



CLIMATE TRANSPARENCY REPORT 2020

Zurich Insurance Group

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (<https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-D9F85F7B-1989-4909-8C9E-A38B94C66205/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1>). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	-	Public				
SG 07.8 CC	✓	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	✓	Public				
SG 14.7 CC	✓	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	✓	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	Zurich Insurance Group
Signatory Category	Insurance company
Signatory Type	Asset Owner
Size	US\$ > 50 billion AUM
Main Asset Class	Multi-Asset
Signed PRI Initiative	2012
Region	Europe
Country	Switzerland
Disclosure of Voluntary Indicators	100% from 38 Voluntary indicators

Zurich Insurance Group

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1 Indicate if you have an investment policy that covers your responsible investment approach.

SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 01.6 CC Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.

Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.

Zurich's Market Strategy and Macroeconomics team has defined high-level scenarios and is monitoring developments with the help of a scorecard that is updated regularly. The analysis is available online.

No

SG 01.7 CC Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

Yes

Describe the associated timescales linked to these risks and opportunities.

Overall risks scenarios were considered over both a short (3 - 5 year) and long (5 - 10 year) timeframe.

No

SG 01.8 CC Indicate whether the organisation publicly supports the TCFD?

Yes

No

SG 01.9 CC Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

Yes

Describe

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

1. Establishing scenarios: it is hard to take action without context. Zurich's Market Strategy and Macroeconomics team has defined high-level scenarios and is monitoring developments with the help of a scorecard that is updated regularly. The analysis is available online.
2. Strengthening ESG integration: given its complexity and long-term nature, climate change represents a particular challenge for ESG integration. Additional data and tools are required to raise awareness among investment professionals and to support integration in investment strategies.
3. Benchmarking: ESG integration practices might fail to effectively capture all climate change-related risks and opportunities. We are testing in selected asset classes the use of bespoke benchmarks that incorporate a climate risk assessment and will evaluate the application of such benchmarks for new and existing portfolios on a case-by-case basis.
4. Financing the transition to a low-carbon economy: as part of our ongoing commitment to impact investing and our target to help avoid emission of five million tons of CO2 per year, we will continue to evaluate green investments across different asset classes on an ongoing basis.
5. Driving 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.
6. Engaging with others: as part of engaging with the companies in which we invest, climate change is reflected on the agenda and considered in voting practices.
7. Making selective exclusions: recognizing the particularly harmful impact of coal on climate, Zurich has developed a Group approach on selectively excluding companies from its underwriting and investing activities that get significant revenues from mining thermal coal or using it to generate electricity.
8. Net Zero portfolios by 2050: working on transitioning our investment portfolios to net-zero GHG emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial levels, taking into account the best available scientific knowledge.

Further information on Zurich's adaptation of the FSB TCFD's recommendations can be found here: <https://www.zurich.com/en/sustainability/our-role-in-society/climate-change/tcfd>

No

SG 1.10 CC Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other
- We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

Board members or trustees

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other Chief-level staff or heads of departments

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Investment analysts

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

External managers or service providers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

SG 07.6
CC

For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

Accountabilities at the level of the Zurich Insurance Group

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

The 'Governance, Nominations and Sustainability Committee' of the Zurich Board of Directors reviews and

approves Zurich's approach to sustainability, including:

1. review and approve the Group's sustainability strategy and objectives;
2. oversee the Group's approach and conduct with regard to sustainability, assessing progress against agreed actions at least annually;
3. monitor legislative and regulatory developments and reporting requirements relating to sustainability;
4. review and propose to the Board for approval targets on ESG matters which have a material impact on business strategy, underwriting or business performance.

In addition, the Board of Directors formally oversees the execution of the Group's overall strategy, of which sustainability forms an integral part.

SG 07.8 CC	Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.
<input type="checkbox"/> Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)	
<input checked="" type="checkbox"/> Request incorporation of TCFD into regular client reporting	
<input type="checkbox"/> Request that external managers complete PRI climate indicator reporting	
<input type="checkbox"/> Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide	
<input type="checkbox"/> Other	
<input type="checkbox"/> We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation	

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
<input type="checkbox"/> Yes, in order to assess future ESG factors	
<input checked="" type="checkbox"/> Yes, in order to assess future climate-related risks and opportunities	
	Describe
<p>As an insurance company, Zurich tends to hold and plan for long-term liabilities. Climate-change analysis is undertaken in line with these liability profiles.</p>	
<input type="checkbox"/> No, our organisation does not currently carry out scenario analysis and/or modelling	
SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3

Additional information. [OPTIONAL]

At Zurich, Group Investment Management applies a systematic and structured investment process, focusing on the value drivers that matter most. The starting point in determining the investment strategy in insurance investment management is asset-liability management (ALM). This first step establishes a portfolio of investments that closely replicates the insurance liabilities, and consists primarily of duration-matched government bonds. Such a minimum-risk portfolio will ensure that market values of assets and liabilities move in line with fluctuations in capital markets.

