



Impact Report 2020

Welcome to the Z Zurich Foundation Annual Report, which focuses on the impact we had in 2020!

The Z Zurich Foundation (the Foundation) is a charitable foundation with its registered office in Zurich, Switzerland. Established by Zurich Insurance Company Ltd and Zurich Life Insurance Company Ltd in accordance with Swiss law, it is the main vehicle by which Zurich Insurance Group (Zurich) delivers on its global community investment strategy. Together with Zurich and its stakeholders, with governments and NGOs, the Foundation's role is to create a brighter future for vulnerable people.



Photo credit:
Rose Ekol Reklam



Photo credit:
Pro Mente Sana



Photo credit:
Variety NZ

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Front cover

In Hong Kong, the Z Zurich Foundation collaborated with Zurich Hong Kong, Pok Oi Hospital and HandsOn Hong Kong to supply laptops, tablets and SIM cards to more than 1,500 underprivileged and special needs primary and secondary school students. This equipped them with the essential resources to participate in online learning during the suspension of face-to-face classes and school closures and helped close the continuous learning gap.

'Zurich Services (Hong Kong) Ltd

2020 in numbers

CHF 31.7m

invested in community grants in 2020, **up 136%** compared to 2019, and **CHF 32m** worth of new and extended multi-year grants were approved.



**Influenced
USD 321.7m**

in committed flood resilience financing together with the Zurich Flood Resilience Alliance.

3,200,000 lives

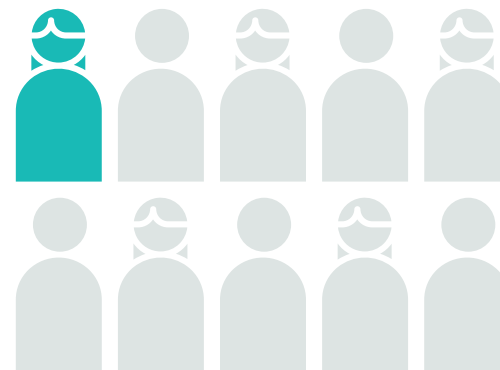
positively impacted:

2,400,000 lives as part of our COVID-19 response, through donations to 220 charities in 35 countries.

600,000 lives through matching of Zurich² employee donations (CHF 1.3m+ of Zurich employee donations doubled, up 98% compared to 2019), volunteering and other grants matching programs (CHF 0.5+ in volunteer matching and other matching grants approved, in line with prior year³)

100,000+ lives with the Zurich Flood Resilience Alliance, that also further reached 215,000+ people indirectly

100,000+ lives through our local grant programs⁴



Nearly 10% of Zurich's employee base volunteered³, in addition to providing other innovative forms of engagement during this exceptional year. Employee fundraising increased by 8.6% compared to 2019.

18 Community Hero Awards presented to recognize Zurich employees, who are going above and beyond to support their communities.



4 external awards and recognition

for our programs in Australia and Spain and for the Zurich Flood Resilience Alliance's work from the World Economic Forum.



² Zurich Insurance Group Ltd and its subsidiaries (Zurich).

³ Excluded are employees of the Farmers Exchanges. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Zurich Insurance Group, provides certain non-claims services and ancillary services to the Farmers Exchanges as attorney-in-fact and receives fees for its services.

⁴ Positively impacted & transformed numbers from local grants (including support to SBP Inc.) reporting 2020 in January 2021. 2020 beneficiary impact of grants reporting on an academic year cycle will be accounted as part of the 2021 impact report.

Chair's message

A year ago, in the last annual financial statements, I said that I hoped we would see 2020 as a turning point in the commitment to support the vulnerable in our society as COVID-19 took a further toll on people across the planet. At that stage, I did not expect the pandemic to still be surging as we near the midpoint of 2021.



We have certainly seen a remarkable commitment from individuals and communities in every country to support the vulnerable around them. The response has been anything but uniform though, with dramatically increased mental health issues and increasing disparity between different parts of the population.

Over the last year, I have been extremely proud of how the Z Zurich Foundation, Zurich's people and the charities we work with have stepped up again to make a real difference at this time of need, despite personal challenges.

2.4 million people were positively impacted by actions that we took to help communities during the pandemic. Our decision to reinforce support to the charities we work with at this difficult time allowed them to focus as much as possible on the vulnerable who needed their help.

However, we have not forgotten the future and continued to expand our mainstream programs around climate resilience, mental well-being, and social equity. If anything, the societal challenges here have become starker. For example, the World Health Organization reported that countries spend on average just two percent of health budgets on mental health and the pandemic dramatically impacted these. This is despite the fact that for every USD 1 invested in scaled-up treatment for common mental disorders such as depression and anxiety, there is a return of USD 5 in improved health and productivity⁵.

Increased funding from Zurich Insurance Group, as part of the Foundation's strategy review that took place in 2019, has allowed us to continue to expand our main programs and to reprioritize our work to take immediate action during the pandemic.

The Zurich Flood Resilience Alliance's impact in helping communities become more resilient and prepared is increasingly recognized by external peers. Devastating floods in Mexico's Tabasco state in 2020 proved the value once again of the prevention work undertaken with communities beforehand. At the Z Zurich Foundation, we are now developing the same approach for multi-perils and developed markets that have seen significant flood impact.

Tackle Your Feelings ground-breaking approach -addressing the stigma of mental health and helping people act before issues become extreme – continued to work despite the pandemic and we expect to increase the number of countries involved in 2021. Overall, we are now running 34 programs in countries and helped 3,200,000 people in 2020, quite apart from the pandemic, more than double the number just three years ago.

The one area where we have seen some reduction has been volunteering. Lockdowns and restrictions have certainly had an impact here, although skills-based volunteering has remained stronger and our investment in 2021 in systems to support volunteering is a crucial initiative. Once again, though, Zurich people

have been both inspirational and increasingly active in engaging with society's challenges. Our Community Hero Awards recognize wonderful and passionate role models and I am delighted to be able to celebrate them and many others.

Gregory Renand became Head of the Z Zurich Foundation in July 2020. Gregory's combination of deep policy expertise within Zurich and his commitment to the role of the Foundation in society is already strongly evident and I would like to thank Gregory and all the Foundation team for their drive in this year of change.

There have also been several changes amongst the Board of Trustees and I would like to thank all the Trustees for their commitment and guidance. In particular, Chris Gillies stood down in 2020 after more than 10 years. Chris' wisdom, conviction and humility have been crucial in setting the tone for the Foundation through these years and it has been a privilege to work with him.

Gary Shaughnessy
Chair of the Board of Trustees,
Z Zurich Foundation



“

Gregory Renand, Head of the Z Zurich Foundation:

I'm excited to have joined the Z Zurich Foundation and to participate in this incredible human adventure. We have built a strong team to ensure we were well equipped to provide more support to causes submitted by Zurich business units, manage the growing level of activity within the Foundation's pillars, and respond to significantly increased governance and impact requirements. I look forward to collaborating with you. Acting together we create so much more impact!

”

⁵World Health Organization, 2020, World Mental Health Day: an opportunity to kick-start a massive scale-up in investment in mental health

Empowering the activist in all of us



At the Z Zurich Foundation, we believe the key to creating a fairer, more open and sustainable society is by forging connections.

We collaborate actively with Zurich offices and employees around the globe with the ambition to create a brighter future for vulnerable people.

We understand that impact is a measure of change, and that change cannot happen if people – from volunteers to governments to those of us most in need of help – do not engage and act.

We are redefining what a foundation can be by empowering the activist in all of us so that together, we can support the most vulnerable to adapt to climate change, manage their stress and anxiety to improve their mental wellbeing, and access equal opportunities to reach their full potential.

We align our work with Zurich's purpose, values and sustainability agenda. Zurich aspires to be one of the most responsible and impactful businesses in the world. The Z Zurich Foundation is at the heart of this ambition. With Zurich employee's commitment and passion, the Foundation can increase its reach and impact across the globe. The Foundation contributes to Zurich's overall performance in the Dow Jones Sustainability Index's (DJSI) Corporate Citizenship and Philanthropy category. In the 2020 assessment, Zurich achieved second place in the insurance industry for this category (ranked 7th in 2019).

To deliver our strategy, we focus our efforts on the three major global challenges shown on the right, building strategic partnerships, funding grant programs in collaboration with Zurich's business units and charities worldwide and developing initiatives to engage Zurich's employees and other stakeholders in our work.

Our focus



Adapting to climate change

Focus on adaptation



Improving mental wellbeing

Focus on prevention



Enabling social equity

Focus on youth

In 2020, we divided our wellbeing and inclusion pillar into two distinctive pillars as they address very different issues. In addition, we have further developed our strategies within each of our pillars, leveraging our unique approach, the 'Z Zurich Foundation Way':

- > starting with research
- > conducting pilots to validate our direction
- > scaling opportunities and impact that also include system-level transformative change.

Our work continues to align with the UN Sustainable Development goals (SDGs) and especially: SDGs 3, 4, 8, 11 and 13.



Our ambition – by 2024 our ambition is to:

Create **transformative change** in the lives of more than one million vulnerable people and positively impact the lives of 10 million others

Have **more than 50 percent** of Zurich employees actively engaged in community programs and activities

Have **100 percent** of Zurich employees feeling proud of the work of the Z Zurich Foundation

Have **more than 90 percent** of the charities we work with see us as a more than a mere financial partner and recommend working with us



Strategy enablers

In 2020, in support of our overall strategy and the actions we undertook through our pillars, we strengthened three other enablers of our work.

Our Foundation could not exist without the passion and commitment of Zurich employees and other stakeholders. What we all have in common is our willingness to turn belief into positive action and impact. As a result, we are evolving our engagement approach by empowering those who see themselves as part of a greater whole, to become activists for the good of all. Our activism strategy also goes beyond Zurich employees. By mobilizing our wider stakeholder network, we can

multiply the impact we would have on our own many times over. We aim to engage others stakeholder groups, such as Zurich's customers and business partners, by conducting several pilots.

