

# Why sustainability is important to us

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We at Zurich Invest Ltd promote sustainability in various ways; after all, it is part of our DNA to generate environmental, social and economic added value for society and the economy.



# Our goals and how we reach them

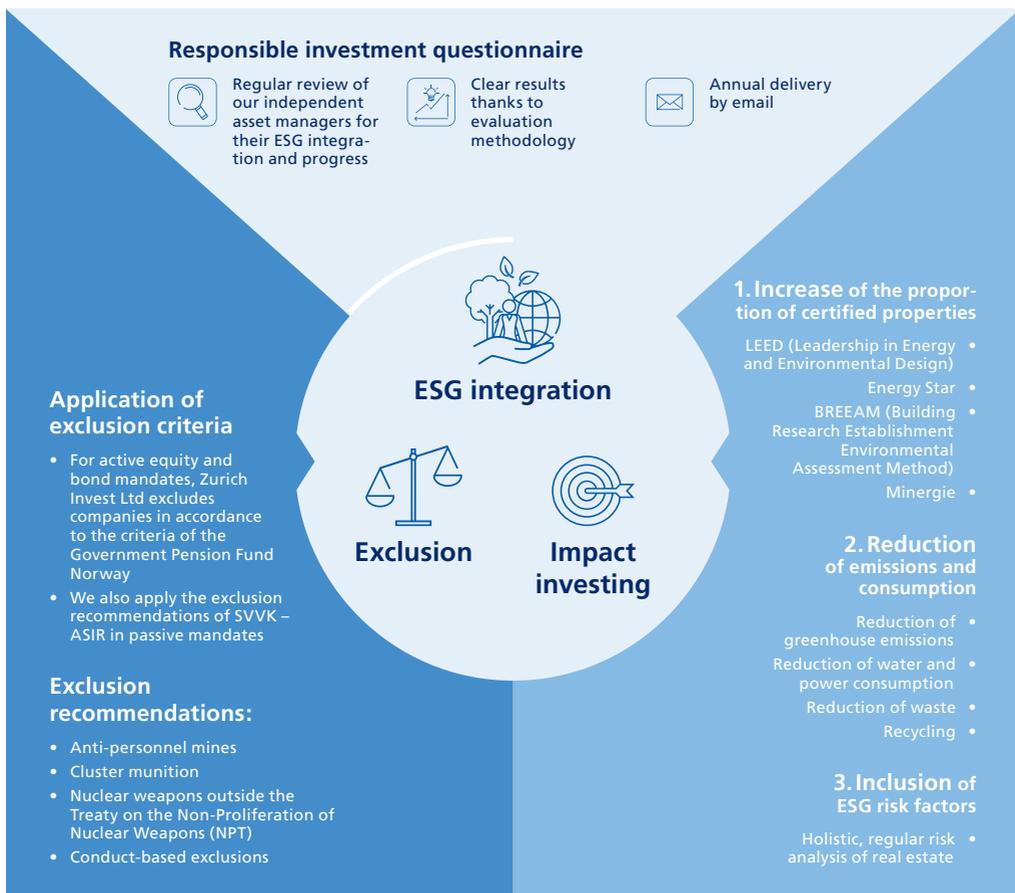
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Our goal is to manage the assets entrusted to us by our customers in a way that ensures sustainable value is generated. In other words, we do well and do good. When we do “well”, we generate superior risk-adjusted returns for our customers and shareholders and when we do “good” we have a positive impact on society and the communities where we live and work. As an independent financial services provider, we endeavor to promote sustainable investment. In this context, we pursue various initiatives and continue to develop. Our symbol for responsible investment represents this commitment.

ESG integration and impact investing are core elements of the responsible investment process of Zurich Invest Ltd. ESG refers to the three key factors “Environmental”, “Social” and “Governance”. These factors serve as the basis for measuring the sustainability and ethical impact of an investment. Impact investing takes place in order to achieve measurably positive social and environmental impact in addition to financial return.

# Responsible investment process as the key to sustainable success

Sustainability also plays a key role in the investment process. Therefore, we integrate the ESG criteria “Environmental”, “Social” and “Governance” in collaboration with our asset managers. With regard to our passive investment vehicles, we also follow the exclusion recommendations of the Swiss Association for Responsible Investments (SVVK – ASIR). At the same time, we at Zurich Invest Ltd are committed to counteracting climate change as best we can. Accordingly, we are implementing the Swiss and EU targets for the general reduction of greenhouse gases within our Swiss real estate portfolio.



# Responsible investment – an essential part of our philosophy

**82%**

of our external asset managers regularly analyze their portfolios for ESG risks.

**100%**

of our external asset managers are members of Principles for Responsible Investment (PRI).

**86%**

of our external asset managers apply ESG criteria in the investment process.

**885 x**

is the number of times that we have exercised our voting rights in accordance with the recommendations of Institutional Shareholder Services Inc. (ISS).



**ESG integration**



**Advancing together**



**Impact investing**

**-19%**

is the figure by which we have cut our carbon emissions compared to 2010 for our entire Swiss real estate portfolio.

**93%**

of our external asset managers actively exercise their voting rights.

**21**

companies have been excluded from all passive investment mandates in accordance with SVVK – ASIR recommendations.

**8**

infrastructure investments in the social and renewable energy sectors.

# Our principles for responsible investment

Responsible investment is an essential part of our business philosophy – but it means even more: it also involves a clearly outlined process. In this way, we ensure that we truly take sustainability criteria into consideration in our investment decisions.

## ESG integration

Zurich Invest Ltd is a significant player in the Swiss asset management market and applies the ESG criteria in the investment process.



Our principles for responsible investment

## Environmental

### Examples:

- Investment in renewable energies
- Reduction of greenhouse/carbon emissions
- Eco-compatible production of goods and services

## Social

### Examples:

- Compliance with international labor law regulations
- Implementation of fair workplace conditions
- Strengthening of equal rights

## Governance

### Examples:

- Transparency in the disclosure of business-relevant data
- Sustainability management at executive management and the board of directors' level
- Prevention of corruption and bribery



Our principles for responsible investment

## Active ownership<sup>1</sup>

Our external asset managers actively promote the application of ESG criteria when exercising voting rights. Our fund management (GAM) also actively exercises its voting rights. The votes can be cast to approve or reject the proposals by the executive management. This represents a form of target-oriented dialog with the respective companies. Both methods are jointly referred to as “active ownership”.

<sup>1</sup> Exercise of voting rights and actively influencing actions

## Impact investing

Sustainability is also a central factor in the real estate investments of the Zurich Investment Foundation and, along with the asset classes Infrastructure, Green, Social and Sustainability Bonds, is part of our impact investing strategies. In the future, these classes will continue to be expanded.

## Advancing together

We at Zurich Invest Ltd are committed to the principles of responsible investment. We are aware that our efforts to ensure sustainability will be most successful if the entire industry works in unison. For this reason, Zurich Invest Ltd is an active member of Swiss Sustainable Finance and promotes the consistent application of sustainability criteria in the Swiss financial market.



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