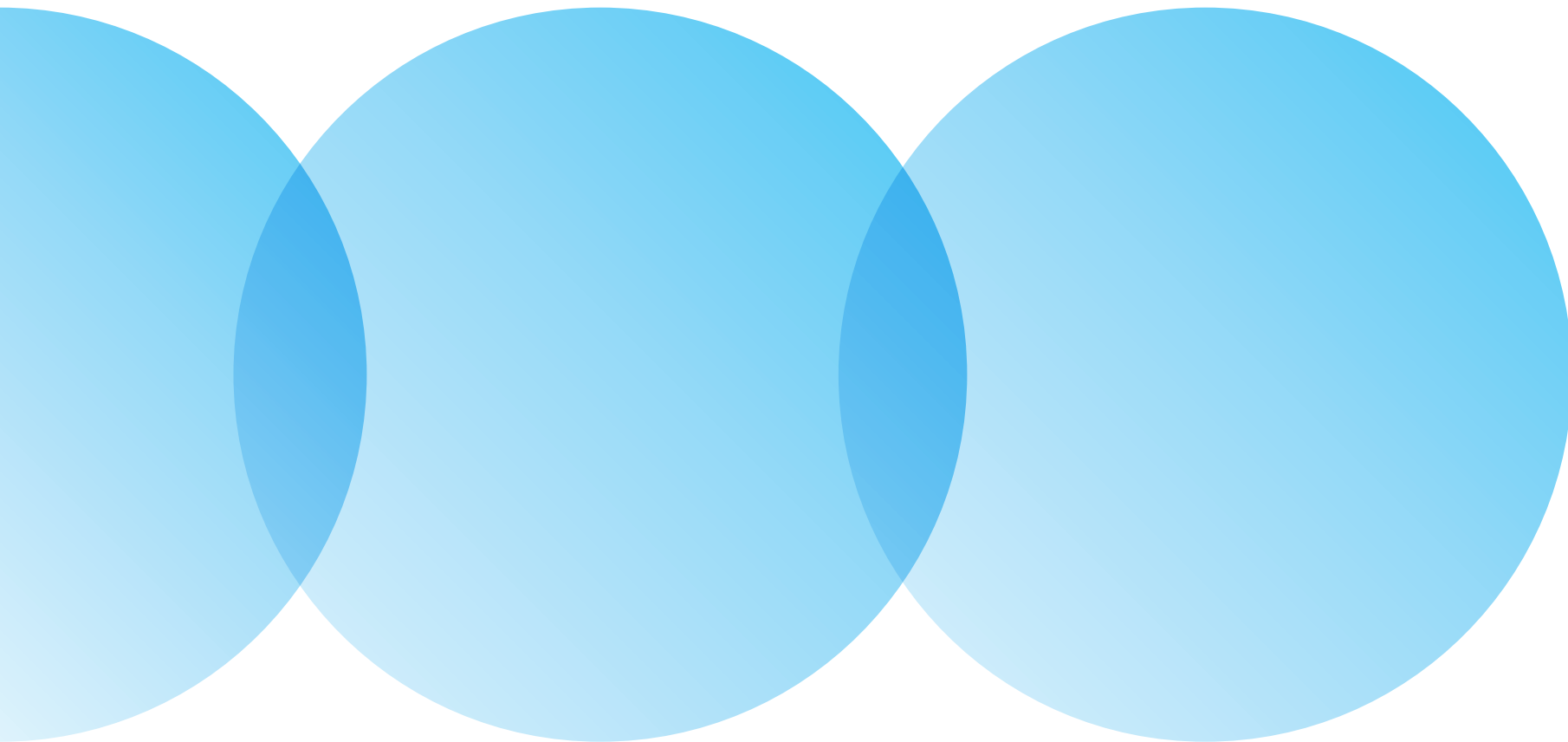


2009 CRE & FM Environmental Report





Contents

Executive Summary	3
UK Environmental Management System	3
Environmental Achievements	3
1. Management System	4
1.1 Key Issues	4
1.2 Objectives	4
1.3 Employee Environmental Programme	6
1.4 Benchmarking	6
1.5 Auditing	7
2. Performance	8
2.1 Carbon Footprint	8
2.2 Electricity, Gas Energy and Carbon Dioxide	9
2.3 Water	12
2.4 Waste	13
2.5 Commuting	16
2.6 Business Travel	17