Measuring our impact is crucial. As part of our impact measurement framework, we have defined a set of metrics and targets, and beneficiary impact personas for each of our community grants, together with Zurich offices and charitable organizations running these programs. Our impact measurement approach aims to give a clear indication of our progress towards our 2024 ambition and our overall impact. This framework provides a more comprehensive, modern and innovative view by taking into account our impact on

vulnerable people, charities, Zurich employees and corporate philanthropy in general. We are putting impact and people at the heart of everything we do. This means also renaming this annual report "Z Zurich Foundation's 2020 impact report." A first materialization of the framework implementation is reflected in the first section of this report '2020 in numbers.'

In parallel, we have evolved our brand and communications strategy and approach. This is intended to reinforce our purpose and bring consistency in everything we do in order to emotionally engage with, inform and motivate our stakeholders to join our efforts, so that together we can create a broader positive impact on society.



Acting on the humanitarian aid agenda in light of the COVID-19 crisis

An extraordinary context requires an extraordinary response

At the end of 2020, over 79 million COVID-19 cases were reported and over 1.7 million people had passed away due to this virus⁶ across the globe. The pandemic continues to ravage countries worldwide. Its scars and economic, psychological and social impacts will be with us for a long time. It reinforces the role corporate foundations can play to help the most vulnerable people of our society face these exceptional times.

Our COVID-19 related impact

2,400,000 people supported worldwide

Donations made to **220 charities** in 35 countries

CHF 14.2m spent on donations in light of the COVID-19 crisis

As part of our COVID-19 response, we have provided support to the organizations we already work with, and to the charities Zurich's business units globally have been working with for many years, to enable them to continue providing services to those who were severely affected by the pandemic.

In addition, we have been funding local disaster relief initiatives that Zurich's business units identified. Here, the focus was on urgent medical support while also addressing food shortages or mental health needs. This included helping to address domestic violence and providing technology for homeschooling.

Bringing people together, in a safe way, to support those most in need has been a crucial feature of our efforts since the outbreak of the pandemic. We have been working with Zurich's business units and employees in fundraising campaigns, donating over CHF 1.3 million for Zurich employees' fundraising efforts to support local charities. This, together with the volunteering matching and other matching grants approved of CHF 577,500, has positively impacted over 600,000 people. We also organized several initiatives to provide opportunities for Zurich employees to support their local charities.



Photo credit: Foodbank Australia

“

I can distinctly remember being kept awake by the fact that we did not have enough food to respond to unprecedented demand for food relief. And in one of those beautiful moments, the Universe spoke to us and we had a call come in from Z Zurich Foundation.

Brianna Casey, Foodbank, Australia

”

“

It's only together we can make the change.

Fayyad Assali, Mentor, Sweden

”

⁶World Health Organization, Weekly epidemiological update – 29 December 2020

Hong Kong caption



Across the globe, we have also seen a number of remarkable examples of the generosity and the spirit of commitment of Zurich employees to continue volunteer activities, in creative and innovative ways to overcome the challenges brought by the pandemic.

To name just a few examples: Zurich Santander⁷ employees in **Brazil** organized online financial education and investment sessions for young people. Still in Brazil, Zurich employees shared their homeschooling experiences, which resulted in the production of three e-books to help parents, teenagers and kids of their supported charities to go through the challenges brought by the unexpected need for homeschooling. For every story shared by its employees, Zurich Brazil⁸ supported the purchase of school supplies for vulnerable families who experience a drop of income after losing their job due to the pandemic, resulting in difficulties to buy necessary supplies for their children to start the new school year.

In **Bermuda**, employees of Zurich Bermuda⁹ helped Beyond Rugby Program youth gain interview skills by participating in virtual practice interviews to help them prepare for the world of work.



The Beyond Rugby Program is supported by the Family Centre, the charitable organization we collaborate with as part of our local grant program.

In **Canada**, 19 Zurich employees teamed up with United Way Greater Toronto to connect with 19 seniors who were even more isolated due to the lockdown. They also shared their skills with 24 individuals who are experiencing a lack of economic security arising from the pandemic by providing mentoring and conducting mock interviews.

In **Hong Kong**, Zurich volunteers prepared thousands of 'cheer-up' aid packs, including masks, health supplies, toys, healthy snacks and learning equipment to boost their energy and remind people of the long-term importance of a healthy lifestyle.

Zurich employees in **New Zealand** wrapped Christmas present for hundreds of underprivileged children supported by their long-term partner Variety, the Children's Charity, to give children living in poverty a special Christmas, despite the pandemic. An additional donation from the Foundation to the Kiwi charity contributed to 3,292 families receiving groceries for a festive meal, helping to create happy memories after a challenging year.

Unfortunately, the effects of the pandemic will stay with us for a long time. The stark reality is that while the nature of the impact is starting to change in some areas, the scars of the pandemic run very deep. While our ongoing response is focusing on five key areas – domestic violence, food security, mental health, medical equipment and education to provide emergency relief where needed, we are also addressing the long-term effects of the pandemic.

⁷Zurich Santander Insurance America, S.L.

⁸Zurich Brasil Seguros S.A.

⁹Zurich Insurance Company Ltd, Bermuda Branch with Zurich Investment Services Ltd

Examples of local disaster relief initiatives

Argentina

#SeamosUno was a unique initiative launched to address an urgent need resulting from the first outbreak of the COVID-19 pandemic. It sought to alleviate food shortages in the city of Buenos Aires and the suburbs during the contagion peak. This initiative was supported by many organizations from various sectors, including the Z Zurich Foundation. The Foundation, together with Zurich Argentina¹⁰ and Zurich Santander in Argentina, decided to join forces to provide one million food and necessary hygiene product boxes to people who found themselves in a vulnerable situation. At the end of September 2020, #SeamosUno reached its goal of delivering those one million food and hygiene packages, helping more than 4,000,000 Argentinian people.

“Seeing so many organizations collaborating was truly incredible. From collecting donations to managing logistics effectively and transparently, #SeamosUno successfully managed to gather people with a common objective: helping those in greatest need. I thank the Z Zurich Foundation for supporting us in this project. We can be proud of what we have accomplished all together.”

Carlos Gonzalez Nogueira, Regional Head of Sustainability for Zurich Santander.

¹⁰ Zurich Argentina Compañía de Seguros S.A., Zurich International Life Limited Sucursal Argentina, Zurich Aseguradora Argentina S.A. anteriormente denominada QBE Seguros La Buenos Aires S.A. en proceso de cambio de denominación



Pictured are Anthony Brennan, CEO, Zurich Ireland; Deirdre Mortell, CEO, Rethink Ireland; Dr. Fiona O'Reilly, General Manager, Safetynet Primary Care; Emma Coughlan, Clinical Nurse Manager of the COVID-19 Mobile Health and Screening Unit, Safetynet Primary Care; Ian Power, CEO, SpunOut and Marie Slevin, Clinical Developmental Psychologist at the Department of Neonatology, The National Maternity Hospital, Holles Street. Photo credit: Marc O'Sullivan

Ireland

Rethink Ireland is the country's national organization supporting innovative charities, social enterprises and community organizations. Its 'Innovate Together Fund' aims to support social innovation projects that address the current and long-term social, economic and environmental challenges arising from the COVID-19 crisis. With support from corporates and foundations, including the Z Zurich Foundation, the Innovate Together Fund has provided support to more than 70 projects nationwide in the community and social enterprise sector, as part of their innovative response to COVID-19. Combined, these projects will benefit thousands of people.

Organizations supported include those who work across the following categories: Sustainable Ireland, online education, food security, mental and physical health, reskilling the workforce, community outreach, economic recovery and other cross-cutting issues.

“The innovation displayed by the projects awarded funding shows once again the positive attitude and incredible resilience that community and social enterprises in Ireland have demonstrated throughout the COVID-19 crisis. With thanks to the Z Zurich Foundation, we are delighted to support the Innovate Together Fund and to promote a more equitable and sustainable society as part of our global community investment strategy.”

Anthony Brennan, CEO of Zurich Ireland.

Malaysia

Leaving no one behind has been even more crucial since the start of the pandemic in 2020. Together with Zurich Malaysia¹¹, we collaborated with Epic Society¹² to support the Orang Asli population in Peninsular Malaysia, where some 50,000 families were significantly affected by restrictions of movement. The Foundation's donation enabled much needed immediate relief. It also helped create long-term impact, such as digital learning for kids, employment through a matching program, farming training and even the start of local chicken farms which are creating ongoing food security in times of restricted mobility and supply chain disruptions.

In total, the COVID-19 Collective for Orang Asli initiative positively impacted approximately 5,500 families in 82 villages. Discover the various actions implemented in Epic Society's impact report.

Distribution of food essentials such as cooking oil, rice and sugar. Photo credit: Epic Society



Training sessions on health and hygiene. Photo credit: Epic Society

“The indigenous Orang Asli communities are often marginalized and at the bottom of the chain when it comes to support and aid. There are also thousands of families living in unsafe housing conditions too. When we heard about the impact of the pandemic on these communities, we wanted to see what we could do to provide them with immediate relief as well as long-term support. In collaboration with Epic Society, we were able to provide them with food and medication, educational support, as well as training and support for the creation of farming enterprises. And we couldn't have done it without the great support from Z Zurich Foundation.”

Stephen Clark, Country Head of Zurich Malaysia.

¹¹ Zurich Life Insurance Malaysia Berhad

¹² Epic Collective SDN BHD



Photo credit: Human and Hope Association

One Young World COVID-19 Young Leaders Fund

Our donation to the [One Young World COVID-19 Young Leaders Fund](#) has helped 18 outstanding leaders, operating in 17 countries. They supported the mental wellbeing of at-risk people, communities under greater pressure – including survivors of domestic abuse – together with a variety of other solutions to the challenges of the pandemic.

One of the projects supported was the Human and Hope Association in Cambodia. With this donation, 1,794 children were provided with COVID-19 support and awareness sessions in the first week, 3,588 face-masks and 3,588 bars of soap have been distributed to date to students and teachers in six schools.

Overall, with support from other organizations such as United Way, the Bill & Melinda Gates Foundation and the IKEA Foundation, the

COVID-19 Young Leaders Fund has funded 39 projects, impacting more than 630,000 people around the world.

