

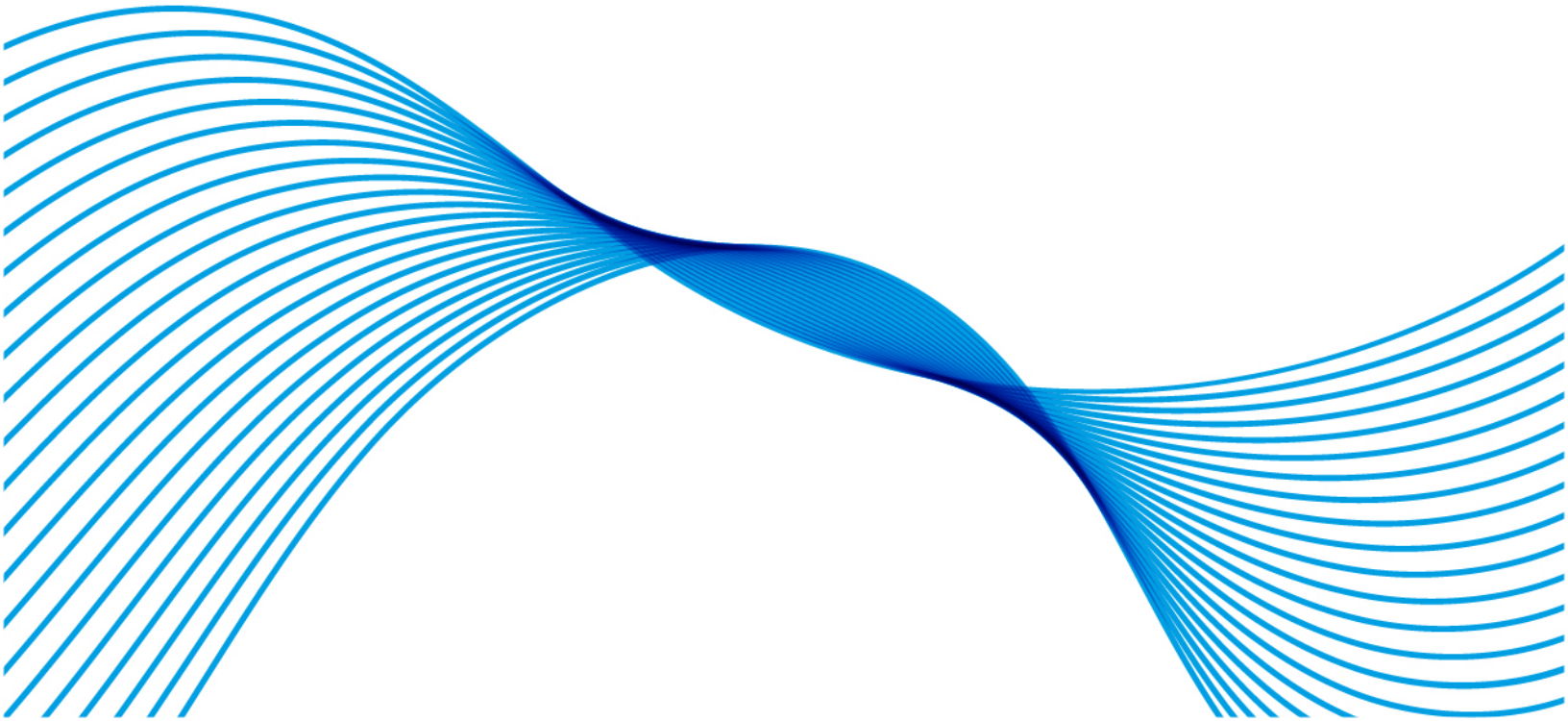
PRI Principles for Responsible Investment

PUBLIC TRANSPARENCY REPORT

2024

Zurich Insurance Group

Generated 25-11-2024



About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2024 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented. The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible e that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

■ Why does your organisation engage in responsible investment?
■ What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Zurich Insurance Group (“Zurich”) is proud to implement a systematic and impactful Responsible Investment strategy. We believe creating long-term, sustainable value – doing well and doing good – is not only possible, but necessary for all our investments. When we do “well,” we generate superior risk-adjusted returns for our customers and shareholders. When we do “good,” we have a positive impact on society and the communities where we live and work. Since we manage approximately USD 170 billion of our own assets, we can achieve substantial, long-term results that benefit people and planet. Beyond investment returns, we also focus on fully decarbonizing our investment portfolio by 2050 as well as helping to avoid CO2 emissions and benefiting people through our impact investments.

Responsible investment can mean different things to different people. Zurich has primarily chosen to pursue it in three ways:

– ESG integration: Besides examining financial performance, we also assess environmental, social and governance (ESG) factors when analysing individual investments and investment managers. We take into consideration sustainability risks and opportunities when we decide whether to buy or sell assets.

– Impact investing: we fund institutions or projects that, while generating a reliable and adequate return on our investment, also generate targeted and measurable positive environmental or social impacts. More specifically, we are aiming to build an impact investment portfolio that helps avoid 5 million metric tons of CO2 equivalent emissions and benefits 5 million people every year.

– Advancing together: responsible investing is becoming more sophisticated. We are pleased to be part of the development of new and innovative ways to measure impact, help scale markets and practices for sustainable investment markets with integrity, and promote climate action working together with a broad group of stakeholders.

In light of the significance of climate change and climate action, Zurich Investment management created a climate action strategy. It is not a separate strategy but lies at the intersection of the three pillars of ESG integration, impact investing and advancing together, described above.

We apply a holistic responsible investment strategy across all our investments, relying on a variety of technical approaches, such as ESG integration, impact investing, active ownership, selective exclusion screens and a net-zero by 2050 decarbonization target.

Section 2. Annual overview

■ Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
■ Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
• refinement of ESG analysis and incorporation
• stewardship activities with investees and/or with policymakers
• collaborative engagements
• attainment of responsible investment certifications and/or awards

Over the last ten years, we have integrated ESG risks and opportunities in all relevant asset classes where we have choice of issuer, where high quality data is available and good ESG integration approaches exist.

– In 2023, close to 100 percent of our own assets were managed by a PRI signatory or asset manager that met our minimum ESG integration requirements, that is, met our requirements of training, data, process integration, and voting and engagement.

- In 2023, we continued to advance our bilateral net-zero engagement campaign. We focused on companies with heavy emissions to understand the company's current emission intensity and their transition plans. In cases where the company has not yet established such a plan, Zurich works with the company to set up a transition plan. In addition to direct company engagement, we also participated in working groups supporting sector and asset manager engagement. We contributed to a sector paper outlining how asset owners can engage their asset managers on climate change lobbying. The paper provides guidelines for the investor community to help them drive greater alignment between the systemic long-term interests of asset owners and policy engagement and public discourse practices. In 2023, we also strengthened our internal asset manager engagement process to ensure the continuous flow of information between the different teams and cohesive communication with our asset managers.

- Since 2019, we have achieved a 43 percent reduction in emission intensity for listed equity and corporate credit. Zurich's absolute financed emissions declined 52 percent over the same period. This reduction in financed emissions was mainly driven by i) disposals and changes in our portfolio and ii) structural emission reductions of our investee companies. We have observed a meaningful drop in emissions from companies in run-off under the coal/oil sands policy due to maturing assets and from active portfolio management. For real estate, we have reduced our carbon emissions by 25 percent since 2019 and are progressing well toward our 2025 target.

- We committed to allocating 5 percent of our proprietary assets to impact investments by the end of 2025. Zurich evaluates impact investments within the context of specific asset classes and creates dedicated strategies for impact investments for each class. We continue to grow our existing global impact investment portfolio and evaluate new prospective opportunities across asset classes to broaden our approach.

- At the end of 2023, Zurich's impact investment portfolio of USD 7.9 billion had helped avoid 4.5 million tons of CO2 equivalent emissions and improved the lives of 4.6 million people, on an annual basis.

- As part of our net-zero journey, we are a signatory of Climate Action 100+.

- In 2023, Zurich was named "Re/insurer of the Year" in the 2022 Environmental Finance Sustainable Investment Awards, and "Re/insurer of the Year" of the 2023 Environmental Finance Impact Awards. This is proof that Zurich plays a strong role as an impact investor and encourages us to continue working with the investment community to make impact reporting easier.

Section 3. Next steps

■ What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Zurich is committed to following best market practice and re-evaluating asset classes not yet covered by ESG integration with a view to expanding when good practice, enough data and a choice of issuer becomes available. We expect climate change to continue playing a prominent role within the broad spectrum of ESG factors. We will keep expanding our climate risk management capabilities and expect to ramp up climate-focused engagement campaigns as part of Zurich's climate change investment strategy and net-zero pledge.

Our strategic response to carbon risks is our long-term commitment to decarbonize our investment portfolio to net-zero greenhouse gas emissions by 2050, consistent with a maximum temperature rise of 1.5˚C above pre-industrial temperatures. We have set intermediate investment portfolio targets.

Our priorities include:

– Reducing exposure to coal-based business models.

– Enhancing our systematic approach to investee engagement and policy advocacy.

– Implementing TCFD recommendations.

Our decarbonization strategy increases the resilience of our portfolio against transition risks and also contributes to limiting the physical risks showcased in the current policies scenario, which may materialize in our portfolio over the long term. Moreover, our new commitment to invest 5 percent of Group total investments in impact investments, including climate solution investments, further underpins our efforts to minimize the long-term impacts of climate change by focusing on proactively deploying capital toward addressing specific, measurable societal and environmental goals. Zurich is committed to helping to avoid 5 million metric tons of CO2e emissions per year and separately, making a positive contribution to the lives and livelihood of 5 million people through its impact investing portfolio.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Stephan van Vliet

Position

Chief Investment Officer

Organisation’s Name

Zurich Insurance Group

◉ **A**

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

○ B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2023

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

◉ **(A) Yes**
○ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2.1	CORE	OO 2	OO 2.2	PUBLIC	Subsidiary information	GENERAL

Are any of your organisation's subsidiaries PRI signatories in their own right?

○ (A) Yes
◉ **(B) No**

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

	USD
(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only	US$ 171,199,760,932.00
(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]	US$ 0.00
(C) AUM subject to execution, advisory, custody, or research advisory only	US$ 0.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>0-10%	>0-10%
(B) Fixed income	>10-50%	>50-75%
(C) Private equity	0%	>0-10%
(D) Real estate	>0-10%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	>0-10%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>0-10%	0%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

Cash and Mortgages

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>75%	>10-50%	>10-50%	>0-10%	>0-10%
(B) Passive	>10-50%	>10-50%	>0-10%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	>75%	>10-50%
(B) Listed equity - passive	>75%	>0-10%
(C) Fixed income - active	>75%	>0-10%
(D) Fixed income - passive	>75%	0%
(E) Private equity	0%	>75%
(H) Hedge funds	0%	>75%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity	0%
(B) Active – quantitative	0%
(C) Active – fundamental	>75%
(D) Other strategies	0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	>0-10%
(B) Passive – corporate	>0-10%
(C) Active – SSA	>50-75%
(D) Active – corporate	>10-50%
(E) Securitised	0%
(F) Private debt	0%

ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

Provide a further breakdown of your internally managed real estate AUM.

(A) Retail	>0-10%
(B) Office	>50-75%
(C) Industrial	>0-10%
(D) Residential	>10-50%
(E) Hotel	>0-10%
(F) Lodging, leisure and recreation	>0-10%
(G) Education	0%
(H) Technology or science	0%
(I) Healthcare	0%
(J) Mixed use	>0-10%
(K) Other	0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

>75%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

	AUM in Emerging Markets and Developing Economies
(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(3) >10 to 20%
(D) Fixed income – securitised	(2) >0 to 10%
(E) Fixed income – private debt	(2) >0 to 10%
(F) Private equity	(2) >0 to 10%
(G) Real estate	(2) >0 to 10%
(I) Hedge funds	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	☑	☑	☑	☑
(B) Yes, through service providers	☐	☐	☐	☐
(C) Yes, through external managers	☑	☑	☑	☑
(D) We do not conduct stewardship	○	○	○	○

	(5) Private equity	(6) Real estate	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	☐	☑	☐	☐
(B) Yes, through service providers	☐	☐	☐	☐
(C) Yes, through external managers	☑	☐	☐	☐
(D) We do not conduct stewardship	○	○	◉	◉

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

○ (A) Yes
◉ **(B) No**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	☑	☐
(B) Yes, through service providers	☑	☐
(C) Yes, through external managers	☑	☑
(D) We do not conduct (proxy) voting	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

	Percentage of your listed equity holdings over which you have the discretion to vote
(A) Listed equity – active	(10) >80 to 90%
(B) Listed equity - passive	(10) >80 to 90%

STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.

Stewardship, excluding (proxy) voting
(H) Hedge funds

Our strategy only contains fund of funds and we do not have discretion on voting.

(K) Other

Other refers to cash and mortgages: Money market funds and cash as well as mortgages and certain legacy investments (no further investment decision to be made) are currently excluded from ESG integration and therefore engagement and proxy voting.

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(C) Listed equity - active - fundamental	◉	○
(E) Fixed income - SSA	◉	○
(F) Fixed income - corporate	◉	○
(J) Real estate	◉	○
(V) Other: Cash and Mortgages	○	◉

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	◉	○
(B) Listed equity - passive	◉	○
(C) Fixed income - active	◉	○
(D) Fixed income - passive	◉	○
(E) Private equity	◉	○
(H) Hedge funds	○	◉

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	◉	○
(B) Listed equity - passive	◉	○
(C) Fixed income - active	◉	○
(D) Fixed income - passive	◉	○
(E) Private equity	◉	○
(H) Hedge funds	○	◉

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	◉	○
(B) Listed equity - passive	◉	○
(C) Fixed income - active	◉	○
(D) Fixed income - passive	◉	○
(E) Private equity	◉	○
(H) Hedge funds	○	◉

ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

Describe why your organisation does not currently incorporate ESG factors into your investment decisions and/or in the selection, appointment and/or monitoring of external investment managers.