Executive Summary

UK environmental management system

At Zurich we recognise that environmental protection is integral to sustainable value creation for both Zurich and society. Our market-based global Climate Initiative launched in January 2008, objective is to understand the emerging weather, financial, regulatory, and reputational risks associated with climate change and to develop a strategy to address them.

In 2009 we continued to participate in several important environmental initiatives which have resulted in a more sophisticated management system in the UK and in 2009 our major office campus at Whiteley was awarded level 3 BS855 accreditation under the IEMA's (Institute for Environmental Management and Assessment) Acorn Scheme.

We are a member of the May Day Network, the UK's largest group of businesses and organisations committed to collectively tackling climate change by mobilising their companies, employees, suppliers and customers.

In 2009 we again were included in the Dow Jones Sustainability Index and our score in the Business in the Community's (BiTC) annual Corporate Responsibility survey for 2009 retained Zurich as Gold Band of top UK companies.

Environmental achievements

Our record of domestic achievements, including the management of our own carbon footprint, has been further developed and our progress by the end of 2009 can be summarised as follows:

- **Carbon footprint** – UK building operations and business travel together produced a carbon footprint estimated at 12,268 CO₂ tonnes (a 22% reduction on the previous year); this equates to 1,747 kg CO₂/employee delivering an 11% reduction on the previous year.
- **Energy conservation** – we are one of the few large companies to have embraced environmentally friendly energy with all of our self occupied properties in the UK using a combination of renewable electricity and good quality combined heat and power. We aim to make a 1% annual reduction in consumption of electrical and gas energy by 2010 and to date, our cumulative reduction is 62% at year-end 2009 (28% normalised by floor area).
- **Reduction of carbon dioxide emissions** – From our baseline in 1999 our carbon dioxide emissions from electricity and gas energy have dropped by over 92% at year-end 2009 (85% when normalised by floor area).
- **Water** – Our new system at major locations records the water consumption and enables benchmarking on a headcount basis against our industry standards.
- **Waste minimisation** – Our waste minimisation programme has made a reduction of 10% in the quantity of our waste being sent to landfill since the baseline in 2007. In 2009, the quantity of paper recycled equated to 70% of our total waste volumes.
- **Commuter travel plans** – In 2009, we focused on travel plans for our major office location in Birmingham following a re-organisation, promoting cycling across all locations and continued monitoring to understand progress against the agreed targets.
- **Business travel** – Strong cost saving initiatives coupled with the introduction and promotion of improved telephone & video conferencing facilities has delivered a significant reduction in the amount of business travel. Miles travelled by air & road were reduced considerably and delivered a Co₂ emissions reduction of some 19% over the previous year.

1

Management System

1.1 Key issues

During 2009 Zurich continued to participate in several important environmental initiatives which have further helped develop our management system in the UK. Much of the practical work was led by the Environmental Strategy Group (ESG), in close collaboration with the UK Corporate Responsibility (CR) Council. Whilst there is some overlap between these initiatives, principles, pledges and charters, each one has required a specific focus and reporting framework; as described below:

- Climate Initiative
- ClimateWise
- May Day
- Green Charters

1.1.1 Climate Initiative

Launched in January 2008, the objective of our market-based global Climate Initiative is to understand the emerging weather, financial, regulatory, and reputational risks associated with climate change and to develop a strategy to address them. To support this work, five work streams have been set-up by the Climate Office, each responsible for a different aspect of our response to the climate change challenge:

- Product Development
- Carbon footprint management
- Investments
- Public policy
- Communication

In order to identify effective and sustainable measures to manage our own carbon emissions, we have quantified our group-wide carbon-footprint. The analysis defined 2007 as the base year and included the electricity and heat for owned and leased facilities, air travel, and the company's vehicle fleet including rental cars. Based on these results, we have determined our own total carbon footprint and established a Group-wide emissions reduction target of 10% by 2013.