Kate Robertson and David Jones, co-founders of 'One Young World' said: *"We are so grateful to Z Zurich Foundation for their support of young leaders around the world during the pandemic. Young leaders are shouldering tremendous responsibility, but are often underfunded and marginalized. We were so honored to receive this generous donation from Z Zurich Foundation which has been channeled straight to the front line where it is most needed. Thanks to this support, young leaders have been saving lives and protecting communities from COVID-19 and the economic impacts of the pandemic."*

South Africa

The pandemic has impacted countries in different ways, requiring a comprehensive community-centered approach from local organizations on the ground, such as Médecins Sans Frontières (MSF). To support its rapid responses to South Africa's pandemic emergency, Z Zurich Foundation contributed to MSF's South Africa COVID-19 Crisis Fund, while Zurich Services Company Pty Ltd (Zurich South Africa) invited their peers to join MSF's efforts to tackle the crisis. All the funds raised went directly toward procuring medical equipment, supplies for testing and supporting field teams in their COVID-19 interventions across South African communities.

"The Z Zurich Foundation recognizes that the COVID-19 pandemic is making it harder for charities and organizations like MSF to deliver on their mission. We are proud to stand alongside MSF Southern Africa and support them in their time of need," says Amanda Crook, Zurich South Africa and Z Zurich Foundation local champion.

"During South Africa's second wave of COVID-19 infections our teams worked in 7 hospitals in three provinces, as well as facilities in Lesotho. During this truly terrible time for southern African hospitals, mortality rates at some hospitals ranged between 45 – 50% during the peak period when our teams offered support. From our experiences we've seen how simple measures can have a direct positive impact and help prepare for a coming third wave: have a rapidly deployable pool of medical staff and clinical management professionals experienced in treating COVID-19; invest in sufficient oxygen capacity, as well as improving basic care by hiring entry level health staff to relieve the pressure on nursing staff who should focus on specific clinical care. From our experience, these interventions may save more lives than ventilators and high care. We are incredibly grateful for the ongoing support of Z Zurich Foundation," says Dr Colin Pfaff, MSF COVID-19 project medical.



In addition to supporting MSF, and as part of our volunteering matching program, Zurich South Africa employees used their donation entitlement to respond to food emergencies by supporting local soup kitchens and providing food parcels to over 5,000 people in need.

South Africa COVID-19 Activities: MSF field worker Xolani Mlotshwa sprays a man's hands with sanitizer spray during a COVID-19 intervention working with vulnerable populations in Johannesburg, South Africa. Photo credit: Tadeu Andre/MSF

Beyond Sport Foundation's Sport for Good Response Fund

The coronavirus pandemic forced thousands of sport for development organizations to stop their activities, resulting in the halt of delivering therapeutic, educational and/or social service programming and support that many communities have come to rely on. The 'Sport for Good Response Fund' was launched in Spring 2020 to support organizations using sport as a tool for development during the COVID-19 crisis. Its aim was to ensure programs could continue in times of crisis and to support organizations to adapt so they emerge from this challenging situation with more resilience. Z Zurich Foundation's donation, alongside support from other corporate organizations and

foundations, has enabled the Beyond Sport Foundation to assist over 30 organizations across 19 countries.

"In the Spring of 2020, we knew we had to act quickly to not only support sport for development organisations to weather the immediate storm, but we have a smart way of approaching the future. As we emerge from this situation, sport is going to be vitally important in the way we heal. We want to give the incredible organizations in our network the tools to be able to impact the communities in which they serve — now and for years to come," says Nick Keller, Beyond Sport Founder and President.



USA

"The Z Zurich Foundation stepped up early during the COVID-19 crisis to support Feeding America's COVID-19 Respond Fund," said Casey Marsh, Feeding America's Chief Development Officer. *"Many people who are coming in for food assistance are turning to food banks for the very first time. They are people like a small business owner and mother of two who had to close her business. She was once a donor to her local food bank and now receives emergency food boxes."*

Feeding America's research team estimates food insecurity is rising as a result of the prolonged economic impact of COVID-19. *"This means that 42 million people – and that includes 13 million children – may face hunger in 2021,"* Casey said.



Alongside the COVID-19 pandemic, the world faced other disasters, which required humanitarian support.

Lebanon Emergency Appeal

After the devastating explosions in Beirut, Lebanon in August, the Z Zurich Foundation launched a global emergency appeal to provide relief to the people affected. Contributions came from Zurich's employees and other stakeholders. The Z Zurich Foundation matched contributions, resulting in a donation of more than CHF 145,000 to the Lebanese Red Cross. The funds provided helped transport and treat victims, provide food parcels and hygiene kits and enable cash grants to support those most in need. In total, the Lebanese Red Cross has looked after 10,000 individuals and households, providing immediate and long-term assistance to respond the needs of the most affected.





Leading climate change adaptation

For humanity to prosper in the face of climate change, we need to think of ourselves as having a shared future, one we can draw on our collective knowledge and resources to plan for. Climate change is a reality. The annual global temperature in 2019 was already 1.1°C warmer than the average for 1850-1900¹³.

We continue to encourage businesses, corporations and nations to join forces in tackling the climate emergency, not only by striving for a net-zero future, but also by driving additional investments and resources towards adaptation to support those already impacted.

Our impact

Zurich Flood Resilience Alliance

100,000+ people positively impacted

A further **215,000+** people indirectly reached

Advocacy has contributed to **increased commitments to climate change adaptation**, risk reduction and resilience funding by around USD 346.1 million.

In the US

Supported by the Foundation's funding, SBP, Inc. (SBP) ran a very successful campaign that reached **more than 18 million people** and engaged over 200,000 with their Disaster Resilience E-Learning platform



Our evolved approach

With our 'Adapting to Climate Change' program, we are developing tools and promoting sustainable behavior for the thousands of communities increasingly affected by natural hazards. What this means in practice is talking to people about the particular risks they are facing, and then drawing on the expertise of our network to determine the right measures to implement in each situation. This innovative and integrated approach to climate change is built on the ongoing success of the Zurich Flood Resilience Alliance (the Alliance), a multi-sector, global alliance focused on finding practical ways to help communities strengthen their resilience to floods globally and save lives.

The Alliance brings together organizations from the private, international development, humanitarian, and research sectors.

Floods affect more people globally than any other type of natural hazard. Together with the Alliance, we are leading the way in helping people adapt and thrive in the face of this significant hazard.

The Alliance approach looks at the bigger picture and connects people with the relevant skills and knowledge to gain an understanding of how the risks facing a wider community interrelate. It is not about stopping the next flood, but whether switching to floating rice gardens, or growing

All members of the Alliance, with the exception of Zurich Insurance Company Ltd, are funded by the Z Zurich Foundation.

flood-tolerant varieties, or even how flood affected communities can find a secondary source of income could help them cope with the water.

We continue to encourage businesses, funding agencies and nations to join forces in tackling the climate emergency, not only by striving for a net-zero future, but also by driving additional investments and resources towards adaptation measures that support those already impacted.



Distribution of hygiene kits.
Photo credit: Philippine Red Cross

¹³ World Meteorological Organization, 2020, WMO confirms 2019 as second hottest year on record

Awards

At the annual meeting of the World Economic Forum (WEF) in January 2020, the WEF put a spotlight on over 160 projects it described as 'multi-stakeholder, transformative and future-focused' – with the idea of encouraging broader use of successful approaches.

The Zurich Flood Resilience Alliance's work was recognized as one such Lighthouse Project.

The Zurich Flood Resilience Alliance in 2020

The story of 2020 is a story of how Alliance members connected with their communities as COVID-19 spread across the globe. The purpose of the Alliance is not to focus on post-event disaster recovery, but as COVID-19 started to impact the communities in which Alliance members worked, the need to operate in a post-disaster situation soon became obvious. Our response was to support the Alliance members to adapt their work so that they stayed focused on developing flood resilience, but in ways that factored in the pandemic.

The flood resilience program, running through the Zurich Flood Resilience Alliance is a **long-term effort** to increase community resilience so that floods have no negative impact on the ability of people and businesses to thrive. This deliberate decision to work with communities over a long period gives us the scope to adjust short-term programming without losing sight of the end goals. And in 2020, while circumstances and programming certainly changed, the overall focus remained on the vision of building resilience to floods.

How did we adapt? We diverted some parts of the implementation funding to immediate needs in communities. Some was used in the form of relief, providing essentials like food and medicines – an essential building block of credibility with community and local authorities alike. Some funding was used in projects that have an immediate effect on the pandemic, but importantly also strengthen flood resilience in the longer run.

Overall, the Alliance members have now positively impacted **100,660 people directly** in communities across the programs, and its work reached a further 215,545 people indirectly. Alliance members have also started a journey to look at the depth of impact they are having with these beneficiaries. In their next report, scheduled for June 2021, the Alliance will continue highlighting the program reach, but will also introduce how its work is effecting change for people's lives.



Brigades and armed forces in action during floods – Piura, Polvorines.
Photo credit: Practical Action

Stories from the field

Proven effectiveness of prevention – the Mexican story

In Mexico's low-lying state of Tabasco, the repeated flooding, year after year, has destroyed homes, public property and businesses, and undermined economic well-being, negatively impacting social morale. These communities were struggling to recover. The Zurich Flood Resilience Alliance, and in particular the Mexican Red Cross, has been active in the area since 2013, working together with 20 local communities to implement initiatives aiming to prevent flooding and increase inhabitants' resilience. Actions on both the community and the state levels were needed.

In November 2020, the Tabasco state faced new severe flooding, testing the Alliance's program in a real crisis situation. Using the Alliance's expertise and tools, the trained communities better faced last year's flooding and the negative impact was much less than in other places that have not received training.

➔ [Read more about the work done in Mexico in Zurich's 2020 sustainability report – page 50.](#)

Alliance teams meeting with the Las Nieves communities.
Photo credit: International Federation of Red Cross and Red Crescent Societies



Building community-based multi-hazard resilience in Nicaragua



Community groups receiving hygiene kits during the COVID-19 emergency situation, June 2020. Photo credit: Félix Rugama (Plan International).

