Zurich primarily sourced Guarantees of Origin (GOs), and in the USA, Renewable Energy Certificates (RECs). Documented certification is required for all renewable electricity sources.

**Time horizon**

Long-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Low

**Potential financial impact**

120000

**Explanation of financial impact**

The potential financial impact is very difficult to estimate. Purchasing renewable electricity likely has indirect reputational benefits. It is not currently possible to calculate the resulting financial impact on customer, investor, or talent acquisition and retention. The figure above calculates would-be additional carbon offsetting costs, had Zurich purchased zero renewable electricity in 2017.

### Strategy to realize opportunity

Zurich has public carbon reduction targets. Purchasing renewable electricity is a key tactic to reaching our carbon reduction target, in addition to energy efficiency measures. Zurich also publically reports our percent renewable electricity out of total electricity, ensuring our progress is transparent to stakeholders.

### Cost to realize opportunity

500000

### Comment

In the markets where Zurich is purchasing significant amounts of renewable electricity, we have in some events achieved a cost savings by purchasing renewables electricity, in bundle for multiple sites, compared to the incumbent contract. However compared to grid market prices, the impact may be cost neutral or with a cost increase. In some countries, renewables are still only available at a cost premium. Zurich does not currently have a central view on the details of individual renewable electricity sourcing events. Some degree of cost impact is offset by our carbon neutrality costs (considering we calculate our electricity emissions according to the GHG Protocol market based method). The estimate of USD 500,000 represents 5% of total renewable electricity costs in 2017, assuming renewables have not fully reached grid parity across the markets in which Zurich currently purchases renewable electricity.

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### Identifier

Opp3

### Where in the value chain does the opportunity occur?

Direct operations

### Opportunity type

Resource efficiency

### Primary climate-related opportunity driver

Move to more efficient buildings

### Type of financial impact driver

Reduced operating costs (e.g., through efficiency gains and cost reductions)

### Company- specific description

Zurich has a clear strategy, and track record, for ensuring new or redeveloped headquarters and large office locations achieve reputable environmental qualifications such as Leadership in Energy and Environmental Design (LEED), German Sustainable Building Council (DGNB), Minergie (Switzerland's construction standard for new and modernised buildings), and BREEAM UK (the world's leading sustainability assessment method for master planning projects, infrastructure and buildings). Some examples - In 2014, Zurich's Swiss headquarters locations received the first LEED Platinum certification for office buildings in Switzerland - in 2016, Zurich opened the doors to its LEED Platinum certified Zurich North America headquarters - Germany's new headquarters location is being planned to achieve DGNB certification - Zurich's new global headquarters in Zurich, Switzerland, planned to open in late 2020, is being planned to achieve both LEED and Minergie certifications.

### Time horizon

Long-term

### Likelihood

Virtually certain

### Magnitude of impact

Medium-low

### Potential financial impact

1000000

### Explanation of financial impact

The true financial benefits from sustainable office buildings are very difficult to measure as they positively impact employees health and wellbeing, productivity, recruiting and retention. Further, reputational benefits with investors and customers are also likely. One area that is more tangible is the cost savings resulting from significant energy efficiency gains. Considering Zurich's headquarters in Switzerland and Zurich North America, and a number of other smaller, yet significant, office locations, it is estimated that Zurich saves at least USD 1,000,000 each year on energy and water costs, compared to if we have remained in, or moved to, locations with no environmental or sustainability certification.

### Strategy to realize opportunity

Zurich has public carbon and energy reduction targets. Planning environmental and sustainability certification for our headquarters and larger office locations is a key tactic to reaching these targets.

**Cost to realize opportunity**

400000

**Comment**

Building certifications do come at a cost premium compared to building without a certification. In addition to certification costs, most often a special project resource is required to support the planning, design and documentation efforts. Considering Zurich's headquarters projects, we have taken an estimate of costs based on two projects running concurrently, both seeking certification, spanning 4 years each, requiring USD 200,000 in resources supporting certification per project per year. The cost to realize opportunity considers 2017 only.

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**Identifier**

Opp4

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other

**Type of financial impact driver**

Reduced operating costs (e.g., through efficiency gains and cost reductions)

**Company- specific description**

Since 2016, Zurich has implemented stricter travel management controls which have resulted in a 23 percent reduction in total distance travelled for business purposes, and a 24 percent reduction in resulting travel emissions (travel figures include air, rental, fleet and rail) compared to 2015 results. Zurich supports travel that is absolutely necessary, planned in advance, where meetings and trips are bundled, primarily resulting in significantly less long-distance air travel. Use of communication tools such as tele, web and video conferencing supplements the need for travel, while ensuring strong connectivity of teams and high levels of collaboration are nurtured.

**Time horizon**

Long-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-high

**Potential financial impact**

20000000

**Explanation of financial impact**

The total estimated savings resulting from reduced travel (including air, hotel and other travel expenditure ) is over 20 million USD comparing 2015 to current 2017 spend.

**Strategy to realize opportunity**

Zurich implemented stronger travel planning requirements, oversight mechanisms, and stricter approval processes, to ensure travel only when absolutely necessary to deliver business benefits.

**Cost to realize opportunity**

0

**Comment**

Zurich has embedded improved travel management controls within business-as-usual processes, therefore there is no direct increase in operating costs.

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**Identifier**

Opp5

**Where in the value chain does the opportunity occur?**

Customer

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**Opportunity type**

Resilience

**Primary climate-related opportunity driver**

Other

**Type of financial impact driver**

Other, please specify (Zurich's flood resilience program)

**Company- specific description**

Floods affect more people globally than any other type of natural hazard and cause some of the largest economic, social and humanitarian losses. By using our risk expertise as a global insurer, we can help customers and communities to reduce the devastating impacts of floods, even before a flood ever hits – we call this flood resilience. Zurich, together with academic institutions and NGO partners, has developed a flood resilience model with innovative pre-event mitigation measures to help the poorest communities in the world protect themselves from floods.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-high

**Potential financial impact**

700000000

**Explanation of financial impact**

One of Zurich's objectives is to enhance the effectiveness of disaster risk reduction solutions by improving understanding of the barriers to more effective measures to build physical, natural, human, social and financial resilience to floods. Demonstrating and advocating the benefits of pre-event risk reduction over post-event disaster relief. Developing and delivering innovative, sustainable solutions that make communities more resilient to floods and taking them to scale globally. Finally, developing perspectives on appropriate risk transfer and risk management solutions in flood vulnerable areas, including prerequisites for their effective functioning. As an insurer the flood resilience program supports our aim to lower our customers' and hence our own exposure to floods. The potential financial impact figure can be benchmarked against recent natural hazards. For example, Zurich's estimated net claims related to hurricanes Harvey, Irma and Maria of USD 700m as published in 2017.

**Strategy to realize opportunity**

In the last five years, a multi-sector alliance of the NGOs sector, academia and Zurich's risk management experts has focused on shifting from the traditional emphasis on post-event recovery to stress pre-event resilience. More than 110 communities in nine countries have benefited from alliance projects. The evidence-based approach built through dozens of research papers published and implemented in the community programs across the globe illustrates the value of investing in flood resilience. Flood resilience, however, continues to have trouble gaining wide acceptance and is held back by a lack of investment. According to the ClimateWise Investing for Resilience report, of USD 175 billion economic losses in 2016 that related to natural hazards (of which floods are a major part) only USD 50 billion were insured. This USD 125 billion protection gap is due in part to the lack of evidence of "what works" and because there are few incentives and regulations to encourage investments into sound protection measures at all levels of society. That is why the objectives for the next five-year period will be: • Supporting the generation of USD 1 billion in additional funding for flood resilience • Encouraging effective public policy in support of flood resilience • Developing sound practices and policy support for flood resilience • Measurably enhancing flood resilience in vulnerable communities across the world.

**Cost to realize opportunity**

20000000

**Comment**

The flood resilience program has secured funding of approximately CHF 20 million from the Z Zurich Foundation.

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**C2.5**

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**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Impacted for some suppliers, facilities, or product lines	To date, no changes in claims can be observed that could be attributed to physical climate risk impacts. Also, no systematic negative demand impact can be identified from industry sectors exposed to transition risks. Zurich does take advantage of its considerable expertise in providing insurance solutions for green assets, for instance through products and services for electric vehicles, renewable energy, etc. around the world, but not all types of 'green' assets represent, to date, profitable business opportunities for insurance.
Supply chain and/or value chain	Not impacted	No in-depth analysis of climate risk exposure through Zurich's supply chain was conducted. However, with professional services as an important component of procurement spend and no material reliance on manufactured inputs, risk exposure through the supply chain can be deemed low.
Adaptation and mitigation activities	Not impacted	Mitigation and adaptation activities have not yet resulted in meaningful business and or investment opportunities at material scale. However, they have enabled Zurich to contribute as part of its impact investment activities as well as its flood resilience program.
Investment in R&D	Not impacted	As required, Zurich carries out research as part of its product development and investment management processes.
Operations	Impacted for some suppliers, facilities, or product lines	Zurich strives to operate in a holistically sustainable manner. We take advantage of opportunities such as renewable electricity purchasing wherever economically and operationally feasible, carbon neutrality, carbon and energy reduction targets, travel reductions, and moving to a more efficient real estate portfolio. We also conduct an annual operational risk assessment covering energy cost, high risk locations, regulatory, operational supply chain, stakeholder expectations and employee safety. Given the low-carbon nature of Zurich's business, continuous progress on energy and carbon reduction targets, Zurich's voluntary carbon offsetting scheme, and strong local disaster and recovery planning in place for all facilities, Zurich does not consider operational risks related to climate change to be material.
Other, please specify	Please select	

**C2.6**

**(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.**

	Relevance	Description
Revenues	Not impacted	Based on the answer provided in 2.5, no adjustments to the financial plan are made.
Operating costs	Impacted for some suppliers, facilities, or product lines	Dedicated staff and data are used to address climate change as part of an overarching approach to integrate sustainability into Zurich's operational activities. Related expenses are budgeted and planned for. In addition, Zurich budgets and plans for changes in energy prices, the purchase of renewable electricity, energy efficiency initiatives, including the transition to more efficient facilities. These practices are integrated into business as usual financial planning processes.
Capital expenditures / capital allocation	Not impacted	Given the risk assessment as summarized in section 2.2 Zurich does not make any adjustments to its capital expenditure or capital allocation plans as a result of expected climate change impacts over the strategic and financial planning horizon.
Acquisitions and divestments	Not impacted	We would not consider opportunities related to acquisitions and divestitures as having an impact, as our baseline would be adjusted to account for any substantive impact.
Access to capital	Not impacted	Given the risk assessment as summarized in section 2.2 Zurich does not expect access to capital to be impacted.
Assets	Not impacted	Given the risk assessment as summarized in section 2.2 Zurich does not expect its investment income to be materially impacted over the strategic and financial planning horizon. Expenses for dedicated staff and data supporting the overarching responsible investment approach, including a climate change investment strategy, are budgeted and planned for.
Liabilities	Not impacted	Given the risk assessment as summarized in section 2.2 Zurich does not expect its claims or expense ratios to be materially impacted over the strategic and financial planning horizon.
Other	Please select	

**C3. Business Strategy**

## C3.1

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### (C3.1) Are climate-related issues integrated into your business strategy?

Yes

## C3.1a

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### (C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative

## C3.1c

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### (C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Climate change has been reflected as an external factor in the evolution of Group strategy. There is a dedicated climate change investment strategy, it is reflected in the underwriting strategy and the 'Zurich View' approach.

