

We strive to lead by example,  
and this drives our approach  
to operational sustainability  
at Zurich



We acknowledge our responsibility as a company to rethink, shift, and change our behavior to support a healthy and prosperous environment. To be successful, it is imperative our employees understand our ambition to be one of the most responsible and impactful businesses in the world. That is why we are always on the look-out for new opportunities to enrich the culture of sustainability at Zurich Insurance Group (Zurich).



We have set science-based targets to reduce the absolute emissions of our own operations<sup>1</sup> by **60 percent by 2025 and by 70 percent by 2029**, compared to a 2019 base-year. This is the foundation of our environmental goals and ambitions.

**In 2030, we aim to shift our operations to net-zero emissions**, by supporting projects that scientifically demonstrate removal of carbon from the atmosphere.

We have the chance to **lead and to learn and also leverage our experience** in sustainable operations in the context of our net-zero commitments in underwriting and investments.

Since 2022 we have powered **100 percent<sup>2</sup> of our operations<sup>1</sup> with renewable power**.

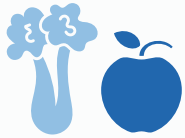
As you can't touch emissions, nor see renewable electricity, we need to ensure we are **creating visible change that inspires our employees** through this sustainability journey.

**In 2019, we established the requirement to remove all single-use-plastic from our work environment<sup>3</sup>**. We also accelerated our paperless journey with the target to **reduce internal paper use<sup>4</sup> by 80 percent** compared to 2015.

**In 2020, we joined the EV100 initiative<sup>5</sup>**, committing to transition our global car fleet to 100 percent electric vehicles by 2029.

In September 2021, we announced the following five additional ambitions to either accelerate already established goals, or to address new opportunities.

- 1 Cover-More, Farmers Group, Inc. and its subsidiaries, joint ventures and third party vendors are out of scope. For further details on our methodology, please see the excel providing an overview of operational emissions targets and results, available for download [here](#)
- 2 Where sourcing of renewable power is not technically feasible, we have sourced certificates from adjacent markets in Qatar, Bahrain and Ecuador and we are looking for the best solution in Bermuda. We procured renewable electricity to match our global office electricity demand and sourced 99% compliant with the RE100 technical criteria.
- 3 Single-use plastics include straws, cups, lids, cutlery, plates, to-go containers, PET bottles, under-desk waste bins (i.e., to stop the use of their liners). Some single-use plastics were re-introduced during the pandemic.
- 4 Internal paper refers to paper that is printed for daily office use, i.e., not intended for customer engagement.
- 5 EV100 is a global leadership initiative bringing together influential businesses committed to accelerating the transition to electric vehicles.



## Sustainable food

**We set the ambition to develop and implement a global sustainable food program for restaurants on our premises by the end of 2022.**

When our employees eat in our restaurants<sup>6</sup>, they will enjoy great tasting, sustainable meals! We developed our sustainable food program, which establishes minimum requirements and recommendations, that benefit our employees' health, wellbeing and the environment. This program was designed to feed the mind as well as the body. We aim to continuously improve transparency and build awareness around the life-cycle impact of food, from its origins and quality of ingredients, to food waste minimization. We are also focused on increasing the offering of plant-based meals and reducing beef in our menu options. During 2022, we conducted external research and collaborated with our local teams and catering providers to define and implement the sustainable food program requirements.



## Sustainable buildings

**We set the ambition to develop and implement a global sustainable buildings program for 50 office locations by the end of 2022.**

A sustainable building should address both environmental and occupant wellbeing opportunities. To deliver a sustainable building, stakeholders from across the business need to be involved, which is the premise for our Sustainability Alignment Generating Exercise tool (SAGE). Our bespoke assessment tool is based on learnings from external best practices, with a lean approach focused on our own workplace priorities. A score of 75 percent is the minimum required to demonstrate compliance to achieve a SAGE rating. If a building has achieved a score of 90 percent or greater, they achieve a SAGE+ rating. More than 50 office locations completed and passed the SAGE assessment during 2022. Many offices implemented additional initiatives to meet the minimum requirements, or to increase their final score.



## Car fleet acceleration

**We set the ambition to eliminate pure internal combustion engines in our fleet by 2025, leaving only hybrid, plug-in hybrid, and electric. By 2029 non-plug-in hybrids will also be eliminated in line with our 2020 EV100 commitment.**

By setting an interim ambition for 2025, we are sending a message that immediate action is needed to help reduce the carbon impact of our car fleet. As of 2021 (results verified during 2022), 25 percent of the car fleet is in line with the 2025 goal. Currently, the most growth in sustainable cars is seen in Europe, specifically in the United Kingdom, where the combination of government incentives has created a strong pull towards electric vehicles. To support the right infrastructure within our own offices, we are focusing on increasing electric vehicle charging stations. However, we do face challenges. Many countries have deferred renewals given shortages in availability of hybrid and electric vehicles.



## Air travel

**We set the ambition to permanently reduce air travel emissions by 70 percent compared to 2019 levels, starting in 2022.**

In 2022, we saw many countries start to return to air travel to support business needs, although Covid restrictions were still present. 2022 was a year of learning and this bold ambition has worked to instigate important conversations about how we, as a business, address travel moving forward. It is an ambition that requires each individual to consider their own behavior, and to create new norms that carry forward the learnings taken from operating fully virtually during the pandemic. We anticipate a new normal for air travel will take some time to achieve, and this ambition continues to guide our decision making.



## Paper

**We set the ambition to have fully digital customer communications by 2025<sup>7</sup>**

The transformation of traditional paper-based services and communications not only enabled us to support our customers during the pandemic but to also help deliver on our sustainability ambitions. Building on our 2019 target to reduce internal paper use by 80 percent compared to 2015<sup>8</sup>, this next phase focusses on ensuring we offer fully digital customer communications, reducing the carbon impact of traditional paper-based services. Our focus and passion for sustainable customer communications empowers our customers to make sustainable choices about how we engage with them now and in the future. During 2022, we have worked on defining key milestones to measure our transition away from paper-based processes. Through collaborative engagement, knowledge sharing and innovation, we will continue to progress towards this ambition in 2023 onwards.

<sup>6</sup> Full-scale restaurants include where Zurich is the contracting party to the catering provider, a complete kitchen is onsite, and hot meals are prepared and served. This includes seven restaurants in five countries which service approximately 25% of our employees.

<sup>7</sup> Customers may continue to opt-in to paper-based communications in line with their preferences.

<sup>8</sup> This target was met in 2020.