Beginning in September 2019, 'Plan International Nicaragua' brought together community groups to help build resilience and address the lack of social organization and leadership for disaster prevention and response. With the onset of the COVID-19 crisis, the community groups expanded their mandate beyond the flood resilience program to address the social, economic, and health impacts of COVID-19.

Working with local stakeholders, the Mayor's Office and the Department of Civil Defense, Plan International Nicaragua organized community groups – consisting of equal numbers of men and women – to focus on a number of different topics, including search and rescue, volunteers, and developing strategic activities around disaster prevention.

Plan International Nicaragua discovered that the creation and operations of these community groups helped to strengthen relationships between local government and communities. Community groups were well-placed to use their newly acquired skills and knowledge, and to leverage these improved relationships to help manage the pandemic when it arrived in their communities.

Although Plan International Nicaragua's Alliance work focuses on floods, the integral role that community groups took in responding to the pandemic illustrates that the training and participation in the process of building flood resilience are, in fact, preparing these groups to act where there are many interconnected hazards. The fact that the situation is being managed by the community – and the groups feel empowered to take the initiative to work with key local actors and government to manage risk – is critical for strengthening resilience now and for the future, especially as COVID-19 persists and overlaps with other hazards.

So far 1,735 people have benefited from these interactions.

Exploring joint benefits: Building community-centered resilience in times of COVID-19



Psychological Support Program Session for those on the front line of the Pampano and Sawat communities in Mangatarem, Pangasinan. Photo credit: Philippines Red Cross

The Philippines did not escape the crisis that hit the world in 2020 and had to adapt to the virus, restrictions on mobility, face-to-face engagements, and the consequent socio-economic impacts of the pandemic. Recognizing the need to address these challenges, and to prepare communities for the pandemic, the team of the Philippines Red Cross and the International Federation of Red Cross and Red Crescent Societies (IFRC) adapted its workplan, interventions and activities to the crisis.

Despite being responsive to the communities' immediate needs and concerns, the team never lost sight of the programs' primary focus on flood resilience. Instead, it explored and implemented interventions that have joint benefits for both pandemic preparedness and flood resilience. For this, the team leveraged insights gained from the Flood Resilience Measurement for Communities (FRMC). However, due to the clear link to pandemic preparedness and response, the team decided to implement the activities earlier and adapt them to feature COVID-19 specific messages and practices.

These activities covered four aspects:

- Psychosocial support for community health workers
- Hygiene promotion and distribution of hygiene kits
- Training for community-based volunteer groups
- Creating joint benefits and building social cohesion

The work of the Red Cross team of the Zurich Flood Resilience Alliance in the Philippines shows how programs can be adapted to respond to communities' acute needs regarding COVID-19, while maintaining the original program focus on flood resilience. In the Philippines we are working with 6 communities and have so far engaged with 5,750 people, specifically distributing hygiene kits as part of the COVID-19 response.

This ability to pivot at short notice is also a direct result of the structure of the Alliance. The Z Zurich Foundation does not have a standard relationship with Alliance members – we are an active co-creator of the work on the ground. Over the years, we have developed a trust-based relationship with members that allows us to respond to changed circumstances quickly, without losing sight of the ultimate aims of the program. Active engagement and trust mean swift discussions can happen and planning can be shifted.



A key enabling factor is our adaptive program management approach, with an almost complete flexibility around how funds are used. Ultimately, our aim is to positively impact people's lives by building their flood resilience. That goal does not change. But the way in which we reach it is not fixed – it needs to adapt to circumstances. This philosophy was tested by the COVID-19 pandemic, but teams across the Alliance passed that test with flying colors. They were empowered to adjust and build the pandemic into their plans.

The effects of this challenging year were felt right across the Alliance's operations. Many Alliance staff were confined to home, so were only able to operate in communities remotely. This did slow the implementation of some plans, but with many staff living close to projects, much was still achieved.

By contrast, homeworking and virtual engagement has offered a number of additional avenues for developing advocacy work. While not a replacement for face-to-face engagement with individuals, remote conferencing and events have enabled good access for the Alliance to provide speakers and build attendance at online events.

More needs to be done

The start of 2020 was billed as the start of a decade of climate adaptation action. The aim for influencing policymakers and funders this year has increasingly focused not only on the need to drive more resources to support people affected by climate change today, but also on how that funding should be distributed. Alliance members Concern and Mercy Corps led the development of a flagship report – [At What Cost](#) – which focused on the lack of adaptation funding for the most vulnerable. It also recognized that with governments looking to build recovery from the pandemic, it was an ideal opportunity to address the climate issues at the same time.

Joining the movement to ensure local communities have a voice in the decisions that most affect them –

At the end of the year the Z Zurich Foundation, alongside Zurich, signed up to the ['Principles for Locally Led Adaptation'](#) developed by the Global Commission on Adaptation. The Foundation's programming already meets these principles and this provides an ideal opportunity to showcase how we can support our call for action on adaptation.

Influencing others to invest in flood resilience – In terms of progress against the Alliance's target of influencing the investment of USD 1 billion from other sources, we are

confident that the Alliance's work has influenced around USD 346.1 million to be invested in flood resilience to date – of which USD 13.3 million has been spent and USD 332.9 committed. This is mainly thanks to two main successes. Firstly the influence the Alliance has had, through the London School of Economics and Political Science (LSE) and Zurich Insurance plc in the United Kingdom, with the United Kingdom Government's decision to increase funding for Flood Defence and Resilience building, citing our model of resilience in their papers and including Nature-Based Solutions in the policy (USD 221 million committed). And secondly, our contribution to the Green Climate Fund's decision to increase their allocation of adaptation financing towards Least Developed Countries (LDCs), Small Island Developing States (SIDS), and African countries from 50% to 69%, amounting to an additional USD 850 million in adaptation funds going to some of the most vulnerable.

It is also important to recognize several developments at the local level, even if the financial amounts are relatively small. For example, the success of Mercy Corps and Practical Action in Nepal in using the Alliance experience and FRMC results to influence three local governments to allocate five percent of budgets towards disaster risk reduction and climate change adaptation efforts.

Total influenced:	USD 346,109,673
Total committed:	USD 332,857,110
Total spent:	USD 13,252,563
Global spent:	USD 52,895
Global committed:	USD 94,727,414
National spent:	USD 12,643,273
National committed:	USD 232,500,228
Sub-national spent:	USD 556,395
Sub-national committed:	USD 5,629,469

What others say about the Alliance's FRMC approach:

In the last quarter of 2020, we ran a peer-review exercise of the FRMC tools to understand how we could continue to develop our thinking. The outcome was both encouraging and provided very valuable learning.

"In my opinion the FRMC approach considering the current state-of-the art in resilience measurement is among the most creative, innovative, relevant and up to date I would highly recommend adoption beyond the Alliance." Clement Kalonga, World Food Program.

"In summary, the FRMC framework, tool and process is exceptional. The learnings from the experience of applying the framework will greatly improve flood resilience understanding." Dale Sands, President, MD Sands Consulting Solutions and former Co-Chair ARISE, a private sector advisory to the UN Disaster Risk Reduction organization.

2021 and beyond

The number of natural hazard events across the world is growing year after year, and their effects are being felt at individual, societal, and planetary levels. With the Alliance, we have developed a strong expertise on flood resilience and ready-to-use tools and approaches.

In 2020, the Foundation agreed to fund a further expansion of the Alliance work to more countries and communities, starting in January 2021. The Alliance will expand programs in 14 countries (to make a total of 24 countries of operation), reaching a further 200 communities (making a total of 275), and aims to strengthen resilience to flooding for approximately four million people overall. The program has also been extended to the end of December 2024, helping to ensure that existing programs affected by the COVID-19 pandemic can be completed, while also making sure that these programs achieve their desired outcomes.

In addition, our 'Adapting to Climate Change' program intends to make greater use of our preventative approach to flood resilience, applying it to other natural hazards impacting society, such as heatwaves.

The third focus for the future will be on enhancing urban resilience by taking the frameworks and tools developed by the Alliance and building on them in urban environments, which may feature many interrelated hazards.

We plan to work with Zurich employees, customers and other stakeholders, developing local programs based on the knowledge, expertise and tools developed through the Alliance's work. The plans include running pilot projects in communities where Zurich does business in which an increasing number of vulnerable people are at risk from climate change.



Boats serve as transport during floods, Jonuta, Tabasco, Mexico



Improving mental wellbeing

Mental health issues are already fundamental to society and growing, with for example

1 person dying by suicide every 40 seconds¹⁴. The economic effect is USD 1 trillion a year¹⁵ and growing with billions of people at risk. COVID-19 has turned this into an uncontrolled issue that affects all strata of society and all age groups.

We can make a significant contribution to society in this space by creating a preventative program focused on behavior change that aims to motivate and empower vulnerable people to become more proactive about looking after their mental wellbeing. We aim to ignite change in individuals and the social ecosystems in which they reside.

Our impact

Enabling people improve their mental wellbeing across **5 countries**, with an investment of **CHF 3.1m** in 2020.



Photo credit: Noelle Forde

Our approach

Looking after mental wellbeing is fundamental to living a full, productive and healthy life.

Mental health neither judges nor discriminates – it disregards where you are in the world, how much you earn, your background, what your gender or skin color is... ultimately, everyone faces challenges in maintaining positive mental wellbeing. Everyday stresses can lead to anxiety, which when left unaddressed can damage our self-esteem, as well as put a strain on relationships and people's ability to work and learn.

Tackle Your Feelings (TYF) is one of our initiatives that is empowering people to recognize and express their feelings early on, so they can then be more proactively looking at their wellbeing. We equate physical strength with emotional strength by having strong role models – from professional athletes to farmers – speak openly about their experiences managing their own mental wellbeing. It is the program's adaptability to different communities and cultural contexts that puts it at the heart of our movement.

By focusing on prevention and giving the tools and resources to individuals to manage their stress and anxiety, we have a better chance at helping people improve their mental wellbeing at an early stage.



What is next?