Climate-related objectives:

1. Work with clients as well as public and private partners to enhance resilience and prevent, or minimize, damage and harm from weather and climate-related perils for our customers and communities.
2. Develop insurance and risk management solutions for the new technologies, business models and approaches that will be required to achieve this unprecedented transition to a low-carbon economy.
3. Integrate assessments of both physical and transition risks into our investment strategies and contribute to avoiding 5 million tons of CO2 emissions annually through our dedicated impact investments.
4. Minimize the environmental impact of our own operations.
5. Disengage and divest from those whose activities are predominantly focused on thermal coal if these companies have no plan to realign their business over time towards a low-carbon future.
6. Publicly advocate for policies that encourage the private sector to fully leverage capabilities and resources in support of the transition to a global low-carbon economy, including:
  - A global price on carbon, established at a level sufficiently high over time to incentivize action aligned with below-2°C warming.
  - A clear roadmap for the progressive phasing out of fossil fuel subsidies.
  - Credible policy roadmaps for internationally integrated energy policies, systems, markets and electricity grids capable of handling large scale use of renewable energies.
  - Policies in support of both public and private research and development of critical technologies such as energy storage, electric mobility, renewable power and carbon capture and storage (CCS).
  - Integrating key aspects of climate change, alongside other environmental, social and governance issues, in public and private education and curricula.
  - Enhanced transparency by mandating better disclosure of climate risks, alongside other environmental, social and governance issues.
7. Adopt the recommendations of the Financial Stability Board's Task force on Climate Change-related Financial Disclosure (FSB-TCFD) and report on progress made in implementing the above commitments.

We acknowledge that our actions must be compatible with Zurich's broader strategic and financial objectives and reflect the real-world operating environment driven by client demand and bound by public policy. We will continue working with customers to better manage climate risks; providing coverage for new technologies and infrastructure, such as electric vehicles, renewable energy or carbon capture and storage; investing in companies and assets that support the transition to a low-carbon economy; and – if and when possible – putting a price on climate risks when making investment or underwriting decisions.

## Investments

Zurich has defined a clear strategy to reflect climate change in its investment approach and we are committed to action in seven areas:

1. Scenarios: it is hard to take action without context. Zurich's Market Strategy and Macroeconomics team has defined high-level scenarios and is monitoring developments with the help of a scorecard that is updated regularly.
2. Strengthen ESG integration: given its complexity and long-term nature, climate change represents a particular challenge for ESG integration. Additional data and tools are required to raise awareness among investment professionals and to support integration in investment strategies.
3. Benchmarks: ESG integration practices might fail to effectively capture all climate change-related risks and opportunities. We are testing the use of special benchmarks that incorporate a climate risk assessment and will evaluate the application of such benchmarks for new and existing portfolios on a case-by-case basis.
4. Finance the transition to a low-carbon economy: as part of our ongoing commitment to impact investing and our target to help avoid the emission of five million tons of CO<sub>2</sub> per year, we will evaluate green investments across different asset classes on an ongoing basis. See section III for more details.
5. Drive change through advocacy: public and private sectors need to take decisive action. Zurich has defined clear positions on topics such as transparent risk disclosure, carbon pricing, etc. See section IV for more details.
6. Engagement: as part of engaging with the companies in which we invest, climate change should be reflected on the agenda and considered in voting practices.
7. Selective exclusions: recognizing the particularly harmful impact of coal on climate Zurich has developed a Group approach on selectively excluding companies related to the mining of or electricity generation from thermal coal from its underwriting and investing activities.

### C3.1d

#### (C3.1d) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios	Details
Other, please specify (Developed our own scenario narratives)	<p>Zurich developed its own qualitative scenario narratives, with the support of a specialized consultant. With so much research and scientific evidence being produced, we have devised a simple framework that helps to focus on the critical developments over time that will determine which risks are becoming more or less likely. Scenario 1 - Failure to act: Business as usual. In the failure to act scenario, governments and businesses do too little too late to tackle climate change, with temperature rising steadily to well above 2°C. Climate change models show that this leads to rising physical risk, with increased likelihood of extreme weather events, flooding, storms and draught, and an indirect impact on health and resources such as water and crop yield (IPCC's RCP 8.5 scenario, forecasting a mean temperature and a sea increase of 3.7°C and 0.63 meters, respectively, can serve as a reference point). The risk of unpredictable and potentially catastrophic events also rises if tipping points for abrupt and irreversible climate changes are reached, for example due to the melting of permafrost or the ice cap. The presence of these tipping points adds an additional layer of uncertainty around the long-term impact of climate change, both on the physical and the economic environment. Scenario 2 - A 2 degree world: Change ahead. At the other end of the spectrum is a 2°C compliant world, where measures are taken to make progress towards a low carbon economy, with the temperature rise from preindustrial levels kept at or below 2°C by 2100 (IPCC's RCP 4.5 scenario, forecasting mean temperature and sea level rise of 1.8°C and 0.47 meters, is a reference point). Physical risk is contained relative to the failure to act scenario, though not eliminated, and some regions will be more exposed than others. In the near to medium term, this scenario is dominated by transition risk, as far-reaching changes to the global energy system are needed to reduce the carbon footprint, and every part of the economy will be affected. Independently of the precise pathway to reach a 2°C compliant world, the transition will be disruptive, as significant asset price moves are required to shift resources to the renewable sector on a global scale. The transition will be particularly costly if action is initially delayed, so timing is critical when assessing transition risk. Zurich has developed a score card approach to assess the likelihood of the two scenarios described above, judging the 'failure to act' scenario as the most likely outcome at present. That assessment, along with the scenario narratives, are used as the basis for the process described in section 2.2 and have directly informed the impact assessment described there. The time horizons considered, as per section 2.1 above, were chosen so as to capture relevant internal strategic and financial planning cycles ("near and medium term") as well as more extended periods over which physical impacts of climate change might accentuate ("long-term"). More details on the scenario narrative and score card assessment can be found at <a href="https://www.zurich.com/en/corporate/knowledge/articles/2017/11/me-topic-navigating-climate-change">https://www.zurich.com/en/corporate/knowledge/articles/2017/11/me-topic-navigating-climate-change</a> and is updated annually for internal use.</p>

## C4. Targets and performance

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### C4.1

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#### (C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

### C4.1b

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#### (C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

**Target reference number**

Int 1

**Scope**

Scope 1+2 (market-based) +3 (upstream)

**% emissions in Scope**

100

**% reduction from baseline year**

20

**Metric**

Metric tons CO2e per unit FTE employee

**Base year**

2015

**Start year**

2017

**Normalized baseline year emissions covered by target (metric tons CO2e)**

109378.1

**Target year**

2025

**Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

**% achieved (emissions)**

75

**Target status**

New

**Please explain**

Zurich INT 1 targets sets the goal for Zurich to achieve and maintain an at least 20% reduction in total emissions, normalized by FTE, until 2025, based on a 2015 baseline. After having reached our previous target in 2016 (50% reduction in total CO2e per FTE (against a 2007 baseline)), Zurich set the new target in 2017. We defined 2015 as the new baseline year and implemented a number of improvements in our reporting methodology: Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years - Farmers Management Group Inc [1]. was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary [1]The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services. - The electricity extrapolation methodology has been re-aligned to regional electricity intensity figures to better reflect variances in building performance typically seen between regions - A heating extrapolation methodology has been defined and implemented - IT has developed a new extrapolation methodology to account for the electricity demand from our in-house servers where actual data is not available - Rail travel has been added to our scope 3 business travel - A new scope 3 category has been

added to our reporting to account for emissions in energy generation/extraction and transmission loss - Moved to the Greenhouse Gas Protocol (GHG) / International Energy Agency (IEA) emissions factors as the primary factor set We plan to submit to the science based target setting committee as soon as a methodology for financial institutions is published.

**% change anticipated in absolute Scope 1+2 emissions**

20

**% change anticipated in absolute Scope 3 emissions**

20

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**Target reference number**

Int 2

**Scope**

Scope 1+2 (market-based) +3 (upstream)

**% emissions in Scope**

49

**% reduction from baseline year**

20

**Metric**

Metric tons CO2e per unit FTE employee

**Base year**

2015

**Start year**

2017

**Normalized baseline year emissions covered by target (metric tons CO2e)**

53356.67

**Target year**

2025

**Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

**% achieved (emissions)**

40

**Target status**

New

**Please explain**

Zurich INT 2 targets sets the goal for Zurich to achieve and maintain an at least 20% reduction in facilities emissions, normalized by FTE, until 2025, based on a 2015 baseline. After having reached our previous target in 2016 (50% reduction in total CO2e per FTE (against a 2007 baseline)), Zurich set the new target in 2017. We defined 2015 as the new baseline year and implemented a number of improvements in our reporting methodology: - Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years - Farmers Management Group Inc [1]. was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary [1]The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services. - The electricity extrapolation methodology has been re-aligned to regional electricity intensity figures to better reflect variances in building performance typically seen between regions - A heating extrapolation methodology has been defined and implemented - IT has developed a new extrapolation methodology to account for the electricity demand from our in-house servers where actual data is not available - A new scope 3 category has been added to our reporting to account for emissions in energy generation/extraction and transmission loss - Moved to the Greenhouse Gas Protocol (GHG) / International Energy Agency (IEA) emissions factors as the primary factor set Zurich INT 2 includes emissions from the following sources: - facilities onsite heating emissions (scope 1) - facilities district heating emissions (scope 2) - facilities electricity emissions (scope 2) - fuel and energy related activities (transmissions, generation and distribution losses ) (scope 3) We plan to submit to the science based target setting committee as soon as a methodology for financial institutions is published.

**% change anticipated in absolute Scope 1+2 emissions**

14

**% change anticipated in absolute Scope 3 emissions**

**Target reference number**

Int 3

**Scope**

Other, please specify (Business travel emissions (scope 1 &amp; 3))

**% emissions in Scope**

51

**% reduction from baseline year**

20

**Metric**

Metric tons CO2e per unit FTE employee

**Base year**

2015

**Start year**

2017

**Normalized baseline year emissions covered by target (metric tons CO2e)**

56021.43

**Target year**

2025

**Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

**% achieved (emissions)**

100

**Target status**

New

**Please explain**

Zurich INT 3 targets sets the goal for Zurich to achieve and maintain an at least 20% reduction in business travel emissions, normalized by FTE, until 2025, based on a 2015 baseline. After having reached our previous target in 2016 (50% reduction in total CO2e per FTE (against a 2007 baseline)), Zurich set the new target in 2017. We defined 2015 as the new baseline year and implemented a number of improvements in our reporting methodology: - Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years - Farmers Management Group Inc [1]. was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary [1]The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services. - The electricity extrapolation methodology has been re-aligned to regional electricity intensity figures to better reflect variances in building performance typically seen between regions - A heating extrapolation methodology has been defined and implemented - IT has developed a new extrapolation methodology to account for the electricity demand from our in-house servers where actual data is not available - Rail travel has been added to our scope 3 business travel - A new scope 3 category has been added to our reporting to account for emissions in energy generation/extraction and transmission loss - Moved to the Greenhouse Gas Protocol (GHG) / International Energy Agency (IEA) emissions factors as the primary factor set Zurich INT 3 includes emissions from business travel from the following sources: - fleet travel (scope 1) - air travel (scope 3) - rental car travel (scope 3) - rail travel (scope 3) We plan to submit to the science based target setting committee as soon as a methodology for financial institutions is published. With the 20% reduction already achieved, Zurich's target is to maintain these results with our successful travel management practices.

