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The Z Zurich Foundation launched its social media channels. Follow us to discover more about our work.

Facebook: Z Zurich Foundation
Instagram: zzurichfoundation
Twitter: @zfoundation
YouTube: Z Zurich Foundation

If you are a Zurich employee, you can join the Z Zurich Foundation group on Workplace by Facebook.
The humanity of these principles also underpins the Z Zurich Foundation’s role in society. No premiums are paid, but again and again I’ve seen the commitment and passion of Zurich’s* employees in supporting people at a time of great need, in building resilient communities and helping those who find themselves excluded from the dramatic advances of today’s world.

Once again, in 2018, the Z Zurich Foundation focused on three key areas – flood resilience, health and well-being, and youth empowerment. We have supported these areas through skills, time, experience, funding, and by engaging with key stakeholders including governments and like-minded organizations.

The Z Zurich Foundation also collaborates with other local community investment programs across Zurich; in the United Kingdom through the Zurich Community Trust and in Germany through the Baden Baden Foundation. We also collaborate in the United States with Farmers Group, Inc.

With the level of global change and instability that we see today, the importance of community engagement for Zurich – and for Zurich’s employees – is, I believe, even more pronounced. The Z Zurich Foundation’s work is an integral part of Zurich’s sustainability agenda and we are broadening engagement rapidly. 2018 saw an increase in the number of countries involved in the local grants program and the commitment of every Zurich business unit to the ‘volunteering pledge’.

The drive and support from our Board members is also crucial and I was delighted that this was reinforced at the start of the year by the addition of two committed Zurich country heads, Sylvia Martinez and Yılmaz Yıldız to Z Zurich Foundation’s Board members and, at the end of the year, by Amanda Blanc, Zurich’s CEO in Europe, Middle East and Africa. The support of all our Board members has helped us to begin to extend our links with Zurich’s corporate clients and business partners and to broaden our impact.

One of the key milestones in our journey in 2018 was the successful launch of the next phase of the Zurich Flood Resilience Alliance in July. From 2013 to 2018, our award-winning global program has focused on building pre-event resilience and made a direct difference to more than 225,000 people across nine countries. For the second phase of our program, we aim to drive USD 1 billion of additional funding, from non-Zurich and Z Zurich Foundation sources, into resilience efforts, knowing that the focus on prevention means we can save lives, protect communities and save money currently being spent on recovery after disasters occur.

Increasingly, the nature of our commitments is being driven by local Zurich teams rather by central programs. Over the past 5 years, we increased the number of our local grants from 3 to 23. In 2018, we committed more than CHF 14.5 million of new funding. That includes new youth empowerment grants in Slovakia, Italy, Hong Kong, and Colombia, as well as the renewal of our successful program with Junior Achievement in Spain. It also includes a new health grant in Brazil, extension funding for our successful ‘Eat Right to Play Right’ program in Malaysia, expansion of our ‘Tackle Your Feelings’ grant in Ireland, and replicating this initiative in Australia. On top of this, it included a new disaster resilience grant in Mexico, and a unique program in Venezuela to support Zurich people affected by the local humanitarian crisis.

Funding is just part of our commitment. So much of what really makes a difference is driven by the individuals who make sure that we focus time on the issues that are most relevant for the different societies in which we live and work. Through the Zurich Community Champion Awards, we have been able to recognize inspiration and aspiration. I have once again been hugely impressed by seeing so many people who commit their time to those around them, who inspire so many people without the expectation of recognition and whose actions often lead others to follow in their footsteps. This year’s winners are featured in this annual report.

2017 was a record-breaking year, and I am proud to say that we’ve increased the momentum again in 2018, particularly in the local grants program. I’d like to take this opportunity to thank the Z Zurich Foundation’s management team for their innovation and energy. It is particularly encouraging to see successful programs being adopted and owned in different geographies, and the Z Zurich Foundation’s network continue to grow. I’d also like to welcome Carlos Esteban, the new Head of the Z Zurich Foundation from January 2019. Carlos brings with him two decades of experience in Zurich and most recently he has been the lead architect of our extremely successful collaboration with Junior Achievement in Spain. A particular thank you, also, to David Nash, who has led the Z Zurich Foundation’s rapid growth so ably over the last few years. I’m very pleased that David has taken ownership of the expansion of the Flood Resilience Program.

Finally, thank you from myself and on behalf of all the Board members to so many Zurich people and partners for your passion and energy, for continuing to make such a difference to so many individuals and families in your communities and for your inspiration to those around you.

I am extremely proud of the Z Zurich Foundation’s role and impact in society. I look forward to continuing to see this impact grow as we strive for a more sustainable, more caring and more inclusive society. I would welcome your thoughts and ideas. Please send them to z.foundation@zurich.com. You can also follow our work on social media.

All the best,

Gary Shaughnessy
Chair of the Board of Trustees, Z Zurich Foundation

* Zurich Insurance Group Ltd and its subsidiaries
In 2018, the Z Zurich Foundation’s (the Foundation’s) ‘Giving Guidelines’ continued to focus on three core areas. Throughout this year’s report, we will share with you our achievements and the impact of our programs on society. We enable greater independence, resilience and choice, with a focus on prevention where possible and recovery where necessary.

Disaster resilience delivered mainly through the Zurich Flood Resilience Program
Floods affect more people globally than any other type of natural hazard and cause some of the largest economic, social and humanitarian losses. With the Zurich Flood Resilience Alliance (the Alliance), a multi-sector cooperation, we use Zurich’s risk expertise as a global insurer to enable a shift away from post-event recovery, and stress the importance of pre-event resilience-building. Phase one of our award-winning program took place between 2013 and 2018. In July 2018, building on this experience, we announced the extension of the Alliance for another five years. We aim to increase the investment going into pre-event resilience building by USD 1 billion.

Mental and physical health/wellbeing and youth empowerment delivered mainly through local programs
We continued to expand our portfolio of local programs in 2018 and approved funding for programs in Australia, Hong Kong, Spain, Brazil, Italy, Malaysia, Mexico, Ireland, and Colombia. As of December 31, 2018, we supported over 20 related, but individually tailored local programs addressing pressing social issues across Zurich’s geographic footprint.

Employee engagement
2018 was another successful year for employee engagement. In addition to our fundraising and volunteering matching schemes, the Foundation ran several global initiatives to raise funds for specific causes. This included a World Book Day campaign in April and a well-being campaign in November alongside the Movember Foundation, a leading global organization committed to changing the face of men’s health. Every Zurich business unit has signed the Z Zurich Foundation’s Volunteer Pledge, and all Zurich employees are now encouraged to take advantage of a paid volunteer leave we offer. We also recognized five exemplary winners through our Community Champions Awards recognition scheme.

We also continued to align our work with the UN Sustainable Development Goals (SDGs), answering the UN’s call to action to end poverty, protect the planet and work to allow all people enjoy peace and prosperity. There is demand today for a deeper commitment from companies to move toward a more sustainable future. The Z Zurich Foundation has chosen to align with Zurich’s sustainability framework and focus efforts primarily on:

3 Good Health and Wellbeing
8 Decent Work and Economic Growth
11 Sustainable Cities and Communities
13 Peace, Justice, and Strong Institutions

We strengthened our relationship with Zurich. The value we provide has reinforced the mutual benefits to both parties. The Z Zurich Foundation’s strategy is now more aligned with Zurich’s strategy, purpose, and values, but most of all with Zurich’s broader sustainability ambition. In the second half of 2018, we recruited three new employees to the Foundation, which brought our efforts more depth and expertise. All the new team members were recruited internally from Zurich, demonstrating the passion and commitment of Zurich’s people toward its communities, and the value the Z Zurich Foundation can bring as a springboard for talent. While we are extremely proud of our work over the past few years, we recognize the need to develop a bolder ambition. We continue to work closely with the Zurich business to refine our strategy, to take our impact to the next level, to embrace change and to support innovative approaches. 2019 will be an important year for the Foundation as we formalize our funding structure for the foreseeable future and roll out our new strategy.
Our global Zurich Flood Resilience Program

“We cannot stop the rain. We cannot stop the water. But we can help communities cope with the impacts.”
David Nash, Foundation Manager/Senior Flood Resilience Alliance Manager.

Flood Resilience Phase 2

As we reported in our 2017 annual report, the Zurich Flood Resilience Alliance formally launched the second phase of the Flood Resilience Program in July 2018. In doing so, it also did a formal evaluation of progress during the work done in the first five years of its existence. The achievements of the first phase are available by clicking here.

The second phase of the program builds on the strong foundations we have achieved, both through a trusted group of Alliance members and with tools and processes we have tested. The purpose of the program is to build community resilience to floods such that there is “no negative impact on people’s and businesses’ ability to thrive.” However, as we learned in the first phase, we cannot reach every community alone. In line with that, the Alliance has adjusted its focus. Learning from the first phase, the second phase of the flood program has introduced a sharper focus on impact. To achieve impact, the Alliance first needs to understand its goals through the program. Primarily this comes down to having an influence on key groups.

The objectives are:

Objective 1 – Increase funding for flood resilience
The Alliance wants to encourage investors/funders to either invest more, or direct existing funds, into climate-smart, risk-informed development. The Alliance will seek actively to scale its tools to both practitioners and funders to support this goal.

Objective 2 – Improve policy at global, national and sub-national scales
The Alliance wants to convince policymakers to develop policy frameworks that support climate-smart, risk-informed development, and for them to enforce these policies. Research and practice on the ground will provide the evidence to support our advocacy targets.

Objective 3 – Improve flood resilience practice
The Alliance wants to convince community development practitioners to work in a climate-smart, risk-informed way to systemically build flood resilience. This will utilize best practices and tools developed through the program.

The overarching aim for the first objective is to determine how the USD 1 billion raised from non-Zurich and Z Zurich Foundation sources will be used. To do so, the Alliance needs to change both the policy environment and the way practitioners work to help use funds more effectively. We are currently developing more concrete targets.

The achievement of these objectives will not come overnight, so we have developed a set of “change pathways” to track progress towards achievement.

The Alliance – innovative governance approaches

During the first phase of the Flood Resilience Program, our academic and community collaborators and Zurich formed an alliance to deliver a common set of objectives. The impetus came mainly by Zurich and the Z Zurich Foundation, with other members in a more traditional donor-recipient role. In phase two, we want to more effectively harness the collective resources of all members. While we still consider our relationship as an Alliance, our leadership model has radically changed.

The diagram above illustrates how we operate. At a strategic level, we have created an Alliance Management Team (AMT) comprising senior members from each of the members. This body is ultimately accountable to Zurich and the Foundation for achieving of impact. Zurich and Practical Action co-chair the AMT.

To create a sense of wider ownership, and play to different organizations’ strengths, the leadership of particular tasks is delegated to the other members where appropriate.

Escaping the flood.

Z Zurich Foundation
Annual Report 2018
The work in the global Zurich Flood Resilience Program involves a series of task-specific ‘workstreams’ shown here:

**Workstream 1: Community Programs**

To develop best practice on the ground, four of the members will operate programs across around 70 communities using the tools the Alliance developed in the first phase of the program. People from each of the four member organizations will coordinate the approach, development of intervention monitoring and evaluation processes, and compile lessons learned in the field by members of the community programs workstream. This workstream is led by alliance member Concern Worldwide.