To further respond to this massively growing issue, we aim to significantly step up our efforts. Having already reached hundreds of thousands of people in Ireland and Australia with sports ambassadors, we plan to adapt and grow our mental well-being approach in a number of ways to scale the impact we can have for people in the future, helping them to become more proactive in looking at the mental wellbeing.

First, we will attempt to replicate our early success in low, medium and high-income countries, with Zurich businesses leading implementation, activation and engagement efforts. Second, we will invite other organizations in those markets to build on our framework and develop similar projects, tailored to local contexts, for example introducing role models from outside the world of sport. And third, in places where Zurich is not operating, we will collaborate with local leaders who share our belief in early intervention as a way of addressing mental health issues in our society.

The program's target audience is people aged 13-35. We strongly believe that by engaging with and supporting people in this often overlooked age range, we can create a positive impact over a longer time frame.

By 2024, we want to positively impact the lives of several million people worldwide.

As with all the Foundation's causes, our approach is to conduct research and pilots and then scale up our work and drive system change and transformational impact. With the TYF projects already running in Ireland and Australia, we have conducted steps one and two. To continue on our journey, we are now calling on Zurich's people, experts and NGOs to join the movement so together we can empower the greater number to take control and improve their mental wellbeing.

¹⁴ World Health Organization, 2019, Suicide: one person dies every 40 seconds

¹⁵ World Health Organization, Mental Health in the workplace

Case study: Fit minds kick goals

In Australia, Tackle Your Feelings is developed in collaboration with Zurich Australia¹⁶, the Australian Football League (AFL) Coaches' Association and the Players' Association. The TYF Australia mental health education program provides coaches and club members with the tools to better understand, recognize and manage the response to signs of mental ill health.

The program aims to increase awareness, remove the stigma and change attitudes and behaviors associated with mental well-being in Community Aussie Rules Football clubs, many of which are at the heart of every Australian town.

Launched in 2019, the impact of the program has been tremendous both in terms of community engagement but also staff across Zurich Australia and Cover-More in Australia. In 2020, the Foundation committed to extend support by a year and to increase yearly funding to enable the program to double its initial impact targets. For the duration of the program, until 2024, we are looking at positively impacted 300,000 people and transformed the lives of a further 10,000.

In September 2020, the program's online learning management system was awarded the Best Learning and Development Project and the Best Learning Technology at the annual LearnX Live! Awards. [Read more.](#)

→ Visit Tackle Your Feelings Australia's website to learn more about the program's specificities: <https://www.tackleyourfeelings.org.au/>



Coach Ambassador and Hawthorn Senior Coach, Alastair Clarkson.
Photo credit: TYF Program



Zurich Life & Investments CEO, Justin Delaney and Coach Ambassador, Leon Cameron at a recent TYF event in Zurich Tower, Sydney. Photo credit: Jacob Gaynor (AFL NSW)



Fostering positive mental health through education, prevention and early intervention on the Isle of Man

Z Zurich Foundation, Zurich International¹⁷ and 'Isle Listen,' a charitable initiative of MCH Psychological Services, an Isle of Man registered charity, announced a three-year funding collaboration to provide mental wellbeing education, prevention and transformative early intervention. The funds will enable the Isle Listen team to connect with the entire school and college population of the Isle of Man – approximately 15,000 students and over 1,000 people working within the education sector – while supporting employers, and delivering community-wide campaigns and resources.

This grant will also make it easier to expand a one-to-one listening service within schools, equip a mobile art therapy vehicle to provide services to those who might not be able to otherwise get them and expand the service to support potential waiting lists in statutory services.

This program has the potential to transform mental health awareness and early intervention across the Isle of Man, especially as it addresses a broad cross-section of the island's society in so many different ways.

¹⁶Zurich Financial Services Australia Ltd

¹⁷Zurich Financial Services (Isle of Man) Group Services Limited

Impact stories: The Tackle Your Feelings app in Ireland reviewed by students from Portumna Community School

“

I would definitely recommend this Tackle Your Feelings app as it gives you a better idea of how to deal with certain emotions you may feel, as well as how to cope with your feelings in a suitable manner. I think it is an excellent way to explore your overall wellbeing and become more in tune with yourself.”

“

A lot of the time people overlook their feelings and don't understand their importance. I think the app is beneficial to everyone, as it provides positive tips on addressing bad habits, such as changing your sleeping pattern and your nutrition.”

“

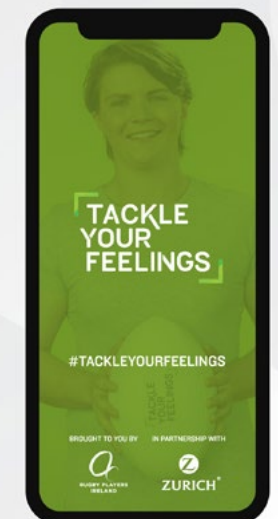
I personally think this has helped to motivate me during the pandemic and keep me organized, happy and healthy. I now have small personal goals that I want to work at and achieve.”



Ireland & Munster Women's player and campaign ambassador, Eimear Considine at the launch of the Tackle Your Feelings Schools pilot in February 2020. Tackle Your Feelings Schools is a classroom-based program, with designated wellbeing classes running in the last term of the 2020 academic year.

Photo credit: INPHO/Dan Sheridan

→ Visit Tackle Your Feelings Ireland's website to learn more about the program's specificities: <https://www.tackleyourfeelings.com/>



DOWNLOAD THE APP





Enabling social equity

We want to help create a society of equal opportunity, a world in which those on the fringes can step into the light. The COVID-19 pandemic exposed many vulnerabilities and increased social inequalities. All components of human development (education, health and living standards) are negatively impacted¹⁸. It is more important than ever that we continue our work in this space. Through our programs, we support Zurich business units across the world in tackling local societal issues to enable social equity. We are building platforms for those without a voice. To drive social equity, we aim to empower young people and giving them the tools and resources to take control of their future, so we can have a more significant and long-lasting impact on both them and society at large.

Our impact

Supporting vulnerable people across 23 countries to have access to equal opportunities, with an investment of CHF 5.9m in 2020.

Our approach

A key to our approach to enabling social equity is to build a platform for those without a voice. Through our community grant programs, we collaborate with Zurich business units across the world in tackling local societal issues to promote and deliver social equity. In 2020, we had 25 programs running across the globe that focus on empowering young people, enabling women to reach their full potential,

providing equal opportunities to minorities and helping vulnerable children live the childhood they deserve.

We believe that our role goes beyond just providing funding to the charitable organizations we support. We aim to develop a trusted relationship with them and be an active enabler and collaborator. It's by mutualizing our expertise that we can maximize overall charitable impact. From the Black Lives Matter movement to the women who came out to protest Turkey's Istanbul Convention withdrawal, our recent history shows us the importance of challenging the status quo in the name of equality.

In 2019, we committed to support Fundacja Centrum Praw Kobiet (Center for Women's Rights – CPK) with a five-year grant in collaboration with the Zurich Business Services Center in Krakow to establish a local Women's Rights Center. With that, we are taking a stand for women in need and are standing by CPK in its quest to a more inclusive society. As part of this program, in 2020 we have been connecting Zurich employees to CPK's staff through skill-based volunteering opportunities to support the charity in developing its capability in public affairs and media areas.

¹⁸ UNDP Human Development Perspectives, 2020, COVID-19 and Human Development: Assessing the Crisis, Envisioning the Recovery



Young people supported by the Foundation Forge. Photo credit: Foundation Forge

Smiley is Haitian. She is 21 years old and came to Chile two years ago. In 2020, she enrolled in the 'Tu Futuro' program. *"Initially, I only applied to the program so they can help me get a job, and that is it",* she said. Today, she is grateful for everything she has learned, well beyond just the job training. *"I am far more empathetic and autonomous. And I have learned not to judge other people",* she says.

In addition to highlighting her personal growth, she learned about the different alternatives she has after finishing high school. *"I realized that I can do both things. I can study and work. There is a whole world of possibilities!"*

For Smiley, the Foundation Forge means family, respect and friendship. *"I found a place where nobody judged me for the color of my skin or for my religion. I think of Forge as my second home."*



Encouraging STEM studies and career in Slovakia

We are collaborating with Aj Ty v IT on a five-year grant to empower young girls and teenagers to choose STEM as a career. This grant helps Aj Ty v IT expand its program to regional cities in Slovakia to reach more girls at an early age, teenagers, women and to encourage teachers and other stakeholders to become involved. In 2020 despite the pandemic situation, Aj Ty v IT could reach more than 4,000 young girls and women with different technology workshops and improve their digital skills. One of the projects is the Scratch Match competition, targeting girls from eight to 15 years old. It aims to demystify technology and computer science as being an unappealing field, reserved for men. It started in 2017 as a small competition with 20 participants and gradually ramped-up to 70 girls and dozens of Scratch workshops through 2020.

"Having a strong partner as Z Zurich Foundation is for us the occasion to reach higher number of young Slovak girls and let them discover the technology world. Because technology has no gender." Petra Kotuliaková, Aj Ty v IT CEO



Focusing on education and career opportunities for youth in Latin America

In 2020, the Foundation's first regional grant was launched across Latin America in collaboration with several local Zurich offices, Zurich Santander and Foundation Forge. This three-year grant program aims to equip young people from vulnerable communities with the skills they need to succeed in the local labor market. This program aims to transform the lives of more than 24,000 young people, positively impact the lives of 60,000 others, as well as more than 2,000 teachers across Argentina, Chile, Brazil, Mexico and Uruguay.

New commitments

'Power 2 Progress': In September 2020, we announced a three-year intervention program in Ireland, together with the University College Dublin (UCD) and Zurich Ireland. We are joining forces to narrow the socio-economic gap on education outcomes for young people. Designed by UCD, the Power 2 Progress program will provide help and support to approximately 600 students across 16 schools located in areas where the

socio-economic background is below national average through weekly tuition by UCD student teachers, aimed at giving students the best chance to reach their full academic potential. It will also provide community activities and outreach days at the UCD campus and Zurich offices to highlight the transformative potential of higher education and to demystify higher education and the corporate work environment for DEIS (Delivering Equality of Opportunity in Schools) students.