**% change anticipated in absolute Scope 1+2 emissions**

6

**% change anticipated in absolute Scope 3 emissions**

16

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**(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.**

**Target**

Energy usage

**KPI – Metric numerator**

MWh

**KPI – Metric denominator (intensity targets only)**

FTE

**Base year**

2015

**Start year**

2017

**Target year**

2025

**KPI in baseline year**

4.32

**KPI in target year**

3.45

**% achieved in reporting year**

40

**Target Status**

New

**Please explain**

Zurich's energy usage target sets the goal for Zurich to achieve and maintain an at least 20% reduction in energy (MWh electricity plus heating), normalized by FTE, until 2025, based on a 2015 baseline. After having reached our previous target in 2016 (40% reduction in energy per FTE (against a 2007 baseline)), Zurich set the new target in 2017. We defined 2015 as the new baseline year and implemented a number of improvements in our reporting methodology: - Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years - Farmers Management Group Inc [1]. was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary [1]The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services. - The electricity extrapolation methodology has been re-aligned to regional electricity intensity figures to better reflect variances in building performance typically seen between regions - A heating extrapolation methodology has been defined and implemented - IT has developed a new extrapolation methodology to account for the electricity demand from our in-house servers where actual data is not available

**Part of emissions target**

In addition to reducing overall and facilities emissions, Zurich believes it is important to reduce our overall energy demand as well.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

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**C4.3**

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**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

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**(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	2	0.01
Implementation commenced*	3	0.02
Implemented*	31	130.5
Not to be implemented	0	0

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Activity type**

Energy efficiency: Processes

**Description of activity**

Cooling technology

**Estimated annual CO2e savings (metric tonnes CO2e)**

0.01

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Office Data Processing Center (CPD) temperature monitoring for two projects in Spain, to enable more efficient cooling processes for the IT servers. As this was a process optimization, there was zero financial investment and zero payback period.

**Activity type**

Energy efficiency: Building services

**Description of activity**

Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

11

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

12500

**Investment required (unit currency – as specified in CC0.4)**

50000

**Payback period**

4 - 10 years

**Estimated lifetime of the initiative**

Ongoing

**Comment**

One project in Hong Kong to update lighting fixtures to increase number of lighting zones, enabling more efficient use and control (e.g. lighting can be turned on only where needed, as opposed to lighting a whole section of the building).

---

**Activity type**

Low-carbon energy purchase

**Description of activity**

Hydro

**Estimated annual CO2e savings (metric tonnes CO2e)**

0

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Renegotiation of the renewable electricity contract (one project) for Austria to start in 2019. Austria has been purchasing renewable electricity for most facilities since approximately 2015. The renegotiated contracts are cost neutral.

---

**Activity type**

Energy efficiency: Building services

**Description of activity**

Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

11

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

4000

**Investment required (unit currency – as specified in CC0.4)**

15000

**Payback period**

4 - 10 years

**Estimated lifetime of the initiative**

11-15 years

---

**Comment**

Investment in lighting installation in Australia (one project) to upgrade to a more energy efficient system.

---

**Activity type**

Low-carbon energy purchase

**Description of activity**

Hydro

**Estimated annual CO2e savings (metric tonnes CO2e)**

0

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

10000

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

3-5 years

**Comment**

In Germany, nine projects bundled to retender the renewable electricity contract, achieving a cost savings. Germany has been purchasing renewable electricity for most facilities since approximately 2011.

---

**Activity type**

Low-carbon energy purchase

**Description of activity**

Hydro

**Estimated annual CO2e savings (metric tonnes CO2e)**

0

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

90000

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Ten projects bundled to maintain renewable electricity for ten locations in Switzerland. The impact was an increase in electricity costs compared to non-renewable electricity.

---

**Activity type**

Low-carbon energy purchase

**Description of activity**

Biogas

**Estimated annual CO2e savings (metric tonnes CO2e)**

37

**Scope**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

1800

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

In Switzerland, at the Corporate Headquarters, we have changed from 100% natural gas heating, to 90% natural gas and 10% biogas, the latter having lower carbon emissions. The portion of biogas comes with an additional USD 1800 cost per year.

---

**Activity type**

Low-carbon energy installation

**Description of activity**

Other, please specify (Natural gas to district heating)

**Estimated annual CO2e savings (metric tonnes CO2e)**

1.5

**Scope**

Scope 1

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

For two projects, the landlord transitioned the heating source from scope 1, onsite natural gas, to scope 2, district heating. Zurich did not have to make any investment in the infrastructure.

---

**Activity type**

Low-carbon energy installation

**Description of activity**

Other, please specify (Oil heating to a lake water heat pump)

**Estimated annual CO2e savings (metric tonnes CO2e)**

30

**Scope**

Scope 1

---

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

At one location in Switzerland, the landlord transitioned the heating system from an oil heating system, to a lake water heating/cooling system (heat pump). Zurich did not have to make any investment in the infrastructure. Zurich expects there will be reduced heating costs, however the system is too new to confirm the cost savings.

---

**Activity type**

Energy efficiency: Processes

**Description of activity**

Process optimization

**Estimated annual CO2e savings (metric tonnes CO2e)**

30

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

**Investment required (unit currency – as specified in CC0.4)**

0

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

Two projects for internal energy management process optimizations at two of the largest office locations in Switzerland. As this was a process optimization, there was zero financial investment and zero payback period.

---

**Activity type**

Low-carbon energy purchase

**Description of activity**

Hydro

**Estimated annual CO2e savings (metric tonnes CO2e)**

10

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in CC0.4)**

0

---

**Investment required (unit currency – as specified in CC0.4)**

600

**Payback period**

Please select

**Estimated lifetime of the initiative**

Ongoing

**Comment**

One project in Switzerland to newly source renewable electricity at an additional annual cost.

---

**C4.3c**

---

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	In many of the markets in which Zurich operates, local regulations require energy efficient solutions to be implemented as part of a workplace project's investment.
Financial optimization calculations	Energy efficiency improvements and renewable electricity purchasing are included in cost benefit analyses to ensure we are considering and delivering operational savings where possible as part of workplace projects and ongoing operational activities.
Internal price on carbon	Zurich is further developing the transparency and effectiveness of our internal price on carbon to ensure carbon costs can be incorporated in major energy efficiency and renewable electricity purchasing decision making.

**C4.5**

---

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

---

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Company-wide

**Description of product/Group of products**

We have introduced electric vehicle insurance propositions in Ireland, Switzerland, Germany, Spain, Austria and Portugal. These are among the first customized electric vehicle insurance products globally and they support the move toward more environmentally-friendly transportation. Zurich covers many renewable energy construction projects around the world. For example, Zurich insured 'Desert Sunlight', the building of one of the a largest solar power projects in California, 'Xina Solar One' in South Africa, and Ashalim in solar thermal power plant in Israel. In Italy, Germany and Switzerland, Zurich provides customized coverage for private home owners and small to midsize commercial companies to build renewable energy facilities, such as photovoltaic, solar thermal, biomass and geothermal installations. Our Renewable Energy Generating Equipment policy covers loss of renewable energy generating equipment that a customer owns or operates. Carbon Capture and Sequestration (CCS) liability insurance: Carbon Capture and Sequestration (CCS) is the process of capturing carbon from a waste stream, compressing it into a liquid, and storing it in geological foundations thousands of feet below the surface. The CCS liability policy covers loss associated with Carbon Capture and Sequestration operations. Z Choice Pollution liability insurance: This policy covers loss associated with an existing or new pollution event and includes an embedded Green Remediation supplementary payment. Green remediation includes the increase in costs for following standards, products, methods and processes for improving the environment, increasing energy efficiency and enhancing safety and property protection. This also includes the increase in costs attributable to apply green techniques which operate to minimize waste generation, reduce energy consumption, or conserve natural resources in the execution of a clean-up.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (Electric vehicle insurance)

**% revenue from low carbon product(s) in the reporting year**

0.1

**Comment**

It is not possible to calculate the total avoided emissions per year as we do not track the mileage which our customers make in their electric cars. As electric vehicles are an emerging technology, differences in annual premium income between countries range from below €50,000 to over €500,000. Therefore as a percentage of Property and Casualty GWP, which in 2017 was USD 33.0bn, this would be less than 0.1%.

---

## C5. Emissions methodology

---

### C5.1

---

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

**Base year start**

January 1 2015

**Base year end**

December 31 2025

**Base year emissions (metric tons CO2e)**

26478.01

**Comment**

In 2017, Zurich established 2015 as the new baseline year for environmental reporting.

**Scope 2 (location-based)**

**Base year start**

January 1 2015

**Base year end**

December 31 2025

**Base year emissions (metric tons CO2e)**

69765.19

**Comment**

In 2017, Zurich established 2015 as the new baseline year for environmental reporting. Zurich does not use the location based methodology for core reporting purposes, but we have configured our reporting tool to calculate these figures for CDP reporting purposes.

**Scope 2 (market-based)**

**Base year start**

January 1 2015

**Base year end**

December 31 2025

**Base year emissions (metric tons CO2e)**

37438.94

**Comment**

In 2017, Zurich established 2015 as the new baseline year for environmental reporting.

**C5.2**

---

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.**

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

**C6. Emissions data**

---

**C6.1**

---

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Row 1**

**Gross global Scope 1 emissions (metric tons CO2e)**

27167.4

**End-year of reporting period**

<Not Applicable>

**Comment**

2017 scope 1 emissions include emissions from onsite heating and fleet vehicles. In line with our continuous improvement approach to environmental management, Zurich took advantage of the move to a new baseline year to holistically re-evaluate our environmental reporting methodology. We identified a number of improvements that would help further align us to evolving best practices: Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years Farmers Management Group Inc [1]. was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary A heating extrapolation methodology has been defined and implemented Moved to the Greenhouse Gas Protocol (GHG) / International Energy Agency (IEA) emissions factors as the primary factor set [1] The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services.

**Row 2**

**Gross global Scope 1 emissions (metric tons CO2e)**

25078.43

**End-year of reporting period**

2016

**Comment**

2016 scope 1 emissions include emissions from onsite heating and fleet vehicles.

**Row 3**

**Gross global Scope 1 emissions (metric tons CO2e)**

26478.01

**End-year of reporting period**

2015

**Comment**

2015 scope 1 emissions include emissions from onsite heating and fleet vehicles. 2015 is Zurich's new baseline reporting year.

**C6.2**

---

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

Zurich uses the market-based approach for calculating scope 2 emissions, however we have configured our reporting tool to calculate location-based emissions for the purpose of our CDP submission.

**C6.3**

---

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Row 1**

**Scope 2, location-based**

59461.56

**Scope 2, market-based (if applicable)**

33247.74

**End-year of reporting period**

<Not Applicable>

**Comment**

2017 scope 2 emissions include emissions from district heating and grid electricity. In line with our continuous improvement approach to environmental management, Zurich took advantage of the move to a new baseline year to holistically re-evaluate our environmental reporting methodology. We identified a number of improvements that would help further align us to evolving best practices: Our baseline year's data has been adjusted to exclude major divestitures – ensuring a more consistent scope across the years Farmers Management Group Inc [1] was previously included in Zurich's global reporting. The new 2015 baseline now excludes this business to align with our operational control boundary The electricity extrapolation methodology has been re-aligned to regional electricity intensity figures to better reflect variances in building performance typically seen between regions IT has developed a new extrapolation methodology to account for the electricity demand from our in-house servers, within our data centers, where actual data is not available Moved to the Greenhouse Gas Protocol (GHG) / International Energy Agency (IEA) emissions factors as the primary factor set [1] The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services.

**Row 2**

**Scope 2, location-based**

66130.7

**Scope 2, market-based (if applicable)**

33417.26

**End-year of reporting period**

2016

**Comment**

2016 scope 2 emissions include emissions from district heating and grid electricity.

**Row 3**

**Scope 2, location-based**

69765.19

**Scope 2, market-based (if applicable)**

37438.94

**End-year of reporting period**

2015

**Comment**

2016 scope 2 emissions include emissions from district heating and grid electricity. 2015 is Zurich's new baseline reporting year.