**Workstream 2: Research**

The research workstream brings together not only the two members of the Alliance dedicated to research (LSE and IIASA), but also facilitates engagement across all Alliance members by identifying and addressing joint research needs and interests, for example on the role of flood legislation for resilience building and on innovative finance measures for resilience. The workstream is jointly led by LSE and IIASA.

**Workstream 3: Knowledge Workstream**

Both research and community programs will generate knowledge and things learned through experience, which the Alliance will make available in a comprehensive way as a resource for others. The knowledge workstream develops what the Alliance has learned through practical experience, to influence the decisions and behavior of others at scale; that includes a ‘flood portal’ to share those products online: https://floodresilience.net/; it also manages collaboration. This workstream is jointly led by Practical Action and ISET as part of the communities workstream.

**Workstream 4: Advocacy**

Knowledge is primarily used to provide guidance in areas where the Alliance wants to exert a positive influence. Community practitioners can use it to develop their own programs, but can also support others in adopting best practice approaches, helping us to increase impact. This ‘scale-up strategy’ is being developed by alliance member IFRC.

**Workstream 5: Advocacy**

Knowledge is also used to advocate, for policy changes from local to international levels, and to make best use of funding. This work is coordinated by the advocacy workstream led by alliance member Mercy Corps.

The program in its entirety is underpinned by its approach to resilience and the ‘tools’ it uses. The approach used, the ‘Flood Resilience Measurement for Communities’ (FRMC) is both a systemic way of thinking about development and a practical toolkit that helps practitioners make climate-smart, risk-informed development decisions that create resilience to flooding. This workstream is led by Zurich.

To ensure the workstreams communicate effectively, the Alliance created the Team Leader Forum (TLF), chaired by Practical Action. It looks for synergies and promotes collaboration across the various workstreams. It is the body that brings together progress reports for the AMT.

In terms of its structure, the Alliance can be viewed as a small company. The AMT is accountable to Zurich and the Foundation; the same way a company’s Board is accountable to shareholders. A senior management team (department heads) is responsible for operations and accountable to the Board. The TLF, as a group of workstream leads, plays this ‘executive committee’ role and is accountable to the AMT.

The Alliance – driving innovative solutions

Not only is governance innovative, but our approach to developing programs is flexible, too. Instead of asking Alliance members to present fully-formed ideas for their proposed actions before providing funding, we have instead recognized the need to jointly develop programs before demanding a plan on how the proposals will be implemented.

By investing in processes to understand the community’s situation thoroughly, up front, we increase the chance of identifying the most effective and innovative and holistic solutions to flood resilience.

**Closing the Water Window**

In 2015/2016 the Foundation invested USD 10 million into the Global Resilience Partnership’s (GRP’s) Water Window Challenge. Through this program, funding was made available to 12 teams, mainly in South and South East Asia, with one project located in Kenya. Five of the teams had already tested ideas and were using the funding to broaden them to include more people. Seven of the teams were testing new ideas. The projects ran from January 2017 to March 2019, with the majority closing by the end of 2018. A final report from the GRP will be delivered by mid-2019.

At the end of December 2018, the projects reported that in total they had reached 459,969 beneficiaries, which represented 61 percent of the targets. Final figures will be made available in mid-2019, and the outcome will be published during the year.

*After the flood in Chosica, Lima (Peru).*
Highlights of the Zurich Flood Resilience program up to 2018:

- The Alliance’s Flood Resilience Measurement for Communities (FRMC) tools were deployed in both Bangladesh, by Practical Action, and in Indonesia by Mercy Corps. These projects were used to extend the use of the tools we had developed through the Alliance into other projects and other countries.
- The floating house project led by BRAC University in Bangladesh has won a Risk Award sponsored by Munich Re Foundation, which includes EUR 100,000 in project funding in recognition the innovative approach. The seed grant allowed the project to be put to the test. (See 2019 RISK Award)

In October 2018, the Global Resilience Partnership (GRP) brought people taking part in all projects together in a workshop in Nepal, where projects were discussed and progress was showcased. At the same time, teams shared challenges and the lessons they had learned. Discussions included how projects could be extended or expanded, with the GRP connecting projects to mentors.

In 2018 the GRP also moved to its new permanent home in the Stockholm Resilience Center in Sweden, supported by funding from the Swedish International Development Cooperation Agency (SIDA). GRP also overhauled their governance model, and the Z Zurich Foundation was invited to join their advisory council to support the new approach to governance.

Our Zurich Flood Resilience Program’s main objective is to exert a positive influence on how funds from non-Zurich sources are used to achieve resilience. Our collaboration with Lutheran World Relief is an excellent example of how, by extending the “tools” we use, we can have a positive influence on work done and resources deployed to achieve more effective outcomes in flood resilience.

Case Study – Lutheran World Relief

Lutheran World Relief (LWR) has been running a project in Nepal and India looking at the impacts of flooding in communities across national boundaries over the last two years. The project was supported through funding we provided to the Global Resilience Partnership’s Water Window. The program used a resilience measurement approach developed by Yale University, which has allowed LWR to quantify changes in resilience. Whilst the tools provided LWR with a measure of the resilience they were building, LWR wanted more on the specific drivers of change and the link to their interventions.

During a review in October 2018, we introduced LWR to the Flood Resilience Measurement for Communities (FRMC) methodology, giving them insights into its potential to help them prioritize and think more innovatively. They expressed interest in using the approach in the next phase of their program, for which they had already secured USD 2 million of funding. In December 2018, we agreed to extend the use of the FRMC to a new LWR project at no cost, and trained their local field teams to use the FRMC tools.
Developing our cooperation with SBP

The relationship with SBP has evolved over the last decade as, indeed, SBP’s own approach to disaster issues has changed. In 2018, we agreed to offer a further three-year grant to support an increased focus on pre-event resilience, around these three main areas of focus.

A Extending access to preparedness and resilience building training: part of the grant was intended to develop four e-learning modules to reach many more people than the face-to-face training offered through the DRRL. At the end of March 2019, the first two modules had been completed and rolled out to around 10,050 users. The plan is to reach 50,000 users by the end of 2019 with all four modules on stream.

B Government training: while major cities in the US affected by disasters do have some experience of navigating the systems to obtain support for their communities, many smaller places simply don’t have expertise. The purpose of SBP’s work in training government officials is intended to bridge that knowledge gap and share experience between city halls. During the final six months of 2018, three core training modules were developed in the ‘Mayor’s Playbook’ and tested at a ‘convening’ event of mayors. They have since been launched in Tulsa, Oklahoma with plans to focus on three more cities in 2019.

C Advocacy: encouraging more pre-event resiliency is important for the future. In the US, much of the response to disasters is handled by the Federal Government through Federal Emergency Management Agency (FEMA), so finding ways to enhance their role, speeding up release of emergency funds and improving damage assessment processes to help get assistance where it is needed most is the main objective. This is a long-term strategy.

Case study – Building resilience in the U.S.

SBP, Inc. (SBP) was founded in March 2006 in response to the impact of Hurricane Katrina in New Orleans. Zurich’s relationship with SBP started more than a decade ago when Zurich became sponsor of the New Orleans golf Classic – now called the Zurich Classic – alongside SBP. Through this collaboration, Zurich’s staff and customers got involved in a variety of activities – partly fundraising and partly volunteering to rebuild dwellings devastated by the hurricane. This rebuilding effort has extended from New Orleans to Joplin, Missouri through a relationship with Farmers Group Inc. (USD 400,000 donation in 2013) and to Rockaways, Queens, New York.

In May 2013, the Foundation provided a one year grant of USD 165,000 to conduct rebuilding work in Rockaways following the Superstorm Sandy, resulting in 48 percent of Zurich North America’s New York staff volunteering. This was followed by a more strategic three-year grant in 2014 for USD 3 million.

During the last three years, the focus of the activities were on two programs:

i Creation and operation of the Disaster Resilience and Recovery Lab (DRRL): aimed at increasing preparedness and resilience/strength of individuals and families through training. This was the primary purpose of the grant.

ii Rebuilding Rockaways: to complete the rebuilding work started with the earlier grant.

In the final three months of 2017, the Z Zurich Foundation made a grant of USD 50,000 to support key staff retention by SBP as part of the ongoing discussions for SBP to join the Zurich Flood Resilience Alliance.
Australia – supporting the cause of mental well-being and youth empowerment

Zurich Financial Services Australia LTD’s (Zurich Australia’s) community strategy aims to have a positive impact on local communities, offer attractive employee engagement opportunities, and establish long-term local community programs that support delivery of local strategic business objectives. In 2018 the Z Zurich Foundation continued to fund three key community collaborations.

1. RAISE Foundation (Raise) – supporting youth mental well-being through high school mentoring and capacity building with the Raise Foundation that has enabled it to become a national charity with the core ambition of taking its programs to every high school in Australia by 2025.

In late 2016, Zurich Australia collaborated with Raise, funding and volunteering in programs in and around Sydney. In 2017, Zurich Australia collaborated with the Z Zurich Foundation in funding Raise’s expansion of their mentoring programs interstate, mirroring Zurich’s office locations across the country. The Z Zurich Foundation has invested AUD 320,000 in this two-year collaboration with a view to extending the collaboration to help Raise achieve its ambitious goal of offering its mentoring program in every Australian high school by 2025. With Zurich Australia’s support, the Raise Foundation has been able to provide an accredited mentor for over 4,400 young Australians, and trained more than 3,000 volunteers from the corporate sector and the community to be professional youth mentors. In 2018 alone, Raise trained a further 810 new mentors. It is providing a Raise Mentor for over 1,000 young people across New South Wales, Victoria, Queensland, South Australia, and Western Australia. The results of Raise’s efforts, based on an evaluation report, show that having a Raise mentor made a tangible difference to the lives of mentees. They experienced statistically significant increases in resilience, ability to set and achieve goals, confidence, ability to finish school and ability to ask for help when needed and knowledge of where to go for help.

12 Zurich Australia employees participated nationally in the Raise ‘in-school mentoring program’ in 2018 (six in New South Wales, four in Queensland, three in Western Australia, one in South Australia). Zurich Australia raised funds and supported fundraising events such as the Raise Annual Patrons Lunch and the Raise Sparkle Ball in 2018. In 2018, Zurich Australia produced a video to help Raise to nationally publicize its mentoring programs. In 2018, Zurich Australia employee payroll giving and dollar matching from the Z Zurich Foundation raised AUD 40,000.

2. Beyond Empathy – supporting Aboriginal young people empowerment and mental well-being through art.

In late 2017 Zurich Australia collaborated with Beyond Empathy; a young people arts organization that uses the arts to influence change and enrich the lives of individuals and communities facing recurring hardship. Because young people from Indigenous communities are statistically much more likely to suffer mental health issues or die by suicide than those from non-Indigenous communities, our focus is on Indigenous young people. The Z Zurich Foundation invested AUD 200,000 to support Beyond Empathy in delivering a highly visible national project called ‘Excursions’ across four Indigenous communities (Moree, Ilawara, Melbourne, Perth). Using cultural guides, community leaders and local artists mentored young Indigenous people through music, performance, photography, story-telling and film. The young people participating in the workshops can acquire artistic skills; are engaged in positive activities; build confidence and aspirations; gain meaningful relationships; improve mental health and develop a connection with their community.