Group Investment Management needs to determine the optimal mix of asset classes that offer the highest long-term expected investment return given Zurich's liabilities, regulatory framework and allocated capital. To make this allocation, Group Investment Management distills all investable asset classes into a set of five transparent 'risk factors.' These 'risk factors' comprise interest rate risk, credit risk, liquidity risk, equity and commodity risk, as well as inflation risk.

Zurich's precise definition of its Group Strategic Asset Allocation ensures consistency of investment and risk assumptions throughout the Group and streamlines communication between neutral portfolio committees and the SAA committee. The neutral portfolios define the geographical and/or sectorial asset allocation for equity, credit and real estate.

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 13.4 CC

Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.

- Initial assessment

Describe

In 2017, Zurich's Macroeconomic and Market Strategy team developed a climate-change scorecard to monitor the probabilities of transition and physical risks, which is updated annually. The 2019 update indicated that the likelihood of missing the Paris Agreement's target of limiting global warming to 2°C or below was higher than achieving it. Zurich has subsequently done further analysis of mid (3-5-year) and long-term (5-10-year) effects under high transition risk and high physical risk scenarios, which have informed further action points for 2019, resulting in our updated position on climate change. We are helping our customers and communities become more resilient to natural disasters and extreme weather; we make a difference through our responsible investment approach; and we are swiftly reducing our own carbon footprint. As part of this, we were the first insurer to commit to the UN Global Compact's Business Ambition for 1.5°C.

- Incorporation into investment analysis

Describe

In 2019, Zurich onboarded a new data provider, providing additional information on transition risk on a company level. As part of our ESG-integration, this additional information forms part of a more holistic price/risk analysis, but also helps us to understand where the climate-related risk and opportunities lie in the investment portfolio. The transition score analysis feeds into the company's overall climate change total risk profile.

Inform active ownership

Describe

Given the scenario analysis described above, Zurich has applied learnings to the 2019 active ownership strategy:

- proxy voting and engagement: focusing on transparency in regard to climate change strategies, target-setting and TCFD reporting
- advocacy: advocating for the transition to a low-carbon economy and for the introduction of an economically viable carbon price
- committing to the UN Global Compact's Business Ambition for 1.5°C and playing an active role in developing the methodology used to set science-based targets in investment portfolios as a member of the Science Based Targets Initiative.

Other

**SG 13.5
CC**

Indicate who uses this analysis.

- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

**SG 13.6
CC**

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes
- No

Please explain the rationale

As an insurance company, Zurich tends to hold and plan for long-term liabilities. Climate-change analysis is undertaken in line with these liability profiles.

**SG 13.7
CC**

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

**SG 13.8
CC**

Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	<input type="checkbox"/> Sustainable Development Scenario (SDS)	
IEA	<input type="checkbox"/> New Policy Scenario (NPS)	
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)	
IRENA	<input type="checkbox"/> RE Map	
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution	
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	<input type="checkbox"/> BNEF reference scenario	
IPCC	<input checked="" type="checkbox"/> Representative Concentration Pathway (RCP) 8.5	
IPCC	<input type="checkbox"/> RPC 6	
IPCC	<input checked="" type="checkbox"/> RPC 4.5	
IPCC	<input type="checkbox"/> RPC 2.6	
Other	<input checked="" type="checkbox"/> Other (1)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (1) please specify:</div> IEA 'Bridge scenario'
Other	<input checked="" type="checkbox"/> Other (2)	<div style="background-color: #0070C0; color: white; padding: 2px;">Other (2) please specify:</div> IEA 'Paris Agreement Scenario'
Other	<input type="checkbox"/> Other (3)	

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		3	661	840	136
Currency	USD				
Assets in USD		3	661	840	136

Specify the framework or taxonomy used.

Green bonds, green infrastructure private debt, green impact private equity funds

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

As part of the Business Ambition for 1.5°C, we have committed to set science-based targets.

- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.5

Additional information [Optional]

Zurich believes that ESG issues, including climate change, demographic trends, resource scarcity and technology developments, are best captured through ESG integration at the security and asset selection levels. Through our ESG integration process (see LEI 01.2 or FI 01.2 for details on Zurich's ESG integration approach), we expect internal and external asset managers to better capture the risks and opportunities associated with a broad range of ESG issues, including the ones outlined here.