**C6.4**

---

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

**C6.4a**

---

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source**

Recent acquisitions where Zurich has not yet taken over operational control.

**Relevance of Scope 1 emissions from this source**

Emissions excluded due to recent acquisition

**Relevance of location-based Scope 2 emissions from this source**

Emissions excluded due to recent acquisition

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions excluded due to recent acquisition

**Explain why the source is excluded**

Zurich is not able to report on emissions from operations which are part of recent acquisitions where Zurich has not yet taken over operational control.

---

**C6.5**

---

**(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

**Emissions calculation methodology**

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Explanation**

As an insurance company, emissions from our purchased goods and services are not considered relevant (excluding those reported as part of our scope 1 and/or scope 2 emissions or other scope 3 categories). Insurance products do not require the direct procurement, processing or manufacturing of raw or intermediate materials. Initial assessments of emissions from our indirect procurement (supporting daily business operations) are estimated to be too low to be of relevance for our scope 3 reporting.

**Capital goods**

**Evaluation status**

Not relevant, explanation provided

**Metric tonnes CO2e**

**Emissions calculation methodology**

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Explanation**

As an insurance company, emissions from capital goods are not considered relevant (excluding those reported as part of our scope 1 and/or scope 2 emission).

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

8040.15

### Emissions calculation methodology

Zurich follows the Greenhouse Gas Protocol "Corporate Value Chain (Scope 3) Accounting and Reporting Standard", "Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2" guidelines and the "Technical Guidance for Calculating Scope 3 Emissions". Zurich applies the DEFRA factors for indirect emissions from all fuel sources, and "electricity generated (indirect) + TandD" to all electricity sources, in all countries in which we operate.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Zurich is dependent on energy and utility providers for all information related to our fuel and energy related activities.

## Upstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO<sub>2</sub>e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

Emissions from upstream transportation and distribution are not considered relevant for insurance products and services (excluding those included in scope 1 and other scope 3 categories).

## Waste generated in operations

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO<sub>2</sub>e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

Initial assessments confirm emissions from waste generated are not considered sizable enough to be relevant for reporting in our scope 3 emissions.

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

21118.66

### Emissions calculation methodology

Zurich follows the methodology defined in the GHG Protocol for travel emissions reporting. Where available, Zurich applies the fuel-based method. Where fuel is not available, Zurich applies the distance-based method. Zurich uses GHG Protocol / IEA factors as our primary emissions factor set.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Business travel emissions represent a significant portion of Zurich's total emissions. The figure above excludes emissions from Zurich's fleet vehicles, although Zurich does publically report on total business travel emissions on zurich.com which includes fleet, rail, air and rental cars. Zurich is dependent on suppliers to provide fuel consumption (when available), fuel source, and distance travelled to calculate all travel emissions.

## Employee commuting

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

Zurich does not consider emissions from employee commuting a relevant source of emissions. The ability to collect accurate commuting data is limited and if an average-data approach was taken there would be no ability to influence emissions.

## Upstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

Zurich includes emissions from all upstream leased assets within our scope 1 and scope 2 reporting.

## Downstream transportation and distribution

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

As an insurance company, Zurich does not have emissions from downstream transportation and distribution of our products.

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

As an insurance company, Zurich does not have emissions from processing of sold products.

## Use of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

As an insurance company, Zurich does not have emissions from sold products.

## End of life treatment of sold products

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

As an insurance company, Zurich does not have emissions from end of life treatment of sold products.

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

As an insurance company, Zurich does not have emissions from downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Metric tonnes CO2e

### Emissions calculation methodology

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Explanation

Where Zurich has operational control over franchises, emissions are already included within scope 1 and 2 reporting.

## Investments

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

40988

### Emissions calculation methodology

Zurich follows the GHG protocol to calculate emissions from real estate investment properties (electricity and heating data).

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Explanation

Zurich does not have a methodology for calculating emissions from all investments, nor do we find all investments relevant for emissions reporting purposes. However, Zurich finds emissions from our investment real estate portfolio relevant. Currently, Zurich tracks and reports on the Swiss real estate investment portfolio, as this represents 54% of global direct real estate investment value (approximately 3% of the total investment portfolio). The figure above represents data from 2016, as 2017 data is not available in time for this CDP submission. Zurich's carbon and energy reduction targets for our operational footprint (found on: <https://www.zurich.com/en/sustainability/climate-change/minimizing-our-environmental-footprint>), exclude emissions from investments. Zurich is dependent on suppliers to provide all energy data for investment properties.

**Other (upstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

**Emissions calculation methodology**

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Explanation**

Not applicable, Zurich has not identified any "Other (upstream)" emissions sources that are relevant.

**Other (downstream)**

**Evaluation status**

Not evaluated

**Metric tonnes CO2e**

**Emissions calculation methodology**

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

**Explanation**

Not applicable, Zurich has not identified any "Other (downstream)" emissions sources that are relevant.

C6.7

---

**(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

No

C6.10

---

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.000001

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

60415.14

**Metric denominator**

unit total revenue

*Note: Revenue in USD includes USD 5,619 million of BOP revenues for Farmers\* (Reference Annual Report 2017 page 267 of the Consolidated financial statements). \*The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services.*

**Metric denominator: Unit total**

62844000000

**Scope 2 figure used**

Market-based

**% change from previous year**

9

**Direction of change**

Increased

**Reason for change**

2017 - 0.00000094 metric tons CO2e per USD 2016 - 0.00000087 metric tons CO2e per USD In 2016, scope 1+2 emissions were slightly lower and total revenues were higher, hence the 9 percent increase. Zurich does not consider emissions per revenue dollar a relevant metric to track as revenues are not directly related to our emissions. Note: Revenue in USD includes USD 5,619 million of BOP revenues for Farmers\* (Reference Annual Report 2017 page 267 of the Consolidated financial statements). \*The Farmers Exchanges are owned by their policyholders. Farmers Group, Inc., a wholly owned subsidiary of Zurich Insurance Group, provides certain non-claims administrative and management services to the Farmers Exchanges as attorney-in-fact and receives fees for its services.

---

**Intensity figure**

2.06

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

89573.95

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

43407

**Scope 2 figure used**

Market-based

**% change from previous year**

1

**Direction of change**

Decreased

**Reason for change**

One of Zurich's targets is to achieve and maintain an at least 20 percent reduction in total carbon emissions per employee compared to 2015 until 2025. In 2017, Zurich achieved a 1% reduction in total emissions per FTE, compared to 2016, primarily due to an approximate 10,000,000 km reduction in distance travelled for business purposes.

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**C7. Emissions breakdowns**

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## C7.1

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**(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?**

Yes

### C7.1a

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	27163.61	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	0.2	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	3.59	IPCC Fifth Assessment Report (AR5 – 100 year)

## C7.2

---

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Latin America (LATAM) <i>LATAM includes Argentina, Bolivia, Brazil, Chile, Colombia, Mexico, and Venezuela.</i>	25.95
Middle East <i>The Middle East includes Bahrain, Qatar, and the United Arab Emirates.</i>	0
Australia	0
Austria	547.49
Belgium	158.74
Bermuda	0
Canada	53.1
China	9.25
Cyprus	0
Denmark	0
Finland	0
France	0
Germany	1011.41
China, Hong Kong Special Administrative Region	0
Indonesia	112.63
Ireland	636.79
Isle of Man	0
Italy	654.38
Japan	0
Luxembourg	12.11
Malaysia	0
Malta	0
Netherlands	140.52
New Zealand	0
Norway	0
Poland	0
Portugal	463.33
Russian Federation	0
Singapore	0
Slovakia	0
Spain	94.56
Sweden	0
Switzerland	2176.01
Turkey	103.6
United Kingdom of Great Britain and Northern Ireland	7870.36
United States of America	13097.17

**C7.3**

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

**C7.3c**

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
onsite heating	5987.55
fleet vehicles	21179.85

**C7.5**

---

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Argentina	336.28	336.28	853.8	0
Australia	3579.94	3579.94	4872.32	0
Austria	1706.79	517.49	4899.91	2393.13
Bahrain	34.69	34.69	46	0
Belgium	51.58	52.37	249.39	0
Bermuda	185.54	185.54	420.46	0
Bolivia (Plurinational State of)	0	0	0	0
Brazil	301.73	301.73	1881.01	0
Canada	220.82	241.24	1519.88	0
Chile	1082.98	1082.98	2693.39	0
China	200.72	200.72	295.27	0
Colombia	17.1	17.1	92.17	0
Cyprus	10.7	12.59	16.26	0
Denmark	13.1	29.7	51.48	0
Finland	12.07	26.4	82	0
France	11.73	14.05	286.71	0
Germany	9640.36	3325.24	29316.47	13552.58
China, Hong Kong Special Administrative Region	790.85	790.85	994.54	0
Indonesia	2075.78	2075.78	2818.78	0
Ireland	1195.38	474.11	2811.33	2191.57
Isle of Man	485.43	461.84	1175.18	0
Italy	1550.8	40.98	4707.18	4590.55
Japan	695.96	695.96	1250.67	0
Luxembourg	7.58	13.77	24.95	0
Malaysia	4507.3	4507.3	6771.48	0
Malta	124.68	124.68	34.63	0
Mexico	1653.46	1653.46	3617.53	0
Netherlands	85.28	96.56	180.49	0
New Zealand	14.44	14.44	110.08	0
Norway	0.4	21.52	48.59	0
Poland	73.04	83.56	96.71	0
Portugal	300.36	19.9	1110.15	1042.93
Qatar	8.69	8.69	17.48	0
Russian Federation	15.38	15.38	40.52	0
Singapore	63.2	63.2	143.34	0
Slovakia	32.56	38.51	200.57	0
Spain	1052.66	124.91	4124.99	3812.72
Sweden	4.6	23.08	419.6	0
Switzerland	1654.1	1310.07	15554.06	9274.56
Turkey	178.14	178.14	358.09	0
United Arab Emirates	193.3	193.3	300.45	0
United Kingdom of Great Britain and Northern Ireland	7272.94	1865.85	17607.03	12859.33
United States of America	17855.12	8229.83	30238.12	14926.73
Venezuela (Bolivarian Republic of)	163.99	163.99	673.64	0

## C7.6

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**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

## C7.6c

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**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
district heating	5801.62	4611.59
electricity	53659.94	28636.15

## C7.9

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**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Increased

## C7.9a

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**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Zurich uses the market-based method for reporting scope 2 emissions, therefore we count zero emissions for certified renewable electricity sources. Zurich has not increased the proportion of renewable electricity purchased. We have disposed of some locations that sourced renewable electricity. This has resulted in a decrease in the % of renewable electricity, however this has not lead to an increase in emissions.
Other emissions reduction activities	170	Decreased	0.3	Zurich achieved space efficiency improvements through continued implementation of our activity based workplace strategy. Zurich also continues to implement numerous small-scale efficiency improvements. This has supported an approximate 10% reduction in total electricity demand, supporting a reduction of 170 metric tons CO2e in our scope 2 emissions. The net impact on total scope 1+2 was: $170 / 60,415$ (total scope 1+2 in 2017) = 0.3%
Divestment	0	No change	0	When Zurich re-set our baseline to 2015, we excluded all major divestitures across all years.
Acquisitions	1916	Increased	3.17	Zurich took operational control (for environmental reporting purposes) of the Malaysian Takaful Insurance Company as of January 1 2017. This contributed to an increase of 707 metric tons (scope 2). Further, Zurich acquired a crop insurance company in North America during 2016. This acquisition came with an increase to the car fleet, primarily trucks which the insurer is reliant upon to server its farm-based customer community. 2017 was the first full year operating with these additional vehicles, which we anticipate was the primary contributor the increase of 1,209 metric tons in fleet emissions (scope 1). $707+1209 = 1,916$ . The percent impact on total scope 1+2 was: $1,916 / 60,415$ (total scope 1+2 in 2017) = 3.17%
Mergers	0	No change	0	There were no mergers impacting Zurich's environmental reporting between 2016 and 2017.
Change in output	0	No change	0	As an insurance company, Zurich's business output is not directly linked to emissions output.
Change in methodology	0	No change	0	All changes to Zurich's methodology have been implemented in 2017, and extended back to the new 2015 baseline year.
Change in boundary	0	No change	0	All changes to Zurich's reporting boundary have been implemented in 2017, and extended back to the new 2015 baseline year.
Change in physical operating conditions	0	No change	0	Zurich has not had relevant changes to physical operating conditions.
Unidentified	0	No change		Zurich is not aware of any unidentified influences on scope 1 and 2 emissions
Other		<Not Applicable>		