This collaboration with Beyond Empathy in 2018 achieved the following:

- 180 young people were engaged in artistic workshops across three states.
- Over 90 percent of participants said being involved in the Excursions project strengthened connections with family and friends, was a positive experience, improved confidence, creativity and skills, and made their families proud.
- A music track produced by the Perth artists entitled Kya Kyana reached over 73,500 people through social media.
- Eight Zurich Australia staff members participated in a field trip and met the Moree community. It was a special experience for all of them. Their testimonies are available on Beyond Empathy’s website.
- 200 Zurich Australia employees were engaged in Beyond Empathy’s performances at Zurich Australia offices.
- Zurich Australia staff organized and participated in two specific workshops ‘Welcome to Country’ and ‘Acknowledgment to Country’ to raise awareness on the importance of formal acknowledgment of the traditional custodians of the land.
- The purpose-built ‘Excursions’ website was regularly visited by Zurich staff across the world, raising awareness of Australian Indigenous young people issues.
- Collaboration between Zurich Australia and Beyond Empathy resulted in a world class public art/photo exhibition on the walls surrounding the site where the new Zurich Australia Tower building site in North Sydney is going up. The exhibition followed the Australia Council for the Arts Indigenous cultural protocol, ensuring all Indigenous community members and artists shown in or having produced the works were consulted and remunerated for their work.
- Six First Nation young leaders took on leadership roles in parts of the Excursions project helping them appreciate the value of their skills. For some of these young people, it was the first time they had ever been paid for their work and contribution.

3. Tackle your Feelings – our flagship collaboration between the AFL Coaches Association, the AFL Players Association and Zurich Australia. Read more about this third program on page 18.
Austria – working with people who face employability challenges

Zurich Austria’s* collaboration with Verein für Training, Integration & Weiterbildung (Verein T.I.W.) focuses on youth unemployment. With a focus on skills transfer and sharing experience in different fields, joint activities include classroom learning and one-to-one mentoring, cultural excursions, factory tours, sports and creative programs. The program aims to offer young people a range of different ideas and impressions to strengthen their social skills and confidence.

Verein T.I.W. is a nonprofit organization targeting disadvantaged young people with low employability. Its first contact with Zurich Austria was in 2015 during Zurich Community Week. The local grant program was jointly developed in 2016 and approved by the Foundation in 2017, with a grant of EUR 200,000 over three years.

With Zurich Austria’s engagement, Verein T.I.W. can offer a broader range of content and activities than would be possible on its own. The close relationship with the business world deepens understanding of what is needed to increase chances to find employment. The local grant program also helps Verein T.I.W. to develop its skills. Zurich Austria benefits from knowledge it gets through work with Verein T.I.W. and insights into a part of Austrian society which is too often forgotten, and also represents a relevant portion of our actual and potential customers.

During 2018, Zurich Austria and Verein T.I.W. deepened their cooperation and ran a series of joint activities including those described here, and below. A highlight was a hip hop performance during the Artrium, a yearly Verein T.I.W. event. In 2018, Zurich Austria’s CEO Andrea Stürmer contributed by painting a picture with one of the young people.

Outputs:

- 142 different events/activities
- 106 Zurich Austria employees involved
- 492 youths participated in the activities
- 5,502 hours of direct contact between the ‘two worlds’ of unemployed young people and Zurich Austria staff

Bermuda – supporting people living with dementia or Alzheimer’s disease

The collaboration with Action on Alzheimer’s and Dementia (AAD) is a three-year, USD 157,000 commitment that came to an end in 2018.

The funding from the Z Zurich Foundation over the past three years has enabled AAD to increase both the number of locations to which they provide therapy services, and offer a greater variety of therapy programs. Zurich Bermuda’s** employees have played a crucial role in the program, from first selecting the cause to regularly volunteering with AAD throughout the three years. When the application was submitted, a bi-annual employee survey showed seniors as the main area of focus for employees. This, together with a lack of high-quality care available on the island for those suffering Alzheimer’s or dementia, weighed in favor of the grant.

With the support from the Z Zurich Foundation and the Zurich Bermuda volunteers, the activities now offered by AAD include art, music, drumming, movement, and yoga at a variety of locations across the island.

* Zurich Versicherungs-Aktiengesellschaft
** Zurich Insurance Company Ltd, Bermuda Branch with Zurich Investment Services Limited
In 2018, in addition to the Z Zurich Foundation grant payment, Zurich Bermuda supported AAD in different ways: with Zurich Bermuda Charity committee donations, ambassadors for AAD at the Give Back games, fundraising through a Zurich 5k race, volunteering (a monthly activity), an annual Christmas giving tree, holding a Carers’ evening, and a trip to an aquarium.

Although the grant ended in 2018, Zurich Bermuda staff are welcome to continue to volunteer for AAD programs and they will be hosting the Carer’s Cocktail evening and aquarium outing in September 2019.

“The seniors have worked hard and paved a way for us to have a better life. Volunteering is my way of giving back to them. I thoroughly enjoy it!”

Garrylynn Hayward, Reinsurance Accountant

(Garrylynn won the 2018 and 2017 local “Volunteer of the Year” local award for her commitment to the AAD volunteer program).

**Brazil – focusing on childhood cancer and health education**

**Zurich Brazil**

According to the Cancer National Institute, thirty-two children are diagnosed with cancer each day in Brazil, and the disease continues to be the leading cause of childhood death.

With a three-year grant of USD 1.2 million begun in April 2018, Zurich Minas Brasil Seguros S.A. (Zurich Brazil) and the Z Zurich Foundation are sponsoring a patient initiative developed by Hospital Do GRAACC (GRAACC), a non-profit organization, enabling families from disadvantaged backgrounds to access world-class treatment.

In 2018, 60 percent of GRAACC’s proceeds came from donations of individuals, companies, and foundations like the Z Zurich Foundation, through the ‘Adopt a Patient’ program.

A contribution of BRL 1.5 million donated by the Z Zurich Foundation made treatment for 63 patients possible in the period April 2018 – March 2019.

“We were the first company to join the Adopt a Patient program to support the oncological treatment of children and adolescents.

It is very important for us. It fits with our purpose and values. It is also very important for GRAACC, which fills a gap in care for patients of the SUS (Public Health Insurance) providing state-of-the-art treatment. It significantly increases cure rates while at the same time improving quality of life for patients and their families.”

Edson Franco – CEO Zurich Brazil

**Zurich-Santander Brazil**

The Z Zurich Foundation supports Zurich Santander Brazil to fund a three-year collaboration with Associação da Medula Ósseain (AMEO). This BRL 400,000 grant started in September 2017 and focuses in particular on the pioneer project ‘Educate to Give.’ This project aims to raise awareness of the importance of blood, organ and stem cell donation. The blood donation education program had a significant increase from 2017 (529 students) to 2018 (649 students). The program won an award for excellence from the City Council of São Paulo. Patient care was maintained through the efforts of numerous volunteers.

Funding was also allocated to improve the facilities at AMEO’s support house, where children with cancer recover after medical procedures and where their families can access a wide range of support. Through the ‘Casa de Apoio’ program, AMEO has increased the number of beds from 10 to 18, as well as the care provided to patients in treatment through deliveries of supply baskets.

In 2018, Zurich-Santander Brazil also ran two activities for employees with AMEO. In June, during an internal event, employees from Zurich-Santander Brazil collected funds by selling beverages. The funds raised were donated to the institution and bone marrow transplant projects.

Another initiative, ‘Carinho de Papel’ in October 2018 consisted of writing letters to patients receiving palliative care. The patients are isolated and can feel lonely. Zurich-Santander Brazil employees wrote more than 60 letters.

“In 2017 we received the news about being approved for a local grant from Zurich-Santander Brazil, sponsored by the Z Zurich Foundation. During 2017/2018, this support was crucial for AMEO’s survival. We have worked hard on fundraising, which is an endless struggle in a country like Brazil where 50 million people live in poverty. We will continue to fight for this cause and help people fight this disease,” says José Roberto Torquato, an employee from Zurich-Santander Brazil and member of AMEO.

**Canada – tackling the root causes of homelessness**

In 2016, Calgary had the highest rate of homelessness of any city in Canada. A group of Calgary-based charities formed the RESOLVE Campaign to collaborate to raise money to provide affordable and supported rental housing with the goal of ending homelessness in Calgary. Over a three-year period, the Z Zurich Foundation committed a CAD 1 million donation to support the RESOLVE campaign, allocated specifically to The Mustard Seed Foundation, one of the nine local charities engaged in the campaign.

The grant helped pay off the mortgage on 292 new affordable housing units that The Mustard Seed Foundation designed and built specifically for people without homes. The campaign promotes the ‘housing first’ model that focuses on providing vulnerable people with housing. These people might otherwise have to be put in other programs to address, for example, mental health issues or addiction before being able to secure long-term housing.

Zurich Canada employees also provided volunteer support for a number of initiatives for The Mustard Seed Foundation. Areas where Zurich Canada employees contributed included employment support, customer service training and helping at local shelters and other events sponsored by The Mustard Seed Foundation.
Two of our Calgary-based employees helped some beneficiaries prepare their resumes and complete job applications online. The next day, one of those they assisted got the job for which they helped him to apply, and contacted them to say thank you for their assistance.

**Colombia – supporting a social entrepreneurship program**

Through a five-year agreement begun in 2018, with a grant of USD 730,000, the Z Zurich Foundation is supporting Zurich Colombia Seguros S.A (Zurich Colombia) and Fundación Tiempo de Juego to relocate and expand their already successful ‘School Hotel’ project in the city of Santa Marta.

This social entrepreneurship program is based on a community model aimed at empowering youths, strengthening communities, and promoting sustainable tourism. The project is part of ‘El Habitante,’ a community program that aims to develop tourism in a responsible way and train future staff.

Plans for the hotel are underway. Besides finding land for the hotel, in 2018 the project team, composed of representatives from Zurich Colombia, the Z Zurich Foundation and Fundación Tiempo de Juego, also devoted time to raising pledges for the ‘El Habitante house of volunteers’ to help train employees.

In addition to serving tourists, the hotel, run by the Fundación Tiempo de Juego, will also seek to attract volunteers in the community and ‘voluntourists,’ who wish to deliver skills-based training to the staff in addition to paying for their stay.

Through this grant the Z Zurich Foundation will also fund staffing costs of the expanded hotel until it breaks even.

**Hong Kong – addressing youth unemployment and mental wellbeing**

Changes in skills and technology mean that youngsters can no longer acquire the job they want simply through hard work alone. To support the whole of society, and promote an approach that also provides confidence it’s important to use imagination and take a creative approach to addressing this challenge. Zurich Services (Hong Kong) Ltd (Zurich Hong Kong) successfully applied a three-year grant of HKD 8.1 million in July 2018 to supporting two youth empowerment programs organized by local NGO, Breakthrough Ltd.

The first program, called ‘Minecity’, encourages young people to go out and experience different aspects of their local communities, and then recreate their experiences in an online community map. The program encourages schools, youth clubs and other organizations to benefit by interacting with their surroundings and learning more about their city. Zurich Hong Kong employees volunteer to mentor the youngsters. Both mentors and mentees learn from each other. In fact, none of the volunteers is familiar with the platform used, so the youngsters help volunteers learn the technology. The first phase showed a good response by youth, local neighbors and employee volunteers.