Internally managed
(O) Other

Other refers to cash and mortgages: money market funds and cash, mortgages as well as certain legacy investments with no further investment decision to be made are currently excluded from ESG integration.

Externally managed
(W) Hedge funds

ESG integration in this asset class is currently under review.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

	Percentage out of total internally managed active listed equity
(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	>75%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

	Percentage coverage out of your total listed equity assets where a screening approach is applied
(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>75%
(C) A combination of screening approaches	0%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Screening alone	0%	0%
(B) Thematic alone	0%	0%
(C) Integration alone	0%	0%
(D) Screening and integration	0%	0%
(E) Thematic and integration	0%	0%
(F) Screening and thematic	>75%	>10-50%

(G) All three approaches combined	>0-10%	>75%
(H) None	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	>75%	>75%
(C) A combination of screening approaches	0%	0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

◉ **(A) Yes, we market products and/or funds as ESG and/or sustainable**
Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>0-10%

○ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
○ (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

◉ **(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications**
Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>0-10%

○ (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

Which ESG/RI certifications or labels do you hold?

☐ (A) Commodity type label (e.g. BCI)
☑ **(B) GRESB**
☐ (C) Austrian Ecolabel (UZ49)
☐ (D) B Corporation
☑ **(E) BREEAM**
☐ (F) CBI Climate Bonds Standard
☐ (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
☐ (H) DDV-Nachhaltigkeitskodex-ESG-Impact
☐ (I) EU Ecolabel
☐ (J) EU Green Bond Standard
☐ (K) Febelfin label (Belgium)
☐ (L) Finansol
☐ (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
☐ (N) Greenfin label (France)
☐ (O) Grüner Pfandbrief
☑ **(P) ICMA Green Bond Principles**
☑ **(Q) ICMA Social Bonds Principles**
☑ **(R) ICMA Sustainability Bonds Principles**
☐ (S) ICMA Sustainability-linked Bonds Principles
☐ (T) Kein Verstoß gegen Atomwaffensperrvertrag
☐ (U) Le label ISR (French government SRI label)
☐ (V) Luxflag Climate Finance
☐ (W) Luxflag Environment
☐ (X) Luxflag ESG
☐ (Y) Luxflag Green Bond
☐ (Z) Luxflag Microfinance
☐ (AA) Luxflag Sustainable Insurance Products
☐ (AB) National stewardship code
☐ (AC) Nordic Swan Ecolabel
☐ (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
☐ (AE) People's Bank of China green bond guidelines
☐ (AF) RIAA (Australia)
☐ (AG) Towards Sustainability label (Belgium)

☑ **(AH) Other**

Specify:

Other labels related to Real Estate and our own Impact classification for Private Debt Infrastructure and Impact Private equity

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

	Percentage of AUM that utilise an ESG index or benchmark
(B) Fixed income - passive	0%

THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?

	Percentage of your total environmental and/or social thematic bonds labelled by the issuers
(A) Green or climate bonds	>75%
(B) Social bonds	>0-10%
(C) Sustainability bonds	>10-50%
(D) Sustainability-linked bonds	0%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	◉	○	○
Confidence Building Measures	◉	○	○
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	○	◉	○
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	○	◉	○
(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	◉	○	○
(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	◉	○	○
(X) External manager selection, appointment and monitoring (SAM) – private equity	○	◉	○

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ○ (A) Publish as absolute numbers
- ◉ **(B) Publish as ranges**

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

☑ **(A) Overall approach to responsible investment**
☑ **(B) Guidelines on environmental factors**
☐ (C) Guidelines on social factors
☐ (D) Guidelines on governance factors
☑ **(E) Guidelines on sustainability outcomes**
☑ **(F) Guidelines tailored to the specific asset class(es) we hold**
☑ **(G) Guidelines on exclusions**
☑ **(H) Guidelines on managing conflicts of interest related to responsible investment**
☑ **(I) Stewardship: Guidelines on engagement with investees**
☐ (J) Stewardship: Guidelines on overall political engagement
☑ **(K) Stewardship: Guidelines on engagement with other key stakeholders**
☑ **(L) Stewardship: Guidelines on (proxy) voting**
☑ **(M) Other responsible investment elements not listed here**
Specify:

Investment philosophy

○ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

☑ **(A) Specific guidelines on climate change (may be part of guidelines on environmental factors)**
☐ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
☑ **(C) Specific guidelines on other systematic sustainability issues**
Specify:

Fossil Fuels: Thermal coal, oil sands policy and oil shale, oil and gas.

○ (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☑ **(A) Overall approach to responsible investment**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(B) Guidelines on environmental factors**
Add link:

https://www.zurich.com/sustainability/planet/net-zero-in-investments

☑ **(E) Guidelines on sustainability outcomes**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**
Add link:

https://www.zurich.com/sustainability/planet/net-zero-in-investments

☑ **(H) Specific guidelines on other systematic sustainability issues**
Add link:

https://www.zurich.com/sustainability/strategy-and-governance/sustainability-risk

☑ **(I) Guidelines tailored to the specific asset class(es) we hold**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(J) Guidelines on exclusions**
Add link:

https://www.zurich.com/sustainability/strategy-and-governance/sustainability-risk

☑ **(K) Guidelines on managing conflicts of interest related to responsible investment**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(L) Stewardship: Guidelines on engagement with investees**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(N) Stewardship: Guidelines on engagement with other key stakeholders**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/responsible-investment-at-zurich.pdf

☑ **(O) Stewardship: Guidelines on (proxy) voting**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/zurich-proxy-voting-policy-and-guidelines.pdf?la=en&hash=48A901E1B1E7485BBC134C28561FA854DA731BBE&hash=48A901E1B1E7485BBC134C28561FA854DA731BBE

☑ **(P) Other responsible investment aspects not listed here**
Add link:

https://www.zurich.com/-/media/project/zurich/dotcom/sustainability/docs/investment-management-value-creation-2014.pdf?la=en&rev=483611b6675e495297559cc37bf78cb0

○ (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

◉ **(A) Yes**
Elaborate:

Investment should not only be motivated by profit, but also by social and environmental goals. One aspect does not preclude the other. Rather, both tend to go hand-in-hand.
We believe that proactively integrating sustainability risks and opportunities, expressed in environmental, social and governance (ESG) factors in our investment decisions will help us to do our job well on a long-term basis (ESG integration). ESG integration – across asset classes, and alongside traditional financial metrics and state-of-the-art risk management practices – helps us to achieve superior risk-adjusted, long-term financial returns.

○ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

☑ **(A) Overall stewardship objectives**
☑ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
☐ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
☑ **(D) How different stewardship tools and activities are used across the organisation**
☑ **(E) Approach to escalation in stewardship**
☑ **(F) Approach to collaboration in stewardship**
☑ **(G) Conflicts of interest related to stewardship**
☐ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
☐ (I) Other
○ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

☑ **(A) Yes, it includes voting principles and/or guidelines on specific environmental factors**
☑ **(B) Yes, it includes voting principles and/or guidelines on specific social factors**
☑ **(C) Yes, it includes voting principles and/or guidelines on specific governance factors**
○ (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

○ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
○ (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
○ (C) We rely on the policy of our external service provider(s)
◉ **(D) We do not have a policy to address (proxy) voting in our securities lending programme**
○ (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

	Combined AUM coverage of all policy elements
(A) Overall approach to responsible investment (B) Guidelines on environmental factors	(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

	AUM coverage
(A) Specific guidelines on climate change	(1) for all of our AUM
(C) Specific guidelines on other systematic sustainability issues	(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☑ **(A) Listed equity**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%

- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(B) Fixed income**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(C) Private equity**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

☑ **(D) Real estate**

(1) Percentage of AUM covered

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ○ (9) >80% to 90%
- ○ (10) >90% to <100%
- ◉ **(11) 100%**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☑ **(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ◉ **(9) >80% to 90%**
- ○ (10) >90% to <100%
- ○ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The following investments are not in scope for our proxy voting policy:
– Strategic investments
– Private equity investments, both in the form of funds and co-investments
– Unit-linked assets that are not managed in the form of discretionary mandates by Group Investment Management's internal asset management teams
– Assets held in mutual funds, ETFs, or any other investment vehicles in which the voting right remains legally separated from the investor

☑ **(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- ○ (1) >0% to 10%
- ○ (2) >10% to 20%
- ○ (3) >20% to 30%
- ○ (4) >30% to 40%
- ○ (5) >40% to 50%
- ○ (6) >50% to 60%
- ○ (7) >60% to 70%
- ○ (8) >70% to 80%
- ◉ **(9) >80% to 90%**
- ○ (10) >90% to <100%
- ○ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The following investments are not in scope for our proxy voting policy:
– Strategic investments
– Private equity investments, both in the form of funds and co-investments
– Unit-linked assets that are not managed in the form of discretionary mandates by Group Investment Management's internal asset management teams
– Assets held in mutual funds, ETFs, or any other investment vehicles in which the voting right remains legally separated from the investor

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

☑ **(A) Board members, trustees, or equivalent**
☑ **(B) Senior executive-level staff, or equivalent**
Specify:

All Group CIO reports, Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO)

☑ **(C) Investment committee, or equivalent**
Specify:

Investment committees (asset classes specific teams)

☑ **(D) Head of department, or equivalent**
Specify department:

Head of Responsible Investment

○ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	☑	☑
(B) Guidelines on environmental, social and/or governance factors	☑	☑
(C) Guidelines on sustainability outcomes	☐	☑

(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	☐	☑
(F) Specific guidelines on other systematic sustainability issues	☐	☐
(G) Guidelines tailored to the specific asset class(es) we hold	☐	☑
(H) Guidelines on exclusions	☑	☑
(I) Guidelines on managing conflicts of interest related to responsible investment	☐	☑
(J) Stewardship: Guidelines on engagement with investees	☐	☑
(L) Stewardship: Guidelines on engagement with other key stakeholders	☐	☐
(M) Stewardship: Guidelines on (proxy) voting	☐	☑
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

◉ **(A) Yes**

Describe how you do this:

The Sustainability Executive Team (SET) consists of senior executives reporting directly to Executive Committee members and direct reports of the Group CEO. The SET ensures that Zurich's approach to sustainability is effectively integrated in the way we do business and enables Zurich to live up to its code of conduct, purpose, values and the UN Global Compact.

We apply both a top-down and bottom-up approach to conduct our engagement activities using a variety of teams such as:

Top-down:

• Group Responsible Investment Team

• Group Sustainability Team

• Group Public Affairs Team

• Group Sustainability Risk Team

• Group Sustainability Reporting Team

• Investment Management Market Strategy and Macroeconomics Team

• Membership in industry bodies

Bottom-up:

• Investment decision-makers such as portfolio managers, financial analysts, dedicated engagement and stewardship teams

○ (B) No
○ (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☑ **(A) Internal role(s)**
Specify:

CIO, Head of Responsible Investment, portfolio managers, investment managers, dedicated responsible investment staff, external asset manager selection team

☑ **(B) External investment managers, service providers, or other external partners or suppliers**
Specify:

External managers, services providers

○ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

○ (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
◉ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**
Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

○ (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)
◉ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**
Explain why: (Voluntary)

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

☑ **(A) Any changes in policies related to responsible investment**
☑ **(B) Any changes in governance or oversight related to responsible investment**
☑ **(C) Stewardship-related commitments**
☑ **(D) Progress towards stewardship-related commitments**
☑ **(E) Climate–related commitments**
☑ **(F) Progress towards climate–related commitments**
☐ (G) Human rights–related commitments
☐ (H) Progress towards human rights–related commitments
☑ **(I) Commitments to other systematic sustainability issues**
☐ (J) Progress towards commitments on other systematic sustainability issues
○ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

☑ **(A) Yes, including all governance-related recommended disclosures**
☑ **(B) Yes, including all strategy-related recommended disclosures**
☑ **(C) Yes, including all risk management–related recommended disclosures**
☑ **(D) Yes, including all applicable metrics and targets-related recommended disclosures**
○ (E) None of the above
Add link(s):

https://www.zurich.com/annual-report-2023

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☑ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**
Link to example of public disclosures

https://www.zurich.com/annual-report-2023

☑ **(B) Disclosures against the European Union's Taxonomy**
Link to example of public disclosures

https://www.zurich.com/annual-report-2023

☐ (C) Disclosures against the CFA's ESG Disclosures Standard
☑ **(D) Disclosures against other international standards, frameworks or regulations**
Specify:

SASB

Link to example of public disclosures

https://www.zurich.com/annual-report-2023

☑ **(E) Disclosures against other international standards, frameworks or regulations**
Specify:

WEF/IBC core metrics

Link to example of public disclosures

https://www.zurich.com/annual-report-2023

☑ **(F) Disclosures against other international standards, frameworks or regulations**
Specify:

TCFD

Link to example of public disclosures

https://www.zurich.com/annual-report-2023

☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

◉ **(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

https://www.zurich.com/en/sustainability/strategy-and-governance/policies-and-frameworks/policy-engagement
https://www.zurich.com/en/sustainability/customers/investing-responsibly/advancing-together

○ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

○ (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

☑ **(A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services**
☐ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
☑ **(C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact**
☑ **(D) Exclusions based on our organisation's climate change commitments**
☑ **(E) Other elements**

Specify:

Legally required exclusions based on sanction list

○ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

☑ **(A) We incorporate ESG factors into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ○ (1) for all of our AUM subject to strategic asset allocation
- ◉ **(2) for a majority of our AUM subject to strategic asset allocation**
- ○ (3) for a minority of our AUM subject to strategic asset allocation

☑ **(B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ○ (1) for all of our AUM subject to strategic asset allocation
- ◉ **(2) for a majority of our AUM subject to strategic asset allocation**
- ○ (3) for a minority of our AUM subject to strategic asset allocation

☐ (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

☐ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns

○ (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(3) Private equity	(4) Real estate
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	◉	◉	◉	◉
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	○	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

Zurich has committed to net-zero investment portfolios by 2050. A single company alone or even a group of companies cannot decarbonize our economy alone. It will only happen if enough companies, governments and investors commit and deliver on their net-zero goals. Every commitment and action adds momentum and increases the chance we all succeed. The following action points support us in achieving our 2025 interim emission reduction targets:

-Zurich will engage with its top-emitting investee companies to support them in their transition and specifically ask them to set their own science-based targets and to show progress against them. We therefore focus on higher emitters according to:
- The size of our holdings in the entity or the size of the asset, portfolio company.
- Data availability and public disclosure in terms of emissions a company has already made.