**C7.9b**

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

**C8. Energy**

**C8.1**

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

**C8.2**

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	111675	111675
Consumption of purchased or acquired electricity	<Not Applicable>	64644.09	55002.11	119646.21
Consumption of purchased or acquired heat	<Not Applicable>	0	23360.49	23360.49
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	51.11	<Not Applicable>	51.11
Total energy consumption	<Not Applicable>	64695.2	190037.6	254732.8

**C8.2b**

**(C8.2b) Select the applications of your organization’s consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

27484.01

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Gas Oil

*Zurich does not have the detailed insight into each type of oil used for heating across our operations. Gas oil has been taken as an assumption to complete this question.*

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

1571.2

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Jet Kerosene

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

4743.31

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Petrol

**Heating value**

LHV (lower heating value)

---

**Total fuel MWh consumed by the organization**

53164.96

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

24620.72

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

---

**Fuels (excluding feedstocks)**

Bioethanol

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

90.8

**MWh fuel consumed for the self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

<Not Applicable>

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**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**

**Bioethanol**

**Emission factor**

0

**Unit**

kg CO<sub>2</sub>e per GJ

**Emission factor source**

DEFRA (11/2017) Bioethanol (energy) (direct)

**Comment**

Emissions factor is too small to appear above: 0.00000033 CO<sub>2</sub>e/GJ

**Diesel**

**Emission factor**

-99

**Unit**

kg CO<sub>2</sub>e per GJ

**Emission factor source**

GHG Protocol/IEA (05/2017) Gas/Diesel oil (direct)

**Comment**

As per the guidance, we have entered -99 as our emissions factors, as we are not authorized by IEA to publicly disclose their emissions factors.

**Gas Oil**

**Emission factor**

-99

**Unit**

kg CO<sub>2</sub>e per GJ

**Emission factor source**

GHG Protocol/IEA (05/2017) Gas / Diesel oil (direct) Global

**Comment**

As per the guidance, we have entered -99 as our emissions factors, as we are not authorized by IEA to publicly disclose their emissions factors.

**Jet Kerosene**

**Emission factor**

-99

**Unit**

kg CO<sub>2</sub>e per GJ

**Emission factor source**

GHG Protocol/IEA (05/2017) Jet kerosene (direct)

**Comment**

As per the guidance, we have entered -99 as our emissions factors, as we are not authorized by IEA to publicly disclose their emissions factors.

## Natural Gas

### Emission factor

-99

### Unit

kg CO2e per GJ

### Emission factor source

GHG Protocol/IEA (05/2017) Natural gas (direct) Global

### Comment

As per the guidance, we have entered -99 as our emissions factors, as we are not authorized by IEA to publicly disclose their emissions factors.

## Petrol

### Emission factor

-99

### Unit

metric tons CO2e per GJ

### Emission factor source

GHG Protocol/IEA (05/2017) Motor gasoline (direct)

### Comment

As per the guidance, we have entered -99 as our emissions factors, as we are not authorized by IEA to publicly disclose their emissions factors.

## C8.2e

---

**(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	51.11	51.11	51.11	51.11
Heat	29055.21	29055.21	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2f

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**(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.**

**Basis for applying a low-carbon emission factor**

Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company

**Low-carbon technology type**

Solar PV

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

51.11

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

One location in Switzerland benefits from onsite renewable electricity generation from a solar PV installation on the roof.

---

**Basis for applying a low-carbon emission factor**

Energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Other low-carbon technology, please specify (renewable mix)

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

49717.37

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

Our European operations source Guarantees of Origin from a number of different sources (e.g. Wind, Hydro, Solar PV) to cover approximately 83% of the regions electricity demand.

---

**Basis for applying a low-carbon emission factor**

Energy attribute certificates, Renewable Energy Certificates (RECs)

**Low-carbon technology type**

Wind

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

14927

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

Our operations in the United States have purchased certified RECs to cover the electricity consumption at our two Chicago area locations (including our Zurich North America headquarters)

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## C9. Additional metrics

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### C9.1

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**(C9.1) Provide any additional climate-related metrics relevant to your business.**

## C10. Verification

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## C10.1

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**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

## C10.1a

---

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.**

**Scope**

Scope 1

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

**Page/ section reference**

ALL

**Relevant standard**

ISAE3000

*Limited assurance is provided in accordance with the standards- International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'*

**Proportion of reported emissions verified (%)**

100

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

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**Scope**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

**Page/ section reference**

ALL

**Relevant standard**

ISAE3000

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Limited assurance is provided in accordance with the standards- International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'

**Proportion of reported emissions verified (%)**

100

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

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**Scope**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

**Page/ section reference**

ALL

**Relevant standard**

ISAE3000

Limited assurance is provided in accordance with the standards- International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'

**Proportion of reported emissions verified (%)**

100

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

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## C10.1b

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**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope**

Scope 3- at least one applicable category

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Attach the statement**

PwC\_ZIG\_ltd\_Environmental Perf reporting assurance report 2017.pdf

**Page/section reference**

ALL

**Relevant standard**

ISAE3000

Limited assurance is provided in accordance with the standards- International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'

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## C10.2

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**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

### C10.2a

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**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Other, please specify	International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'.	Zurich's environmental data assurance audit requires the inclusion of energy data as the base input into our emissions calculations. PwC_ZIG_ltd_Environmental Perf reporting assurance report 2017.pdf
C8. Energy	Renewable energy products	International Standard on Assurance Engagements (ISAE) 3000 (revised) 'Assurance engagements other than audits or reviews of historical financial information' and with ISAE 3410 'Assurance Engagements on Greenhouse Gas Statements'.	Zurich's environmental data assurance audit requires the inclusion of our renewable electricity certificate confirmation, to ensure we are only counting certifiable renewable electricity sources PwC_ZIG_ltd_Environmental Perf reporting assurance report 2017.pdf

PwC\_ZIG\_ltd\_Environmental  
Perf reporting assurance  
report 2017.pdf

## C11. Carbon pricing

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### C11.1

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**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

Yes

### C11.1a

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**(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.**

Other carbon tax, please specify (UK CRC scheme)

### C11.1c

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**(C11.1c) Complete the following table for each of the tax systems in which you participate.**

**Other carbon tax, please specify**

**Period start date**

April 1 2016

**Period end date**

March 31 2017

**% of emissions covered by tax**

50

**Total cost of tax paid**

220757.76

**Comment**

The UK CRC is only applicable to facilities emissions which are calculated according to specific crc conversion factors (which are not consistent with the conversion factors used for compliance with GHG Protocol, market based reporting). The costs above have been converted to USD based on the exchange rate: 1 Pound sterling : 1.32 USD. <https://www.gov.uk/government/publications/crc-conversion-factors>

**C11.1d**

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**(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?**

Zurich's has very detailed and well organized environmental reporting and carbon accounting practices in place to ensure accurate and high quality reporting. We are actively pursuing emissions reductions activities such as purchasing renewable electricity, implementing energy efficiency measures, and moving to more energy efficient locations with more efficient use of space. For example, in the UK, since 2015 significant space efficiency gains have been realized as a result of our activity-based workplace strategy. Zurich works to ensure we are aware of upcoming changes to the carbon pricing regulations in all the markets where we operate.

**C11.2**

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**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

Yes

**C11.2a**

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**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.**

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Rimba Raya Biodiversity reserve project in Indonesia

**Verified to which standard**

VCS (Verified Carbon Standard)

*The Rimba Raya project is REDD+, CCB Triple Gold and VCS certified*

**Number of credits (metric tonnes CO2e)**

96000

**Number of credits (metric tonnes CO2e): Risk adjusted volume**

96000

**Credits cancelled**

No

**Purpose, e.g. compliance**

Voluntary Offsetting

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**C11.3**

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**(C11.3) Does your organization use an internal price on carbon?**

Yes

**C11.3a**

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**(C11.3a) Provide details of how your organization uses an internal price on carbon.**

**Objective for implementing an internal carbon price**

Stakeholder expectations  
Drive energy efficiency  
Drive low-carbon investment

**GHG Scope**

Scope 1  
Scope 2  
Scope 3

**Application**

Zurich offsets 100% of emissions included within our target reporting boundary (Scope 1: onsite heating and fleet; Scope 2: electricity and district heating purchased; Scope 3: air, car rental and rail business travel, and fuel and energy related activities) . The costs for offsetting are transferred back to our business units.

**Actual price(s) used (Currency /metric ton)**

4.8

**Variance of price(s) used**

Currently, Zurich charges the direct price of our Voluntary Emissions Reductions Certificates (\$4.80 USD per VER)

**Type of internal carbon price**

Internal fee  
Offsets

**Impact & implication**

Zurich's internal carbon price is currently covered partially via an internal rebate received, and partially via Zurich's charitable foundation. Starting in 2018, the foundation will be reducing its support, which will be replaced by a direct internal charge to all business units, based on their proportion of emissions from the previous year.

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**C12. Engagement**

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**C12.1**

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**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers  
Yes, our customers  
Yes, other partners in the value chain

**C12.1a**

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**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

**Type of engagement**

Compliance & onboarding

**Details of engagement**

Included climate change in supplier selection / management mechanism

Code of conduct featuring climate change KPIs

Climate change is integrated into supplier evaluation processes

**% of suppliers by number**

10

**% total procurement spend (direct and indirect)**

25

**% Scope 3 emissions as reported in C6.5**

0

**Rationale for the coverage of your engagement**

Due to the nature of our business, we are predominantly a consumer of services, and not products or raw materials. Compared with other industry sectors such as manufacturing, the risks associated with the environmental, social and governance impact of Zurich's supply chain are low. Nonetheless, we are committed to effectively managing such issues within our supply chain. We aim to work with suppliers who share our values, and we expect high standards of business conduct from those who represent us or do business with us. We are continually working to improve policies, processes and guidelines for managing sustainability issues in the supply chain. Zurich ensures that sustainability is an integral part of its sourcing and procurement function to ensure that we are able to uphold our commitment to sustainability through the products and services we purchase, and contractual agreements we enter into.

**Impact of engagement, including measures of success**

We incorporate appropriate evaluation criteria to assess the goods and services we buy, taking into account environmental, social and governance (ESG) factors in line with best value and in compliance with relevant legislation. We also ensure relevant sustainability clauses are included in contracts with suppliers, such as ethical conduct and labor, health and safety and environmental standards. In addition, we strive to develop an understanding of the ESG impact on the diversity of goods and services we buy, while implementing processes to ensure these factors are taken into account on an ongoing basis. Reflecting our commitment to promoting supplier diversity, we engage a wide range of different suppliers, aimed at giving Zurich the possibility to source from the most suitable, agile and innovative companies. As part of our approach, we actively work with some of our suppliers to enhance sustainability performance throughout supply chain. We also analyze key data and insights to review and improve policies, processes and guidelines for managing sustainability issues in the supply chain. To foster awareness among Zurich's employees and support our efforts, our employees are encouraged to take into account the ESG impacts of their purchasing activity.