This reduction is aimed to be achieved by increasing the use of "green" energy, increasing energy efficiency standards in owned buildings, improving the fuel efficiency of the vehicle fleet and raising employee awareness. In addition, effective utilization of telepresence and video-conferencing capabilities will help reduce air travel, leading to additional carbon reductions combined with significant efficiency gains.

The ESG continue to work closely with our Government and Industry Affairs team to satisfy the particular requirements of the May Day Network

1.2 Objectives

The ESG's 2009 agenda has been driven by a UK-wide environmental risk profiling exercise conducted in January 2009. Our risk management culture requires quarterly reporting to the appropriate Audit, Risk and Compliance Committees.

Our primary focus has been on our three original priorities of:

- Reducing our consumption of electrical energy produced on Zurich UK's behalf by power stations;
- Reducing our consumption of materials, boosting reuse and recycling where possible, for example, paper;
- Commuter travel plans and reducing business travel.

In addition, during 2009, we have continued to concentrate on improved performance in direct operational impacts, as well as giving increasing attention to:

- Waste management;
- Developing and supporting our network of local environment champions.

2009 Environmental Objectives

Our Environmental Objectives:	Delivering the Strategy:
<p>Managing our environmental risks and opportunities as effectively as possible through the progressive integration of environmental considerations throughout our business and to minimise our direct and indirect environmental impact through continuous improvement in environmental performance.</p>	<p>To be the leading multi – distribution, multi-segment insurer in the UK</p>
<p>Carbon Dioxide – Reduced carbon dioxide emissions associated with energy consumption in buildings occupied by Zurich, and where Zurich is entitled to take this action.</p>	
<p>To seek to reduce our annual consumption of electricity and gas so as to contribute towards our Group target reduction of 10% by 2013 against 2007 baseline</p> <ul style="list-style-type: none"> • To make a 1% annual reduction in energy consumption based on kWh/ employee/ per annum • Maintain compliance with the EU Energy Directive 2003 with regard to the provision of Energy Performance Certificates for buildings which are to be sold or let. • To prepare for the Carbon Reduction Commitment (carbon trading) in 2010 	<p>Profitable Growth Operational Transformation</p>
<p>Water – Establish current water consumption (based on litres/ employee/ year) and achieve ongoing savings</p>	
<ul style="list-style-type: none"> • Install tank bags to all WC cisterns that are not dual flush • Install percussion or sensor taps as appropriate in all washrooms. Install water saving nozzles where existing installation does not permit tap replacement • Make a 1% p.a. reduction in water consumption based on litres/ employee/ year 	<p>Operational Transformation</p>
<p>Waste – Implement a pro-active waste minimisation policy</p>	
<ul style="list-style-type: none"> • To make a 1% annual reduction in waste to landfill from 2007 to 2011 	<p>Profitable Growth</p>
<p>Business Travel – Reduce carbon dioxide emissions associated with Business travel</p>	
<p>To make a year on year CO2/employee emissions reduction contributing towards Group target of 10% reduction in carbon footprint by 2013 against 2007 baseline- Monitor and manage trends through quarterly MI for road, rail and air:</p> <ul style="list-style-type: none"> • To reduce business travel by 1% for cars in terms of miles/ employee/ year • To reduce business travel by 5% for rail in terms of miles/ employee/ year • To reduce business travel by 5% for flights based on miles/ employee/ year • To encourage the business to reduce unnecessary business travel and use tele/video-conferencing at every opportunity and increase usage of hours per employee per year usage by 5%. 	<p>Profitable Growth</p>

1.3 Employee Environmental Programme

To support our commitment to the ClimateWise principles, the ESG has taken responsibility: 'To engage our employees on our commitment to address climate change, helping them to play their role in meeting this commitment in the workplace and encouraging them to make climate-informed choices outside of work.'