The second part of the program, ‘Trial & Error Labs,’ uses a grant to fund a space where people work together, train and can network within relevant industries to help young people succeed in Hong Kong’s cultural and creative industries.

From July 2018, the programs achieved the following:

- **For MineCity**
  - Engaged 56 youths (aged 10-20)
  - Reached 380 local neighbors (including grass-root workers, multi-ethnic people and inter-generational shop owners)

- **Trial and Error Lab**
  - Supported 17 teams of young people sharpening their skills, developing new products and having a try on business start-up planning
  - Offered entrepreneurial training to over 70 participants
  - Engaged over 330 students in craftsmanship workshops and seminars about alternative career pathway
  - Reached over 950 people through public and corporate events

- More than 90 Zurich Hong Kong employees volunteered in the programs
- 131 volunteer hours, of which more than 84 skilled hours
- Social media coverage
  - >27,000 digital engagements
  - >235,000 people reached
  - 35 publications in print and online media

“Zurich has always been committed to ensuring our customers a sustainable future,” says Eric Hui, CEO Zurich Hong Kong. “Those programs give more space for youngsters to experiment, to confront failures, and to test new outlets and possibilities. The idea bears great significance and goes along completely with the mission of Zurich, and that’s why we decide to lend our support. In this way, we can fulfill our corporate social responsibility and make our contribution to the local communities,” emphasizes Eric.
Italy – focusing on team work to overcome youth unemployment

‘Lavoro di Squadra’ (Teamwork) is the three-year program that Zurich Italy* launched in 2018 thanks to a Z Zurich Foundation grant of EUR 180,000. The project, chosen from among many other valuable choices, tackles youth unemployment. In Italy, where youth unemployment at 32 percent is double compared with the EU average, the situation amounts to a social emergency.

The project cooperates with ActionAid, an international non-profit organization operating in 45 countries. ActionAid fights poverty and social exclusion, works to protect human rights and seeks to ensure resources are fairly distributed. The project has also engaged a network of other non-profit organizations to enhance attractiveness and gain opportunities to offer jobs when the program is completed.

The program aims to involve about 120 people over six stages in Milan and around Italy targeting so-called ‘NEET’ youths - young people not in education, employment or training.

This group is most difficult to reach and attract because young people who lack these qualifications are often completely discouraged and may struggle in a challenging social and family environment.

During a six-month program, participants are involved in sports activities like Thai boxing to spark motivation and training in personalized human and technical skills to improve personal attitudes and foster basic skills needed to get a job.

Over 100 Zurich Italy employees volunteered their time and skills and about half of them already had the chance to be involved in the first stages already completed. Zurich Italy employees’ contribution was a key factor in the program’s success, helping to give exposure to working environment while supporting young boys and girls in the program. Zurich Italy employees provided one-to-one mentoring, technical training, and advice on writing resumes and job interviews, and participating in, and enjoying sports competitions.

With two stages completed and four left to go, results have been very positive and encouraging. More than 80 percent of young people involved have already found a job or returned to their studies. Thanks to ‘Lavoro di Squadra,’ Zurich Italy has significantly contributed to the community and people’s lives. Zurich Italy employees who volunteered in this project or in the other charitable activities organized during the year have increased pride in Zurich.

‘Lavoro di Squadra’ and the Z Zurich Foundation gave Zurich Italy the possibility to make a real impact in our community and promote positive engagement by our employees. We are committed to investing in young people within and outside our organization, because we understand the importance of creating a better and more sustainable future for Zurich and for our society.”

Federica Troya – HR Director Zurich Italy

“The confidence I got from my mentor, gave me the courage to move forward and to invest in myself.”

A participant in the first stage of ‘Lavoro di Squadra’.

Malaysia – countering childhood obesity and malnutrition using football as a platform

Despite a decline in extreme poverty in Malaysia, child malnutrition is still a prevalent issue. According to the 2018 Global Nutrition Report released on November 2018, 27 percent of boys and 26 percent of girls in Malaysia are underweight. However, at the opposite of the spectrum, 30 percent of boys and 23 percent of girls are overweight while 15 percent of boys and 10 percent of girls are obese.

The Z Zurich Foundation’s grant, over six years, totaling MYR 13.1 million, was launched in 2015. It funds a long-term collaboration with Zurich Insurance Malaysia Berhad (Zurich Malaysia) and One Goal Malaysia (an affiliation of Football Association Malaysia, Asian Football Confederation and WVM Foundation Malaysia) to support the ‘Eat Right To Play Right’ program. This program aims to raise children’s awareness of health and nutrition through grassroots and community football programs in underprivileged communities. The program includes community health checks, an integrated nutrition curriculum, community training for coaches, ‘Football & Healthy Eating Carnival,’ and display of nutritional messages in hypermarkets, as well as a ‘Nutrition Journal’ that encourages children to record what they eat for 21 days.

The second phase of the program was successfully launched in 2018 and included new strategic alliances with Malaysia Connecting Communities (a community organization that champions youth development) and MYDIN (a local hypermarket chain), aiming to increase awareness of ‘Eat Right To Play Right’ to educate children and parents on proper nutrition. An inaugural ‘Eat Right To Play Right’ Youth Cup tournament was also held with over 2,000 children participating between September and December 2018.

As of December 2018, ‘Eat Right To Play Right’ had reached more than 4,000 children from 100 communities nationwide through its grassroots football clinics as well as other community-based activities delivered by its dedicated community coaches as well as Zurich Malaysia volunteers. Based on the latest regular health checks conducted in the ‘Eat Right To Play Right’ communities; 36 percent of children have increased their fitness level while 54 percent of children have increased their understanding of nutrition.

* Zurich Insurance Plc – Rappresentanza Generale per l’Italia Zurich Life Investments SpA
Knowing that children have improved their level of fitness and increased knowledge in nutrition is the program’s most significant achievement.

In recognition of the program’s success, Zurich Malaysia and One Goal Malaysia were awarded USD 10,000 in the Asian Football Confederation Dream Asia Awards 2018 in the ‘corporate’ category. The award money is used to fund a research project with a local university, Universiti Putra Malaysia, to determine the nutritional status of Malaysian children in underprivileged community settings. This research will help to evaluate the effectiveness and efficiency of the program.

“Eat Right To Play Right” shows how strategic alliances between organizations can be formed to instill a culture promoting a healthy and active lifestyle for young people. I am proud to be part of it,” said Margaret Chui, Zurich Malaysia Top Volunteer.

Slovakia – closing the social gap
Centrum Rodiny is an NGO in Bratislava, Slovakia, that aims to create a more inclusive society for the socio-economically disadvantaged, including people on the margins of society, and those who are mentally and physically disabled. It aims to develop and strengthen volunteering and solidarity among people in the community.

The Z Zurich Foundation is supporting Zurich Slovakia* and Centrum Rodiny with a EUR 152,000 grant over six years to close the social gap. It has refurbished a community center, and organized regular events and activities where people from various backgrounds and with different life experiences can meet and benefit from each other’s experiences. The grant enabled the premises to be refurbished and fully equipped for activities including workshops to promote culture and wellbeing, courses for the unemployed, new mothers, graduates and people who have been incarcerated. This grant began in 2018 and started by renovating the center, which took from May to September 2018. In total, 28 Zurich Slovakia employees volunteered in the reconstruction work and the official opening took place in September 2018. Since then, about 400 visitors come each week to the center.

Spain – focusing on youth empowerment, and physical and mental well-being
The greatest concern in Spain is the high-level of unemployment rate, especially among young people, with youth unemployment at around 35 percent.

In collaboration with Zurich Spain**, the Z Zurich Foundation funds three local grants which focus on youth empowerment:

Zurich Spain began supporting Fundacion Junior Avievement Espana (Junior Achievement) in Spain in 2012 with a Z Zurich Foundation’s grant of EUR 372,000 over four years. This first program offers corporate volunteering opportunities in all Zurich offices around Spain. Zurich Spain employee volunteers run different activities: a ‘Risk Workshop,’ that give a better understanding of the notion of risk, ‘Skills for Success’ that helps teenagers to learn decision-making skills, write resumes and role-play for a job interview, and ‘Orienta-T’ providing professional guidance based on individual strengths. Zurich Spain employees also participate in judging Spain’s national Mini Company competition organized by Junior Achievement.

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* Zurich Insurance Company Ltd, Organizačná Zložka  
** Zurich Insurance plc (Ireland), Spain Branch
In 2018, more than 100 volunteers participated in the program in 36 schools, teaching 68 programs to more than 2,000 students. The program has had measurable impact, including up to 50 percent improvement in no cognitive skills among participants.

Through a second grant program of more than EUR 574,000 over two years from the Z Zurich Foundation, Zurich Spain, in collaboration with the Catalan regional government’s department of education and the Alliance for Dual Vocational Training (supported by the Bertelsmann Foundation), developed the Advanced Level Vocational Training Program in Management and Finance with a special focus on insurance. This program combines school study with paid training at Zurich’s business in Spain.

For the first two academic years, from 2017 to 2018, this initiative has not only attracted 58 students and led to the design of brand new ‘350 hours’ of teaching materials, but also trained 20 teachers, with direct input from Zurich’s employees in Spain, and over 30 volunteers shared their insurance expertise through skill-based volunteering. During the academic year 2018/2019, four volunteers acted as tutors for five apprentices at Zurich Spain. This program also helped to give millennials a fresh perspective on the insurance industry, giving them new insights into its importance and attractive prospects.

Youth unemployment also has mental health issues associated with it, including risky behavior during adolescence. To address those issues at an early stage, over four years, and in collaboration with the Spanish neuropsychologist Alvaro Bilbao, a third local grant of more than EUR 655,000 aims to prepare young people for the future, focusing on key risks encompassing stress and anxiety, physical activity and nutrition, decision-making, bullying, learning process, relationships, addictions, internet and social media. Corporate volunteers are teaching teenagers in schools about these risks using material developed by experts.

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Key stakeholders learned more about the program through a public event and three schools expressed their interest to join the initiative during 2019.

Outside the program, Zurich Spain employees can face similar challenges in their personal lives. Zurich Spain employee volunteers appreciate that, through corporate volunteering, they also get tools and develop skills to coach teens and young adults, and can gain professional expertise and experience by enrolling in the Dual Vocational Training program.

“2018 has been a very special and significant year for me as a volunteer because I was honored to be named Volunteer of the Year by my colleagues in Spain. Beyond giving me the opportunity to spend time with children, adults, the elderly and even runners, I’ve experienced many happy and emotional moments. I am grateful to Zurich for the opportunity to volunteer, and I hope to continue participating in these programs. Besides enjoying them, they let me grow as a person,” said Fanny Maldonado, Volunteer of the Year 2018 in Zurich Spain.

Turkey – training female teachers as social entrepreneurs

Teachers play a critical part in the quality of education. Especially important is the education of female teachers, as they become role models for girls and are instrumental in providing equal access to quality education. Research also confirms that educated girls have much higher impact on society, as their children are highly likely to be well educated as well.

The aim of this ground-breaking program of CHF 2 million over 6 years, the first of its kind in Turkey, is to support female teachers who are assigned to villages/small towns in the first year of their career. The objective is to try to reduce the environmental, physical and professional challenges experienced by the teachers, to enhance their knowledge, and to improve their confidence and motivation.