As a supporter to ClimateAction 100+, we support the initiative's goals to establish a common high-level agenda for company engagement to achieve clear commitments to cut emissions, improve governance and strengthen both climate-related financial disclosures and transition plans.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

◉ **(A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible**
○ (B) We collaborate on a case-by-case basis
○ (C) Other
○ (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

We believe that responsible investment will only truly have an impact if all financial market participants are advancing, making responsible investment mainstream. Supporting collaborative initiatives and working together with other industry participants to advance responsible investment practices thus forms an integral part of our approach. We believe that a large, asset-backed group acting concurrently, has more relevance and ability to make a change than individuals.

As a founding member to the UN-backed Net Zero Asset Owner Alliance (NZAOA), we recognize the importance of engagement in achieving the goal of net- zero greenhouse gas emissions by 2050. The NZAOA will support members' engagement activities that enable this to be achieved either directly or through partnerships with other organizations. Corporate and sector engagement by NZAOAs should be conducted under the umbrella of existing partner initiatives e.g. Climate Action 100+, WEF MPP, when relevant activity exists and a consensus on means and target for collaboration can be established. The NZAOA does not typically engage individual companies as NZAOA but instead through the members of the NZAOA. The NZAOA supports existing (or new) engagement initiatives from it's members.

In 2020, Zurich also became an investor signatory to the CA 100+.

In all cases, Zurich will retain the right to make engagement decisions individually and independently of collaborative frameworks.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

☑ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
Select from the list:
◉ **1**
☑ **(B) External investment managers, third-party operators and/or external property managers, if applicable**
Select from the list:
◉ **3**
☑ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**
Select from the list:
◉ **2**
☑ **(D) Informal or unstructured collaborations with investors or other entities**
Select from the list:
◉ **5**
☑ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**
Select from the list:
◉ **4**

○ (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

☑ **(A) Example(s) of measures taken when selecting external service providers:**

We clearly outline the service provider's role in implementing our active ownership policy and identifying the key ESG topics that service providers must follow. Furthermore, we outline the information sharing requirements of a service provider and agree on reporting requirements.

☑ **(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:**

The following minimum requirements and best-practice approaches have been agreed with regard to proxy voting and engagement:
Active ownership minimum standard
• Execute votes for public equity holdings in line with Zurich's proxy voting policy
• Reviewing ESG research before interacting with investee company management (through existing channels such as investor meeting or calls, etc.) and discussion of relevant ESG issues besides other material issues
• Use of PRI clearinghouse platform for engagement activities on priority topics
• Discuss active ownership examples and progress in annual meetings between local teams and Zurich's Group Responsible Investment team.
Best practice
• Proactively establishing and maintaining dialogue with brokers, ESG data providers, industry bodies, investee companies with material ESG issues, or regulatory bodies to support responsible investment matters Zurich has identified
• Initiating or joining engagements with external asset managers or peers on identified priority topics

☐ (C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Prioritizing our engagement: We apply both a top-down and bottom-up approach to identify and prioritize engagement topics, allowing investment decision-makers to play an important role in developing our programs. Top-down decisions are based on strategic considerations and driven by Group functions, whereas bottom-up decisions are at a portfolio level and are driven by investment decision-makers, such as portfolio managers.

Top-down:

• Topics of greatest priority are aligned with Zurich Insurance Group's business strategy, sustainability strategy, responsible investment strategy and existing external commitments (such as the UN Global Compact, The Investor Agenda, and others), or local stewardship codes, to which Zurich voluntarily adheres.

Bottom-up:

• Financially material long-term ESG trends.

• Financially most-material ESG factors in terms of geography/industry sector/company in the portfolio manager's universe. We aim to efficiently apply these relevant prioritization factors both top down and bottom-up to companies:

• that breach certain pre-defined norms (external or Zurich-specific).

• that have significant exposure to ESG areas of concern.

• that raise significant concerns in regard to their corporate strategy and financial performance.

• in which Zurich has sizeable holdings.

• whenever the dialogue is initiated as part of the investment process.

As part of Zurich's engagement approach, our own teams now reflect ESG issues in their interaction with investee companies. In such cases, engagement is driven by the portfolio managers and/or analysts directly, with the objective of generating insights as part of the investment process. Through the internal European Equity Center of Excellence, the equity portfolio managers and/or analysts organize quarterly reverse road shows to meet with companies directly. In these meetings both financial and ESG topics are discussed. The European Equity Centre of Excellence is also the group in which common points of view, engagement outcomes and strategies are discussed and decided.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Zurich's investment strategy – incorporating our approach to responsible investing – calls for us to monitor not only the topics traditionally of interest to investors, such as a company's strategy and financial performance, but also environmental, social and governance (ESG) risks and opportunities in our investment holdings and the application of an active ownership approach. We define active ownership as proxy voting and active engagement with companies in which we invest. We apply both a top-down and a bottom-up approach to identify and prioritize engagement topics, allowing investment decision-makers to play an important role in developing our programs.

Top-down decisions are based on strategic considerations and driven by Group functions, whereas bottom-up decisions are taken at portfolio level and are driven by investment decision-makers, such as portfolio managers.

Top-down:

• Topics of greatest priorities are aligned with Zurich Insurance Group's business strategy, sustainability strategy, responsible investment strategy and existing external commitments (such as the UN Global Compact, The Investor Agenda, and others), or local stewardship codes to which Zurich voluntarily adheres.

Bottom-up:

• Financially material long-term ESG trends.

• The most financially material ESG factors in terms of geography/industry sector/company in the portfolio manager's universe.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☑ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

◉ **(1) in all cases**

○ (2) in a majority of cases

○ (3) in a minority of cases

☑ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

◉ **(1) in all cases**

○ (2) in a majority of cases

○ (3) in a minority of cases

○ (D) We do not review external service providers' voting recommendations

○ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

○ (A) We recall all securities for voting on all ballot items

○ (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting

○ (C) Other

◉ **(D) We do not recall our securities for voting purposes**

○ (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

◉ **(A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment**
○ (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
○ (C) We vote in favour of shareholder resolutions only as an escalation measure
○ (D) We vote in favour of the investee company management's recommendations by default
○ (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
☐ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
◉ **(D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM**
○ (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

◉ **(A) Yes, for all (proxy) votes**
Add link(s):

https://viewpoint.glasslewis.com/WD/?siteId=Zurich

○ (B) Yes, for the majority of (proxy) votes
○ (C) Yes, for a minority of (proxy) votes
○ (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

◉ **(A) Within one month of the AGM/EGM**
○ (B) Within three months of the AGM/EGM
○ (C) Within six months of the AGM/EGM
○ (D) Within one year of the AGM/EGM
○ (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale		
(B) Yes, we privately communicated the rationale to the company		
(C) We did not publicly or privately communicate the rationale, or we did not track this information	◉	◉
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

Our proxy voting services provider has established a transparent and structured processes that we can easily follow:
Confirmed: Proxy voting service platform has received confirmation from the ballot distributor that the votes have been sent for tabulation.
Received: The ballot has been received by the public company (or public company agent) and will be counted at the meeting.
Counted: The public company has confirmed the ballot was voted and counted in the final vote tabulation at the meeting.
The information is processed daily and the ballot status is easily verifiable by us. In few cases, last minute information has influenced our vote. In those cases, we always know if we still have the possibility to change our vote was received by the company and counted.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

	(1) Listed equity
(A) Joining or broadening an existing collaborative engagement or creating a new one	☑
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	☐
(C) Publicly engaging the entity, e.g. signing an open letter	☑
(D) Voting against the re-election of one or more board directors	☐
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	☐
(F) Divesting	☑

(G) Litigation	☐
(H) Other	☐
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

☑ **(A) Joining or broadening an existing collaborative engagement or creating a new one**
☐ (B) Publicly engaging the entity, e.g. signing an open letter
☑ **(C) Not investing**
☑ **(D) Reducing exposure to the investee entity**
☑ **(E) Divesting**
☐ (F) Litigation
☐ (G) Other
○ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

☑ **(A) Yes, we engaged with policy makers directly**
☑ **(B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI**
☑ **(C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI**
○ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

☑ **(A) We participated in 'sign-on' letters**
☑ **(B) We responded to policy consultations**
☐ (C) We provided technical input via government- or regulator-backed working groups
☑ **(D) We engaged policy makers on our own initiative**
Describe:

We engage directly with policy makers and regulators on topics around data requests, regulatory requirements or framework developments in relation to climate change related stress-testing.

☐ (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

☑ **(A) We publicly disclosed all our policy positions**
Add link(s):

https://www.google.ch/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjssqaI16GHAxULg_0HHc7wDkkQFnoECBAQAQ&url=https%3A%2F%2Fwww.zurich.com%2F-%2Fmedia%2Fproject%2Fzurich%2Fdotcom%2Fsustainability%2Fdocs%2Fzurich-insurance-group-climate-change-2022.pdf%3Frev%3D733086b96bff40eead364e31f98f4593%26hash%3D13ED8EABCF2FF428AE8528C9ED73C57B&usg=AOvVaw3phmfhVyyybis_GVW71uPD&opi=89978449

☑ **(B) We publicly disclosed details of our engagements with policy makers**
Add link(s):

https://www.google.ch/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjssqaI16GHAxULg_0HHc7wDkkQFnoECBAQAQ&url=https%3A%2F%2Fwww.zurich.com%2F-%2Fmedia%2Fproject%2Fzurich%2Fdotcom%2Fsustainability%2Fdocs%2Fzurich-insurance-group-climate-change-2022.pdf%3Frev%3D733086b96bff40eead364e31f98f4593%26hash%3D13ED8EABCF2FF428AE8528C9ED73C57B&usg=AOvVaw3phmfhVyyybis_GVW71uPD&opi=89978449

○ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:
Title of stewardship activity:

Managing ESG risks

(1) Led by
◉ **(1) Internally led**
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager
(2) Primary focus of stewardship activity
☑ **(1) Environmental factors**
☐ (2) Social factors
☐ (3) Governance factors
(3) Asset class(es)
☑ **(1) Listed equity**
☐ (2) Fixed income
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other
(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

The meeting provided colour on the capex plan, resulting in stable credit metrics. The company is on-track with its ESG targets.

(B) Example 2:
Title of stewardship activity:

Managing ESG risk and delivering sustainability outcomes

(1) Led by
◉ **(1) Internally led**
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager
(2) Primary focus of stewardship activity
☑ **(1) Environmental factors**
☐ (2) Social factors
☐ (3) Governance factors
(3) Asset class(es)
☐ (1) Listed equity
☑ **(2) Fixed income**
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds

☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Discussion with a large Asian power generation company on their transition plan, science-based target and impact on climate change

(C) Example 3:
Title of stewardship activity:

Managing ESG risk and delivering sustainability outcomes

(1) Led by
◉ **(1) Internally led**
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
☑ **(1) Environmental factors**
☐ (2) Social factors
☐ (3) Governance factors

(3) Asset class(es)
☑ **(1) Listed equity**
☐ (2) Fixed income
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We had a very fruitful discussion with a packaging company on its circular economy initiatives. It gave us confidence in their strategy to adapt to any regulatory changes - we added to our position post meeting.

(D) Example 4:
Title of stewardship activity:

(1) Led by
○ (1) Internally led
○ (2) External service provider led
○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity
☐ (1) Environmental factors
☐ (2) Social factors
☐ (3) Governance factors

(3) Asset class(es)
☐ (1) Listed equity
☐ (2) Fixed income
☐ (3) Private equity
☐ (4) Real estate
☐ (5) Infrastructure
☐ (6) Hedge funds
☐ (7) Forestry
☐ (8) Farmland
☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(E) Example 5:
Title of stewardship activity:

(1) Led by

- ○ (1) Internally led
- ○ (2) External service provider led
- ○ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☑ **(A) Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Overall, the applied model suggests a manageable level of risk across all scenarios and results in a valuation impact of minor materiality accumulated for listed equity, corporate credit and real estate. The applied model identifies relatively more material risk for exposed sectors where these risks are relatively well understood and an increasing body of climate risk-related ESG research provides ongoing insights. We also believe that an early transition to a climate-neutral economy may provide opportunities in a wider variety of business models and industry sectors than the applied model assumes. Our portfolio continues to be well diversified across sectors and geographies and is managed with an ESG integration lens, which includes information about both climate change risks and opportunities.