We have continued to consulting with employees and representatives from our recognised trade and we have recruited additional Environmental Champions (employee volunteers) who encourage environmentally friendly behaviours and monitor performance in their local locations.

During 2009 we held a number of video conferences and web casts for our Environment Champions to engage, inform and facilitate their support.

The ESG has continued to actively encourage our people to develop environmentally friendly behaviours which help to achieve our environmental objectives. Activities have included:

- Developing a dedicated "Environmental Lifestyle" channel on the UK Intranet which has promoted messages, such as, active travel, personal carbon footprint, and eco-friendly labels on domestic appliances.
- Participating in commuter travel plans by asking employees to participate in surveys, and encouraging car sharing through "Jambusters" available on our UK Intranet.
- Regularly communicating with employees via our UK Intranet, posters and stickers to inform and encourage environmentally friendly behaviours. For a week each month a different topic was promoted on our internal intranet site:
- For our larger locations, local environment groups have been established which meet quarterly to progress local initiatives to meet agreed local environmental action plans

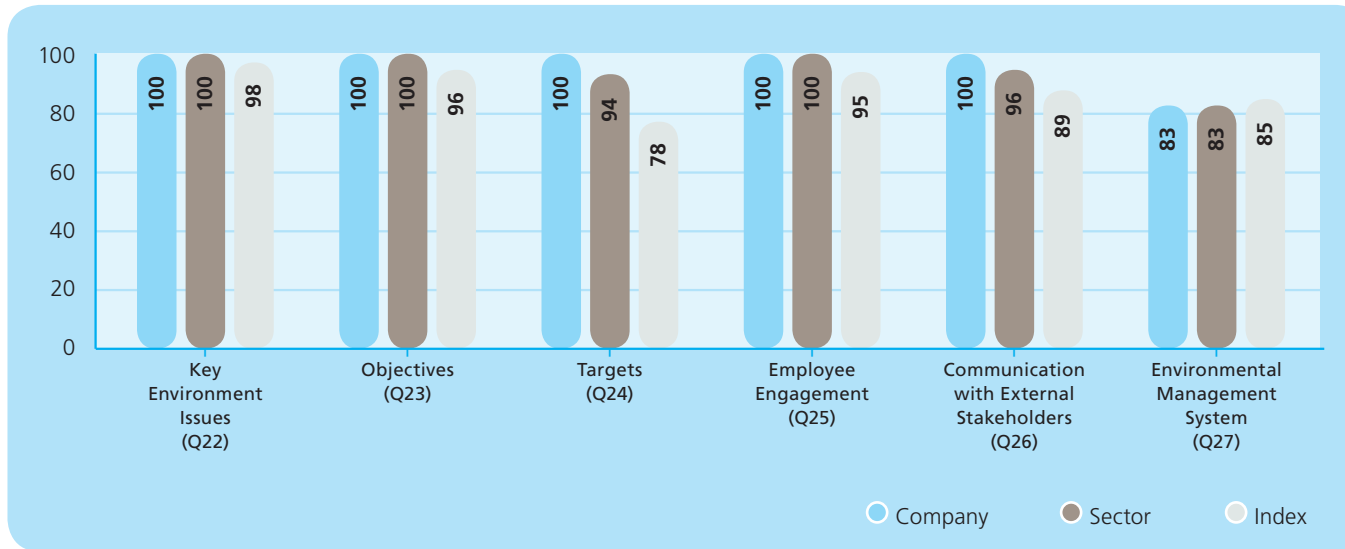
1.4 Benchmarking

We take the issue of climate change and our responsibility to monitor our impact on it, very seriously. Our environmental activities began in the early 1990s and, more recently, the Group launched a global initiative focused on the development of products and services addressing the evolving risks associated with climate change, as well as the establishment of a long-range carbon management strategy. This initiative also encourages our employees to consider their own environmental impact and identifies ways that allow our customers to make green choices.