With 100th anniversary of Turkish Republic to be celebrated in 2023, we are aiming to positively impact 1,000 female teachers, more than 30,000 students and 150,000 family members. This program was launched at the end of 2018 with the support of the Z Zurich Foundation, and in collaboration with Zurich Sigorta A.S (Zurich Turkey) and Türk Eğitim Derneği (Turkish Education Association).
Replicating successful initiatives to increase our global impact: ‘Tackle your Feelings’

With our local grants program, we are always looking for ways to replicate successful local programs and share what we learn from them across the Group. Our Irish local grant program ‘Tackle your Feelings’ was launched in 2015 and the Z Zurich Foundation is committed to investing more than EUR 3.5 million to it over seven years.

‘Tackle Your Feelings’ is an all-Ireland mental well-being campaign by Rugby Players Ireland in partnership with Zurich Insurance plc (Zurich Ireland), which aims to change our attitudes to mental well-being. With some of Ireland’s sporting heroes leading the way, we want to inspire people in Ireland to be more proactive in looking after their mental well-being, so that issues are addressed before they reach the crisis stage.

Rugby Players Ireland protects players’ welfare, rights and entitlements. Educational, vocational and commercial engagement are core principles to give members the skills to succeed both as professional athletes and successful individuals.

Rugby Players Ireland and Zurich Ireland are collaborating to develop, grow and build the ‘Tackle Your Feelings’ campaign. Together we aim to make sure the campaign is fulfilling its potential to support Zurich employees, customers and the wider public.

‘Tackle Your Feelings’ recently published the first results of the campaign available here. Over the first three years of the campaign, ‘Tackle Your Feelings’ achieved enormous reach, with campaign content being viewed in excess of 23 million times. The videos with Rugby Players Ireland ambassadors were viewed over 2 million times, equal to approximately one-third of the combined population of Ireland and Northern Ireland. This was exceeded by far our initial target of 800,000 views.

‘Tackle Your Feelings’ also succeed in motivating people to take a more active role in looking after their own mental well-being. Considering that the primary target audience was men aged 18 to 35, a group typically heavily influenced by being stigmatized in the eyes of their peers, it was encouraging that the campaign worked equally well for people who had never previously considered mental well-being as personally relevant, as well as for those who were already actively aware of the importance of mental well-being.
Testimony about Tackle Your Feelings Impact

“When I was in my twenties I was the victim of a serious assault and a prolonged period of emotional and psychological abuse. It changed my life beyond recognition. It destroyed my self-confidence, self-esteem and my mental and physical health. Depression, anxiety, self-harming, panic attacks and self-harming replaced the happy, peaceful and successful life that I once enjoyed. Life was so unbearable that I firmly believed that the only possible way for me to end my pain, was to end my life.

I didn’t know how to seek help. I was paralyzed with fear and hopelessness.

Finally, I was helped to get the expert support that I needed and I was diagnosed with severe post-traumatic stress disorder. I underwent four years of treatment and eventually reclaimed some peace and the will to carry on living.

I discovered the Tackle Your Feelings Campaign on Facebook. The first video that I watched was Jack McGrath’s. As I listened to Jack describe the anxiety that he experienced following the tragic loss of his brother, his words resonated so powerfully with me. Then I watched Hannah Tyrrell’s video and listened to her speaking about self-harming. I had never heard anybody that I recognized speaking about self-harming before. Listening to Hannah helped to take away the shame that I was still carrying about my own self-harming.

I went to a Tackle Your Feelings meeting in 2016 and spoke in public about my experiences for the very first time. I wished I had such a campaign to help me when I was in crisis because it would have helped me so much.

The Tackle Your Feelings campaign gave me the courage to overcome that personal Everest. This campaign is powerful and invaluable. It is applicable everywhere. I have experienced its power and effectiveness personally and it has made such a huge and positive difference to my life. Tackle Your Feelings has the power to change lives and it also has the power to save lives.”

‘Tackle Your Feelings’ has had extensive coverage in the media, including radio and press interviews with key members of the campaign. We have achieved more than EUR 2.25 million of public relations value over the course of the campaign. The campaign was also nominated for the best campaign creative at the Digital Media Awards in 2019.

‘Tackle Your Feelings’ reached an international audience. Its website was been accessed in over 130 countries and the app was downloaded in 35 countries. It also inspired similar campaigns elsewhere in the world.

The response within Zurich is also leading to similar initiatives. The Irish program inspired Zurich Australia to launch its own version in collaboration with the Australian Football League’s (AFL) Players’ and Coaches’ Associations.

This is a first for the Z Zurich Foundation – taking a successful program it has invested in from one country and transferring it with funding to another.

The Z Zurich Foundation’s grant of AUD 5.5 million over five years is the most substantial local grant made to date. The ‘Tackle Your Feelings’ Australian campaign is a mental health training program offered to community Australian Football League (AFL) clubs in urban, rural and remote areas, supporting the well-being of players and their families, coaches and club employees. The ‘Tackle Your Feelings’ training is based on the mental health training provided at the professional AFL clubs, and recognizes the unique role that community coaches and football clubs play in supporting individuals and networks within local communities.

In the first five years of the program, we aim to train 5,000 coaches and committee members at 500 clubs around the country to ultimately support more than 50,000 young people and their families. The program’s ultimate goal is not simply to change attitudes, but also to change behaviors allowing people to better support their own mental well-being, and the mental health of others.

AFL is the most preeminent professional sporting competitive organization and the nation’s wealthiest sporting body. This program has the potential to make a real difference to mental health in Australia.

The program’s pilot stage as well as its new website have just been launched.

Program Manager Nick Walsh says: ‘Mental health issues are just as real in the professional AFL setting as in the community clubs. Through ‘Tackle your Feelings’ we hope to capitalize on the potential of coaches to become community mental well-being champions’.

Initially called ‘MindFit’ this Australian program took on the ‘Tackle your feelings’ name, making an even bigger connection between the two programs and reinforcing the impact of their scale. By joining forces, we are making a real difference to the lives of people across the world, and empowering them to take control of their mental well-being.

Employees participating in a “Tackle Your Feelings” event in Ireland.

‘Tackle Your Feelings’ Australian ambassador and Melbourne football club star, Neville Jetta.
Focus on volunteering

Our local programs initiative allows Zurich offices to develop long-term community investment strategies and increase volunteering opportunities tailored to specific needs.

Every Zurich office can apply for funding. The Z Zurich Foundation also encourages employee engagement in various ways, including through our annual Zurich Community Week. It is an opportunity for each local office to reflect on the work they do in their communities and showcase their pride when it comes to their commitment to improving the lives of others.

We launched this initiative in 2012, and since then, participation has steadily increased. All Zurich business units now participate. Zurich’s employee volunteers organize a variety of activities: bake sales to raise funds, gardening or repainting facilities, skill-sharing volunteering… All these activities highlight the dedication and passion of Zurich’s employees.

To increase commitment, at the end of 2018, every business unit signed the Z Zurich Foundation’s Volunteer Pledge; this underscores commitment to support communities and employee engagement to make a significant impact and help build a more sustainable future. With the Volunteer Pledge, all full-time Zurich employees are entitled to a minimum of one day per year paid volunteering.

The Z Zurich Foundation encourages Zurich’s employee participation in these activities through two matching programs.

Community Bake Sale in Austria.

Through sport activities, volunteers in Barcelona helped young people to develop a team spirit, gain confidence and enjoy friendly competition.
Engaging and recognizing Zurich’s people

Zurich Community Champion Awards

Panel discussion with the 2017 winners at the 2018 Capacity Building Workshop in Schaumburg (USA).

Zurich’s people make the Z Zurich Foundation real and relevant. This is why we launched the Zurich Community Champion Awards (ZCCA) in 2017. These awards recognize how Zurich’s people commit to communities and give energy to those around them.

In 2018 we received over 200 nominations from across the business, showcasing talent and selflessness. We had five winners – one from each region and a fifth prize for a team. Winners received USD 20,000 (or local currency equivalent) per year for three years to donate to community organizations of their choice.

Serena Wood (Isle of Man),
Europe, Middle East and Africa winner

Serena Wood was nominated by her colleagues in the Isle of Man due to her prolific fundraising activities in the local community, in particular for women’s cancer. Her journey started due to her passion for photography and cycling, and she has found a way to help charities through these hobbies. Serena devotes a lot of her personal time to organize and take part in charity events, and has raised thousands of pounds for them over a number of years. In 2015, with her sister, she has set up an annual cycle challenge aimed primarily at women, called “Paint the Plantation Pink”, where participants are sponsored to cycle round one of the Island’s plantations.

Serena on her award: “I was so honored and excited to be chosen out of many for such a prestigious award, coming from such a small island with a population of around 80,000. This donation to Manx charities will make a huge difference. Thank you Zurich for making this happen!”

Melissa Logie (Bermuda),
North America and Bermuda winner

Melissa Logie was nominated by her peers in recognition of her significant contributions through volunteering and supporting others to volunteer for local charities in Bermuda.

Throughout her career at Zurich Bermuda, Melissa has often gone above and beyond her role in finance. She has led the learning and development initiative, chaired Zurich Bermuda’s charity committee and acted as co-chair of the local WIN Committee, which works closely with the charity committee on well-being initiatives and making sure events are part of the annual calendar of activities.

One of the highlights of Melissa’s community work has been her commitment in helping secure a local grant from the Z Zurich Foundation to support the Bermuda charity, Action on Alzheimer’s & Dementia (AAD), as well as acting as the grant lead.

Melissa on her award: “Winning the ZCCA award was a huge surprise and I felt truly honored. The award has left a lasting impact on me and also on the three local charities that I was able to support through the monetary donation of the award. Thank you Z Zurich Foundation for all you do and for providing employees the opportunity to win this award!”
Paul Chilton (Australia), 
Asia Pacific winner

This award is well-deserved recognition for the myriad of activities that Paul has championed within Zurich Australia over the past few years. He began by organizing volunteering activities for the Life & Investments Finance team. They worked with the Salvation Army, a food bank, House With No Steps (working with people with disabilities), and Vision Australia among others. After finding out that some of the volunteer activities required funding, the solution was simple – he began fundraising. This is how Community Bingo was born. This is just one of the many community achievements Paul has been recognized for, which include volunteering to go and work with a remote Pacific Island community, assisting as coach for a local soccer team, helping out with his local ‘Vinnies’ Christmas hamper appeals, co-chairing Zurich Community Week committees, as well as leading Zurich Australia’s involvement in Steptember, a charity event that raises money for the Cerebral Palsy Alliance.

Paul on his award: “Winning this award was a complete surprise and I would like to thank the many, many people in Zurich Australia who have helped to make a difference in our communities. This award is down to them and it is this caring culture that makes Zurich special."

Saulo Gabriel (Brazil), 
Latin America winner

Saulo Gabriel was nominated by many of his Zurich-Santander Brazil colleagues for this award for his commitment to Centro Espirita Caminhos do Amor (CECAM), an institution that has been helping children with educational and social development for more than 20 years. He will donate his award to CECAM to put in place adequate infrastructure, implement new activities, and develop a self-sustainable plan, for future generations. Besides donating his time and energy to help disadvantaged children in his native Brazil, Saulo has also been praised for the positive impact he has had within the Zurich Santander business.