**Comment**

Our work with social enterprises is one example of how Zurich is ensuring its supply chain takes into account sustainability. In 2016, Zurich in the UK signed up to Social Enterprise UK's 'Buy Social' Corporate Challenge, which commits a group of high profile companies in different types of industries to spend GBP 1 billion in total by 2020 on purchasing goods and services from social enterprise companies. The initiative, set up by Social Enterprise UK and the Cabinet Office, promotes sourcing and buying from British social enterprises. These are businesses that reinvest their profits to address social and environmental issues — from homelessness and unemployment to landfill waste and climate change.

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**C12.1b**

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**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Collaboration & innovation

**Details of engagement**

Other – please provide information in column 5

**Size of engagement**

0.1

**% Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

Prioritization is driven by the level of market and customer receptivity in the markets and customer segments we have prioritized in our business strategy. Zurich provides products and services that support the transition to a low carbon economy. We also work with our corporate customers in the automotive, power generation and infrastructure sectors to support their evolving needs as they move towards low carbon alternatives. Our risk management approach uses a process of continuous improvement that starts with us understanding our customers' business and identifying the associated risks. Our risk engineers assess and grade a customer's exposures, helping them to prioritize and manage their risks. Our findings allow us to share insights based on best practice, industry benchmarks and loss history with our customers, and suggest risk improvement actions. Engagement method: Directly or via intermediaries, initiatives and research bodies relating to responsible investment, flood resilience, road safety and other ESG-related topics. Zurich's driver-behavior-based telematics solutions, reporting, driver development tools and support from our risk engineering and underwriting experts help to improve safety, reduce operational costs and reduce the environmental impact of motor fleets. We have introduced electric vehicle insurance propositions in Ireland, Switzerland, Germany, Spain, Austria and Portugal. These are among the first customized electric vehicle insurance products globally and they support the move toward more environmentally-friendly transportation. (Size of engagement: As electric vehicles are an emerging technology, differences in annual premium income between countries range from below €50,000 to over €500,000. Therefore as a percentage of Property and Casualty GWP, which in 2017 was USD 33.0bn, this would be less than 0.1%) Zurich covers renewable energy construction projects around the world. In Italy, Germany and Switzerland, Zurich provides customized coverage for private home owners and small to mid-size commercial companies to build renewable energy facilities, such as photovoltaic, solar thermal, biomass and geothermal installations. Floods affect more people globally than any other type of natural hazard. By using our risk expertise as a global insurer, we can help customers and communities to reduce the devastating impacts of floods.

**Impact of engagement, including measures of success**

Risk engineering: Through our philosophy, approach, products and services, Zurich Risk Engineering provides environmental sustainability by: helping prevent losses that may otherwise harm the environment, such as serious fires and pollution; if things go wrong, through our proactive risk improvement action management programs, we help mitigate losses and reduce their environmental impact; supporting customers with new build projects suggesting the latest safety design features and use of sustainable materials; sharing our expertise and contributing to global thinking to mitigate risks around flood, storm and earthquake. Flood resilience program: To demonstrate the impact of our approach in our flood resilience program, we developed a 'holistic' framework that helps us to understand the sources of resilience and how it can be developed. In addition, work has continued on early warning systems, increasing lead times from as little as two hours to as much as seven hours in major river basins in Nepal, giving people more time to get to safety. Efforts to integrate the warning systems into the government's Department for Hydrology and Meteorology's procedures was particularly successful there, too.

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**C12.1c**

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**(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.**

We have allocated over six percent of our investment portfolio to real estate, around half of which is currently held in Switzerland. We are committed to reducing the energy consumption and carbon emissions of our Swiss real estate portfolio by 20 percent by 2020, and 80 percent by 2050, against a 2010 baseline. By the end of 2016, energy consumption has been reduced by 8 percent and greenhouse gas emissions by 11 percent, compared to the baseline. Currently we are investing in refurbishing and re-developing our properties to achieve these targets. Real estate,

including commercial and residential property, consumes a significant amount of energy and is a major source of carbon emissions.

Our work with social enterprises is one example of how Zurich is ensuring its supply chain takes into account sustainability. In 2016, Zurich in the UK signed up to Social Enterprise UK's 'Buy Social' Corporate Challenge, which commits a group of high profile companies in different types of industries to spend GBP 1 billion in total by 2020 on purchasing goods and services from social enterprise companies. The initiative, set up by Social Enterprise UK and the Cabinet Office, promotes sourcing and buying from British social enterprises. These are businesses that reinvest their profits to address social and environmental issues — from homelessness and unemployment to landfill waste and climate change.

**C12.3**

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Direct engagement with policy makers
- Trade associations
- Funding research organizations

**C12.3a**

**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	In September 2017, the UK government asked leading finance expert and former Mayor of London Sir Roger Gifford to chair an independent taskforce to accelerate growth of green finance and the UK's low carbon economy – The Green Finance Taskforce (GFT). Zurich participated in the insurance workstream of the taskforce which led to the recommendation to improve climate risk management with advanced data. The Green Finance Taskforce report published in March 2018, set out a series of recommendations on how the government and the private sector can work together to make green finance an integral part of financial services. These include: •boosting investment into innovative clean technologies •driving demand and supply for green lending products •setting up Clean Growth Regeneration Zones •improving climate risk management with advanced data •building a green and resilient infrastructure pipeline •issuing a sovereign green bond.	Policy outcome: the UK Government should help create an industry led, user-focused and UK-based centre to work at the interface of academic and industry innovation. The role of this centre would not be to undertake climate science analysis, but rather to develop tools and metrics to integrate climate and weather data and outputs into wider risk modelling frameworks that can be used within mainstream financial systems.

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	<p>Engagement process: Zurich has engaged directly with policy makers on what role insurance can serve in society. We have engaged in discussions, workshops and task groups convened by United Nations Framework Convention on Climate Change (UNFCCC), Lima-Paris Action Agenda, the Global Resilience Partnership, International Energy Agency, International Finance Corporation, European Commission, UK Department for Energy and Climate Change (DECC), Organization for Economic Co-operation and Development (OECD), United Nations, US National Association of Insurance Commissioners (NAIC), US House of Representatives, US Senate, US Department of State, US Council on Environmental Quality (US CEQ), US Office of Science and Technology Policy (US OSTP), US Environmental Protection Agency (US EPA), US National Oceanic and Atmospheric Administration (US NOAA), US Department of Commerce, US Department of Homeland Security, and the World Bank.</p>	<p>Actions / Policies advocated: We have advocated: - for the expanded use of insurance as a method for facilitating adaptation to climate change impacts in collaboration with improved building codes. - to expand the use of insurance in flood zones in combination with risk reducing building codes and public infrastructure improvements. - for the deployment of new technologies in a manner which clearly weighs all costs and benefits to the deployment. Our message remains consistent in core content: Insurance has the ability to encourage risk reduction both ex-ante and ex-post loss by establishing risk based pricing signals in the form of premium charges (e.g. riskier behaviour or conditions result in higher premiums) and delivering claims services which improve resilience where required by law or contract and permitted by law.</p>
Adaptation or resilience	Support	<p>Topics of Engagement: We have provided specific focus on wildfire, carbon capture and sequestration, flood resilience and loss and damage dialogues. Specific details of local wildfire efforts: Farmers Group, Inc. (a wholly owned subsidiary of Zurich Group) is active on multiple climate related fronts. It manages participation in the efforts of the Institute for Business and Home Safety (IBHS) to encourage household mitigation against the threat of fire. IBHS adopts and periodically revises a set of best practices to educate homeowners on how to create a fire resistant home. It also supports the Fire Services Training Institute, which provides training to the volunteer public safety community including non-profit, industrial, and tribal fire agencies, and whose mission is to bring quality training to fire fighters and to promote community safety. It has also engaged with policymakers to secure U.S. federal government funding for much needed forest thinning / fire abatement projects, in the wake of increased incidences of wildfires. Farmers Group Inc. has attended joint meetings with federal policymakers and SBP (formerly Saint Bernard Project) to discuss climate-resilience related legislative proposals. Farmers Group Inc. is a partner of the federal government in the National Flood Insurance Program, and its input was sought by Congressional offices specifically in the context of its experience in communities where SBP is leading recovery efforts.</p>	<p>We have emphasized that insurance works best and most straightforwardly in protecting private assets, but climate change risk impacts both private assets and public goods. As such, public assets managers must similarly manage climate related risks to get the best value to society out of climate risk management tools / insurance for private assets. Subsidies can encourage building in risk places. Subsidies can also encourage the deployment of technologies that are not economically viable. Superstorm Sandy, the 2017 devastating hurricane season including Hurricane Harvey- induced catastrophic flooding in the Houston, Texas region and additional flooding events provide a specific driver for extended public policy dialogue about climate related risk and resilience. With regards to wildfire risks, where possible funding should be directed to fire abatement efforts to reduce damage when these events occur.</p>

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	<p>In the aftermath of Superstorm Sandy which occurred in October, 2012 causing wind and water damage in several north eastern states, multiple proposals by federal/state regulators and legislators have surfaced that have changed the insurance regulatory environment for catastrophic events in certain jurisdictions. These items have focused primarily on issues related to insurance policy coverage disclosures, data calls, use of deductibles, claims investigation, moratoria, mediation, and specific underwriting restrictions. In the state and federal regulatory space, Zurich is working through the National Association of Insurance Commissioners (NAIC) to promote the importance of pre-event mitigation. We continue to engage with individual state insurance commissioners on flood hazards to educate/advocate on the benefits of pre-mitigation and resilience. In the federal level, Zurich continues to work with the Administration and Congress in two key areas. First, the focus is on pro-resilience policy focusing on mitigation, preparedness, response, and recovery. Second, Zurich is working with the Congressional Committees of jurisdiction on reforming the National Flood Insurance Program, providing our risk expertise to reduce the impact of floods by understanding the cost benefits of pre-event mitigation to create resilience.</p>	<p>Within the NFIP reform movement, Zurich is focusing its advocacy on elevating the importance of pre-event mitigation and preparedness through a variety of policy discussions including: developing early warning systems to build resilience and mitigate risk; fully developed flood emergency and contingency checklists and plans ahead of any event; the creation of pilot programs within the NFIP based on past post-event review capability (PERC) assessments and published PERC studies on South Carolina and Harvey to incorporate its lessons into legislation for all stages of the disaster risk management cycle.</p>
Adaptation or resilience	Support	<p>Following a number of severe weather events in Ireland, flood cover had been removed or restricted by insurers from some affected areas. In response to the flood problem, the government is investing in improving flood defences and where this can be shown to reduce the risk to acceptable levels, some Insurers, including Zurich, have been willing to reconsider the provision of flood cover. However, many people will remain without flood cover, affecting their financial security and ability to sell their house. Insurance Ireland continues to engage with Government and the Government Agency with responsibility for flood defences (the Office of Public Works (OPW)).</p>	<p>Where there are appropriate flood defences in place, Zurich is willing to consider the provision of cover. This is an on-going issue.</p>
Adaptation or resilience	Support	<p>Zurich's flood resilience program has developed a detailed methodology, the Post Event Review Capability (PERC), to review large flood events to investigate what went wrong and what can be improved to avoid similar losses in future floods. Zurich conducted these studies in Germany, Switzerland, Morocco, Nepal, Peru, the US and the UK. For both developed and developing countries, these studies highlight the strengths of early warning systems, green infrastructures and community engagement while being challenged with lack of maintenance of physical infrastructure, lack of risk awareness among the population and limited investments and incentives for investments in risk reduction measures.</p>	<p>In the US, the post event reviews have enabled discussions with the US representatives working to reform the National Flood Insurance Program but also with state decision makers where the studies were conducted. We presented before the NAIC Catastrophic Insurance Working Group in December 2016 on findings and recommendations to insurance commissioners. A presentation of the Zurich flood resilience alliance, PERC and the resilience measurement tool was given at the European Commission Floods Working Group, which includes members from different EU Member States. We have actively shared our learnings with FEMA, Department of Natural Resources, Directors of Environmental Affairs and Health Services, Department of Health and Environmental Control, Department of Insurance, Office of Regulation, Department of Homeland Security, all in South Carolina. In the UK, as well as being represented on four out of the five working groups of the roundtable development group hosted by the UK Department for Environment, Food and Rural Affairs (DEFRA) Zurich has also actively engaged Parliamentary stakeholders on a number of key flood resilience issues identified in the post event reviews. In particular, as part of our Parliamentary stakeholder engagement, we have discussed the need to improve the communication of flood risk, highlighting our desire to move towards the communication of flood risk as a probability over a defined period and away from misleading return periods (1-in-100 flood risk over a 30 year period equates to a 26 percent flood risk chance). Similarly, we have highlighted our concerns that the Government's National Planning Policy Framework (NPPF) "safe for its lifetime" definition needs clarifying and have highlighted that "safe for its lifetime" should take into account the flood risk at the 1-in-500 return period plus climate allowance for river and sea flooding. This also formed a central aspect of our recent Parliamentary flood resilience roundtable where we discussed with MPs: Zurich's Global Exposure and Accumulation Management (GLEAM) flood mapping tool and communicating flood risk; improving property level resilience and access to grants; and lessons learnt from our PERC reports.</p>