Our UK environmental management system (EMS) is overseen by the Environmental Strategy Group (ESG). The ESG is chaired by Nicola Blundell, UK Head of Corporate Real Estate & Facilities Management (CRE&FM), who submits regular reports to the UK's Corporate Responsibility Council. Since 1999 we have developed an accredited and integrated approach to managing Health, Safety & Environment which is based on HSE's guidance document known as 'HS(G)65'. In 2009 our major office campus at Whiteley was awarded level 3 BS855 accreditation under the IEMA's (Institute for Environmental Management and Assessment) Acorn Scheme.

In September 2009 we participated in the Business in the Community's (BiTC) annual Corporate Responsibility (CR Index) survey and retained our Gold band status as a top UK Company.

Environment Management



1.5 Auditing

Our UK-wide integrated management system for Health, Safety & Environment was originally subjected to the independent auditing process by the Royal Society for the Prevention of Accidents (RoSPA) known as 'Quality Safety Audit' (QSA).

We have a rolling programme of on-site visits to offices and these audits check the extent of compliance against our UK objectives and measures. As part of the annual audit programme local offices are given six weeks to report back and to ensure continuous improvements can be made non-compliance is identified and best practice shared.

2

Performance

2.1 Carbon Footprint

Objective

To support our commitment to the ClimateWise principles, the ESG has taken responsibility: 'To disclose our direct emissions of greenhouse gases using a globally recognised standard'.

Progress

For our purposes carbon dioxide emissions attributable to UK operations are deemed to consist of three components which are linked to our existing objectives as follows:

- **Direct emissions** – standby generators used on rare occasions for business continuity purposes which run on diesel but these emissions are considered to be negligible;
- **Building operations** – Our 21 core and major locations in the UK use electricity and gas supplied by utility companies;
- **Business travel** – our 7,019 UK employees travel by road, rail and flights.

Energy emissions data is provided for our operational portfolio where Zurich has control over the energy services. This differs from our Group reporting where legacy property i.e. non operational and where we do not control energy services is included in the reporting.

Our Business Travel data is provided through our expenses reporting arrangements and our third party service providers.

Results

Year	Electricity and gas (objective 3)	Business travel (objective 7)	TOTAL	UK employees	CO ² Kg/ Person
	CO ² (tonnes)	CO ² (tonnes)	CO ² (tonnes)	Number	
2006	9,210	10,258	19,468	10,000	1,947
2007	6,110	11,583	17,693	8,500	2,081
2008	4,191	11,598	15,789	7,910	1,996
2009	2,879	9,389	12,268	7,019	1,747

In 2009 our use of electricity and gas in buildings has produced approximately 2,879 CO² tonnes whilst business travel contributed 9,389 CO² tonnes. Our total emissions for 2009 were 12,268 CO² tonnes – an 22% reduction on the figures for the previous year. Our 2009 carbon footprint per employee has been reduced by 11% from 2008, to 1,747 tonnes CO²/employee.

Plans for 2010

We will continue to define the size and shape of the UK's carbon footprint as well as leading various initiatives seeking to shrink the footprint still further. It is anticipated that our Climate Office will increasingly set the methodology for global data collection and corporate accounting. In particular we will be focussing on our registration and compliance with the newly introduced CRC Energy Efficiency Scheme and ensuring ongoing compliance with the EPB Directive both of which will help further Improve our energy performance.

2.2 Electricity, Gas Energy and Carbon Dioxide

Objective

Carbon Dioxide – Reduced carbon dioxide emissions associated with energy consumption in buildings occupied by Zurich, and where Zurich is entitled to take this action.

To seek to reduce our annual consumption of electricity and gas so as to contribute towards our Group target reduction of 10% by 2013 against 2007 baseline

- To make a 1% annual reduction in energy consumption based on kWh/employee/per annum
- Maintain compliance with the EU Energy Directive 2003 with regard to the provision of Energy Performance Certificates for buildings which are to be sold or let.
- To prepare for the Carbon Reduction Commitment (carbon trading) in 2010