Saulo on his award: “I am truly happy to be named for this award. I’m sure it will allow us to implement a relevant transformation in community assistance, improving our range of tools, enabling new lines of work, as well as allowing us to keep up with our current needs and what we provide. I am deeply thankful to Z Zurich Foundation for this amazing experience. These are the acts that change people, and therefore, change the world in which we live.”

Group category winner

VoluntarioZ, from Zurich Argentina* started in 2002 and is today organized into five teams of employee volunteers called AmbienteZ, AulaZ, CuadrillaZ, DAR and TAZ. The overall focus of VoluntarioZ is on education, environment and community support, which are Zurich Argentina’s community investment strategic pillars. Through fundraising, volunteering, in-kind collections and theatre, they raise thousands of dollars and volunteer thousands of hours each year to help more than 15 different local schools, NGOs and child care institutions. The groups have been going for many years, and continue to inspire the next generation of young people through initiatives like ‘My First Job’. The award has been split between four organizations. The selection of the charities reinforces the community work done by the team to support well-being and empowerment of children:

Marina Castañón, CuadrillaZ coordinator, on the award win “I am very happy for the award that VoluntarioZ has won. I am very proud of working in Zurich, which gives me the resources, the time, the space to be able to develop all the initiatives we have recommended as volunteers.”

* Zurich Argentina Compañía de Seguros S.A., Zurich International Life Limited Sucursal Argentina, Zurich Aseguradora Argentina S.A. anteriormente denominada QBE Seguros La Buenos Aires S.A. en proceso de cambio de denominación
Gathering of champions

There is no substitute for connecting person-to-person. Enabling our champions to come together, and say thank you to them for all they do for us led us, in 2017, to launch our capacity building workshops. Apart from their daily jobs, our community champions allow us to have a more significant and meaningful impact in local communities. They are the backbone of the Z Zurich Foundation and give us great pride.

After the success of the first workshop held in Barcelona, we decided to expand our reach, and in June 2018 we gathered 68 participants, including partners, champions and members of our Board of Trustees at Zurich’s headquarters in Schaumburg, Illinois. Schaumburg is headquarters for Zurich American Life Insurance, but Zurich American Insurance is actually registered in New York. Over three days, our champions shared success stories and talked about their challenges, and spoke to colleagues they never would have met otherwise. Our Board members shared their motivation and ambition for the Z Zurich Foundation. Building on the first meeting’s feedback, in 2018, charity and business partners also joined us for a second three days. Attendees heard from our charity collaborators in Bermuda and Canada, who told why they valued the Z Zurich Foundation’s support. One of Zurich’s biggest brokers gave insights into their commitment and community investment program. An investor shared the importance and relevance of sustainability for investors, and why investors believe sustainable returns do not happen without a social purpose. Child & Youth Finance International, which recently got support from Z Zurich Foundation, discussed its approach to youth entrepreneurship, including a presentation by a young entrepreneur supported by the program.

Those attending the event spoke of its value and the positive impact it had in bringing people together to get the most from our work. A third such meeting will take place in June 2019 in Cappadocia, Turkey.

Helping change the face of men’s health

According to the Movember Foundation, which aims to change the face of men’s health, every minute, somewhere in the world, a man dies by suicide. This is a shocking statistic. Raising awareness is the first step in making positive changes. In 2018 we issued a global call to action inviting all Zurich employees to participate in the Movember initiative. Thanks to our 587 Movember champions, this initiative, after matching by the Z Zurich Foundation, helped raise USD 131,970 for the Movember Foundation. We also encouraged people to get more active to support their own health through a 60 km challenge. More than 4,880 km were completed. Ensuring good mental health and well-being can be a challenge in today’s fast-changing world. Being active is one way to boost your mood. We will therefore continue to look for ways to encourage community investment while at the same time promoting volunteers’ well-being. This will help change the approach of volunteering, and create a better volunteer experience for Zurich’s employees.
Stepping up for Zurich’s people and communities in time of sudden need

Our unique program in Venezuela
The Z Zurich Foundation is there to support communities in need and this includes, of course, the community of Zurich employees.

In Venezuela, the political and economic situation has continued to deteriorate, and this has negatively affected Zurich employees left in the country, as well as their immediate families. Zurich has provided salaries adjusted to rampant inflation in the country, monthly bonuses, and relocation packages to those wishing to move to another Zurich business unit. But many cannot take advantage of those opportunities. Facing significant shortages of food and medicine, the Z Zurich Foundation saw an opportunity to support Zurich employees in Venezuela. In addition to providing seasonal food packages, the Foundation has shipped vital medications and distributed them to employees and their family members in Venezuela. Shipments of drugs were closely monitored and regularly reviewed by a medical doctor. With a packet of pain killers costing, on average, around three month’s salary on the black market, the need was great. The Foundation has also continued to support Dividendo Voluntario de la Comunidad, a branch of United Way providing vital support on the ground to Venezuelans in need.

Zurich announced the sale of its Venezuelan business unit in 2018, but plans are currently being drawn up to ensure the Foundation continues to support the people of Venezuela for many years to come.

Emergency appeal and disaster matching
Crisis and emergencies can strike anywhere in the world. When a disaster hits, relief must be provided quickly, efficiently and effectively. A number of significant disasters occurred in 2018 across our markets. While the business is keen to make sure its customers are safe, the Z Zurich Foundation can intervene to support communities to recover after a catastrophic event. In 2018, the Foundation made contributions to disaster appeals related to a tsunami in Indonesia, flash floods in Spain, deadly wildfires in the U.S., and one of the worst droughts on record in Australia.

Case study – Australia
In 2018, Australia had to cope with what was the worst drought in over 800 years. While Australians were getting prepared for autumn and winter, they had to face exceptional weather and record-breaking heat. This drought caused a disproportionate number of unseasonal bushfires, too. In New South Wales, in particular, the country’s most populous state that accounts for a quarter of Australia’s agricultural output by value and where the majority of Zurich & Cover-More workforce is based. This unexpected weather had a devastating effect, particularly on farmers and rural communities. In alignment with our youth empowerment focus, Zurich Australia decided to use a USD 25,000 donation from the Z Zurich Foundation to support SchoolAid’s ‘Hay and Hampers for Hope’ campaign, which aimed to raise AUD 1 million for farmers. In a media release, Sean Gordan, SchoolAid founder and CEO, said “Farming families are often the last to ask for help and the first to lend a hand. ‘Hay and Hampers for Hope’ is about harnessing the collective power of Australia’s youth to help those who have given us so much, both economically and culturally.” This campaign aimed at raising awareness among Australia’s youth and reinforced the role they can play to support their communities through youth philanthropy. Since its establishment in 1999, SchoolAid has encouraged thousands of schools and young people to support their communities through various campaigns.
Governance

Z Zurich Foundation is a private foundation established by Zurich Insurance Company Ltd and Zurich Life Insurance Company Ltd, in accordance with Swiss law, with registered office in Zurich.

The Z Zurich Foundation is committed to transparency and continuous improvement in the effective use of Foundation funds. It is an active member of Swiss Foundations, the association for grant-making foundations in Switzerland, promoting transparency, professionalism, and the effective use of charitable means.

The Z Zurich Foundation is governed by a Board of Trustees, whose members are elected by the Board of Directors of Zurich Insurance Company Ltd for a term of office of three years. To more effectively involve the members of the Board of Trustees in the implementation and oversight of the activities of the Foundation, the Board of Trustees has instituted a Committee structure with appropriate delegation of authority. As of 2017, 3 members formed the Local Program Committee determining funding for programs supported through Zurich business units. This committee met four times in 2018.

The Board of Trustees is supported by a small team leading the day-to-day management of the Foundation and implementation of its programs. The Foundation also continues to benefit from the time and expertise of Zurich offices relevant to the delivery of its programs, and the services provided by Zurich employees in areas such as accounting, investment management and legal.

Clear, comprehensive guidelines define the responsibilities of the Chair, the Board of Trustees, any Committees and the Foundation management, as well as the necessary signing authority levels. These guidelines were reviewed in 2018.

As of December 2018, the Board of Trustees and the management of the Foundation were comprised of the following persons:

**Board members**

- **Amanda Blanc**, Member
  - Term of office: Dec 2018-Dec 2021
  - (In London, UK)

- **Claudia Dill**, Member
  - Term of office: Dec 2016-Dec 2019
  - (In Sao Paulo, Brazil)

- **Jack Howell**, Member
  - Term of office: Dec 2016-Dec 2019
  - (In Hong Kong SAR, China)

- **Mario Groco**, Member
  - Term of office: Aug 2016-Aug 2019
  - (In Küsnacht, Switzerland)

- **Sylvia Martinez**, Member
  - Term of office: Jun 2018-Jun 2021
  - (In Quito, Ecuador)

- **Gary Shaughnessy**, Chair
  - Term of office: Dec 2016-Dec 2019
  - (In Zürich, Switzerland)

- **Sylvia Martinez**, Member
  - Term of office: Jun 2018-Jun 2021
  - (In Quito, Ecuador)

- **Yilmaz Yildiz**, Member
  - Term of office: Jun 2018-Jun 2021
  - (In Istanbul, Turkey)

- **Kathleen Savio**, Member
  - Term of office: Dec 2017-Dec 2020
  - (In Deer Park, U.S.)

- **Chris Gillies**, Member
  - (Local Program committee chair)
  - Term of office: Aug 2016-Aug 2019
  - (In Oxford, UK)

- **Yilmaz Yildiz**, Member
  - Term of office: Jun 2018-Jun 2021
  - (In Istanbul, Turkey)
Another 2018 milestone was strengthening the team to better support Zurich’s business units and deliver on our goals. We continued to utilize the skills of Zurich’s employee base, and position ourselves as a platform for talent. We had four secondees join us for part-time secondments in 2018. These employees were from Australia, Chile, France and Slovakia. In November, the management team welcomed Ioana Birta as Foundation Coordinator and Manon Parmentier as Communication and Employee Engagement Manager.