Our portfolio is also managed to become net-zero by 2050, with the progressing decarbonization successively shielding it from the companies that are lagging in the transition. The analysis supports various hypotheses: earlier-action scenarios materially increase transition risks, but in turn reduce the long-term impacts of physical risks.

Even in the outermost transition risk scenario, the overall negative effect on the listed equity portfolio is moderate and concentrated in sectors that are most CO2e-emission intensive but also play the largest role in actively driving the transition. Emissions in the economy are disproportionally concentrated in a few sectors (utilities, energy, materials, agriculture, forestry and land use) and so, too, are financed emissions in a global equity portfolio. In our listed equity portfolio, 62 percent of financed emissions in the top emitting sectors (building materials, energy, chemicals and utilities) represent only 12 percent of market value (as of 2021). However, in-depth analysis shows there are also investment opportunities in these sectors, such as utility companies expanding into renewable energy electricity production.

Overall, the risk appears well diversified, though the portfolio requires ongoing monitoring and active management as risk materializes.

☐ (B) Yes, beyond our standard planning horizon

○ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

◉ **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

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

1. Net-zero portfolios by 2050: We have committed to transition our investment portfolios to net-zero greenhouse gas emissions by 2050, consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge.

2. Scenarios: It is hard to take action without context. Scenario analysis is conducted using an integrated modelling approach for both investment management and underwriting portfolios to ensure that, to the extent possible, assumptions are used consistently across portfolios.

3. Strengthen ESG integration: Given its complexity and long-term nature, climate change represents a particular challenge for environmental, social and governance (ESG) integration. Additional data and tools are required to raise awareness among investment professionals and to support integration in investment strategies.

4. Benchmarks: ESG integration practices might fail to effectively capture all climate change-related risks and opportunities. We are testing the use of special benchmarks that incorporate a climate risk assessment. We will evaluate the application of such benchmarks for new and existing portfolios on a case-by-case basis.

5. Finance the transition to a climate neutral economy: As part of our ongoing commitment to impact investing and our target to help avoid the emission of 5 million tons of CO2 per year, we will evaluate green investments across different asset classes on an ongoing basis.

6. Drive change through advocacy: Public and private sectors need to take decisive action. Zurich has defined clear positions on topics such as transparent risk disclosure, carbon pricing, etc.

7. Engagement: As part of engaging with the companies in which we invest, climate change should be reflected on the agenda and considered in voting practices.

8. Selective exclusions: Recognizing the particularly harmful impact of coal on the climate, Zurich has developed a Group approach on selectively excluding from its underwriting and investment activities those companies related to the mining of, or electricity generation from, thermal coal, oil sands and oil shale. Please read more on Zurich's exclusion approach https://www.zurich.com/en/sustainability/beinga-responsible-business/exclusions.

○ (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☑ **(A) Coal**

Describe your strategy:

Zurich will not underwrite or invest in companies that:
- generate more than 30% of their revenue from mining thermal coal, or produce more than 20 million metric tons of thermal coal per year;
- generate more than 30% of their electricity from coal;
- are in the process of developing any new coal mining or coal power infrastructure;
- generate at least 30% of their revenue directly from the extraction of oil from oil sands;
- are purpose-built (or "dedicated") transportation infrastructure operators for thermal coal or oil sands products, including pipelines and railway transportation;
- generate more than 30% of their revenue from mining oil shale, or generate more than 30% of their electricity from oil shale.

To implement this position, Zurich will only consider new clients or investee companies that are already below those limits or have near-term commitments in place to bring them below the limits.

☑ **(B) Gas**

Describe your strategy:

Exclusion:
For private debt investments, we exclude the following from our activities:
- New greenfield oil exploration projects (unless meaningful transition plans are in place).
- Oil and gas drilling and production in the Arctic.

For Zurich's investments in private debt, we have dedicated fossil fuel guidelines agreed with our asset managers. In line with Group-wide guidelines, Zurich excludes any thermal coal-related assets in these portfolios. Further, these portfolios will not finance oil and gas assets which are not aligned with science-based or government-issued regional/national 1.5°C pathways.

☑ **(C) Oil**

Describe your strategy:

Exclusion:

For private debt investments, we also exclude the following from our activities:

- New greenfield oil exploration projects (unless meaningful transition plans are in place).

- Oil and gas drilling and production in the Arctic.

For Zurich's investments in private debt, we have dedicated fossil fuel guidelines agreed with our asset managers. In line with Group-wide guidelines, Zurich excludes any thermal coal-related assets in these portfolios. Further, these portfolios will not finance oil and gas assets which are not aligned with science-based or government-issued regional/national 1.5°C pathways.

Emission reduction

Zurich's emission reduction targets cover both listed equity and corporate bond investments as well as direct real estate investments. By 2025, Zurich aims to:

- Reduce the intensity of emissions of listed equity and corporate bond investments by 25 percent (metric tons CO2-equivalent per USD million invested).

- Reduce the intensity of emissions of direct real estate investments by 30 percent (kilograms CO2-equivalent per square meter).

All targets are set against a 2019 baseline, based on latest available emissions for December 2019: 136 metric tons CO2-equivalent per USD million invested (market value based) for listed equity and corporate bond investments; 32 kilograms CO2-equivalent per square meter for real estate investments.

Our contribution

A single company alone, or even a group of companies, cannot decarbonize our economy. Decarbonization can only happen if enough companies, governments and investors commit to and deliver on net-zero goals. Every commitment and action adds momentum and increases the chance we all succeed. The following action points help us to achieve our 2025 targets described above:

- Zurich will engage with its top-emitting investee companies to support them in their transition and specifically ask them to set their own science-based targets and to show progress toward them.

- We will vote against members of the board of companies if engagement fails and they do not set targets after due dialogue.

- Zurich will collaborate with asset managers in highlighting best practice for climate-conscious active ownership and work together for a just transition.

- Zurich will continue to actively finance the transition through its climate-related impact investments (with a target to help avoid 5 million metric tons of CO2e per year), to grow a portfolio of certified green buildings and will continue to assess other investment opportunities. Zurich is well positioned, based on its experience from building a multi asset class impact portfolio over the years to help build a growing pipeline of climate solution investments.

Zurich will rebalance its listed equity, corporate bond and real estate portfolio in line with the targeted emission reductions for 2025.

Zurich will continue to engage with policymakers for a regulatory framework conducive to the transition bilaterally and through membership in organizations, and will continue to contribute to the work of industry organizations, such as the Net-Zero Asset Owner Alliance, Climate Action 100+, Science-based Targets Initiative and others, in the spirit of advancing together.

Zurich will keep advocating for a global price on carbon, established at a level that, over time, becomes consistent with a 1.5°C trajectory. Such a price would mean that negative externalities of fossil fuels and other sources of GHG emissions are properly accounted for and reflected in the price. This would help ensure that a proper assessment of risks and opportunities is reflected in investment and business decisions.

☑ **(D) Utilities**

Describe your strategy:

Zurich's emission reduction targets cover both listed equity and corporate bond investments as well as direct real estate investments. By 2025, Zurich aims to:

- Reduce the intensity of emissions of listed equity and corporate bond investments by 25 percent (metric tons CO2-equivalent per USD million invested).

- Reduce the intensity of emissions of direct real estate investments by 30 percent (kilograms CO2-equivalent per square meter).

All targets are set against a 2019 baseline, based on latest available emissions for December 2019: 136 metric tons CO2-equivalent per USD million invested (market value based) for listed equity and corporate bond investments; 32 kilograms CO2-equivalent per square meter for real estate investments.

Our contribution

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Zurich will continue to actively finance the transition through our climate-related impact investments (with a target to help avoid 5 million metric tons of CO2e per year), grow a portfolio of certified green buildings and will continue to assess other investment opportunities. Zurich is well positioned, based on its experience from building a multi asset class impact portfolio over the years, to help build a growing pipeline of climate solution investments.

- Zurich will rebalance its listed equity, corporate bond and real estate portfolio in line with the targeted emission reductions for 2025.

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- Zurich will keep advocating for a global price on carbon, established at a level that, over time, becomes consistent with transitioning to a 1.5°C trajectory. Such a price would mean that negative externalities of fossil fuels and other sources of GHG emissions are properly accounted for and reflected in the price. This would help ensure that a proper assessment of risks and opportunities is reflected in investment and business decisions.

☑ **(E) Cement**

Describe your strategy:

Zurich's emission reduction targets cover both listed equity and corporate bond investments as well as direct real estate investments. By 2025, Zurich aims to:

- Reduce the intensity of emissions of listed equity and corporate bond investments by 25 percent (metric tons CO2-equivalent per USD million invested).

Reduce the intensity of emissions of direct real estate investments by 30 percent (kilograms CO2-equivalent per square meter).

All targets are set against a 2019 baseline, based on latest available emissions for December 2019: 136 metric tons CO2-equivalent per USD million invested (market value based) for listed equity and corporate bond investments; 32 kilograms CO2-equivalent per square meter for real estate investments.

Our contribution

A single company alone, or even a group of companies, cannot decarbonize our economy. Decarbonization can only happen if enough companies, governments and investors commit to and deliver on net-zero goals. Every commitment and action adds momentum and increases the chance we all succeed. The following action points help us to achieve our 2025 targets described above:

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- Zurich will continue to engage with policymakers for a regulatory framework conducive to the transition bilaterally and through membership in organizations, and will continue to contribute to the work of industry organizations, such as the Net-Zero Asset Owner Alliance, Climate Action 100+, Science-based Targets Initiative and others, in the spirit of advancing together.

- Zurich will keep advocating for a global price on carbon, established at a level that, over time, becomes consistent with transitioning to a 1.5°C trajectory. Such a price would mean that negative externalities of fossil fuels and other sources of GHG emissions are properly accounted for and reflected in the price. This would help ensure that a proper assessment of risks and opportunities is reflected in investment and business decisions.

☑ **(F) Steel**

Describe your strategy:

Zurich's emission reduction targets cover both listed equity and corporate bond investments as well as direct real estate investments. By 2025, Zurich aims to:

- Reduce the intensity of emissions of listed equity and corporate bond investments by 25 percent (metric tons CO2-equivalent per USD million invested).

Reduce the intensity of emissions of direct real estate investments by 30 percent (kilograms CO2-equivalent per square meter).

All targets are set against a 2019 baseline, based on latest available emissions for December 2019: 136 metric tons CO2-equivalent per USD million invested (market value based) for listed equity and corporate bond investments; 32 kilograms CO2-equivalent per square meter for real estate investments.

Our contribution

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- Zurich will engage with its top-emitting investee companies to support them in their transition and specifically ask them to set their own science-based targets and to show progress toward them.

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- Zurich will rebalance its listed equity, corporate bond and real estate portfolio in line with the targeted emission reductions for 2025.

- Zurich will continue to engage with policymakers for a regulatory framework conducive to the transition bilaterally and through membership in organizations, and will continue to contribute to the work of industry organizations, such as the Net-Zero Asset Owner Alliance, Climate Action 100+, Science-based Targets Initiative and others, in the spirit of advancing together.

- Zurich will keep advocating for a global price on carbon, established at a level that, over time, becomes consistent with transitioning to a 1.5°C trajectory. Such a price would mean that negative externalities of fossil fuels and other sources of GHG emissions are properly accounted for and reflected in the price. This would help ensure that a proper assessment of risks and opportunities is reflected in investment and business decisions.

☐ (G) Aviation
☐ (H) Heavy duty road
☐ (I) Light duty road
☐ (J) Shipping
☐ (K) Aluminium
☐ (L) Agriculture, forestry, fishery
☐ (M) Chemicals
☐ (N) Construction and buildings
☐ (O) Textile and leather
☐ (P) Water

☐ (Q) Other
○ (R) We do not have a strategy addressing high-emitting sectors

Provide a link(s) to your strategy(ies), if available

https://www.zurich.com/sustainability/strategy-and-governance/sustainability-risk
https://www.zurich.com/sustainability/planet/net-zero-in-investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
☐ (B) Yes, using the One Earth Climate Model scenario
☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
☑ **(D) Yes, using other scenarios**
Specify:

Scenarios drew from the Network for Greening the Financial System

○ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☑ **(A) Yes, we have a process to identify and assess climate-related risks**
(1) Describe your process

Our approach to climate risk is part of our Group-wide risk management process. It is managed in a way that is consistent with other risks to which the Group is exposed. We integrate assessments of the evolving physical and transition risk landscape into our underwriting and investment strategies. A deep understanding of potential medium- to long-term impacts of climate change risk is fundamental to formulating appropriate strategic responses. We undertake scenario analysis on our portfolios to understand these impacts.

Our first exploratory, scenario-based climate risk assessment, performed in 2021, considered outcomes from 2030 onward, with impacts quantified where possible. This exploratory exercise considered major aspects of our business, including underwriting, investment management and our own operations. We conduct this assessment annually. In 2023, we reviewed the risk assessments performed in 2022 and updated them where needed. We also strengthened the assessment of our investment portfolio by including additional asset classes. Outcomes of these analyses are used to determine appropriate responses and ensure the resilience of our strategy. We disclose the outcomes in line with TCFD recommendations and to demonstrate our understanding and management of these risks.

Our assessment of climate risk leverages both our Total Risk Profile methodology and scenario analysis. While Total Risk Profile offers a short-term (1-3 years) qualitative risk assessment, scenario analysis allows us to assess the strategic implications of climate change over the medium (up to 10 years) and longer term (2050 to 2080) and improves our ability to assess the resilience of our business model to potential climate risks. The scenarios used to analyse our underwriting and proprietary investment portfolios are drawn from the Network for Greening the Financial System (NGFS) suite, with scenarios chosen to cover a relevant set of emissions pathways. The emissions pathways of the selected scenarios correspond broadly to representative concentration pathways (RCP) in the range of 2.6 and 6.0.