Profitable Growth

Operational Transformation

Progress

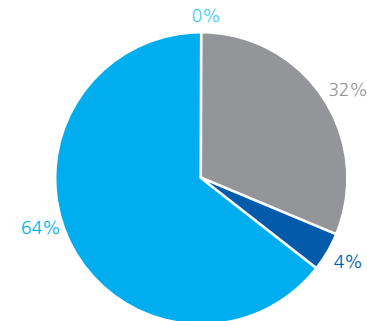
Our use of green electricity (generated by wind, water, waves and biomass) has dramatically increased since 2005, with all of our self occupied properties in the UK using a combination of renewable electricity and good quality combined heat and power. Our other locations are being supplied with electricity generated by CHP plant, which emits 43% less CO₂ than electricity from traditional sources. To help reduce our energy consumption, we have started to implement a number of initiatives including:

- introducing more efficient lighting, utilising intelligent controls, movement detectors and replacing lighting with more efficient lamps where possible;
- replacing old air conditioning equipment with newer, more efficient systems;
- reviewing the lighting controls and heating and cooling plants at each building so that they only operate during office hours;
- predetermining the heating controls to maintain a building temperature of 22°C, ±2°C. More locations will benefit from this tactic in due course.

NB: Energy emissions data is provided for our operational portfolio where Zurich has control over the energy services. This differs from our Group reporting where legacy property i.e. non operational and where we do not control energy services is included in the reporting.

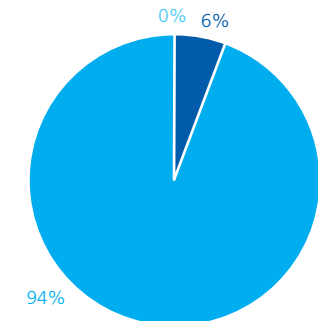
Breakdown of Energy Sources for 2009

- Natural Gas
- Electricity from good Quality CHP
- Electricity from Renewable sources
- Electricity from Traditional sources



Breakdown of Electricity Sources for 2009

- Electricity from good Quality CHP
- Electricity from Renewable sources
- Electricity from Traditional sources



01 January 2009 to 31 December 2009

Energy Source	Consumption (GWh)	CO ₂ emissions	
		(tonnes)	(% of total)
Natural gas	12.92	2390	83.02
Electricity from good quality CHP	1.58	482	16.74
Electricity from renewable sources	25.27	0	0.00
Electricity from traditional sources	0.13	7	0.25
Total	39.90	2879	100

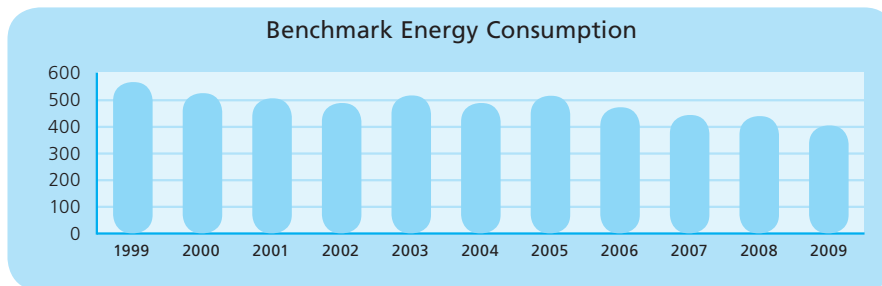
We have set targets for improving the local offices performance in the energy efficiency league table, and our Senior Managers are responsible for continuous improvement based on energy used. This information has helped to maintain local accountability and stimulate local innovations in energy conservation. Our progress is widely communicated, for example, we use the UK Intranet to disseminate a league table which is updated every six months and covers all of our core locations.

Results

Appendix 2 presents the UK electricity, gas and carbon dioxide associated with offices and other buildings between 1999 to date. We have restated the 2007 figure as more accurate information became available and to align with Climate Office reporting. In 1999 the combined energy consumption was 108 million kWh and as at year-end 2009 it was 40 million kWh, a reduction of 68 million kWh, representing a saving of 63%

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Millions kWh	108	100	99	92	76	78	75	60	53	51	40

Clearly we have comprehensively exceeded our objective of making a 1% annual reduction (with the exception of 2004). However, these figures take no account of office closures, or new locations opening. A more reliable way of measuring the achievement is to focus on kWh/m² of treatable floor area. In this case, the 1999 figure was 566 kWh/m² and as at year-end 2009 it was 406 kWh/m² resulting in a saving of 28.26%.