'The future is yours. Dare': In October, together with Zurich Spain¹⁹ and Fundación Junior Achievement España, and with support from the Education Department of Catalonia, we announced the launch of Z-SHAKE, a program that aims to empower young people to be the owner of their future. It is a project of academic and professional orientation and preparation in non-cognitive skills for young people, between 16 and 21 years old, who are studying Basic Vocational

Education and Training (VET) programs. With the support of their teachers, Zurich Spain employee volunteers, influencers, education experts and with access to educational tools, young people will be able to create their own personal plan for their future. Already around 50 schools and close to 1,500 students are participating in this initiative.

As one of the teachers of a school participating in Z-SHAKE points out "the Basic VET Programs are aimed at students that have not graduated from high school and it is very important for them because it enables them to enter the job market and empowers them to have confidence in themselves to continue studying. It is a great opportunity for them to also participate in Z-SHAKE, as a testimony to other people, it is very important to motivate them and accompany them in this process". Also as one of the students participating in Z-SHAKE expresses about his future after this program: *"I hope to be able to study an intermediate degree and then a higher degree to be able to work in a company"* and as one of his friends remarks regarding his expectations about Z-SHAKE: *"I hope to be able to incorporate all that I learn in Z-SHAKE into my daily life because personal development is also very important"*.

Supporting children's rights in Switzerland: In June 2020, we committed to a three-year grant, starting in 2021, to support children's rights in Switzerland in collaboration with Zurich Switzerland and Ombudsstelle Kinderrechte Schweiz. With the offering available in all Cantons, the Ombudsstelle Kinderrechte Schweiz plans to improve the lives of 6,000 children in any year by sharing information and providing them better access to, and representation within, the legal system. This has a positive impact on the child's wider family. With more awareness of children's rights in legal proceedings, further positive impact can be expected.

In addition, during 2020, we also approved funding for four new grants starting in 2021:

- In the United States, we are starting a collaboration with Year-Up to ensure equitable opportunities for all young people, no matter where they come from and their background.
- In Brazil, we have committed funds to support indigenous communities in the Amazon region, working with Origens Brasil®.
- We are also continuing our collaboration with Junior Achievement by starting a program in Canada to empower young people.
- In Austria, we are extending our collaboration with 'Verein für Training, Integration & Weiterbildung' to create better access to health care and education for disadvantaged young people in Vienna.



¹⁹ Zurich Insurance PLC (Ireland), Spain Branch

Governance

Z Zurich Foundation is a private foundation established by Zurich Insurance Company Ltd and Zurich Life Insurance Company Ltd, in accordance with Swiss law, with registered office in Zurich. The Foundation is committed to transparency and continuous improvement in the effective use of Foundation funds. It is an active member of Swiss Foundations, the association for grant-making foundations in Switzerland, promoting transparency, professionalism, and the effective use of charitable means. Clear, comprehensive guidelines define the responsibilities of the Chair, the Board of Trustees, any Committees and the Foundation management, as well as the necessary signing authority levels.

The Foundation is governed by a Board of Trustees, whose members are elected by the Board of Directors of Zurich Insurance Company Ltd for a term of office of three years. The Board is supported by a small team leading the day-to-day management of the Foundation and implementation of its programs.

As of December 2020, the Board of Trustees of the Foundation were comprised of the following persons:

Board of Trustees



Gary Shaughnessy, Chair
2016-2022



Jack Howell, Member
2016-2022



Conny Kalcher, Member
2020-2023



Alison Martin, Member
2019-2022



Sylvia Martinez, Member
2018-2021



Kathleen Savio, Member
2011-2023



Yilmaz Yildiz, Member
2018-2021

Special thanks to our former members



Mario Greco, Member
2016-September 2020



Claudia Dill, Member,
2016-September 2020



Chris Gillies, Member
2008-August 2020

Welcome to our new members elected in December 2020 , and effective as of January 1, 2021



Laurence Maurice, Member
2021-2023



Tulsi Naidu, Member
2021-2023



Kristof Terry, Member
2021-2023

The Board of Trustees appointed Grégory Renand as Head of the Z Zurich Foundation in 2020.

Financial statements and auditors' report

Comments on the 2020 annual financial statements

The economic environment and expectations for the future

The COVID-19 pandemic in 2020 exposed many vulnerabilities and led to a sudden surge in demand for charities' services around the world. It has further highlighted the positive role corporate foundations can play.

While the pandemic's long-term impacts are hard to foresee, the economic downturn in 2020 has had severe repercussions on women, youth, the poor, the informally employed, and those who work in low-income sectors. With the expected partial recovery in 2021, we may see new needs emerging, such as vaccination equity. We continue to look at ways to support the most vulnerable in our communities and engage with the charities we work with to understand the pandemic's long-term impact, in parallel with delivering our strategy's ambitious goals.

Comments on the financial statements

On the balance sheet side, the Foundation increased its assets slightly compared to the previous year, maintaining a healthy level of reserves. At the same time also the short-term and long-term provisions relating to grants increased.

On the income statement side, the Foundation's activity also increased in 2020 compared to 2019. This is mainly due to a higher amount of grants and our COVID-19 response in 2020, and an increase in provisions for grants. On the investment side, we reported a positive net investment result of CHF 205,508 in 2020, down compared to 2019 due to stock market developments. The lower admin ratio at 8.04% is explained by the increase in foundation activity and lower administration costs incurred.

Risk structure and assessment

For the first time, the Z Zurich Foundation is undergoing an audit instead of a limited statutory examination. As a result of this, Z Zurich Foundation's financial report as of 2020 also includes a cash flow statement and management report for the first time. The audit report also includes a confirmation of the existence of an internal control framework.

The unpredicted change caused by the COVID-19 pandemic increased the need in all the areas the Foundation is carrying out its work, including a focus on short-term spending in 2020 for emergency relief efforts. With the situation hopefully stabilizing in 2021, the Foundation is refocusing its work back to its core strategic pillars of looking at adapting to climate change, enabling social equity, and improving mental wellbeing.

Grégory Renand,
Head of the Z Zurich Foundation

Balance sheet as of December 31, 2020 and 2019

Assets	Appendix	31.12.2020 CHF	31.12.2019 CHF
Cash and Cash equivalent	1	40,164,921	42,671,117
Other receivables		136,400	430,860
Investment funds bonds domestic		22,090,265	7,050,112
Investment funds share domestic		22,444,210	17,865,930
Investment funds money market		0	10,598,793
Total Assets		84,835,796	78,616,812
Liabilities and Equity			
Accrued expenses and VAT provision	2	1,275,183	875,748
Short term provision	2.2	15,181,378	8,923,958
Total short-term liabilities		16,456,561	9,799,706
Long term provision	2.2	24,132,917	13,668,215
Total long-term liabilities		24,132,917	13,668,215
Total liabilities		40,589,478	23,467,921
Foundation capital		6,000,292	6,000,292
Voluntary retained earnings			
Profit brought forward		49,148,599	17,257,291
Profit (+) / Loss (-) current year		-10,902,573	31,891,308
Total Equity		44,246,318	55,148,891
Total Liabilities and Equity		84,835,796	78,616,812

Income Statement 2020 and 2019

Income statement	Appendix	2020 CHF	2019 CHF
Donations received	3	40,040,400	40,000,000
Dividend and Interest income Withholding tax trust CH		303,902	278,600
Valuation gains share domestic		121,885	1,317,452
Realized gains share domestic		0	473,735
Total revenue investment funds shares domestic		425,787	2,069,787
Dividend and Interest income Withholding tax Bonds CH		85,813	40,062
Realized gains bonds domestic		0	91,894
Unrealized gains bonds domestic		38,230	172,859
Total revenue investment funds bonds domestic		124,043	304,816
Dividend and Interest income Withholding tax short term CH		0	150,973
Total revenue investment funds money market CH		0	150,973
Total investments income		549,830	2,525,576
Realized loss share domestic		-191,142	0
Total expenses investment funds share domestic		-191,142	0
Realized loss funds bonds domestic		-3,856	0
Total expenses investment funds bonds domestic		-3,856	0
Unrealized loss funds money market domestic		0	-241,868
Realized loss funds money market domestic		-149,324	-15,956
Total expenses investment funds money market CH		-149,324	-257,824
Total investments expenses		-344,322	-257,824
Total investment result		205,508	2,267,752
Total operating income / expense		40,245,909	42,267,752

Income Statement 2020 and 2019

Income statement	Appendix	2020 CHF	2019 CHF
Foundation activity		2020	2019
Concern Worldwide		-623,900	-620,600
Infinite Earth		-83,712	-115,502
International Institute for Applied Systems Analysis (IIASA)		-275,000	-297,500
Mercy Corps Europe		-801,000	-880,050
Plan International Schweiz		-478,800	-471,300
ISET		-220,000	-220,000
London School of Economics		-288,000	-230,000
Practical Action		-1,075,400	-1,083,600
Global non-profit Alliances	4	-3,845,812	-3,918,552
Rugby Players Ireland (Prev. IRUPA)		-645,672	-706,575
Junior Achievement (Spain)		-98,773	-105,647
Junior Achievement (Isle of Man)		-37,284	-30,972
Junior Achievement (Japan)		-4,380	0
Mentor Foundation (Germany)		0	-154,887
Mentor Foundation (Sweden)		-138,572	-114,087
Mustard Seed – RESOLVE campaign		0	-187,673
SBP (Prev. St. Bernard Project)		-628,142	-644,498
World Vision Malaysia		-219,243	-240,000
Verein TIW		-460,890	-76,189
AMEO		-17,499	-16,334
GRAACC Brazil		-393,460	-414,126
Beyond Empathy		-180,812	0
Raise Foundation		-159,255	0

Income Statement 2020 and 2019 (continued)

