

WEF IBC index 2022

Key

AR: Annual Report
ISD: Integrated sustainability disclosure

Impact area



Environmental impact



Social impact



Governance impact

The Measuring Stakeholder Capitalism Initiative was launched at the request of the World Economic Forum’s International Business Council (WEF IBC). It seeks to improve the ways in which companies measure and demonstrate their performance against environmental, social and governance (ESG) indicators and track their positive contributions towards achieving the Sustainable Development Goals on a consistent basis. We have used references to the WEF IBC as an index below to help our investors find information relevant to them throughout our public disclosures, without adhering to the standards listed in the index in its entirety. This index lists Zurich’s reports and web pages and their reference to the following 21 core metrics of the WEF IBC standards.

Note: Zurich Insurance Group has no ownership interest in the Farmers Exchanges, which are therefore excluded from the scope of reporting for the below standards. Farmers Group, Inc., a wholly-owned subsidiary of the Group, provides certain non-claims services and ancillary services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.

ESG	Indicator	Reference	Disclosure
	Governing purpose	Setting purpose	AR 119 section 2.1 of the ISD: Our purpose
	Quality of governance body	Governance body composition	AR 40-49 and 56-65 of the Governance report
	Stakeholder engagement	Material issues to stakeholders	AR 121-123 section 2.3.1 of the ISD: Assessing materiality ¹ www.zurich.com/en/sustainability/strategy
	Ethical behaviour	Anti-corruption	<p>Total percentage of governance body members, employees and business partners who have received training AR 188 section 6.4.2 of the ISD: Training and awareness (on anti-bribery and anti-corruption)</p> <p>Total number and nature of incidents of corruption confirmed Any material legal proceedings or government investigations involving Zurich Insurance Group Ltd and its subsidiaries, including any such proceeding or investigation arising from a breach of the Code of Conduct or the Group Policy ABC, would be disclosed in the Group’s Annual Report. For the latest such disclosures, see AR 326 to 327, note 22. Commitments and contingencies, legal proceedings and regulatory investigations.</p> <p>Discussion of initiatives to combat corruption AR 188-189 section 6.4 of the ISD: Prevention of bribery and corruption</p> <p>Protected ethics advice Seeking advice about ethical and lawful behavior and organizational integrity AR 189 section 6.4.3 of the ISD: Protected advice</p> <p>Reporting on concerns AR 189 section 6.4.3 of the ISD: Protected advice</p>
	Risks and opportunities oversight	Integrating risk and opportunity into business process	<p>AR 124-125 section 2.3.2 of the ISD: Managing risks and opportunities</p> <p>AR 133-135 section 4.1.2 of the ISD: Introduction to climate-related risks</p> <p>AR 138-153 section 4.1.4 - 4.1.9 of the ISD: Portfolio-level climate risk scenario analysis</p> <p>AR 202-229: Risk review</p>
	Climate change	Greenhouse gas emissions	AR 169 section 4.4.2 of the ISD: Our performance metrics
		TCFD implementation	AR 131 to 169 section 4 of the ISD: Our planet
	Nature loss	Land use and ecological sensitivity	Not applicable.

WEF IBC index 2022 (continued)

Key

AR: Annual Report
ISD: Integrated sustainability disclosure

Impact area



Environmental impact



Social impact



Governance impact

ESG	Indicator	Reference	Disclosure
	Freshwater availabilities	Water consumption and withdrawal in water-stressed areas	Not applicable.
	Dignity and equality	Diversity and inclusion	AR 187 section 6.3.2 of the ISD: Global DEIB framework
		Pay equality	AR 186-187 section 6.3.1 of the ISD: Ratio of compensation to areas of equality
		Wage level	<p>Ratios of standard entry level wage by gender compared to local minimum wage</p> <p>Zurich benchmarks jobs on all levels regularly and strives to provide competitive compensation across the Group within established pay ranges. In countries where there is a minimum wage requirement, defined by national law, insurance labor law or collective agreements, all employees are paid at or above the minimum wage requirements.</p> <p>Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees</p> <p>The elements and level of remuneration for all of Zurich's employees reflect factors such as the scope and complexity of the role, level of responsibility, risk exposure, business performance and affordability. Individual performance, professional experience, internal relativities, external competitiveness, geographic location and legal requirements are also considered. Zurich provides detailed information on the remuneration of the Group CEO as well as relevant information on the remuneration of our employees to enable an assessment on Zurich's remuneration approach in the context of the performance for the year.</p>
		Risk for incidents of child, forced or compulsory labor	<p>Risk presented in our supply chain</p> <p>AR 126-127 section 2.4.2 of the ISD: Sustainable sourcing</p> <p>Risk presented in our own operations</p> <p>For more information on our internal take on human rights, see page 25 of our Group Code of Conduct²</p>