Three selected scenarios are used for underwriting and investment management: (1) net-zero 2050, (2) delayed transition, (3) current policies. The scenarios cover a broad scope of potential risks and opportunities, including high and Iow physical and transition risks. The scenarios used to understand physical risk impacts to our own operations are broadly aligned with those used for our insurance and investment analysis in terms of the RCP assumed (RCP 2.6 and 6.0)Our scenario analysis leverages a third-party model and associated data to assess both our insurance and investment businesses. A high-level overview of the model, data sources and key assumptions are provided in the risk management section.

Scope: The scenario-based assessment of our proprietary investment portfolio considers listed equities, corporate credit, real estate and a separate analysis of sovereign debt. Listed equities, corporate credit and real estate cover 36 percent of our proprietary investment portfolio and make a significant contribution to our investment-related market risk position. Within each asset class, the third-party model covers between 70 and 100 percent of investment management holdings based on number of securities. The numbers are higher if based on market values.

Quantification: The valuation of equity in the scenarios involves discounting future revenues and costs (quantified at 2050) to arrive at a net present value of future cash flows. Corporate credit impact is estimated by translating changes in equity valuations to changes in fixed-income instrument default risk and associated loss, using a ratings-based Altman Z-score model and the Frye-Jacobs PD- LGD relationship, respectively. Real estate impairments due to transition and physical risk are estimated by country and property type. Transition risks are based on country-level emissions data for residential and commercial real estate (scope 1 and 2). The physical risk impacts to real estate use a third-party risk model, including coastal flooding, river flooding and tropical cyclones. The combined impact of transition and physical risks is calculated by multiplying the reduced valuation associated with impacts from transition and physical risk. Sovereign bond impact reflects the macroeconomic shocks arising from changes in energy consumption, energy costs and the physical risks of climate change, as well as the response of governments and central banks to those shocks. The model uses macroeconomic outputs from NiGEM to calculate changes in nominal forward interest rates and changes in default risk premia per risk scenario.

(2) Describe how this process is integrated into your overall risk management

Climate risks are incorporated into traditional risks and are managed as part of Zurich's risk management approach.

In line with its overall mandate to deliver sustainable shareholder value, the ultimate responsibility for climate risks resides with Zurich’s Board. Clear roles and responsibilities, starting with the Zurich Insurance Group Ltd Board of Directors and its committees, aim to ensure effective oversight and action with respect to climate change and other sustainability risks. The Board and two of its committees oversee the handling of Zurich’s climate change response. The Risk and Investment Committee oversees Zurich’s overall risk management framework and supports the Board to ensure sound risk and investment management for the Group.

Climate-related risks integration and management is operationalized as follows:

- Financial analysis process: Our in-house teams take climate-related risk into account in the valuation process. The team has access to climate risk data.

- Engagement: In line with Zurich's thermal coal policy, Zurich engaged with every company to which we have investment exposure in order to identify where they stand in their transition process, and whether we can play a part in accelerating it. The target is to move companies below the 30 percent coal/oil sands/oil shale threshold or have them commit to set science-based targets within a reasonable timeframe and show credible progress toward these targets. In addition, much of the engagement conducted bottom-up by our in-house equity and credit teams included engagement on climate risks.

- Proxy voting: All environmentally and socially themed shareholder resolutions are automatically referred to Zurich's Responsible Investment team for manual vote. The RI team can amend votes on ESG-related shareholder resolutions in collaboration with the portfolio managers. Climate change requirements are included in these assessments.

- Asset manager selection: A set of responsible investment questions is integrated into the request for information (RFI) and request for proposal (RFP) questionnaires and is evaluated with an explicit weighting. For example, respondents are asked to describe how they integrate environmental, social and governance (ESG) factors into their investment process, particularly with respect to security/asset selection and risk management.

- Asset manager monitoring: Zurich uses various elements to formally integrate responsible investment practices into the manager monitoring process. Among these is the use of a detailed questionnaire to capture responsible investment practices applied specifically to Zurich portfolios. Several specific questions refer to the asset managers climate policy.

☐ (B) Yes, we have a process to manage climate-related risks
○ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

☑ **(A) Exposure to physical risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.zurich.com/en/annual-report-2023

☑ **(B) Exposure to transition risk**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.zurich.com/en/annual-report-2023

☐ (C) Internal carbon price
☑ **(D) Total carbon emissions**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.zurich.com/en/annual-report-2023

☑ **(E) Weighted average carbon intensity**
(1) Indicate whether this metric or variable was used and disclosed, including the methodology
○ (1) Metric or variable used
○ (2) Metric or variable used and disclosed
◉ **(3) Metric or variable used and disclosed, including methodology**
(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.zurich.com/en/annual-report-2023

☑ **(F) Avoided emissions**

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ○ (1) Metric or variable used
- ○ (2) Metric or variable used and disclosed
- ◉ **(3) Metric or variable used and disclosed, including methodology**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.zurich.com/en/annual-report-2023

☐ (G) Implied Temperature Rise (ITR)
☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
☐ (J) Other metrics or variables
○ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

☑ **(A) Scope 1 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ○ (1) Metric disclosed
- ◉ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

https://www.zurich.com/annual-report-2023

☑ **(B) Scope 2 emissions**

(1) Indicate whether this metric was disclosed, including the methodology

- ○ (1) Metric disclosed
- ◉ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

https://www.zurich.com/annual-report-2023

☑ **(C) Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

- ○ (1) Metric disclosed
- ◉ **(2) Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

https://www.zurich.com/annual-report-2023

○ (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

CLIMATE CHANGE: CLIMATE SOLUTION INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
NZPGS 1	PLUS	NZAOA members only	N/A	PUBLIC	Climate change: Climate solution investments	General

What proportion of your AUM is allocated to climate solution investments?

☑ **(A) Corporate bonds**

(A) Corporate bonds	
(1) Methodology	
(2) Energy	
(3) Pollution, waste and water	
(4) Sustainable land and marine	
(5) Transportation	
(6) Manufacturing and industry	
(7) Buildings	
(8) ICT	
(9) Total per asset class (if sector split not possible)	5224
(10) Certified 'Green' investments, incl. climate-resilient bonds	
(11) Transition enabling investments	
(12) Adaptation finance	
(13) Non-OECD investments	
(14) Transition investments (e.g. bonds, infrastructure)	

☐ (B) Listed equity

☑ **(C) Real estate (direct)**

(C) Real estate (direct)

(1) Methodology	
(2) Energy	
(3) Pollution, waste and water	
(4) Sustainable land and marine	
(5) Transportation	
(6) Manufacturing and industry	
(7) Buildings	
(8) ICT	
(9) Total per asset class (if sector split not possible)	3480
(10) Certified 'Green' investments, incl. climate-resilient bonds	
(11) Transition enabling investments	
(12) Adaptation finance	
(13) Non-OECD investments	
(14) Transition investments (e.g. bonds, infrastructure)	

☐ (D) Real estate funds (indirect)
☐ (E) Real estate debt (incl. direct mortgages)
☐ (F) SSA bonds (issued green bond)
☐ (G) Private equity
☐ (H) Private loans to listed companies
☑ **(I) Private debt**

(I) Private debt

(1) Methodology	
(2) Energy	

(3) Pollution, waste and water	
(4) Sustainable land and marine	
(5) Transportation	
(6) Manufacturing and industry	
(7) Buildings	
(8) ICT	
(9) Total per asset class (if sector split not possible)	477
(10) Certified 'Green' investments, incl. climate-resilient bonds	
(11) Transition enabling investments	
(12) Adaptation finance	
(13) Non-OECD investments	
(14) Transition investments (e.g. bonds, infrastructure)	

☑ **(J) Infrastructure equity**

(J) Infrastructure equity	
(1) Methodology	
(2) Energy	
(3) Pollution, waste and water	
(4) Sustainable land and marine	
(5) Transportation	
(6) Manufacturing and industry	
(7) Buildings	

(8) ICT	
(9) Total per asset class (if sector split not possible)	91
(10) Certified 'Green' investments, incl. climate-resilient bonds	
(11) Transition enabling investments	
(12) Adaptation finance	
(13) Non-OECD investments	
(14) Transition investments (e.g. bonds, infrastructure)	

☐ (K) Infrastructure debt
☐ (L) Forestry
☐ (M) Farmland
☐ (N) Carbon removal
☐ (O) Other (e.g. hedge funds, commodities)

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

◉ **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

☑ **(A) The UN Sustainable Development Goals (SDGs) and targets**
☑ **(B) The UNFCCC Paris Agreement**
☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
☐ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
☑ **(E) The EU Taxonomy**

☑ **(F) Other relevant taxonomies**
Specify:

GIIN Iris metrics

☐ (G) The International Bill of Human Rights
☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
☐ (I) The Convention on Biological Diversity
☐ (J) Other international framework(s)
☐ (K) Other regional framework(s)
☑ **(L) Other sectoral/issue-specific framework(s)**
Specify:

In 2018, we developed our proprietary impact measurement framework used to measure the impact we have to help achieve with our investments based on "CO2 avoided emissions" and "people benefitted".

○ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

☑ **(A) Identify sustainability outcomes that are closely linked to our core investment activities**
☐ (B) Consult with key clients and/or beneficiaries to align with their priorities
☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
☑ **(D) Identify sustainability outcomes that are closely linked to systematic sustainability issues**
☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
☑ **(F) Understand the geographical relevance of specific sustainability outcome objectives**
☐ (G) Other method
○ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

◉ **(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

☑ **(A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons**
☑ **(B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon**
☐ (C) We have been requested to do so by our clients and/or beneficiaries
☐ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
☐ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
☐ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
☑ **(G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right**
☑ **(H) Other**
Specify:

Because we want to meet institutional commitments on global goals (including those based on client or beneficiaries' preferences), and communicate on progress towards meeting those objectives

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?

☐ (A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes
☐ (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
☐ (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
☑ **(D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities**
Specify:
Explain how these activities were conducted:
○ (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

OVERALL APPROACH

EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
Organisation					
(A) Commitment to and experience in responsible investment	☑	☑	☑	☐	☑
(B) Responsible investment policy(ies)	☑	☑	☑	☐	☑
(C) Governance structure and senior-level oversight and accountability	☑	☑	☑	☐	☑
People and Culture					
(D) Adequate resourcing and incentives	☑	☑	☑	☐	☐
(E) Staff competencies and experience in responsible investment	☑	☐	☑	☐	☑
Investment Process					
(F) Incorporation of material ESG factors in the investment process	☑	☐	☑	☐	☑

(G) Incorporation of risks connected to systematic sustainability issues in the investment process	☑	☐	☑	☐	☑
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	☑	☐	☑	☐	☑
Stewardship					
(I) Policy(ies) or guidelines on stewardship	☑	☑	☑	☐	☐
(J) Policy(ies) or guidelines on (proxy) voting	☑	☑	☑	☐	☐
(K) Use of stewardship tools and activities	☑	☑	☑	☐	☐
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	☑	☑	☑	☐	☐
(M) Involvement in collaborative engagement and stewardship initiatives	☑	☑	☑	☐	☐
(N) Engagement with policy makers and other non-investee stakeholders	☐	☐	☐	☐	☐
(O) Results of stewardship activities	☑	☑	☑	☐	☐
Performance and Reporting					
(P) ESG disclosure in regular client reporting	☑	☑	☑	☐	☑
(Q) Inclusion of ESG factors in contractual agreements	☑	☐	☑	☐	☐
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	○	○	○	◉	○

SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

☐ (A) Incorporation of their responsible investment policy into advisory services
☐ (B) Ability to accommodate our responsible investment policy
☐ (C) Level of staff's responsible investment expertise
☐ (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
☐ (E) Other
○ (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
◉ **(G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers**

SELECTION

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

◉ **(A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year**
○ (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
○ (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

Organisation

☑ **(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

☑ **(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

☑ **(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

People and Culture

☑ **(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

☑ **(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

Investment Process

☑ **(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

Performance and Reporting

☑ **(I) ESG disclosure in regular client reporting**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(J) Inclusion of ESG factors in contractual agreements**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

○ (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

☑ **(A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(C) Their participation in collaborative engagements and stewardship initiatives**

Select from dropdown list

- ◉ **(1) for all of our mandates**
- ○ (2) for a majority of our mandates
- ○ (3) for a minority of our mandates

☑ **(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**

Select from dropdown list

- ○ (1) for all of our mandates
- ◉ **(2) for a majority of our mandates**
- ○ (3) for a minority of our mandates

☐ (E) Details of their engagement activities with policy makers

☐ (F) Their escalation process and the escalation tools included in their policy on stewardship

○ (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 7	CORE	OO 9, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of (proxy) voting did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

☑ **(A) The alignment of their policy(ies) or guidelines on (proxy) voting with the investment mandate**
Select from dropdown list
◉ **(1) for all of our mandates**
○ (2) for a majority of our mandates
○ (3) for a minority of our mandates
☐ (B) Historical information on the number or percentage of general meetings at which they voted
☐ (C) Analysis of votes cast for and against
☐ (D) Analysis of votes cast for and against resolutions related to risks connected to systematic sustainability issues
☐ (E) Details of their position on any controversial and high-profile votes
☐ (F) Historical information of any resolutions on which they voted contrary to their own voting policy and the reasons why
☐ (G) Details of all votes involving companies where the external investment manager or an affiliate has a contractual relationship or another potential conflict of interest
○ (H) We did not review and evaluate any of the above aspects of (proxy) voting when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year
○ (I) Not applicable; our organisation did not select new external investment managers or allocated new mandates to existing investment managers for listed equity and/or hedge funds that hold equity.

