

Zurich IMRE AG

Sustainable real estate management





Our investment philosophy

Responsible investment is an integral component of Zurich's investment philosophy. We focus on above-average, risk-adjusted investment returns, but also investments

that have a positive impact on the environment, economy and society.

Zurich IMRE AG (Zurich Investment Management & Real Estate AG) manages the real estate portfolios of the Zurich Insurance Company Ltd and the Zurich Investment Foundation throughout Switzerland. Our business segment is focused on sustainable real estate management. For us, sustainability involves a balanced consideration of economic, social and environmental aspects with the goal of achieving attractiv, risk-optimised returns over the long term.

Principles and responsibility

Company

Sustainable value creation provides additional value for our shareholders, customers, employees and society. It is one of Zurich's fundamental values. From that, we derive responsible entrepreneurship and our claim of being a responsible investor. We do this by proactively addressing challenges in the areas of the environment, society and corporate management. We are committed to long-term success, not short-term profits.

Business

Our real estate management is based on the requirements of our customers.

It ensures that properties will remain competitive in the market even into the future. Our goal is to achieve constant optimization and attractive and risk-optimized returns over the long term.

Environment

Our real estate management involves the careful use of resources, minimizes the impact of our activity on nature and the environment, and takes into account the possibilities of technology when it comes to reducing greenhouse gas emissions and promoting energy efficiency. We want to fulfill today's demands without impairing the opportunities available to future generations.

Sustainability goals (energy and CO₂)

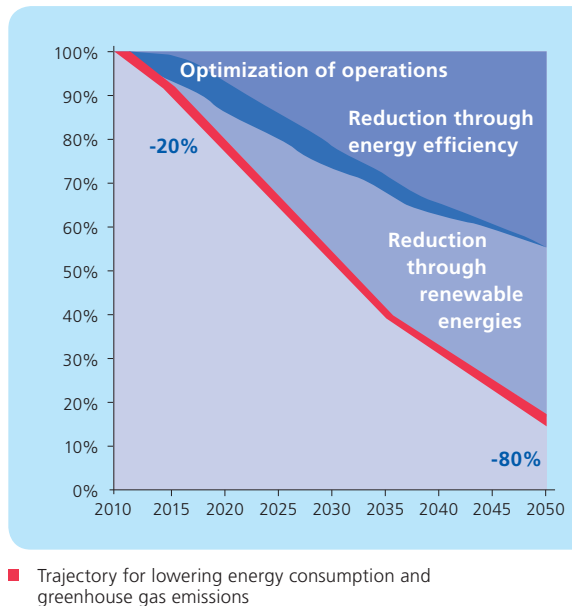
By the end of 2013, sustainable real estate management had been adopted for the management of real estate in Switzerland across all levels (society, economy, environment) and for all relevant functions and processes. For the future, we are focused on achieving the following goals:

Medium term by 2020

Greenhouse gas emissions for the real estate portfolio are to be reduced by 20% from 2010 levels. Zurich IMRE AG thereby complies with the targets set by Switzerland and the EU with regard to the general reduction of greenhouse gas emissions.

Long term by 2050

Greenhouse gas emissions for the real estate portfolio are to be reduced by 80% from 2010 levels. Energy efficiency should be improved, energy consumption and greenhouse gas emissions are to be minimized as far as possible and appropriate, and for the most part the residual energy demand will be met through renewable energies.



Approach to reducing energy and CO₂:

Zurich IMRE AG pursues a transparent implementation plan in order to achieve the defined goals. In the short term, the focus is on optimizing operations with regard to energy; initial successes should be realized rapidly as a result. Over the medium and long term, energy efficiency and CO₂ reduction goals should be achieved through a combination of construction measures and the use of renewable energies as a replacement for fossil fuels.

Main areas of expertise in terms of sustainable real estate management

Asset, Property Management

- Introduction and following of energy accounting principles for all properties by assigned managers.
- Recording of consumption data and greenhouse gas emissions.
- Identification of relevant properties and implementation of an energy monitoring system.
- Reduction of greenhouse gas emissions in operations through the optimization of operations.

Transaction

- Specific values related to energy, greenhouse gas emissions and other aspects of sustainability are clarified and taken into account as part of due diligence.

Development

- Greenhouse gas emissions are taken into account when making decisions related to building standards and heat supply.
- Repair and renovation of properties are usually total refurbishments with target values similar to a new construction.
- In the case of a replacement project or a new construction, any foreseeable future regulations should already be met today.
- If properties remain occupied during refurbishment work, then only partial actions can be implemented.

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