Income statement	Appendix	2020 CHF	2019 CHF
Centrum Rodiny		-18,602	-19,818
ActionAid Italy		-65,617	-67,093
Breakthrough		-342,423	-515,233
AFL Coaches Association		-1,222,569	-1,340,575
Prime Sports International		-418,617	-425,090
Fundacion Tiempo de Juego		286,472	-30,265
Memoria y Tolerancia		0	-2,736
Turkish Education Association		-370,000	-874,225
Variety NZ		-234,105	-256,113
Fundacja Centrum Praw Kobiet CPK Poland		-160,406	-671,398
Desarrollo Comunitario		-91,740	0
Techmail		-128,758	0
Fundacion Pieroma		-131,499	0
AJ Ty v IT		-62,522	0
Fundacion Trauma		-142,431	0
Foundation Forge		-1,661,575	0
University College Dublin		-141,081	0
MCH Psychological Services		-832,170	0
Year Up		-46,299	0
Childrens Cancer Foundation		-165,694	0
The Family Centre		-92,180	0

Income Statement 2020 and 2019 (continued)

Income statement	Appendix	2020 CHF	2019 CHF
Ombudsoffice Childrens Rights		-300,000	0
Local non-profit Alliances	5	-9,325,796	-6,893,534
Miscellaneous grants		-4,272,997	-2,606,317
Miscellaneous grants CH		-40,470	0
COVID-19 Donations		-14,172,505	0
Unrealised foreign exchange currencies gains provision		94,687	188,258
Unrealised foreign exchange currencies loss provision		-257,463	-517,542
Various change provisions commitments		-16,559,345	6,656,683
Total Miscellaneous costs	6	-35,208,094	3,721,082
Total Foundation activity		-48,379,703	-7,091,003
Other Administration costs		-2,556,306	-3,238,962
Bank charges and safekeeping charges		-11,750	-26,681
Costs for the auditors		-27,723	-18,417
Costs for the regulators		-1,050	-1,381
VAT expense		-171,950	0
Total other operating expenses	7	-2,768,779	-3,285,441
Total operating result		-10,902,573	31,891,308
Profit (+) / loss (-) current year		-10,902,573	31,891,308

Cash-flow

	31.12.2020 CHF	31.12.2019 CHF
Operating activities		
Result (+) gains (-) loss	-10,902,573.04	31,891,307.98
Increase (+) Decrease (-) Long term provision	10,464,701.47	-5,891,992.83
Increase (+) Decrease (-) Short term provision	6,257,420.29	-435,406.80
Increase (-) Decrease (+) Other Receivables	294,460.05	161,019.53
Increase (+) Decrease (-) Accrued Expenses	399,434.76	325,748.00
Operating Cash-flow	6,513,443.53	26,050,675.87
Investment activities		
Increase (-) Decrease (+) investments	-9,019,639.28	12,896,620.60
Investment Cash-flow	-9,019,639.28	12,896,620.60
Total Cash-Flow	-2,506,195.75	38,947,296.47
Movement of Cash-Flow		
Opening balance Cash and Cash equivalent as of 1st January	42,671,117.19	3,723,820.76
Ending balance Cash and Cash equivalent as of 31st December	40,164,921.43	42,671,117.19
Increase (+) / Decrease (-) Cash-Flow	-2,506,195.76	38,947,296.43

Appendix

Accounting and valuation rules

The financial statements are prepared in accordance with the Swiss Code of Obligations.

The following valuation rules apply:

- Securities: market value at balance sheet date
- Other assets and liabilities: balancing at nominal amount
- Commitments: balancing at nominal amount

All amounts in the Financial Statements are shown in CHF, rounded to the nearest CHF 1, meaning that the rounded amounts may not add to the rounded total in all cases.

Total investment assets

All of the Z Zurich Foundation's investment assets are invested in accordance with the investment guidelines of the Z Zurich Foundation. As part of the annual review of the investment guidelines in 2021 the Board of Trustees has endorsed a sustainable investment strategy implemented through green bonds.

Assets

Foundation assets

The founding companies endowed initial total assets of CHF 29,000,000 to the Foundation, payable from 2008 to 2012. In 2011, Zurich Insurance Group Ltd on behalf of Zurich Insurance Group endowed additional assets of USD 100,000,000 to the Foundation, whereof USD 20,000,000 were paid as per December 31, 2011. The remaining amount of USD 80,000,000 plus market interest was transferred in equal installments by December 31 each year, over a period of four years, for the last time in 2015.

In December 2019, various members of Zurich Insurance Group donated additional assets in a total amount of CHF 40,000,000 to the Foundation. A further total donation of CHF 40,000,000 was made by various members of Zurich Insurance Group in December 2020.

1. Cash and Cash equivalent

In December 2020, Z Zurich Foundation received a total donation of CHF 40,000,000 from various members of Zurich Insurance Group.

Liabilities

2. Accrued expenses and VAT provision

CHF 1,103,232.75 has been accrued for the financial year 2020, which composed of the following costs:

	2020	2019	Text
CHF	33,000.00	20,000.00	Audit Fees
CHF	21,885.64	10,000.00	Annual report and comms costs
CHF	125,000.00	150,000.00	VAT Accrual
CHF	28,029.13	98,908.00	Staff and team expenses
CHF	78,602.00	96,840.00	Various expenses*
CHF	600,000.00	500,000.00	Volunteer matching **
CHF	216,715.98	0.00	Charitable payments ***
Total	1,103,232.75	875,748.00	

* Represents Atlantic Council in 2019.

** As volunteering is tracked throughout the year, volunteer matching is paid in Q1 the following year, and hence accrued.

*** Mainly represent 'Movember' and Christmas matching relating to 2020.

The VAT provision booked for years 2016-2019 represent the liability for VAT on services procured from overseas that are due in Switzerland.

	2020	2019	Text
CHF	171,950.01	0.00	VAT Provision from 2016 to 2019
Total	171,950.01	0.00	

Commitments

Z Zurich Foundation assumed the following commitments to cooperating organizations (pursuant to Memoranda and Letters of Understanding, in alphabetical order). Those agreements that have matured in 2020 were effectively released (CHF 8,923,958) at the end of the year. New agreements that commence in 2020 (CHF 6,399,941) have been booked.

Opening balance 2020	Released provision for 2020	New grants starting in 2020	Change in provisions for existing grants	End balance 31.12.2020
22,592,173	-8,923,958	6,399,941	19,246,139	39,314,295

The table below shows the commitments as of 31.12.2020, breakdown in short-term provision and long-term provision.

Commitments (continued)

2.2 Short-term (within 1 year) and long-term (more than 1 year) provision 2020	Country grant recipient is based in	2021 Within 1 year Local currency	2022+ More than 1 year Local currency	2021 Within 1 year CHF (Closing rate)	2022+ More than 1 year CHF (Closing rate)	Agreement start date	Agreement end date	Term
Concern Worldwide	Ireland	CHF 1,250,182.00	CHF 2,445,752.00	CHF 1,250,182.00	CHF 2,445,752.00	01.01.2018	31.12.2024	6
IIASA	Austria	CHF 312,320.00	CHF 936,930.00	CHF 312,320.00	CHF 936,930.00	01.07.2018	31.12.2024	6
LSE	UK	CHF 230,000.00	CHF 690,000.00	CHF 230,000.00	CHF 690,000.00	01.07.2018	31.12.2024	6
IFRC	Switzerland	CHF 421,000.00	CHF 2,639,591.00	CHF 421,000.00	CHF 2,639,591.00	01.01.2018	31.12.2024	6
ISET International	USA	CHF 577,874.00	CHF 1,452,738.00	CHF 577,874.00	CHF 1,452,738.00	01.01.2018	31.12.2024	6
Mercy Corps	UK	CHF 1,605,372.00	CHF 3,296,952.00	CHF 1,605,372.00	CHF 3,296,952.00	01.01.2018	31.12.2024	6
Plan Switzerland	Switzerland	CHF 1,038,949.00	CHF 2,739,877.00	CHF 1,038,949.00	CHF 2,739,877.00	01.01.2018	31.12.2024	6
Practical Action	UK	CHF 2,316,260.00	CHF 4,014,798.00	CHF 2,316,260.00	CHF 4,014,798.00	01.01.2018	31.12.2024	6
SBP	USA	USD 325,000.00	USD 0.00	CHF 287,511.25	CHF 0.00	01.07.2018	30.06.2021	3
AFL Coaches Association	Australia	AUD 1,800,000.00	AUD 2,625,000.00	CHF 1,228,593.06	CHF 1,791,698.21	01.06.2018	31.12.2024	6
PSI Malaysia	Malaysia	MYR 1,765,000.00	MYR 0.00	CHF 388,385.60	CHF 0.00	01.07.2018	30.06.2022	4
Turkish Education Association	Turkey	CHF 380,000.00	CHF 430,000.00	CHF 380,000.00	CHF 430,000.00	01.01.2018	31.12.2023	5
Rugby Players Ireland RPI	Ireland	EUR 610,000.00	EUR 640,702.00	CHF 660,002.43	CHF 693,221.11	01.01.2019	31.12.2022	3
Junior Achievement IOM	Isle of Man	GBP 30,500.00	GBP 5,500.00	CHF 36,846.38	CHF 6,644.43	01.07.2017	30.06.2022	5
Mentor Sweden	Sweden	SEK 1,350,000.00	SEK 0.00	CHF 145,422.81	CHF 0.00	01.01.2017	31.12.2021	4
Centrum Rodiny	Slovakia	EUR 17,400.00	EUR 34,800.00	CHF 18,826.30	CHF 37,652.60	01.04.2018	31.03.2024	6
Junior Achievement Spain	Spain	EUR 93,000.00	EUR 0.00	CHF 100,623.32	CHF 0.00	01.05.2018	30.03.2022	4
Program Costs Spain Grant	Spain	EUR 236,000.00	EUR 0.00	CHF 255,345.20	CHF 0.00	01.07.2018	30.06.2022	4
The Family Center	Bermuda	USD 100,000.00	USD 0.00	CHF 88,465.00	CHF 0.00	23.10.2019	22.10.2022	3
Center for Women's Rights (CPK)	Poland	USD 164,000.00	USD 222,500.00	CHF 145,082.60	CHF 196,834.63	01.10.2019	30.09.2024	5
Beyond Empathy	Australia	AUD 180,000.00	AUD 0.00	CHF 54,604.14	CHF 0.00	01.08.2019	31.07.2021	2
Raise Foundation	Australia	AUD 240,000.00	AUD 720,000.00	CHF 163,812.41	CHF 491,437.22	02.01.2020	01.01.2025	5
Children's Cancer Foundation	Singapore	SGD 185,000.00	SGD 0.00	CHF 123,825.57	CHF 0.00	01.01.2020	31.12.2021	1
Instituto Techmail	Brazil	BRL 647,000.00	BRL 647,000.00	CHF 110,103.68	CHF 110,103.68	01.01.2020	31.12.2021	1
University College Dublin (UCD)	Ireland	EUR 22,325.00	EUR 153,550.00	CHF 24,155.01	CHF 166,136.68	01.01.2020	31.12.2023	3
Pieroma Foundation	Argentina	USD 331,563.00	USD 306,231.00	CHF 293,317.21	CHF 270,907.25	01.01.2020	31.12.2022	2
Fundacion Trauma	Argentina	USD 130,000.00	USD 60,000.00	CHF 115,004.50	CHF 53,079.00	30.03.2020	28.02.2024	4
MCH Psychological Services	Isle of Man	GBP 650,000.00	GBP 525,000.00	CHF 785,250.77	CHF 634,241.00	01.09.2020	31.08.2023	3
AJ Ty v IT	Slovakia	EUR 55,100.00	EUR 96,300.00	CHF 59,616.61	CHF 104,192.83	01.04.2020	31.03.2025	5
Forge	Chile	USD 2,220,796.00	USD 373,175.00	CHF 1,964,627.18	CHF 330,129.26	01.04.2020	31.03.2023	3
Switzerland Ombudsoffice	Switzerland	CHF 0.00	CHF 600,000.00	CHF 0.00	CHF 600,000.00	06.11.2020	31.12.2023	3
		Total		15,181,378	24,132,917			

