

# Zurich's approach to operational sustainability



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

This document summarizes how Zurich manages risks and opportunities in its operations arising from the integration of sustainability considerations into its operational business processes, generally referred to as operational sustainability.



Zurich supports customers and society in building resilience to environmental and social risks. Sustainability is embedded in Zurich's strategy, governance and day-to-day operations.

Our approach is further set out in internal guidelines, based on ISO14001 and aligned with other relevant external standards such as the GHG Protocol Corporate Accounting Standards and stakeholders' expectations, supporting consistent and accountable sustainability practices across our operations.

### **Operational sustainability responsibilities**

Sustainability forms an integral part of Zurich's business strategy, which is defined by the Board of Directors and the Group CEO. As an element of global strategy, operational sustainability is delivered in alignment with the Zurich Code of Conduct, the Group's sustainability goals and supports the delivery of our Climate Transition Plan through actions within Zurich's own operations.

Each business unit is responsible for integrating operational sustainability across relevant activity areas, in line with this framework, supporting consistent application across the organization.

All employees can contribute to operational sustainability by acting in accordance with this framework's principles within the scope of their roles, including making responsible and informed decisions that help reduce environmental impacts in day-to-day work activities, such as business travel or commuting.

## Operational sustainability framework

Zurich's operational sustainability framework applies to daily operational processes such as the provision of workplaces, information technology, travel and transport, and the procurement of goods and services. Operational sustainability performance is guided by the following four principles:

### 1. Transparency

Zurich reports on the carbon dioxide equivalents (CO<sub>2</sub>e) of the following sources of emissions to track progress towards our science-based targets for reducing emissions, in line with efforts to limit global temperature rise:

- **Scope 1** emissions from fleet and onsite heating in Zurich's workplaces.
- **Scope 2** emissions from purchased electricity, heat and steam in Zurich's workplaces.
- **Scope 3** selected emissions from business travel (air, rental, rail), fuel and energy impacts not included in scope 1 and 2, strategic data centers energy consumption, employee commuting, waste, and printed paper.

Zurich aims to periodically review its operational sustainability reporting methodology (every three – five years) to assess its appropriateness against evolving best practices and requirements.

Additional operational sustainability performance indicators are defined and measured in line with applicable targets and programs, such as renewable electricity use and the electrification of the vehicle fleet.

### 2. Accountability

#### Our global targets

Zurich has set targets to reduce emissions from its own operations, and we aim to achieve an early mover net-zero position in our operations by 2030, following a reduction of 70 percent by 2029, compared to a 2019 baseline. In 2025, we exceeded our target to reduce absolute emissions of our own operations by 60 percent, compared to a 2019 baseline.