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	Engagement with the Swiss Agency for Development and Cooperation (SDC): The Zurich flood resilience program has an ongoing collaboration with the SDC in sharing our learnings and expertise from enhancing flood resilience. Zurich was part of the official Swiss delegation to the UNISDR platform in Cancun 2017 (SCD is the lead). As the next platform 2019 will be held in Geneva, Switzerland, Zurich will engage with SDC to provide input on insurance-specific and private sector representation on resilience and disaster risk reduction investments.	Zurich is advising on the adaptation of the Sendai Framework for Disaster Risk Reduction in Switzerland and contributing to the development of a flood risk training program given by the SDC to national and international practitioners in the field. Zurich employees are also advising the United Nations High-Level Experts and Leaders Panel on Water and Disasters (UN HELP) at their twice-annual meetings to incentivize more investments to be made in pre-event risk reduction from water-related disasters.
Adaptation or resilience	Support	Engagement with the UNEP Inquiry into the design of a sustainable financial system via the Swiss Country team assembled by the Swiss Federal Office for the Environment (FOEN). Zurich participated through Investment Management. Follow up actions are taken forward by the Swiss Country team and were also discussed with the State Secretariat for International Financial Matters (SIF).	Zurich's responsible investment team participated in various workshops and co-authored the Swiss country report submitted to the UNEP inquiry.
Adaptation or resilience	Support	Zurich was actively engaged in the COP23 in Bonn, Germany. We presented our commitment to improving resilience to floods and the important role that the private sector plays as well as highlighting the latest findings to overcome investment barriers for resilience	In Paris, Zurich announced a new investment of USD 10 million to fund a grant-based competition focusing on water resilience (the Water Window), together with the Global Resilience Partnership. Winning proposals were announced formally in March 2017 (see <a href="http://www.globalresiliencepartnership.org/water/#winners">www.globalresiliencepartnership.org/water/#winners</a> ). Twelve projects were selected to receive either USD one million scaling-up grants, or up to USD 250,000 seed grants to support innovative ideas and solutions to help flood-prone communities in Africa's Sahel region, the Horn of Africa, or South and Southeast Asia. The Water Window is backed by a USD 10 million commitment from the Z Zurich Foundation as part of our investment in our global flood resilience program
Adaptation or resilience	Support	Zurich is engaging with the ICPR (International Commission for the Protection of the Rhine) on flood resilience solutions. The ICPR consists of nine states and regions in the Rhine watershed which cooperates closely in order to harmonize the many interests of use and protection in the Rhine area. In the European Union, we have worked together with the European Commission's Working Group on Floods and the International Commission for the Protection of the Rhine to advise on the importance of pre-event risk reduction and resilience building and the knowledge the Zurich flood resilience alliance has generated and made available.	Zurich has been invited to become an observer of their working group on floods and has offered to test the Zurich flood resilience measurement framework in communities in the ICPR members' areas, in a similar way to 10 other countries around the world.
Adaptation or resilience	Support	Zurich is part of the Department for Environment, Food and Rural Affairs' (DEFRA) Taskforce on Flood Resilience. This was established following the UK storms of late 2015/early 2016. This is a government-sponsored initiative to bring multiple stakeholders together to raise awareness and increase take-up of flood resilience measures. A number of Zurich employees sit on the DEFRA (Department for Environment Food and Rural Affairs) roundtable on Flood Resilience which meets to discuss flood risk management and how best to respond to floods in the UK. The roundtable is attended by government ministers, DEFRA and Environment Agency representatives, the Association of British Insurers (ABI), representatives from other insurance firms and loss adjustors, small business representatives and resilient repair firms. Zurich is represented on four sub-working groups which report back to the roundtable - Immediate Response, Embedding Resilience, One Stop Internet Shop for Guidance and Certification, Standards and Skills	The Bonfield report was published in 2016 and focussed on improving the uptake of flood resilience measures and proposed a number of recommendations for improving individual property resilience, as well as community resilience measures. A key aim of the Bonfield report and the DEFRA project is to work towards a change in building regulations which we hope will ensure that properties, particularly new stock will have in-built resilience. As part of task group 4 which focuses on 'Skills, Certification and Standards' of resistant and resilient products in a property, it was agreed that a 'Code of Practice' should be developed. This Code has now been finalised and is a set of standards that specify the requirements for good practice at various stages of installing property level resilience within a property. The hope is that the Code can be used to improve the standard and effectiveness of property level resilient measures and improve the level of confidence insurers can have on the measures working and, therefore, reducing the associated claims costs of flooded properties. It is hoped that eventually, coupled with developing a database of properties that have these measures and detail of their level of effectiveness, that insurers will be able to take these measures into account more easily.
Adaptation or resilience	Support	On an EU level, we are providing our risk expertise to reduce the impact of floods by understanding the cost benefits of pre-event mitigation to create resilience. Engagement has taken place with the European Commission, in particular the Directorate Generals for Environment (ENV), Climate Action (Clima) and Financial Stability, Financial Services and Capital markets Union (FISMA).	At EU level, Zurich is focusing its advocacy on elevating the importance of pre-event mitigation and preparedness through a variety of policy discussions, including the 2018 Review of the EU Climate Adaptation Strategy, currently being undertaken by DG CLIMA, and discussions related to the Floods Directive, which falls under the responsibility of DG ENV. We also engage with DG CLIMA on the role of insurance in adapting to climate change.

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Climate finance	Support	Zurich, as part of the Swiss private sector input to the Green Finance Study Group (GFSG), has worked with the Swiss Federal Department of Finance FDF State Secretariat for International Financial Matters SIF Multilateral Affairs - International Financial Institutions, to develop a proposal to initiate a Platform that could contribute to significantly improving the sharing of knowledge and the development of reliable methods for environmental risk analysis in the global financial system.	The paper was discussed by the GFSG co-chairs and circulated to GFSG members in January 2017. The proposal was to have a public/private platform modelled on the TCFD's mandate: "The Platform will lead, on a global level, the sharing of information and knowledge on environmental risk assessment and disclosure. Building upon the body of work already available, the Platform will develop recommendations that help facilitate useful, consistent, comparable, reliable, clear, and efficient data, metrics, methods and models with a view to spreading a more common language for environmental risk analyses in the global financial system. The main aim of the Platform's work is to promote convergence towards more standardized environmental risk assessment and disclosure."
Clean energy generation	Support	In 2018 Zurich was a participant in the UK Government's Carbon Capture Use and Storage (CCUS) Cost Reduction Taskforce, as well as supporting the Carbon Capture and Sequestration Association (CCSA) in contributing to the final report issued 19th July 2018. The aim of the taskforce was to identify the steps needed in order to gain early mover advantage in the future global CCUS industry. CCUS presents a large global economic opportunity and can be used across a wide range of activities such as producing lower emission power, decarbonising industry where fossil fuels are used and/or industrial processes as well as providing a decarbonised production method for hydrogen which can be used in heating, transport and hydrogen fuel cells.	Policy Outcome: New business models and a new risk allocation have the potential to lower the cost of CCUS. The case was made to act now to reach for those areas of emissions which are harder to decarbonise at scale and quickly.

### C12.3b

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

### C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

ClimateWise

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Zurich in the UK is a member of ClimateWise, a group of insurance company members committed to action, individually and collectively, against the ClimateWise Principles: 1. Lead in risk analysis 2. Inform public policy making 3. Support climate awareness amongst our customers 4. Incorporate climate change into our investment strategies 5. Reduce the environmental impact of our business 6. Report and be accountable.

**How have you, or are you attempting to, influence the position?**

Zurich has continued its active involvement as a member of ClimateWise, an initiative to encourage the insurance industry to take collective action on climate change and in 2017 Zurich was second in the annual index. Zurich is represented on the ClimateWise Leaders' Council and the ClimateWise Managing Committee. The ClimateWise Investing 4 Resilience Workstream is focusing on the insurer of the future and this work is being driven by Zurich's Head of Sustainability Risk. This exercise is to envisage what the insurance industry of the future could look like, one that has successfully embedded resilience across its business activities. In addition, Zurich worked with the ClimateWise Insurance Advisory Council on the 'Investing for Climate Resilience' report and on two projects, one looking at the impact of physical climate risks on investment portfolios and the other researching 'How important could exposure to 'transition risk' be for the financial performance of insurers' investments in infrastructure?'

**Trade association**

Confederation of British Industry

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Supportive of EU 50% carbon reduction target

**How have you, or are you attempting to, influence the position?**

We are not attempting to influence this (high-level) position.

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**Trade association**

Carbon Capture and Storage Association (CCSA)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Carbon Capture and Storage Association (CCSA) exists to represent the interests of its members in promoting the business of Carbon Capture and Storage (CCS). The CCSA works to raise awareness, both in the UK and internationally, of the benefits of CCS as a viable climate change mitigation option, and the role of CCS in moving the UK towards a low- carbon economy.

**How have you, or are you attempting to, influence the position?**

In 2018 Zurich was a participant in the UK Government's Carbon Capture Use and Storage (CCUS) Cost Reduction Taskforce, as well as supporting the Carbon Capture and Sequestration Association (CCSA) in contributing to the final report issued 19th July 2018. The aim of the taskforce was to identify the steps needed in order to gain early mover advantage in the future global CCUS industry. CCUS presents a large global economic opportunity and can be used across a wide range of activities such as producing lower emission power, decarbonising industry where fossil fuels are used and/or industrial processes as well as providing a decarbonised production method for hydrogen which can be used in heating, transport and hydrogen fuel cells.

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**Trade association**

The American Insurance Association (AIA), the Organization for International Investment (OFII), the Institute for Legal Reform (ILR).

**Is your position on climate change consistent with theirs?**

Inconsistent

**Please explain the trade association's position**

In the US Zurich sits on the board of the American Insurance Association (AIA), the Organization for International Investment (OFII), the Institute for Legal Reform (ILR). We are members of the trade organization and participate in their processes. These organizations are not single issue organizations. These organizations have focused on natural catastrophe – not climate change per se. Climate change impacts a variety of issues. We may agree with some but not all of the advocacy positions taken by these trade organizations.