At the end of the year, the Z Zurich Foundation Board appointed Carlos Esteban to the role of Foundation Manager effective January 1, 2019. David Nash was appointed Senior Flood Resilience Alliance Manager, effective September 1, 2018. Linda Freiner, Zurich Group Head of Sustainability, served as Foundation Manager ad interim from September 1, 2018 to December 31, 2018.
Balance sheet
as of December 31, 2018 and 2017

<table>
<thead>
<tr>
<th>Assets</th>
<th>Appendix</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalent</td>
<td></td>
<td>3,723,821</td>
<td>1,245,917</td>
</tr>
<tr>
<td>Accounts receivables</td>
<td></td>
<td>591,880</td>
<td>325,392</td>
</tr>
<tr>
<td>Investment funds bonds domestic</td>
<td></td>
<td>9,999,318</td>
<td>12,556,193</td>
</tr>
<tr>
<td>Investment funds share domestic</td>
<td></td>
<td>23,733,653</td>
<td>31,900,411</td>
</tr>
<tr>
<td>Investment funds money market</td>
<td></td>
<td>14,678,484</td>
<td>18,644,987</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td><strong>52,727,156</strong></td>
<td><strong>64,672,899</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Appendix</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total deferred charges and prepaid expense</td>
<td></td>
<td>550,000</td>
<td>520,000</td>
</tr>
<tr>
<td><strong>Total Provision</strong></td>
<td></td>
<td>9,359,365</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td></td>
<td><strong>52,727,156</strong></td>
<td><strong>64,672,899</strong></td>
</tr>
</tbody>
</table>
Income statement
2018 and 2017

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Appendix</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue investment funds shares domestic</td>
<td></td>
<td>-443,677</td>
<td>-1,945,348</td>
</tr>
<tr>
<td>Dividend / Interest inc. withholding tax trust CH</td>
<td></td>
<td>-443,677</td>
<td>-481,287</td>
</tr>
<tr>
<td>Valuation gains share domestic</td>
<td></td>
<td>0</td>
<td>-1,319,780</td>
</tr>
<tr>
<td>Realized gains share domestic</td>
<td></td>
<td>0</td>
<td>-144,281</td>
</tr>
<tr>
<td>Total revenue investment funds bonds domestic</td>
<td></td>
<td>-68,301</td>
<td>-109,985</td>
</tr>
<tr>
<td>Dividend / Interest inc. withholding tax Bonds CH</td>
<td></td>
<td>-68,307</td>
<td>-106,396.01</td>
</tr>
<tr>
<td>Realized gains bonds domestic</td>
<td></td>
<td>0</td>
<td>-3,589.46</td>
</tr>
<tr>
<td>Total revenue investment funds money market CH</td>
<td></td>
<td>-249,410</td>
<td>-342,009</td>
</tr>
<tr>
<td>Dividend / Interest inc. withholding tax short term CH</td>
<td></td>
<td>-249,410</td>
<td>-342,008.81</td>
</tr>
<tr>
<td>Total investments income</td>
<td></td>
<td>-761,394</td>
<td>-2,397,342</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Appendix</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses investment funds share domestic</td>
<td></td>
<td>1,665,148</td>
<td>0</td>
</tr>
<tr>
<td>Realized loss share domestic</td>
<td></td>
<td>115,309</td>
<td>0</td>
</tr>
<tr>
<td>Unrealized loss funds bonds domestic</td>
<td></td>
<td>1,549,838</td>
<td>0</td>
</tr>
<tr>
<td>Total expenses investment funds bonds domestic</td>
<td></td>
<td>131,275</td>
<td>107,040</td>
</tr>
<tr>
<td>Realized loss funds bonds domestic</td>
<td></td>
<td>48,079</td>
<td>6,022</td>
</tr>
<tr>
<td>Realized FX loss funds bonds domestic</td>
<td></td>
<td>83,196</td>
<td>101,018</td>
</tr>
<tr>
<td>Total expenses investment funds money market CH</td>
<td></td>
<td>388,619</td>
<td>512,627</td>
</tr>
<tr>
<td>Unrealized loss funds money market domestic</td>
<td></td>
<td>373,238</td>
<td>502,823</td>
</tr>
<tr>
<td>Realized loss funds money market domestic</td>
<td></td>
<td>15,381</td>
<td>9,804</td>
</tr>
<tr>
<td>Total investments expenses</td>
<td></td>
<td>2,185,041</td>
<td>619,667</td>
</tr>
</tbody>
</table>
## Income statement 2018 and 2017 continued

<table>
<thead>
<tr>
<th>Foundation activity</th>
<th>Appendix</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research, science and education</td>
<td></td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>Miscellaneous grants</td>
<td></td>
<td>1,510,739</td>
<td>1,426,508</td>
</tr>
<tr>
<td>Unrealised foreign exchange currencies gains provision</td>
<td>1</td>
<td>-517,542</td>
<td>0</td>
</tr>
<tr>
<td>Various change provisions commitments</td>
<td>1</td>
<td>29,437,115</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total donations</strong></td>
<td></td>
<td><strong>30,430,312</strong></td>
<td><strong>1,441,508</strong></td>
</tr>
<tr>
<td>Concern Worldwide</td>
<td></td>
<td>397,000</td>
<td>165,000</td>
</tr>
<tr>
<td>Infinite Earth</td>
<td></td>
<td>170,671</td>
<td>211,322</td>
</tr>
<tr>
<td>International Federation of Red Cross and Red Crescent Societies</td>
<td></td>
<td>0</td>
<td>3,807,742</td>
</tr>
<tr>
<td>International Institute for Applied Systems Analysis (IIASA)</td>
<td></td>
<td>115,000</td>
<td>204,613</td>
</tr>
<tr>
<td>KPMG East Africa Limited for the Global Resilience Partnership</td>
<td></td>
<td>0</td>
<td>1,999,337</td>
</tr>
<tr>
<td>Mercy Corps Europe</td>
<td></td>
<td>774,450</td>
<td>150,000</td>
</tr>
<tr>
<td>National Academy of Sciences</td>
<td></td>
<td>0</td>
<td>150,000</td>
</tr>
<tr>
<td>Plan International Schweiz</td>
<td></td>
<td>265,700</td>
<td>78,000</td>
</tr>
<tr>
<td>ISET</td>
<td></td>
<td>152,000</td>
<td>0</td>
</tr>
<tr>
<td>London School of Economics</td>
<td></td>
<td>90,000</td>
<td>0</td>
</tr>
<tr>
<td>Practical Action</td>
<td></td>
<td>1,639,700</td>
<td>2,202,259</td>
</tr>
<tr>
<td><strong>Total global non-profit alliances</strong></td>
<td></td>
<td><strong>3,604,521</strong></td>
<td><strong>8,968,272</strong></td>
</tr>
</tbody>
</table>
The table below shows the income statement for Z Zurich Foundation for the years 2018 and 2017. The amounts are expressed in CHF and rounded to the nearest CHF 1. The figures may not add up in all cases due to rounding.

<table>
<thead>
<tr>
<th>Foundation activity</th>
<th>Appendix</th>
<th>2018 CHF</th>
<th>2017 CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action on Alzheimer’s and Dementia</td>
<td></td>
<td>25,240</td>
<td>25,971</td>
</tr>
<tr>
<td>Construyendo Comunidades Integrales A. C</td>
<td></td>
<td>0</td>
<td>33,555</td>
</tr>
<tr>
<td>Education for Employment Maroc</td>
<td></td>
<td>0</td>
<td>49,828</td>
</tr>
<tr>
<td>Rugby Players Ireland (Prev. IRUPA)</td>
<td></td>
<td>52,527</td>
<td>729,067</td>
</tr>
<tr>
<td>Junior Achievement (Spain)</td>
<td></td>
<td>106,630</td>
<td>116,879</td>
</tr>
<tr>
<td>Junior Achievement (Isle of Man)</td>
<td></td>
<td>39,738</td>
<td>31,296</td>
</tr>
<tr>
<td>Mentor Foundation (Germany)</td>
<td></td>
<td>54,004</td>
<td>61,289</td>
</tr>
<tr>
<td>Mentor Foundation (Sweden)</td>
<td></td>
<td>245,318</td>
<td>152,620</td>
</tr>
<tr>
<td>Mustard Seed – RESOLVE campaign</td>
<td></td>
<td>187,852</td>
<td>192,089</td>
</tr>
<tr>
<td>SBP (Prev. St. Bernard Project)</td>
<td></td>
<td>321,422</td>
<td>50,564</td>
</tr>
<tr>
<td>World Vision Malaysia</td>
<td></td>
<td>250,060</td>
<td>235,000</td>
</tr>
<tr>
<td>Verein TIW</td>
<td></td>
<td>78,951</td>
<td>77,596</td>
</tr>
<tr>
<td>AMEO</td>
<td></td>
<td>47,327</td>
<td>30,000</td>
</tr>
<tr>
<td>GRAACC Brazil</td>
<td></td>
<td>413,474</td>
<td>0</td>
</tr>
<tr>
<td>Beyond Empathy</td>
<td></td>
<td>145,250</td>
<td>0</td>
</tr>
<tr>
<td>Raise Foundation</td>
<td></td>
<td>234,896</td>
<td>0</td>
</tr>
<tr>
<td>Centrum Rodiny</td>
<td></td>
<td>77,018</td>
<td>0</td>
</tr>
<tr>
<td>Breakthrough</td>
<td></td>
<td>176,530</td>
<td>0</td>
</tr>
<tr>
<td>AFL Coaches Association</td>
<td></td>
<td>375,852</td>
<td>0</td>
</tr>
<tr>
<td>Prime Sports International</td>
<td></td>
<td>416,000</td>
<td>0</td>
</tr>
<tr>
<td>Fundacion Tiempo de Juego</td>
<td></td>
<td>499,375</td>
<td>0</td>
</tr>
<tr>
<td>ActionAid International</td>
<td></td>
<td>70,005</td>
<td>0</td>
</tr>
<tr>
<td>Memoria y Tolerancia</td>
<td></td>
<td>76,581</td>
<td>0</td>
</tr>
<tr>
<td>Total local non-profit alliances</td>
<td></td>
<td>3,894,049</td>
<td>1,785,753</td>
</tr>
<tr>
<td>Administration costs</td>
<td></td>
<td>1,542,787</td>
<td>945,929</td>
</tr>
<tr>
<td>Bank charges and safekeeping charges</td>
<td></td>
<td>6,173</td>
<td>3,864</td>
</tr>
<tr>
<td>Other administration costs</td>
<td></td>
<td>1,510,731</td>
<td>928,331</td>
</tr>
<tr>
<td>Costs for the auditors</td>
<td></td>
<td>24,540</td>
<td>11,134</td>
</tr>
<tr>
<td>Costs for the regulators</td>
<td></td>
<td>1,343</td>
<td>2,600</td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
<td>39,471,669</td>
<td>13,141,462</td>
</tr>
<tr>
<td>Annual result</td>
<td></td>
<td>-40,895,316</td>
<td>-11,363,786</td>
</tr>
</tbody>
</table>

All amounts in the Financial Statements are shown in CHF, rounded to the nearest CHF 1, meaning that the rounded amounts may not add to the rounded total in all cases.
Foundation assets

The founding companies endowed initial total assets of CHF 29,000,000 to the Foundation, payable from 2008 to 2012. In 2011, Zurich Insurance Group Ltd on behalf of Zurich Insurance Group endowed additional assets of USD 100,000,000 to the Foundation, whereof USD 20,000,000 were paid as per December 31, 2011. The remaining amount of USD 80,000,000 plus market interest was transferred in equal instalments by December 31 each year, over a period of four years, for the last time in 2015.

Accounting and valuation rules

The accounting rules are according to the Swiss Code of Obligations (OR). The following valuation rules apply:

- **Securities**: market value at balance sheet date
- **Other assets and liabilities**: balancing at nominal amount
- **Commitments**: The accounting treatment for commitments was changed for the financial year 2018. Whereas in the past the commitments were disclosed only in the notes to the financial statements, management decided to record these commitments as liabilities in the balance sheet as of January 1, 2018.