APPOINTMENT

SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13, OO 21	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

☑ **(A) Their commitment to following our responsible investment strategy in the management of our assets**
Select from dropdown list
○ (1) for all of our segregated mandates
◉ **(2) for a majority of our segregated mandates**
○ (3) for a minority of our segregated mandates
☑ **(B) Their commitment to incorporating material ESG factors into their investment activities**
Select from dropdown list
○ (1) for all of our segregated mandates
◉ **(2) for a majority of our segregated mandates**
○ (3) for a minority of our segregated mandates
☑ **(C) Their commitment to incorporating material ESG factors into their stewardship activities**
Select from dropdown list
○ (1) for all of our segregated mandates
◉ **(2) for a majority of our segregated mandates**
○ (3) for a minority of our segregated mandates

☑ **(D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities**

Select from dropdown list

- ○ (1) for all of our segregated mandates
- ◉ **(2) for a majority of our segregated mandates**
- ○ (3) for a minority of our segregated mandates

☑ **(E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities**

Select from dropdown list

- ○ (1) for all of our segregated mandates
- ◉ **(2) for a majority of our segregated mandates**
- ○ (3) for a minority of our segregated mandates

☑ **(F) Exclusion list(s) or criteria**

Select from dropdown list

- ◉ **(1) for all of our segregated mandates**
- ○ (2) for a majority of our segregated mandates
- ○ (3) for a minority of our segregated mandates

☑ **(G) Responsible investment communications and reporting obligations, including stewardship activities and results**

Select from dropdown list

- ○ (1) for all of our segregated mandates
- ◉ **(2) for a majority of our segregated mandates**
- ○ (3) for a minority of our segregated mandates

☑ **(H) Incentives and controls to ensure alignment of interests**

Select from dropdown list

- ◉ **(1) for all of our segregated mandates**
- ○ (2) for a majority of our segregated mandates
- ○ (3) for a minority of our segregated mandates

☑ **(I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD**

Select from dropdown list

- ○ (1) for all of our segregated mandates
- ◉ **(2) for a majority of our segregated mandates**
- ○ (3) for a minority of our segregated mandates

☐ (J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

☐ (K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments

☐ (L) Other

○ (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

MONITORING

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
Organisation					
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	☑	☐	☑	☐	☐
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	☑	☐	☑	☐	☐
(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)	☑	☐	☑	☐	☐
People and Culture					
(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)	☑	☐	☑	☐	☐

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)	☑	☐	☑	☐	☐
Investment Process					
(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)	☑	☐	☑	☐	☐
(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)	☑	☐	☑	☐	☐
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)	☑	☐	☑	☐	☐
Performance and Reporting					
(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)	☑	☑	☑	☐	☑
(J) Inclusion of ESG factors in contractual agreements	☑	☑	☑	☐	☑
(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year	○	○	○	◉	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?

	(1) Listed equity (passive)	(2) Fixed income (passive)
(A) How the external investment managers applied, reviewed and verified screening criteria	☑	☑
(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes	☐	☐
(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process	☑	☐
(D) Other	☑	☐
(E) We did not monitor ESG passive products and strategies	○	○
(F) Not applicable; we do not invest in ESG passive products and strategies	○	○

(D) Other - Specify:

Proxy voting

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.

We developed a series of 13 questions to assess our asset managers' measures and progress on a net-zero strategy. The questions are intended as a basis for discussions to encourage asset managers to set net-zero targets, monitor and report their progress, as well as to engage with companies on climate-related topics.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) At least annually	☑	☑	☑	☑	☑
(B) Less than once a year	☐	☐	☐	☐	☐
(C) On an ad hoc basis	☐	☐	☐	☐	☐

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) Any changes in their policy(ies) or guidelines on stewardship	☑	☑	☑	☑	☑
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	☑	☐	☑	☐	☐
(C) How they prioritise material ESG factors	☑	☐	☑	☐	☐
(D) How they prioritise risks connected to systematic sustainability issues	☑	☐	☑	☐	☐
(E) Their investment team's level of involvement in stewardship activities	☑	☐	☑	☐	☐
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	☑	☐	☑	☐	☐
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	☐	☐	☐	☐	☐
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	☑	☐	☑	☐	☐

(I) Whether they participated in collaborative engagements and stewardship initiatives	☐	☐	☐	☐	☐
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	☑	☐	☑	☐	☐
(K) Other	☐	☐	☐	☐	☐
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	○	○	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 14	CORE	OO 9, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your AUM in each asset class where (proxy) voting is delegated to external investment managers, which aspects of your external investment managers' (proxy) voting practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)
(A) Any changes in their policy(ies) or guidelines on (proxy) voting	☑	☑
(B) Whether their (proxy) voting decisions were consistent with their stewardship priorities as stated in their policy and with their voting policy, principles and/or guidelines	☐	☐
(C) Whether their (proxy) voting decisions were consistent with their stated approach on the prioritisation of risks connected to systematic sustainability issues	☐	☐
(D) Whether their (proxy) voting track record was aligned with our stewardship approach and expectations	☐	☐

(E) The application of their policy on securities lending and any implications for implementing their policy(ies) or guidelines on (proxy) voting (where applicable)	☐	☐
(F) Other	☐	☐
(G) We did not monitor our external investment managers' (proxy) voting practices during the reporting year	○	○

ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

Zurich has developed a strict review process for engagement with asset managers.
Manager review
Zurich uses the following elements to formally integrate responsible investment practices into its manager monitoring process:
• Use of a detailed questionnaire to capture responsible investment practices applied specifically to Zurich portfolios.
• Discussion of ESG risks and opportunities at a portfolio level as part of formal performance review meetings.
• Discussion of ESG performance as part of Asset-Liability Management Investment Committee (ALMIC) meetings.
• Discussion of responsible investment practices at formal senior-level relationship meetings.
• Integration of responsible investment practices into Zurich's proprietary asset manager evaluation system.

In additional to the annual review process, Zurich engaged in the reporting period with asset managers on the implementation of our net-zero 2025 interim targets. This involved an exchange on strategy for achieving reductions in emissions and sharing data methodology.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) Engagement with their investment professionals, investment committee or other representatives	☑	☑	☑	☑	☐
(B) Notification about their placement on a watch list or relationship coming under review	☑	☑	☑	☑	☐
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	☐	☐	☐	☐	☐
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	☑	☑	☑	☑	☐
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	☐	☐	☐	☐	☐
(F) Other	☐	☐	☐	☐	☐
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	○	○	○	○	◉

VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)	(5) Private equity
(A) We checked that the information reported was verified through a third-party assurance process	☐	☐	☐	☐	☑
(B) We checked that the information reported was verified by an independent third party	☐	☐	☐	☐	☑
(C) We checked for evidence of internal monitoring or compliance	☑	☑	☑	☐	☐
(D) Other	☐	☐	☐	☐	☐
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	○	○	○	◉	○

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☑ **(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☑ **(1) The UN Sustainable Development Goals (SDGs) and targets**

☑ **(2) The UNFCCC Paris Agreement**

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

☑ **(1) Environmental**

☐ (2) Social

☐ (3) Governance-related

☐ (4) Other

(3) Sustainability outcome name

Mitigating environmental risk

(4) Number of targets set for this outcome

○ (1) No target

○ (2) One target

◉ **(3) Two or more targets**

☑ **(B) Sustainability outcome #2**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☑ **(1) The UN Sustainable Development Goals (SDGs) and targets**

☐ (2) The UNFCCC Paris Agreement

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☐ (6) Other relevant taxonomies

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☑ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

☐ (1) Environmental
☑ **(2) Social**
☐ (3) Governance-related
☐ (4) Other

(3) Sustainability outcome name

Increasing community resilience

(4) Number of targets set for this outcome

○ (1) No target
◉ **(2) One target**
○ (3) Two or more targets

☐ (C) Sustainability outcome #3
☐ (D) Sustainability outcome #4
☐ (E) Sustainability outcome #5
☐ (F) Sustainability outcome #6
☐ (G) Sustainability outcome #7
☐ (H) Sustainability outcome #8
☐ (I) Sustainability outcome #9
☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

	(A1) Sustainability Outcome #1: Target details
(A1) Sustainability Outcome #1:	Mitigating environmental risk
(1) Target name	CO2 equivalent emissions avoided
(2) Baseline year	2022
(3) Target to be met by	
(4) Methodology	Mitigating environmental risks by supporting a low-carbon economy and encouraging environmentally friendly technologies, measured in terms of 'reduced/avoided CO2 emissions. Zurich's impact investment strategy aims to build a portfolio that helps to avoid 5 million metric tons of CO2 equivalent emissions per year.
(5) Metric used (if relevant)	CO2 equivalent emissions
(6) Absolute or intensity-based (if relevant)	

(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	Avoid 5 million metric tons of CO2 emissions per year.
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(2) No
	(A2) Sustainability Outcome #1: Target details
(A2) Sustainability Outcome #1:	Mitigating environmental risk
(1) Target name	Emission reduction
(2) Baseline year	2019
(3) Target to be met by	2025
(4) Methodology	Zurich has committed to transitioning its investment portfolios to net-zero greenhouse gas emissions by 2050
(5) Metric used (if relevant)	CO2 equivalent emissions
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	136
(8) Target level or amount (if relevant)	Zurich aims to: reduce the intensity of emissions of listed equity and corporate bond investments by 25 percent (metric tons CO2 equivalent per USD million invested), and reduce the intensity of emissions of direct real estate investments by 30 percent (kilograms CO2 equivalent per square meter)
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(1) Yes

	(B1) Sustainability Outcome #2: Target details
(B1) Sustainability Outcome #2:	Increasing community resilience
(1) Target name	People benefiting
(2) Baseline year	2022
(3) Target to be met by	
(4) Methodology	Increasing community resilience by helping to build ‘community capital,’ and addressing the needs of populations that lack traditional means to achieve such goals (‘under-served populations’), measured in terms of ‘the number of people who benefited.’
(5) Metric used (if relevant)	Lives and livelihoods impacted
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	Through impact investments, we aim to make a positive contribution to the lives and livelihoods of 5 million people per year.
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	(2) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A2) Sustainability Outcome #1: Mitigating environmental risk	Emission reduction	2050	Zurich has committed to transitioning its investment portfolios to net-zero greenhouse gas emissions by 2050.

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

☑ **(A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets**
☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
☐ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
○ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
○ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

Provide details of your nearest-term net zero targets per asset class.

Corporate & infrastructure equity
(B) NZAOA TSP asset class breakdown
☑ **Listed equity (incl. REITs, funds)**

	Target details
(B) NZAOA TSP asset class breakdown: Corporate & infrastructure equity: Listed equity (incl. REITs, funds)	
(1) Our organisation has not set any target for this asset class	○
(2) Baseline year	2019
(3) Target to be met by	2025
(4) Emissions included in target	(1) Scope 1 (2) Scope 2
(5) Methodology	Emission reduction target-setting methodology and scope Following the release of the NZAOA protocol, we announced our initial set of interim (2025) targets in March 2021. The targets cover the following: - Listed equity, listed corporate debt and direct real estate. - Thirty-six percent of our assets under management in the baseline year of 2019. We chose to calculate corporate-financed emissions and the resulting relative emissions intensity using the protocol's preferred approach, which is based on enterprise value, not revenue. While a revenue-based carbon intensity measure is a good way to compare companies based on their size and underlying technology, NZAOA members believe the enterprise value approach is a better way to convert a corporation's operational emissions (scope 1+2) into the "financed emissions". This can be attributed to a company's underlying equity and/or debt investors, who are ready to take additional responsibility for these emissions. To calculate corporate financed emissions, we use the following methodology: - Scope 1+2 emissions in line with the GHG protocol are provided by S&P Trucost. - Enterprise value is defined as the sum of market capitalization of common stock at fiscal year -end, the market capitalization of preferred equity at fiscal year-end, and the book values of debt and minorities' interests minus the cash and cash equivalents held by the enterprise. When enterprise value is not available (for example, for financial companies) it is substituted with market capitalization. Enterprise value data is provided by S&P Trucost. Market value is defined as the market value of listed equities and listed corporate debt at fiscal year -end. While all financial data (enterprise value and market value) is calculated as of December 31 of the reporting year, we use the latest available corporate emission data available as of January each year, when portfolio-level financed emissions are calculated on an annual basis.

	This means that emissions data is systematically lagging. For example, financed emissions for 2023 will be largely based on full-year 2023 emissions data, as full-year 2023 emissions data will only be made available by investees in H1 2024, and tends to flow to data providers via CDP submissions in the fourth quarter of a given year.	
(6) Metric used		(3) Intensity-based: tCO2e/Mn USD
(7) Baseline amount	90	
(8) Current amount (if different from baseline amount)	57	
(9) Targeted reduction with respect to baseline	25%	
(10) Percentage of total AUM covered in your baseline year for target setting	100%	
(11) If coverage is below 100% for this asset class, explain why		

Corporate & infrastructure equity

☐ Private equity high emitting Infrastructure direct
☐ Private equity direct (incl. low emitting infrastructure)
☐ Private equity and infrastructure funds

Corporate & infrastructure debt finance

☑ **Publicly traded corporate debt**

Target details

(B) NZAOA TSP asset class breakdown: Corporate & infrastructure debt finance: Publicly traded corporate debt		
(1) Our organisation has not set any target for this asset class		○
(2) Baseline year	2019	
(3) Target to be met by	2025	
(4) Emissions included in target		(1) Scope 1 (2) Scope 2
(5) Methodology	Emission reduction target-setting methodology and scope Following the release of the NZAOA protocol, we announced our initial set of interim (2025) targets in March 2021. The targets cover the following:	

- Listed equity, listed corporate debt and direct real estate.