**How have you, or are you attempting to, influence the position?**

The position on governmental intervention for catastrophe related events is consistent with Zurich's to the extent it involves risk based pricing, the ability to send appropriate price signals to the marketplace, drive robust building codes (including enforcement), and sanctity of contract in post- event environments. We continue to work closely with the trade organizations to share our expertise on catastrophe related regulatory matters and market experience.

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**Trade association**

World Economic Forum

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Zurich is a major contributor to the Global Risk Report, produced by the World Economic Forum. The World Economic Forum's annual Global Risks Report provides leaders from the private and public sectors with an independent platform to map, monitor and mitigate global risks. It analyses the perceived impact and likelihood of prevalent global risks over a ten-year time horizon. In January 2018, the World Economic Forum released the Global Risk 2018 report, which was developed with expert contributions from Zurich and other leading financial and academic institutions. The report identified and grouped risks into the five customary categories: economic, environmental, geopolitical, societal and technological. Environmental risks have grown in prominence in recent years. This trend has continued this year, with all five risks in the environmental category being ranked higher than average for both likelihood and impact over a 10-year horizon.

**How have you, or are you attempting to, influence the position?**

The report takes a 10-year outlook and assesses risks that are global in nature and have the potential to cause significant negative

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impact across entire countries and industries if they take place. Zurich is partnering with the World Economic Forum because we strongly believe in its value in identifying and discussing themes that shape the global agenda. Zurich has also continued its active involvement in the WEF mainstreaming impact investment initiative.

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#### **Trade association**

Investment Leaders Group

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The ILG brings together 11 leading asset owners and asset managers in a three-year project led by the University of Cambridge Programme for Sustainability Leadership, with the objective of helping to shift the investment chain toward responsible, long-term value creation

#### **How have you, or are you attempting to, influence the position?**

Zurich became one of the founding members of the Investment Leaders Group (ILG).

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#### **Trade association**

Institute for Business and Home Safety (IBHS) Flood Committee

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The Institute for Business and Home Safety (IBHS) Flood Committee is the primary technical and advisory committee for the National Flood Insurance Program (NFIP), and the Farmers Group Inc. (a wholly owned subsidiary of Zurich Group) The Flood Program Manager serves on the committee. The NFIP is one of the most successful public/private partnerships in the U.S. government and the IBHS flood committee is one of the reasons for that success. The IBHS Flood committee serves as the link between the National Flood Insurance Program (NFIP)/Federal Emergency Management Authority (FEMA) and the insurance carriers which sell and service NFIP flood insurance.

#### **How have you, or are you attempting to, influence the position?**

By working together with FEMA to increase pre-event mitigation, we help improve the NFIP and help the NFIP to achieve its goals.

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#### **Trade association**

Institute for Business and Home Safety (IBHS) Risk Advisory Council

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The Institute for Business and Home Safety (IBHS) Risk Advisory Council is the Committee that sets the annual agenda for projects that are conducted by IBHS. The Zurich North America Head of Property sits on the Committee. The work that IBHS performs is intended to establish clear, scientifically sound benchmarks for disaster resistant construction in part to influence commercial and residential building codes.

#### **How have you, or are you attempting to, influence the position?**

Through our engagement with IBHS, and the Risk Advisory Council we influence the projects performed towards the work that will drive greater use of improved construction standards.

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#### **Trade association**

Principles for Responsible Investment (PRI)

#### **Is your position on climate change consistent with theirs?**

Consistent

#### **Please explain the trade association's position**

The United Nations-supported Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put the six Principles for Responsible Investment into practice. Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision making and ownership practices. In implementing the Principles, signatories contribute to the development of a more sustainable global financial system.

#### **How have you, or are you attempting to, influence the position?**

Zurich has also continued its active involvement in the PRI's environmental and social-themed investments working group.

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**Trade association**

Geneva Association

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Zurich is a signatory of the Climate Risk Statement of the Geneva Association. Zurich is also a member of the Extreme Events and Climate Risk Working Group which is investigating and reporting on current best practices of global, integrated flood risk management.

**How have you, or are you attempting to, influence the position?**

Zurich is a signatory and therefore supports the statement.

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**Trade association**

UNEPFI and PSI

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Zurich is a signatory of the UNEPFI and PSI United for Disaster Resilience statement.

**How have you, or are you attempting to, influence the position?**

Zurich is a signatory and therefore supports the statement.

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**Trade association**

Global Impact Investing Network

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Global Impact Investing Network (GIIN) is a non-profit organization dedicated to increasing the effectiveness of impact investing.

**How have you, or are you attempting to, influence the position?**

Zurich is a member of the Global Impact Investing Network's (GIIN) Investors' Council.

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**Trade association**

Association of British Insurers

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The ABI's work on climate change is focusing on both adaptation and mitigation strategies with its members to aid the transition to a low carbon economy. This includes working with Government and insurance industry regulators to ensure that buildings and communities are resilient to the effects of climate change in the long term as well as promoting ways in which the insurance industry can support the growth of the low carbon economy such as insuring renewable energy generation and investing in green infrastructure.

**How have you, or are you attempting to, influence the position?**

We support the ABI's focus on climate change and its focus on both adaptation and mitigation. In particular, Zurich is working in collaboration with the ABI to help better understand and mitigate flood risk exposure as well as the grants available for flood resilience measures and the government backed approach for risks unable to find cover in the commercial market. Moreover, we have welcomed the ABI's support in understanding how the industry can support the growth of the low carbon economy and, as part of this, investing in green infrastructure.

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**Trade association**

Green Bond Principles

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Zurich is a member of the Executive Committee and Steering Committee of the Green Bond Principles (GBP).

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**How have you, or are you attempting to, influence the position?**

Zurich is the investor's representative on the GBPs Steering Committee and is co-chairing one of the working groups during 2017.

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**Trade association**

Paris Pledge for Action

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The pledge demonstrates that non-Party stakeholders are ready to play their part to support the objectives of the Paris Agreement. By joining the pledge, businesses, cities, civil society groups, investors, regions, trade unions and other signatories promise to ensure that the ambition set out by the Paris Agreement is met or exceeded to limit global temperature rise to less than 2 degrees Celsius.

**How have you, or are you attempting to, influence the position?**

Zurich is a signatory and therefore supports the statement.

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**Trade association**

UNEP FI Principles for Sustainable Insurance

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities.

**How have you, or are you attempting to, influence the position?**

Zurich is a signatory of the Principles for Sustainable Insurance. Signing the UNEP FI Principles for Sustainable Insurance allows us to build on those efforts by being part of the broader dialogue on the role insurance plays in shaping a more resilient tomorrow.

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**Trade association**

The Investor Agenda

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

The Investor Agenda provides the guidance investors need to act boldly, swiftly and collectively to help keep global temperature rise below 2° Celsius. It will also amplify investor voices calling for government implementation of the Paris Agreement, and increased support for low-carbon initiatives by policymakers.

**How have you, or are you attempting to, influence the position?**

Zurich is a signatory to the 2018 Global Investor Statement to Governments on Climate Change.

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**C12.3d**

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**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

Yes

**C12.3f**

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**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

To ensure consistency Zurich published its climate change position statement. On flood resilience specifically, Zurich has developed a public policy position on flood resilience that has been shared with relevant employees engaging policy makers on the topic. We also publish "Risk Nexus Issue Briefs" on topics to improve awareness and influence policy around flood resilience related topics such as the potential savings from investing in pre-event risk reduction to become more resilient to natural hazards and extreme weather.

Zurich, together with academic institutions and NGO partners, has developed a flood resilience model with innovative pre-event mitigation measures to help the poorest communities in the world protect themselves from floods. After five very successful years of helping communities around the world to dramatically improve their flood resilience, and having created a flood resilience measurement framework, the Zurich's Flood Resilience Program moves into the next stage. We decided to extend the program to 2023 following our approach of long-term and flexible funding to focus on problem analysis and innovative solutions to build community flood resilience. We will join our efforts with the NGOs Concern Worldwide, the International Federation of the Red Cross and Red Crescent Societies (IFRC), Mercy Corps, Plan International and Practical Action as well as research partners International Institute for Applied Systems and Analysis (IIASA) the London School of Economics, the Institute for Social and Environmental Transition-International (ISET) and ETH Zurich. Zurich will be attracting more investment into prevention actions and resilience building instead of post-event relief and recovery.

Zurich has a Group Public Affairs function which ensures that Zurich develops and advocates consistent public policy positions. This function also ensures that processes are in place to coordinate engagement with policy makers. A Public Policy Framework is in place, which ensures such matters are managed consistently across the Group at Zurich. Also, significant new or changed public policy positions are syndicated before members of the Group Executive Committee including the Group CEO. Position taking is driven by processes designed to assure strategic alignment and subject matter consistency. Before public positions are taken, a process to get subject matter review, in addition to other governance compliance, is taken. This process is applied across the institution for all public position taking – not just for climate change. In the UK, as part of the ClimateWise annual reporting process, we report to and receive sign-off from various key internal stakeholders on our involvement on topics and collaborative working.

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## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

corporate responsibility highlights 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

---

**Publication**

In mainstream reports

Pages 3, 7, 26, 27, 28, 32, 35, 46, 56, 155

**Status**

Complete

**Attach the document**

annual report 2017.pdf

**Content elements**

Governance  
Strategy

Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

---

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

risk review annual results 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

---

**Publication**

In mainstream reports

*Pages 3, 7, 26, 27, 28, 32, 35,*

**Status**

Complete

**Attach the document**

annual review 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Other metrics

---

**Publication**

In voluntary sustainability report

*Pages 8-13*

**Status**

Complete

**Attach the document**

z zurich foundation annual report 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Other metrics

---

**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

RI Transparency report 2016 2017.pdf

**Content elements**

Governance

---

Strategy  
Risks & opportunities  
Other metrics

---

**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

zurich responsible investment position statment 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities

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**Publication**

In voluntary communications

*Pages 8 - 11*

**Status**

Complete

**Attach the document**

responsible investment at zurich november 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Other metrics

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Group Environmental Policy Revision 2013 update 2017.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities

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**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

zurich\_climatewise\_submission\_july\_2017\_final.pdf

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

risk nexus flash floods germany 2016.pdf

global lessons for reducing risk and increasing resilience.pdf

**Content elements**

Governance

Strategy

Risks & opportunities

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Navigating climate change.pdf

**Content elements**

Strategy

Risks & opportunities

Other metrics

---

**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

extreme weather events hard lessons strengthen resilience against the next big event perc report.pdf

**Content elements**

Strategy

Risks & opportunities

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

Report The Zurich flood resilience program.pdf

**Content elements**

Strategy

Risks & opportunities

Other metrics

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## C14. Signoff

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## C-FI

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**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

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## C14.1

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**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Chairman of the Board of Directors	Board chair

## SC. Supply chain module

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### SC0.0

---

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

Zurich Insurance Group's emissions broken down into scope 1, 2, and 3 can be found in the core module. The company does not allocate emissions to customers.

## SC0.1

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**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	

## SC0.2

---

**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

Please select

## SC1.1

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**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

## SC1.2

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**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

## SC1.3

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**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
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## SC1.4

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**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Please select

## SC2.1

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**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

## SC2.2

---

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

Please select

### SC3.1

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**(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative?**

Please select

### SC3.2

---

**(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative?**

Please select

### SC4.1

---

**(SC4.1) Are you providing product level data for your organization's goods or services, if so, what functionality will you be using?**

Please select

### SC4.2d

---

**(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?**

Please select

Submit your response

---

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

**Please confirm below**

I have read and accept the applicable Terms