1 Appendix Commitments

Z Zurich Foundation assumed the following commitments to cooperating organizations (pursuant to Memoranda and Letters of Understanding, in alphabetical order):

Accounting treatment for commitments has been booked as provisional in the financial year 2018, whereas in 2017 it was disclosed in the appendix only.
<table>
<thead>
<tr>
<th>Foundation activity</th>
<th>Country grant recipient is based in</th>
<th>Within 1 year Local currency</th>
<th>More than 1 year Local currency</th>
<th>Within 1 year CHF (closing rate)</th>
<th>More than 1 year CHF (closing rate)</th>
<th>Agreement start date</th>
<th>Agreement end date</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>ActionAid Italia</td>
<td>Italy</td>
<td>EUR 60,000</td>
<td>EUR 60,000</td>
<td>67,600</td>
<td>67,600</td>
<td>01.08.2018</td>
<td>31.07.2021</td>
<td>3</td>
</tr>
<tr>
<td>AFL Coaches Association</td>
<td>Australia</td>
<td>AUD 1,949,000</td>
<td>AUD 3,075,000</td>
<td>1,351,704</td>
<td>2,132,627</td>
<td>01.06.2018</td>
<td>31.05.2023</td>
<td>5</td>
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<tr>
<td>AMEO</td>
<td>Brazil</td>
<td>BRL 134,000</td>
<td>BRL 74,000</td>
<td>34,030</td>
<td>18,793</td>
<td>01.09.2017</td>
<td>31.08.2020</td>
<td>3</td>
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<tr>
<td>Breakthrough Hong Kong</td>
<td>Hong Kong</td>
<td>HKD 2,700,000</td>
<td>HKD 2,700,000</td>
<td>339,228</td>
<td>339,228</td>
<td>01.07.2018</td>
<td>30.06.2021</td>
<td>3</td>
</tr>
<tr>
<td>Centrum Rodiny</td>
<td>Slovakia</td>
<td>EUR 17,400</td>
<td>EUR 69,600</td>
<td>19,604</td>
<td>78,416</td>
<td>01.04.2018</td>
<td>31.03.2024</td>
<td>6</td>
</tr>
<tr>
<td>Concern Worldwide</td>
<td>Ireland</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>GRAACC Brazil</td>
<td>Brazil</td>
<td>USD 412,000</td>
<td>USD 412,000</td>
<td>405,387</td>
<td>405,387</td>
<td>01.04.2018</td>
<td>31.03.2021</td>
<td>3</td>
</tr>
<tr>
<td>IFRC</td>
<td>Switzerland</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>787,300</td>
<td>01.01.2018</td>
<td>30.06.2023</td>
<td>5</td>
</tr>
<tr>
<td>IIASA</td>
<td>Austria</td>
<td>–</td>
<td>–</td>
<td>297,500</td>
<td>962,500</td>
<td>01.07.2018</td>
<td>30.06.2023</td>
<td>5</td>
</tr>
<tr>
<td>ISET International</td>
<td>USA</td>
<td>–</td>
<td>–</td>
<td>220,000</td>
<td>770,000</td>
<td>01.01.2018</td>
<td>30.06.2023</td>
<td>5</td>
</tr>
<tr>
<td>Junior Achievement IOM</td>
<td>Isle of Man</td>
<td>GBP 30,500</td>
<td>GBP 5,500</td>
<td>38.250</td>
<td>6,898</td>
<td>01.07.2017</td>
<td>30.06.2020</td>
<td>3</td>
</tr>
<tr>
<td>Junior Achievement Spain</td>
<td>Spain</td>
<td>EUR 93,000</td>
<td>EUR 186,000</td>
<td>104,780</td>
<td>209,561</td>
<td>01.05.2018</td>
<td>30.04.2022</td>
<td>4</td>
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<tr>
<td>LSE</td>
<td>UK</td>
<td>–</td>
<td>–</td>
<td>230,000</td>
<td>805,000</td>
<td>01.07.2018</td>
<td>30.06.2023</td>
<td>5</td>
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<tr>
<td>Memoria Y Tolerancia AC</td>
<td>Mexico</td>
<td>MXN 1,500,000</td>
<td>–</td>
<td>75,113</td>
<td>–</td>
<td>01.09.2018</td>
<td>31.08.2019</td>
<td>1</td>
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<tr>
<td>Mentor Sweden</td>
<td>Sweden</td>
<td>SEK 1,350,000</td>
<td>SEK 2,700,000</td>
<td>149,474</td>
<td>298,948</td>
<td>01.01.2017</td>
<td>31.12.2021</td>
<td>4</td>
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<tr>
<td>Mercy Corps</td>
<td>UK</td>
<td>–</td>
<td>–</td>
<td>880,050</td>
<td>1,853,000</td>
<td>01.01.2018</td>
<td>30.06.2023</td>
<td>5</td>
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<tr>
<td>One Goal / World Vision Malaysia</td>
<td>Malaysia</td>
<td>MYR 1,000,000</td>
<td>MYR 1,000,000</td>
<td>238,043</td>
<td>238,043</td>
<td>01.07.2015</td>
<td>30.06.2020</td>
<td>5</td>
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<tr>
<td>Plan Switzerland</td>
<td>Switzerland</td>
<td>–</td>
<td>–</td>
<td>471,300</td>
<td>1,283,200</td>
<td>01.01.2018</td>
<td>30.06.2023</td>
<td>5</td>
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<tr>
<td>Practical Action</td>
<td>UK</td>
<td>–</td>
<td>–</td>
<td>1,083,600</td>
<td>3,411,500</td>
<td>01.01.2018</td>
<td>30.06.2023</td>
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<td>Program Costs Spain Grant</td>
<td>Spain</td>
<td>EUR 367,000</td>
<td>EUR 472,000</td>
<td>413,489</td>
<td>531,789</td>
<td>01.07.2018</td>
<td>30.06.2022</td>
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<td>PSI Malaysia</td>
<td>Malaysia</td>
<td>MYR 1,765,000</td>
<td>MYR 3,530,000</td>
<td>420,146</td>
<td>840,291</td>
<td>01.07.2018</td>
<td>30.06.2022</td>
<td>4</td>
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<td>Red Cross Mexico</td>
<td>Mexico</td>
<td>MXN 500,000</td>
<td>–</td>
<td>25,038</td>
<td>–</td>
<td>01.11.2018</td>
<td>31.10.2019</td>
<td>1</td>
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<td>SBP</td>
<td>USA</td>
<td>USD 650,000</td>
<td>USD 975,000</td>
<td>639,568</td>
<td>959,351</td>
<td>01.07.2018</td>
<td>30.06.2021</td>
<td>3</td>
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<tr>
<td>TecMilenio</td>
<td>Mexico</td>
<td>MXN 1,075,320</td>
<td>MXN 537,660</td>
<td>53,847</td>
<td>26,923</td>
<td>01.11.2018</td>
<td>31.10.2021</td>
<td>3</td>
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<tr>
<td>The Mustang Seed Foundation/RESOLVE</td>
<td>Canada</td>
<td>CAD 250,000</td>
<td>–</td>
<td>180,283</td>
<td>–</td>
<td>01.09.2016</td>
<td>31.08.2019</td>
<td>3</td>
</tr>
<tr>
<td>Tiempo De Juego</td>
<td>Colombia</td>
<td>USD 55,000</td>
<td>USD 165,000</td>
<td>54,117</td>
<td>162,352</td>
<td>01.07.2018</td>
<td>30.06.2023</td>
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<td>Turkish Education Association</td>
<td>Turkey</td>
<td>–</td>
<td>–</td>
<td>870,000</td>
<td>1,180,000</td>
<td>01.01.2018</td>
<td>31.12.2023</td>
<td>5</td>
</tr>
<tr>
<td>Verein TIW</td>
<td>Austria</td>
<td>EUR 68,000</td>
<td>–</td>
<td>76,614</td>
<td>–</td>
<td>01.06.2017</td>
<td>31.05.2020</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>
Comments

Balance sheet

Assets

Total investment assets
The funding commitment to the Z Zurich Foundation from Zurich Insurance Group Ltd was fulfilled in previous years and there were no further payments in 2018. All of the Z Zurich Foundation's project commitments were therefore met from existing assets, which were invested in accordance with the investment guideline of the Z Zurich Foundation.

Liabilities

Total deferred charges and prepaid expense
Audit fees in the amount of CHF 20,000, print costs for the annual report 2018 in the amount of CHF 10,000, payments under the Foundation's volunteer matching scheme in the amount CHF 500,000, staffing costs for Manon Parmentier (Nov-Dec) in the amount CHF 20,000 were recorded as accruals for December, 2018. As volunteering is tracked throughout the year, volunteer matching is paid in Q1 the following year, and hence accrued.

Provision for commitments
In 2018, commitments were reflected in the accounts for the first time. As a result of this change in accounting treatment, commitments relating to long-term charitable partnership agreements starting prior to 2017 (including differences between foreign exchange currency valuation monthly and closing rates) have been reported as opening balance in the 2018 accounts (CHF 2,605,953). Those agreements that have matured in 2018 were effectively released at the end of the year (CHF 991,274). New agreements that commenced in 2018 (CHF 26,313,620) have been booked in full (including foreign currency valuations at the closing rate).

Expenses

Miscellaneous grants
This entry encompasses all matching payments (for fundraising and volunteering), small discretionary donations as well as payments awarded as prizes under the Zurich Community Champions Awards.

Administration costs
The administrative costs of the Foundation increased to CHF 1,542,787 and represent 14.62 percent of total expenses in the amount of CHF 10,552,096 (excluding accrued commitments CHF 29,437,115 and valuation of FX gains CHF 517,542), compared with 7.1 percent the previous year. In 2018, the Foundation recruited a full-time coordinator and a full-time communications and engagement manager to account for the significantly increased activities of the Foundation. The Foundation also utilized several part-time secondments from Zurich employees, all which all had an impact on administrative spending. A conscious decision was also made to try and increase the Foundation's visibility and global footprint in 2018, resulting in a high number of new local grants. To build this visibility, the Foundation Management undertook a significant amount of travel across the Zurich Group, and increased the amount of communication translated into Zurich's nine key languages. Costs associated with developing the Foundation's new salesforce system, as well as costs associated with the Foundation's capacity-building workshop in Schaumburg are also included here.

All other personnel costs including costs for services provided by Zurich Insurance Company Ltd for the Foundation (e.g., implementation of the flood resilience program, accounting, investment management, legal, etc.) continue to be covered by Zurich.
Report of the statutory auditors to the Board on the financial statements 2018

On the limited statutory examination to the Board of Z Zurich Foundation, Zurich

As statutory auditors, we have examined the financial statements of Z Zurich Foundation, which comprise the balance sheet, income statement and notes (on pages 26-32), for the year ended 31 December 2018.

These financial statements are the responsibility of the Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material mis-statements in the financial statements. A limited statutory examination consists primarily of inquiries of foundation personnel and analytical procedures as well as detailed tests of foundation documents as considered appropriate in the circumstances.

However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the foundation’s deed and the internal regulations.

PricewaterhouseCoopers AG

Michael Stämpfli  Felix Steiger
Audit expert  Audit expert
Auditor in charge

Zürich, 25 June 2019
Disclaimer and cautionary statement
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This publication has been produced solely for informational purposes. The analysis contained and opinions expressed herein are based on numerous assumptions.

Different assumptions could result in materially different conclusions. All information contained in this publication have been compiled and obtained from sources believed to be reliable and credible but no representation or warranty, express or implied, is made by Z Zurich Foundation as to their accuracy or completeness.

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