Commitments (continued)

2.2 Short-term (within 1 year) and long-term (more than 1 year) provision 2019	Country grant recipient is based in	2020 Within 1 year Local currency	2021+ More than 1 year Local currency	2020 Within 1 year CHF (Closing rate)	2021+ More than 1 year CHF (Closing rate)	Agreement start date	Agreement end date	Term
Concern Worldwide	Ireland	-	-	623,900	1,567,600	01.01.2018	30.06.2023	5
IIASA	Austria	-	-	275,000	687,500	01.07.2018	30.06.2023	5
LSE	UK	-	-	230,000	575,000	01.07.2018	30.06.2023	5
IFRC	Switzerland	-	-	0	787,300	01.01.2018	30.06.2023	5
ISET International	USA	-	-	220,000	550,000	01.01.2018	30.06.2023	5
Mercy Corps	UK	-	-	801,000	1,052,000	01.01.2018	30.06.2023	5
Plan Switzerland	Switzerland	-	-	478,800	804,400	01.01.2018	30.06.2023	5
Practical Action	UK	-	-	1,075,400	2,336,100	01.01.2018	30.06.2023	5
SBP	USA	USD 650,000	USD 325,000	629,460	314,730	01.07.2018	30.06.2021	3
GRAACC Brazil	Brazil	USD 412,000		398,981		01.04.2018	31.03.2021	3
AMEO	Brazil	BRL 74,000		17,780		01.09.2017	31.08.2020	3
AFL Coaches Association	Australia	AUD 1,125,000	AUD 1,950,000	765,393	1,326,681	01.06.2018	31.05.2023	5
Variety NZ	New Zealand	NZD 379,200		247,560		01.03.2019	28.02.2021	2
Breakthrough Hong Kong	Hong Kong	HKD 2,700,000		335,682		01.07.2018	30.06.2021	3
One Goal/World Vision Malaysia	Malaysia	MYR 1,000,000		236,715		01.07.2015	30.06.2020	5
PSI Malaysia	Malaysia	MYR 1,765,000	MYR 1,765,000	417,801	417,801	01.07.2018	30.06.2022	4
Turkish Education Association	Turkey	-	-	370,000	810,000	01.01.2018	31.12.2023	5
Rugby Players Ireland RPI	Ireland	EUR 600,000	EUR 1, 250,702	652,101	1,359,307	01.01.2019	31.12.2022	3
Junior Achievement IOM	Isle of Man	GBP 5,500		7,053		01.07.2017	30.06.2020	3
ActionAid Italia	Italy	EUR 60,000		65,210		01.08.2018	31.07.2021	3
Mentor Sweden	Sweden	SEK 1,350,000	SEK 1,350,000	139,939	139,939	01.01.2017	31.12.2021	4
Centrum Rodiny	Slovakia	EUR 17,400	EUR 52,200	18,911	56,733	01.04.2018	31.03.2024	6
Junior Achievement Spain	Spain	EUR 93,000	EUR 93,000	101,076	101,076	01.05.2018	30.04.2022	4
Program Costs Spain Grant	Spain	EUR 236,000	EUR 236,000	256,493	256,493	01.07.2018	30.06.2022	4
TecMilenio	Mexico	MXN 537,660		27,606		01.11.2018	31.10.2021	3
Infinite Earth	Hong Kong	USD 150,000		145,260		01.01.2019	31.12.2020	1
The Family Center	Bermuda	USD 100,000	USD 100,000	96,840	96,840	23.10.2019	22.10.2022	3
Center for Women's Rights (CPK)	Poland	USD 173,000	USD 386,500	167,533	374,287	01.10.2019	30.09.2024	5
Beyond Empathy	Australia	AUD 80,000	AUD 80,000	122,463	54,428	01.08.2019	31.07.2021	2
			Total	8,923,958	13,668,215			

Income

3. Donations received

In December 2020, Z Zurich Foundation received a total donation of CHF 40,000,000 from various members of Zurich Insurance Group. Z Zurich Foundation together with employees of Zurich Insurance Company Ltd also raised employee fundraising in Switzerland which amounted to CHF 40,400.

Expenses

4. Global non-profit Alliances

Foundation activity	2020	2019
Concern Worldwide	-623,900	-620,600
Infinite Earth	-83,712	-115,502
International Institute for Applied Systems Analysis (IIASA)	-275,000	-297,500
Mercy Corps Europe	-801,000	-880,050
Plan International Schweiz	-478,800	-471,300
ISET	-220,000	-220,000
London School of Economics	-288,000	-230,000
Practical Action	-1,075,400	-1,083,600
Global non-profit Alliances	-3,845,812	-3,918,552

5. Local non-profit Alliances

	2020	2019
Rugby Players Ireland (Prev. IRUPA)	-645,672	-706,575
Junior Achievement (Spain)	-98,773	-105,647
Junior Achievement (Isle of Man)	-37,284	-30,972
Junior Achievement (Japan)	-4,380	0
Mentor Foundation (Germany)	0	-154,887
Mentor Foundation (Sweden)	-138,572	-114,087
Mustard Seed – RESOLVE campaign	0	-187,673
SBP (Prev. St. Bernard Project)	-628,142	-644,498
World Vision Malaysia	-219,243	-240,000
Verein TIW	-460,890	-76,189
AMEO	-17,499	-16,334
GRAACC Brazil	-393,460	-414,126
Beyond Empathy	-180,812	0
Raise Foundation	-159,255	0
Centrum Rodiny	-18,602	-19,818
ActionAid Italy	-65,617	-67,093
Breakthrough	-342,423	-515,233
AFL Coaches Association	-1,222,569	-1,340,575
Prime Sports International	-418,617	-425,090

	2020	2019
Fundacion Tiempo de Juego	286,472	-30,265
Memoria y Tolerancia	0	-2,736
Turkish Education Association	-370,000	-874,225
Variety NZ	-234,105	-256,113
Fundacja Centrum Praw Kobiet CPK Poland	-160,406	-671,398
Desarrollo Comunitario	-91,740	0
Techmail	-128,758	0
Fundacion Pieroma	-131,499	0
AJ Ty v IT	-62,522	0
Fundacion Trauma	-142,431	0
Foundation Forge	-1,661,575	0
University College Dublin	-141,081	0
MCH Psychological Services	-832,170	0
Year Up	-46,299	0
Childrens Cancer Foundation	-165,694	0
The Family Centre	-92,180	0
Ombudsoffice Childrens Rights	-300,000	0
Local non-profit Alliances	-9,325,796	-6,893,534

6. Miscellaneous costs

The miscellaneous grants encompass all matching payments (for fundraising and volunteering), small discretionary donations as well as payments awarded as prizes under the Zurich Community Champions Awards.

7. Other administration costs

The administrative costs of the Foundation decreased to CHF 2,768,779 and represent 8.04 percent of total expenses in the amount of CHF 34,426,360 (excluding change in provision of commitments totaling CHF 16,559,345 and valuation of net loss FX totaling CHF 162,777), compared to 19.67 percent the previous year.

The lower admin ratio is mainly explained by the increase in foundation activity and lower administration costs incurred as a consequence of the COVID-19 situation in 2020.

Administration costs				
	2020		2019	
Administration costs	2,768,779	8.04%	3,285,441	19.67%
Total expenses	34,426,360		16,703,844	

The annual average number of full-time equivalents for the reporting year, as well as the previous year, did not exceed 10. A total of 7 employees were employed at the end of 2020, not including part-time assignments. All other personnel costs, together with costs for services provided by Zurich Insurance Company Ltd for the Foundation (e.g. accounting, investment management, legal etc.) continue to be covered by Zurich Insurance Company Ltd.

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Z Zurich Foundation, which comprise the balance sheet, income statement and notes (pages 23 to 34), for the year ended 31 December 2020.

Board of Trustees' responsibility

The Board of Trustees is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the deed of foundation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Trustees is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the deed of foundation.

The financial statements of Z Zurich Foundation for the year ended 31 December 2019 were examined by another statutory auditor who expressed an unmodified opinion on those financial statements on 8 April 2020.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 83b paragraph 3 Swiss Civil Code (CC) in relation with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 83b paragraph 3 CC in relation to article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Trustees.

Ernst & Young Ltd

Patrik Schaller	Mubina Bektic
Licensed audit expert	ACCA

Zurich, 3 June 2021

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