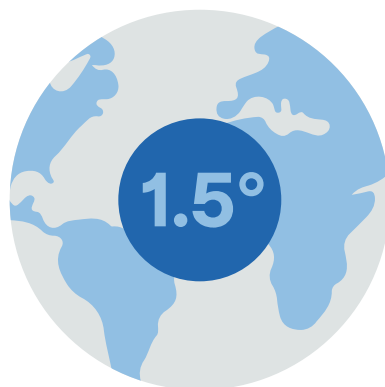
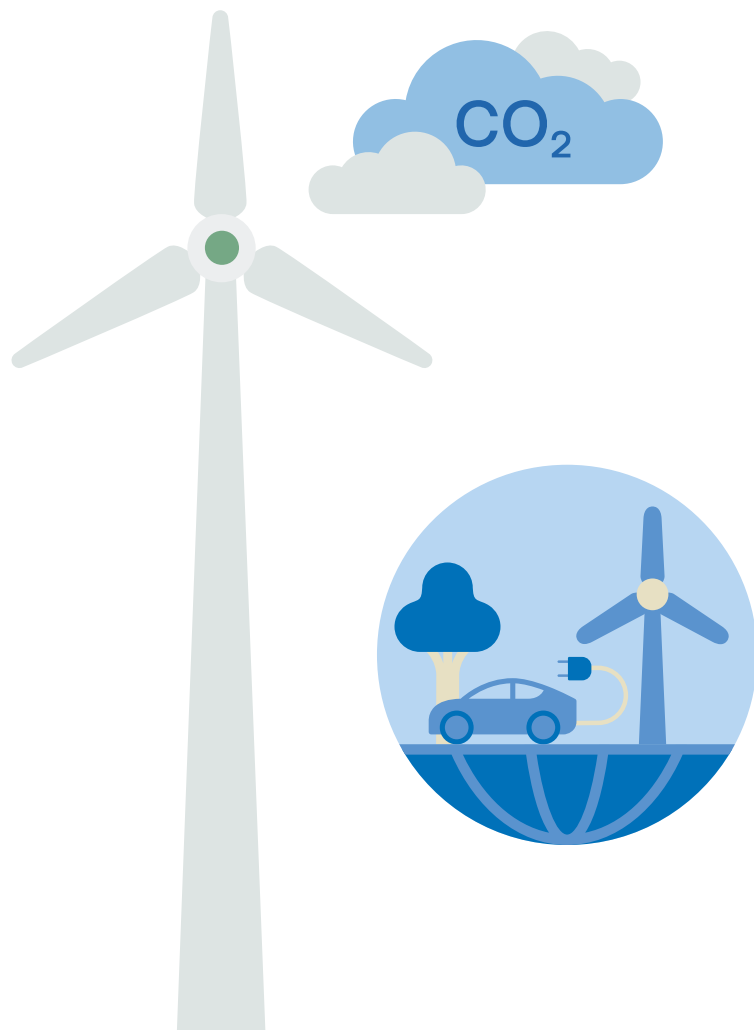
After prioritizing emissions reductions first, Zurich has been compensating remaining emissions since 2014 through the use of carbon offsets. Since 2021, we have started shifting our contributions towards longer durability carbon removals to prepare for our early mover net-zero position in 2030.

Further information on Zurich's approach to net-zero in operations is available on our website [here](#).

#### Our internal programs

- Zurich operates an internal carbon fund to support our net-zero transition, including helping to finance innovative solutions to drive down emissions from operations or other sources related to our business.
- Zurich's sustainable sourcing program applies environmental, social and ethical considerations when evaluating and contracting external suppliers, as defined in the [Zurich Supplier Code of Conduct](#). We set targets for suppliers' compliance to the code and measure their progress. We have also set engagement targets for our suppliers, encouraging them to have science-based and net-zero targets in place. Learn more about Zurich's sustainable sourcing [here](#).
- Zurich's sustainable IT program focuses on energy use at our own strategic data centers. It also considers the use of technology to support more efficient ways of working, including reduced business travel.

Progress against operational sustainability targets and programs is regularly monitored and reviewed.





### 3. Collaboration

We can only be successful if we address sustainability risks and opportunities together. In addition to cross-functional collaboration, which is required internally to deliver our operational sustainability agenda, we specifically focus on:

#### Employee engagement

Zurich supports employee awareness and engagement by providing information and opportunities to encourage behaviors that contribute to improved operational sustainability performance, both at work and, where relevant, beyond the workplace.

#### Sustainable supply chain

Procurement and vendor management programs leverage our spending power to influence positive change within our supplier base. Whether procuring new goods and services, participating in regular business reviews with existing suppliers, or participating in supplier events and customer advisory boards, we actively engage in dialogue about sustainability, sharing knowledge, aiming to influence more positive environmental, social and ethical outcomes.

#### Additional stakeholder engagement

Zurich engages with external stakeholders, including universities, NGOs, and other organizations, to share knowledge, support research and strengthen understanding of evolving operational sustainability risks and opportunities.

### 4. Continuous improvement

Zurich's operational sustainability is based on a continuous improvement model ('plan-do-check-act'). Focus areas include strengthening engagement and enhancing data quality and reporting processes, for example with automation.

Respect for the environment is embedded in the Zurich Code of Conduct. In Zurich's approach to operational sustainability, we focus on doing the right thing. As knowledge and technology evolve, we regularly re-evaluate our approaches and ideas.

As a minimum requirement, Zurich's operational sustainability practices comply with applicable laws and regulations in the countries in which it operates. Procedures and practices are reviewed and improved on an ongoing basis.