- Thirty-six percent of our assets under management in the baseline year of 2019.

We chose to calculate corporate-financed emissions and the resulting relative emissions intensity using the protocol's preferred approach, which is based on enterprise value, not revenue.

While a revenue-based carbon intensity measure is a good way to compare companies based on their size and underlying technology, NZAOA members believe the enterprise value approach is a better way to convert a corporation's operational emissions (scope 1+2) into the "financed emissions." This can be attributed to a company's underlying equity and/or debt investors, who are ready to take additional responsibility for these emissions. To calculate corporate financed emissions, we use the following methodology:

- Scope 1+2 emissions in line with the GHG protocol are provided by S&P Trucost.

- Enterprise value is defined as the sum of market capitalization of common stock at fiscal year-end, the market capitalization of preferred equity at fiscal year-end, and the book values of debt and minorities' interests minus the cash and cash equivalents held by the enterprise. When enterprise value is not available (for example, for financial companies) it is substituted with market capitalization. Enterprise value data is provided by S&P Trucost. Market value is defined as the market value of listed equities and listed corporate debt at fiscal year-end.

While all financial data (enterprise value and market value) is calculated as of December 31 of the reporting year, we use the latest available corporate emission data available as of January each year, when portfolio-level financed emissions are calculated on an annual basis. This means that emissions data is systematically lagging. For example, financed emissions for 2023 will be largely based on full-year 2022 emissions data, as full-year 2023 emissions data will only start to become available by investees in H1 2024, and tends to flow to data providers via CDP submissions in the fourth quarter of a given year.

(6) Metric used		(3) Intensity-based: tCO2e/Mn USD
(7) Baseline amount	146	
(8) Current amount (if different from baseline amount)	80	
(9) Targeted reduction with respect to baseline	25%	
(10) Percentage of total AUM covered in your baseline year for target setting	100%	
(11) If coverage is below 100% for this asset class, explain why		

Corporate & infrastructure debt finance

- ☐ Private loans to high emitting infrastructure
- ☐ Private loans to unlisted / privately held companies and infrastructure (low emitting)
- ☐ Private debt funds

Real estate

- ☑ **Directly held real estate**

	Target details
(B) NZAOA TSP asset class breakdown: Real estate: Directly held real estate	
(1) Our organisation has not set any target for this asset class	○
(2) Baseline year	2019
(3) Target to be met by	2025
(4) Emissions included in target	(1) Scope 1 (2) Scope 2
(5) Methodology	For our direct real estate portfolio, we are aiming to reduce our relative emission intensity by 30 percent by 2025 from a 2019 baseline. Our target includes scope 1 and 2 emissions, the (so called "•operational emissions."). Since 2019, we have reduced our carbon emissions by 20 percent and are progressing well toward our 2025 target. Our carbon emissions have decreased by 15.7 percent compared with the results in 2020, even as occupancy levels increased in our buildings due to the easing of COVID-19 restrictions. The decrease was largely due to a higher share of green electricity, which has tripled since 2019, in line with our strategy. We achieved further reductions through energy efficiency initiatives and refurbishment projects.
(6) Metric used	(3) Intensity-based: tCO2e/Mn USD
(7) Baseline amount	21.9
(8) Current amount (if different from baseline amount)	16.2
(9) Targeted reduction with respect to baseline	25%
(10) Percentage of total AUM covered in your baseline year for target setting	82%
(11) If coverage is below 100% for this asset class, explain why	We are working on increasing coverage. However, the 35% missing refers to properties that have been recently acquired or that are currently under refurbishment. Therefore, we cannot ensure 100% coverage.

Real estate
- ☐ Commercial real estate loans
- ☐ Real estate equity funds
- ☐ Real estate debt funds
- ☐ Residential mortgages loans (directly)

Public debt
- ☐ Sovereign bonds
- ☐ Supra-, sub-sovereigns, municipal bonds
- ☐ US agencies

Others
- ☐ Securitised products
- ☐ Covered bonds
- ☐ Other asset classes

Combined asset classes
- ☐ Combined bonds and equities
- ☐ Combined bonds, equities, and real estate (direct)
- ☐ Combined bonds, equities, real estate, and infrastructure

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

	(A1) Sustainability outcome #1:	
(A1) Sustainability outcome #1:	Mitigating environmental risk	
Target name:	CO2 equivalent emissions avoided	
Does your organisation track progress against your nearest-term sustainability outcome targets?		(1) Yes
	(A2) Sustainability outcome #1:	
(A2) Sustainability outcome #1:	Mitigating environmental risk	
Target name:	Emission reduction	
Does your organisation track progress against your nearest-term sustainability outcome targets?		(1) Yes

	(B1) Sustainability outcome #2:
(B1) Sustainability outcome #2:	Increasing community resilience
Target name:	People benefiting
Does your organisation track progress against your nearest-term sustainability outcome targets?	(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

	(A1) Sustainability Outcome #1: Target details
(A1) Sustainability Outcome #1:	Mitigating environmental risk
(1) Target name	CO2 equivalent emissions avoided
(2) Target to be met by	
(3) Metric used (if relevant)	CO2 equivalent emissions
(4) Current level or amount (if relevant)	4.5 million metric tons CO2e emissions avoided in 2023
(5) Other qualitative or quantitative progress	

(6) Methodology for tracking progress	To measure the real impact, Zurich has developed an impact measurement framework, which allows us to aggregate the impact achieved across the portfolio along our defined impact metrics. Due to our asset class approach, we have developed a methodology that can be adapted for various asset classes, allowing us to aggregate our impact on a portfolio basis. We report annually on our progress with two metrics – 'CO2-equivalent emissions avoided' and 'people benefited'. The first step is gathering reported impact numbers. Zurich's impact measurement methodology is based on impact numbers reported by the issuers of impact investing instruments. Zurich aims to collect only the impact financed by an impact investor; impact investors are encouraged to report pro-rata shares. As Zurich wants to match the impact to its portfolio's invested dollars for respective years, annualized impact numbers are collected. The second step requires the aggregation on portfolio level, across the different asset classes. Zurich's impact framework methodology looks only at the impact created by Zurich's share of investments.
	(A2) Sustainability outcome #1: Target details
(A2) Sustainability outcome #1:	Mitigating environmental risk
(1) Target name	Emission reduction
(2) Target to be met by	2025
(3) Metric used (if relevant)	CO2 equivalent emissions
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	Since 2019, Zurich reduced emission intensity by 43 percent for listed equity and corporate credits. Zurich's absolute financed emissions declined over the same period by 52 percent. For our direct real estate assets, absolute financed emissions for 2021 declined by 30 percent.
(6) Methodology for tracking progress	Zurich has set its emission reductions targets against a 2019 baseline, based on latest available emissions for December, 2019: 136 metric tons CO2-equivalent per USD million invested (market value based) for listed equity and corporate bond investments; and 32 kilograms CO2-equivalent per square meter for real estate investments. Zurich defines the carbon emissions intensity of an issuer as metric tons of CO2-equivalent greenhouse gases emitted (under scope 1 and scope 2 of GHG protocol) per USD millions of capital deployed, aligned with the Asset Owner Alliance target setting protocol. For non-financial companies, capital is defined as enterprise value, and for financial companies, market capitalization is used as a proxy. This is multiplied by Zurich's outstanding investment amount of that issuer. To derive portfolio-level intensity, we use the simple mathematical average of total portfolio carbon-equivalent footprint per million USD in portfolio market value.

	(B1) Sustainability Outcome #2: Target details
(B1) Sustainability Outcome #2:	Increasing community resilience
(1) Target name	People benefiting
(2) Target to be met by	
(3) Metric used (if relevant)	Lives and livelihoods impacted
(4) Current level or amount (if relevant)	In 2023, 4.6 million people benefited from positive contribution to lives and livelihoods.
(5) Other qualitative or quantitative progress	
(6) Methodology for tracking progress	The first step is gathering reported impact numbers. Zurich's impact measurement methodology is based on impact numbers reported by the issuers of impact investing instruments. Zurich aims to collect only the impact financed by an impact investor and impact investors are encouraged to report pro-rata shares. As Zurich wants to match the impact to its portfolio's invested dollars for respective years, annualized impact numbers are collected. The second step requires the aggregation at a portfolio level, across the different asset classes. Zurich's impact framework methodology looks only at the impact created by Zurich's share of investments.

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

☑ **(A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets**
Select from drop down list:
☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**
☑ **(B) Stewardship: engagement with external investment managers**
Select from drop down list:
☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**
☑ **(C) Stewardship: engagement with policy makers**
Select from drop down list:

☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**

☑ **(D) Stewardship: engagement with other key stakeholders**

Select from drop down list:

☑ **(1) Individually**
☑ **(2) With other investors or stakeholders**

☑ **(E) Capital allocation**

○ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (4) Divestment from assets or sectors
(2) Explain through an example	Zurich evaluates impact investments within the context of specific asset classes and creates dedicated strategies for impact investments within those asset classes. We will focus on the following asset classes: • Fixed income: use-of-proceed bonds encompassing green, social and sustainability bonds. • Impact infrastructure private debt: including direct private debt lending toward infrastructure such as solar/wind farms and social institutions. • Impact private equity: investing in funds with a positive social and/or environmental impact. .
	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	Mitigating environmental risk
(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (4) Divestment from assets or sectors
(2) Explain through an example	Allocating capital to investment opportunities that generate tangible positive impact for a given level of risk and return. Zurich is committed to promoting and financing the transition to a net-zero economy. This will require financing for the development of new technology and the replacement of existing technology.

	This includes achieving universal access to modern energy services, improving energy efficiency, and increasing the share of energy generated from renewable resources. Zurich will consider impact investments that help increase energy efficiency, generate renewable energy or mitigate climate change and/or protect the environment in other ways. In identifying potential impact investments, we will assess whether the investment meets our definition of impact investing (intentionality – measurability – profitability), supports our impact objectives (mitigating environmental risks and increasing community resilience), contributes to our impact targets (avoid 5 million tons of CO2e emissions per year and make a positive contribution to the lives of 5 million people in need) and/or, contributes to development of the impact investing market. For instance, Zurich is seeking to capture opportunities across the universe of green, social and sustainability bonds. At the end of 2023, the portfolio included green, social and sustainability bonds of USD 6.9 billion and USD 216 million in impact private equity funds active in areas such as financial inclusion and clean technology, as well as private debt impact infrastructure investments (such as wind or solar farms) of USD 808 million. The overall impact portfolio comprises 73 percent of investments with a focus on the environment and 27 percent focused on social outcomes.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	Increasing community resilience
(1) Capital allocation activities used	(1) Asset class allocation
(2) Explain through an example	Impact investing has its roots in providing private – often venture – capital to social enterprises. Over the years the concept spread to other parts of the private equity universe. What constitutes an impact investment may be determined by the context. A private hospital provider in Western Europe may not be considered an impact investment. But a private healthcare services provider in an emerging or frontier economy, serving parts of the population trying to escape poverty, may contribute significantly to community resilience When being considered for impact investment, fund managers' investment strategies will be evaluated with regard to impact objectives on a case-by-case basis. The overall impact portfolio comprises 73 percent of investments with a focus on the environment and 27 percent focused on social outcomes.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

	Thematic bond(s) label
(A) Sustainability Outcome #1: Mitigating environmental risk	(A) Green/climate bonds (C) Sustainability bonds
(B) Sustainability Outcome #2: Increasing community resilience	(B) Social bonds (C) Sustainability bonds

STEWARDSHIP WITH INVESTEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Describe your approach	At Zurich, engagement is defined as a set of two complementary approaches: • Direct dialogue with investee companies geared toward gathering 'traditional' information regarding strategy and finances and assessing their approaches to ESG issues as well as influencing their behaviour in certain instances as part of our ESG integration strategy. • Collaborating with the broader market to achieve desired goals with regard to ESG issues as part of our advancing together strategy. Zurich believes that direct engagement, undertaken wherever possible without incurring undue costs, is in our best economic interest and aligned with our desire to safeguard investments. As part of our active ownership strategy, we require all our managers for listed equities to exercise their voting rights on directly held equities. For our in-house asset management, we ensure that outcomes of engagements are linked to the proxy voting process to form a consistent active-ownership approach. This means that where engagement as part of our net-zero program fails and companies refuse to set targets after due dialogue, we will vote against board members at shareholder meetings.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (6) Taking roles on investee boards (7) Working directly with portfolio companies and/or real asset management teams
(3) Example	Case study on direct engagement: Since 2019, underwriting and investment management have worked together to continuously engage with a customer and investee company that was one of the highest CO2-e emitters in both our underwriting and investment management portfolios, mainly due to its coal-fired power generation. At the start of engagement, the company indicated its willingness to transition with a clear plan to switch to renewable energy. Annual meetings supported the continued exchange between Zurich, the customer and investee company and provided evidence that the company was indeed on a science-based reduction pathway as part of its sustainability efforts. The company committed to invest EUR 50 billion by 2030, doubling its installed capacity from renewable energy to 50 gigawatts, making them one of the largest players in the renewable energy market.