WEF IBC index 2022 (continued)

Key

AR: Annual Report
ISD: Integrated sustainability disclosure

Impact area



Environmental impact



Social impact



Governance impact

ESG



Indicator

Health and well-being

Reference

Health and safety

Disclosure

The number and rate of fatalities as a result of work-related injury

Figure X: # and rate of fatalities resulting from work-related injury³

		Group total
Number of fatalities as a result of a work-related injury		0
Number of high-consequence work-related injuries (excluding fatalities)		1
Number of recordable work-related injuries		113
Number of work-related injuries by type	Fractures	19
	Dislocations	1
	Sprains and strains	56
	Concussions and other internal injuries	3
	Other wounds (lacerations, cuts etc)	6
	Superficial injuries (abrasions, scratches etc)	2
	Contusions and crushings	10
	Burns	0
	Asphyxia	0
	Multiple injuries of different nature	0
	Other and unspecific injuries	11
	Amputations	1
Annual working hours		119'836'574
Rate of fatalities (per 200K hours worked)		0
Rate of high consequence injuries (per 200K hours worked)		0
Rate of recordable injuries (per 200K hours worked)		0.19

Our Group result for recordable injuries per 200K hours worked is very low. Benchmarking this data is difficult due to variances in collection and reporting of statistics at national level. The U.S. regulator (OSHA) reports via the U.S. Bureau of Labor Statistics the 2021 rate of recordable injuries for the Finance and Insurance sector at 0.4, so our Group rate of 0.19 is well below this.

Description of non-occupational medical and healthcare services

We provide healthcare benefits in accordance with local legislation and market practice in each location where we operate. This necessarily differs by location and depends, amongst other things, on the availability and quality of national health systems, and market practice in the country/industry. As an example, in Switzerland, all residents are required by law to take out private health insurance. Here, we provide employees with access to a collective insurance contract which they may use to take out the required insurance and also purchase supplementary insurance with some discounts. In addition, we provide supplementary accident coverage over what is required by law.

WEF IBC index 2022 (continued)

Key

AR: Annual Report
ISD: Integrated sustainability disclosure

Impact area



Environmental impact



Social impact



Governance impact

ESG	Indicator	Reference	Disclosure
	Skills for the future	Training provided	<p>Average hours of training per person AR 185-186 section 6.1.2 of the ISD: Training and development</p> <p>Average training expenditure per full time employee AR 185 section 6.1.2 of the ISD: Training and development</p>
	Employment and wealth generation	Absolute number and rate of employment	<p>Total number and rate of new employee hires AR 184-185 section 6.1.1 of the ISD: Attraction and retention of talent</p> <p>Total number and rate of employee turnover AR 182-183 section 6.1.1 of the ISD: Attraction and retention of talent</p>
		Economic contribution	<p>Direct economic value Refer to consolidated income statements AR 249 Note: Community investment is not split out, please refer to AR 128 section 2.4.4 of the ISD: Community investment</p> <p>Financial assistance received from governments Zurich did not receive any significant financial assistance from governments in 2022, such as tax breaks, subsidies or investment grants.</p>
		Financial investment contribution	<p>Total Capital Expenditures AR 281-283 and 299-300 in the Financial statements, note 6: Group investments, table 13.2: Property and equipment – current period, and table 13.3: Property and equipment – prior period</p> <p>For our investment strategy please use the following link: https://www.zurich.com/sustainability/customers/investing-responsibly/impact-investment</p> <p>Share buybacks plus dividend payments AR 312-314 in the Financial statements, note 19: Shareholders' equity, dividends and earnings per share</p>
	Innovation of better products and services	Total R&D expenses	<p>As an insurance company the R&D KPI is not typically being tracked, while innovative solutions are key and an integral part of our business model. Continued research and investment both on underwriting solutions helps us ensure we are aware of and adapt our underwriting models to the ever changing environment. Zurich has, for example, created a new role to help our understanding of our current risk landscape in sustainable energy, who then created an in-house database on emerging machinery in the sustainable energy market. Customer centricity and the customer experience are integral in our business model, and as such, we continue to invest in innovative products and services and develop new product offerings throughout the company. Please find more examples in the planet and customer section of our ISD.</p>
	Community and social vitality	Total tax paid	<p>AR 127 section 2.4.3 of the ISD: Responsible tax</p>

1 www.zurich.com/sustainability/strategy-and-governance/strategy
 2 www.zurich.com/en/about-us/corporate-governance/code-of-conduct
 3 Reporting excludes Bolivia.