As relates to SG 14.2 and SG 14.3 above: Zurich targets low-carbon or climate-resilient investments through its impact investing strategies (See SG15.4 for more details on Zurich's impact investing approach), applies carbon footprinting and emission-reduction targets to its Swiss real estate portfolio and in 2019 implemented a stricter thermal coal and oil sands screen.

SG 14 CC	Voluntary	Public		General
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**SG 14.6
CC**

Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input checked="" type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	In 2019 Zurich committed to Net-Zero portfolios by 2050 and committed to set science-based targets as soon as methodologies are available	TBD	We are working with SBTi and the UN-convened asset owner alliance to develop methodologies
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	The Swiss real estate team follows a carbon reduction strategy with a target of reducing carbon emissions of the portfolio by 20% by 2020 against a 2010 baseline	Co2/sqm	We are applying a measuring methodology developed with an external consultant
Exposure to carbon-related assets	<input checked="" type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets	Zurich has divested from and will no longer invest in assets that generate more than 30% of revenues from mining thermal coal or have more than 30% of coal in the generation mix	% of Revenue from thermal coal; % of GwH produced from coal	Based on company self-reported data, sourced via a third party provider and post engagement with entities deemed in 'breach' of these KPIs

SG 14.7
CC

Describe in further detail the key targets.

Targettype	Baseline year	Target year	Description	Attachments
<input type="checkbox"/> Absolute target <input checked="" type="checkbox"/> Intensity target	2010	2020	The Swiss real estate team follows a carbon reduction strategy with a target of reducing carbon emissions of the portfolio by 20% by 2020	
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

SG 14.8 CC	Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.
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Processes for climate-related risks are integrated into overall risk management

	Please describe
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Climate change is managed as part of Zurich's risk management approach. Transition and physical climate change risks have been identified as relevant risks, and been assessed through the Group's Total Risk Profiling™ methodology. Action plans have been derived for various regions of operation, among them investment management.

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

1. Scenarios
2. Strengthening ESG integration
3. Benchmarks
4. Financing the transition to a low-carbon economy
5. Driving change through advocacy
6. Engagement
7. Selective exclusions
8. Net Zero portfolios by 2050

Processes for climate-related risks are not integrated into overall risk management

SG 14.9 CC	Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.
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Yes

	Please describe
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As part of engaging with the companies in which we invest, material climate change risks are reflected on the agenda and considered in voting practices. TCFD is promoted as a tool to communicate these material risks.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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Yes

SG 15.2	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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	%
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2.2

SG 15.3

Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

2.0

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through green bonds. See SG 15.3 for additional explanations.

- Renewable energy
- Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property

Percentage of AUM (+/-5%) per asset class invested in the area

28.3

- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through direct real estate investments and through green bonds. See SG 15.3 for additional explanations.

Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

2.0

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through green bonds. See SG 15.3 for additional explanations.

Sustainable agriculture

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

2.0

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through green bonds. See SG 15.3 for additional explanations.

Microfinance

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity

Percentage of AUM (+/-5%) per asset class invested in the area

3.6

- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through impact private equity funds. See SG 15.3 for additional explanations.

SME financing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity

Percentage of AUM (+/-5%) per asset class invested in the area

3.6

- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through impact private equity funds. See SG 15.3 for additional explanations.

- Social enterprise / community investing
- Affordable housing

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)

Percentage of AUM (+/-5%) per asset class invested in the area

0.44

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through use-of-proceeds social bonds. See SG 15.3 for additional explanations.

- Education

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

1.9

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through use-of-proceeds social bonds. See SG 15.3 for additional explanations.

- Global health
- Water

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

2.0

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity

Percentage of AUM (+/-5%) per asset class invested in the area

3.6

- Property
- Fund of hedge funds
- Cash
- Other (1)

Brief description and measures of investment

Through impact private equity funds and green bonds. See SG 15.3 for additional explanations.

Please see SG 18.2 for more details on Zurich's impact investment approach. While Zurich's themed investments address most options provided in SG 15, the way in which its exposures to themed investments are monitored makes it difficult to provide breakdowns based on the categories provided here. In answering SG 15, a theme was selected if the area is addressed through our impact investments. But percentages were calculated based on the complete 'themed' allocation for a given asset class. For example, green bonds in SSA, financial and non-financial fixed income fund clean technologies. We estimate that biggest concentration of projects is in the SSA category. The percentage provided reflects green SSA securities relative to total SSA exposure.

- Other area, specify
- No