	Since 2019, underwriting and investment management have worked together to continuously engage with customers and investee companies, as was the case with a European utility company. Since the company had not publicly stated emission reduction targets, we started an engagement to learn more about the company's transition and encourage them to set science-based targets. The company embarked on a journey towards sustainability and decarbonization. It acknowledged the challenges in scope 3 emissions accounting for utilities and grappled with the complexities of long-standing gas power plants. Despite these challenges, its ambition to set emission targets and invest in green hydrogen showcased its determination to lead in sustainability and renewable energy.
	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	Mitigating environmental risk
(1) Describe your approach	We strongly believe that simply divesting from companies with carbon-intensive footprints is less effective than engaging with them to drive the shift to sustainable practices. Many of these companies have the knowledge and engineering capabilities required to make a green transition and harnessing this can benefit sustainability goals. - Engage with companies that produce 65% of portfolio emissions and lack targets aligned with the Paris Agreement. - Require these companies to set targets aligned with the Paris Agreement. - Collaborate with asset managers to highlight best practice for climate-conscious active ownership and work together for a just transition. Over a period of at least two years, we will engage with companies directly and through organizations such as Climate Action 100+ and the NZAOA. Should engagement fail and companies refuse to set targets after due dialogue, we will vote against board members at shareholder meetings and where relevant, as a last resort, will divest. In addition, on climate related topics, we engage individually and collaboratively with regulatory bodies and the broader spectrum of financial market participants to: -encourage improved/increased ESG and/or impact disclosure. -influence and improve broader corporate practice on ESG issues. -support the mainstreaming of ESG integration and impact investment. -advocate for regulatory frameworks that are supportive to scaling responsible investment with integrity. -champion ESG topics identified as material to Zurich.
(2) Stewardship tools or activities used	(1) Engagement (2) (Proxy) voting at shareholder meetings (7) Working directly with portfolio companies and/or real asset management teams

(3) Example	In 2023, we voted in favor of various shareholder proposals related to climate issues. For instance, we supported various shareholder proposals demanding high-emitting companies to align their GHG emission reduction targets with the Paris Agreement. We believe it is necessary for companies to act upon growing climate-related risks, to commit to the transition and build resilience for the future.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	Increasing community resilience
(1) Describe your approach	On increasing community resiliency, we mainly engaged directly and individually on a case-by-case basis to acquire more information about ESG as well as overall strategy, management and issues of investee companies.
(2) Stewardship tools or activities used	(1) Engagement
(3) Example	We reached out to the issuer when no social bond impact report was available or where the report lacked sufficient detail. In a specific example, we wanted to clarify if the reported impact was for the entire project or only for the share financed. Since the investee was the sole investor, the full impact could be counted. This is important to avoid overstating the achieved impact.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☑ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

We prioritize the highest emitters in our portfolio.

Select from the list:

◉ **3**

○ 4

☑ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

We strongly believe that simply divesting from companies with carbon-intensive footprints is less effective than engaging with them to drive the shift to sustainable practices.

Select from the list:

◉ **2**

○ 4

☑ **(C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.**

Describe how you do this:

We engage with companies that produce 65 percent of portfolio emissions and lack targets aligned with the Paris Agreement.

Select from the list:

◉ 1

○ 4

☐ (D) Other

STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Describe your approach	As an asset owner, one of the most important and impactful engagement opportunities we have is to engage with our asset manager partners to support greater climate action and 1.5°C alignment with low/no overshoot. This applies to asset managers investing on our behalf in both public and private markets. Asset managers consistently represent the long-term interests of their asset owner clients in their climate-related engagements, particularly when those clients have made their own ambitious climate commitments. This is a key aspect of alignment in the asset manager–owner relationship. We engage with all our asset managers on environmental, social and governance topics regularly, but at least annually in a review meeting. Part of the quarterly review meetings is the monitoring of emission reduction targets, ensuring our asset managers are on track to reach our 2025 interim emission reduction targets. To ensure alignment between our investment philosophy and our asset managers, we are strengthening our asset manager engagement process to systematically address climate-related stewardship. The aim of our engagement is to:

- Increase asset manager ambition and accountability: We evaluate the strength of asset managers' systematic

stewardship efforts related to climate and we integrate that evaluation into our ongoing selection, appointment and

monitoring processes. Our annual ESG questionnaire, which includes specific climate-related topics, and review

meetings provide input for our internal scoring system. Where we identify areas that do not meet our expectations,

we engage on those particular topics and ask for specific commitments to implement improvements. Our aim is to

get asset managers to a transparent and consistent reporting.

- Encourage asset managers to act systemically on our behalf: Asset managers often have long-standing and strong

relationships with companies in their portfolios and hold more concentrated positions in companies than we do. This gives

clear weight and influence to any messaging that asset managers deliver to companies on the need to manage

systemic risks. Furthermore, through thought leadership, public discourse and policy engagement, asset managers

can help encourage the development of the policy frameworks and economic incentives that are needed to catalyse

the systemic shifts that would limit warming to 1.5°C.

Asset managers that manage impact assets (private equity; green, social and sustainability bonds; and infrastructure PD) also provide us annually with an impact report, allowing us to measure the impact Zurich's investment has in these assets.

Asset managers that manage impact assets (private equity; green, social and sustainability bonds; and infrastructure PD) also provide us annually with an impact report, allowing us to measure the impact Zurich's investment has in these assets.

	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	Mitigating environmental risk
(1) Describe your approach	In our annual ESG questionnaire, we ask our asset managers for detailed information about how they manage climate-related topics in the portfolio. Based on the answers, we then engage throughout the year with the asset managers to better understand their responses.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	Increasing community resilience
(1) Describe your approach	Asset managers that manage impact assets (private equity; green, social and sustainability bonds; and infrastructure PD) also provide us annually with an impact report, allowing us to measure the impact Zurich's investment has in these assets. To measure the increase in community resilience, we measure the number of people who benefit through our investments from healthcare, education, access to finance, access to energy, etc through our investments.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Across all sustainability outcomes
(1) Describe your approach	Zurich Insurance Group pro-actively engages with global, regional and local policymakers, governments and opinion leaders. Through this engagement, Zurich keeps abreast of policy trends and emerging issues and shares its insurance expertise and insights to contribute to effective policy solutions
(2) Engagement tools or activities used	(2) We responded to policy consultations (4) We engaged policy makers on our own initiative
(3) Example(s) of policies engaged on	Zurich maintains dialogue with international multi-stakeholder bodies including regulators, such as the Financial Stability Board, International Association of Insurance Supervisors and National Association of Insurance Commissioners; authorities, such as the European Insurance and Occupational Pensions Authority; policymakers, such as EU and UK institutions, U.S. Congress, as well as U.S. administrative agencies.

	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	Mitigating environmental risk
(1) Describe your approach	Zurich advocates for a global price on carbon, established at a level which over time becomes consistent with transitioning to a below-1.5°C trajectory. Such a price would mean that negative externalities of fossil fuels and other sources of GHG emissions are properly accounted for and reflected in the price. This would help ensure a proper assessment of risks and opportunities is reflected in investment and business decisions. It is therefore one of the key categories of the score card.
(2) Engagement tools or activities used	(2) We responded to policy consultations (4) We engaged policy makers on our own initiative (5) Other methods
(3) Example(s) of policies engaged on	Over the reporting period, we engaged with several regulatory bodies on how we measure climate-related risk in our portfolio.
	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	Increasing community resilience
(1) Describe your approach	
(2) Engagement tools or activities used	
(3) Example(s) of policies engaged on	

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

	(A) Across all sustainability outcomes
(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs
(2) Provide further detail on your engagement	As part of our responsible investment strategy, we help to make responsible investment mainstream through collaborative engagement with other industry participants and engaging with policymakers to build markets in which ESG risk is priced efficiently and decarbonization is incentivized. We engage through industry organisations to advance the market for green, social and sustainability bonds. Over the reporting period, we engaged with several regulatory bodies on how we measure climate-related risk in our portfolio.
	(B) Sustainability Outcome #1:
(B) Sustainability Outcome #1:	Mitigating environmental risk
(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia (8) NGOs
(2) Provide further detail on your engagement	Over the reporting period, we engaged with several regulatory bodies (standards setters and reporting bodies) on how we measure climate-related risk in our portfolio.

	(C) Sustainability Outcome #2:
(C) Sustainability Outcome #2:	Increasing community resilience
(1) Key stakeholders engaged	(1) Standard setters (7) Academia (8) NGOs
(2) Provide further detail on your engagement	We are working with peers globally to encourage borrowers to increase transparency on the impact they generate and to set up global standards to disclose and measure social impact.

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

	(A) Initiative #1
(1) Name of the initiative	UN Net-Zero Asset Owner Alliance
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative (D) We provided pro bono advice, research or training (E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support (G) We were part of an advisory committee or similar (H) We contributed to the development of the initiative's materials and/or resources (e.g. co-authored a report)
(3) Provide further detail on your participation in this collaborative initiative	In addition to direct company engagement, we also participated in working groups supporting sector and asset manager engagement, both bilaterally and as part of the NZAOA asset manager workstream. We contribute to an NZAOA engagement working group where we actively exchange with Asset Managers to encourage them to strengthen their engagement practices. We led the working track for Financing Transition and contributed to the measurement, reporting and verification (MRV) working group.

	(B) Initiative #2
(1) Name of the initiative	Climate Action 100+
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. Zurich is one of the 700 members, which are responsible for more than $52 trillion in assets under management and are engaging companies on improving climate change governance, cutting emissions and strengthening climate-related financial disclosures.
	(C) Initiative #3
(1) Name of the initiative	Operating Principles for Impact Management
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative (D) We provided pro bono advice, research or training (E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support (F) We provided financial support (G) We were part of an advisory committee or similar (H) We contributed to the development of the initiative's materials and/or resources (e.g. co-authored a report)
(3) Provide further detail on your participation in this collaborative initiative	Zurich is a founding member of the Operating Principles for Impact Management. We represent asset owners on the advisory board of the Operating Principles for Impact Management
	(D) Initiative #4
(1) Name of the initiative	Global Impact Investment Network
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative (D) We provided pro bono advice, research or training (H) We contributed to the development of the initiative's materials and/or resources (e.g. co-authored a report)
(3) Provide further detail on your participation in this collaborative initiative	Global Impact Investing Network (GIIN) is a non-profit organization dedicated to increasing the scale and effectiveness of impact investing. Zurich is a member of GIIN's Investors' Council, which provides a platform for impact investors to connect, share ideas, seek feedback and use GIIN's resources and expertise to measure impact.

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

☑ **(A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion**
☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
☑ **(D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report**
☑ **(E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy**
☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
☑ **(G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
○ (H) We did not verify the information submitted in our PRI report this reporting year

THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

☑ **(A) Policy, governance and strategy**
Select from dropdown list:
- ○ (1) Data assured
- ○ (2) Processes assured
- ◉ **(3) Processes and data assured**

☑ **(B) Manager selection, appointment and monitoring**
Select from dropdown list:
- ○ (1) Data assured
- ○ (2) Processes assured
- ◉ **(3) Processes and data assured**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

(1) Description of the third-party external assurance process

An external third-party assurance provider has been engaged on certain metrics disclosed in the Integrated sustainability report of the Annual Report 2023.

It provides:

Limited assurance on selected environmental, governance and social KPIs in the Report. The procedures performed in a limited assurance engagement included:

- Assessment of the suitability of the underlying criteria and their consistent application.

- Inquiries of Zurich Insurance Group's representatives responsible for collecting, consolidating and calculating the KPIs to assess the process of preparing the data, the reporting system, the completeness of the data capture and compilation methods, as well as the internal control to the extent relevant for the limited assurance engagement.

- Inspection of relevant documents about the system and processes for compiling, analysing and aggregating the KPIs and testing on sample basis.

- Analytical procedures and inspection of documents on a sample basis with respect to the compilation and reporting of the KPIs.

- Checks that the calculations have been correctly applied

- Analytical procedures on the Report regarding plausibility and consistency with the KPIs.

- Site visits, inquiries and inspection of documents on a sample basis.

Reasonable assurance on selected environmental KPIs in the report, including site visits (physical or virtual) in 10 countries to visually inspect operations, perform inquiries and inspect documents on a sample basis.

- Testing of underlying sources of information

- Identification and testing of assumptions supporting calculations.

- Evaluation of the overall presentation, structure and content

On a document integrated to our Annual Report (p.214), the third-party assurance providers concluded that the KPIs in scope are prepared and presented, in accordance with the criteria of both according to the limited assurance and the reasonable assurance procedures. More details: Annual Report2023 p214-p219

(2) Assurance standard(s) used by the third-party assurance provider

☐ (A) PAS 7341:2020
☑ **(B) ISAE 3000 and national standards based on this**
☐ (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
☐ (D) RevR6 (Assurance of Sustainability)
☐ (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
☐ (F) Accountability AA1000 Assurance Standard (AA1000AS)
☐ (G) IFC performance standards

☐ (H) SSAE 18 and SOC 1
☐ (I) Other national auditing/assurance standard with guidance on sustainability; specify:
☐ (J) Invest Europe Handbook of Professional Standards
☐ (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
☐ (L) AAF 01/20
☐ (M) AAF 01/06 Stewardship Supplement
☐ (N) ISO 26000 Social Responsibility
☐ (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
☑ **(P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements**
☐ (Q) PCAF
☐ (R) NGER audit framework (National Greenhouse and Energy Reporting)
☐ (S) Auditor's proprietary assurance framework for assuring RI-related information
☐ (T) Other greenhouse gas emissions assurance standard; specify:
(3) Third-party external assurance provider's report that contains the assurance conclusion

https://www.zurich.com/annual-report-2023

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

☐ (A) Board, trustees, or equivalent
☑ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**
Sections of PRI report reviewed
◉ **(1) the entire report**
○ (2) selected sections of the report
○ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year