Notes

1. A negative reduction is an increase.
2. Energy used per m² of occupied floor area continues to fall from 566 in 1999 to 406 in 2009.
3. CO² emissions per m² of occupied floor area continues to fall from 194kg in 1999 to 29kg in 2009
4. Energy emissions data is provided for our operational portfolio where Zurich has control over the energy services.

Our objective of cutting carbon dioxide emissions from electricity, and gas energy has also been exceeded with, at year-end 2009, the combined emissions falling to 2,879 tonnes, a reduction of 35,025 tonnes, a saving of 94.4%, when compared to 1999 when they were at a level of 37,095 tonnes.

It should be noted that the 2007 figure was previously reported as 5,680 tonnes of CO² equivalent but this has been restated as more accurate information has become available.

We have previously adopted the conversion factors specified by the Department for Environment Food and Rural Affairs (DEFRA), though data from 2007 onwards uses conversion factors supplied by our Climate Office as follows:

- renewable energy = zero emissions,
- natural gas = 0.19 kgCO²/kWh;
- good quality CHP = 0.304kgCO²/kWh;
- 'brown electricity' (traditional sources) = 0.537 kgCO²/kWh

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1000's of tonnes CO ² equiv.	37.1	33.2	29.4	27.9	23	16.4	12.95	9.21	6.11	4.19	2.88

These figures do not take into account any office closures or new locations opening. A more reliable way of measuring the achievement is to focus on kg CO²/m² of treatable floor area. In this case, the 1999 figure was 194 kg CO²/m². By December 2004, there had been a 47% reduction in CO² and as at year-end 2009 it had dropped again (actual 29 kg CO²/m²) resulting in a saving of 85%.

Total Consumption & Emissions – Gas & Electricity

	Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Reduction since 1999
kWh/m ² /year	566	531	506	493	518	493	518	473	449	443	406	
kWh/m ² /year reduction (%)	-	6.18	4.71	2.57	-5.07	4.90	-5.12	8.67	5.08	1.31	8.34	28.26
CO ₂ /m ² /year	194	178	163	160	159	103	89	72	52	37	29	
CO ₂ /m ² /year reduction (%)	-	8.25	8.43	1.84	0.63	35.10	13.53	19.28	28.30	29.01	21.24	85.12

Our assets include forestry in Scotland and Hampshire which helps to offset a small proportion of our CO₂ emissions. The ESG may at some point consider quantifying the carbon balance in precise terms.

We are fully compliant with the European Union Energy Performance of Buildings Directive, 2003, which requires buildings to have a certificate showing their environmental rating. Details of which are maintained electronically by our Engineering Services department.

Plans for 2010

- CRE&FM will continue to develop the arrangements for local energy targeting and monitoring, for example, by predetermining the heating controls to maintain a building temperature of 22°C, ±2°C.
- CRE&FM continue to take advice from specialist energy consultants to help support our drive to reduce consumption. Smaller locations have been supplied with green electricity since the beginning of Q4 2009.
- We have robust processes in place to meet requirements of Carbon Reduction Commitment Energy Efficiency Scheme (CRC), which commences in April 2010

2.3 Water

Objectives

Water – Establish current water consumption (based on litres/ employee/ year) and achieve ongoing savings

- Install tank bags to all WC cisterns that are not dual flush
- Install percussion or sensor taps as appropriate in all washrooms. Install water saving nozzles where existing installation does not permit tap replacement
- Make a 1% p.a. reduction in water consumption based on litres/ employee/ year

Operational Transformation

Progress

Since 2002 CRE&FM have been developing a process for measuring and monitoring water consumption using specialist consultants and site readings.

Since 2008, analysis of water consumption at larger sites has been facilitated using a detailed spreadsheet showing benchmark figures based on accurate occupancy figures for the location.

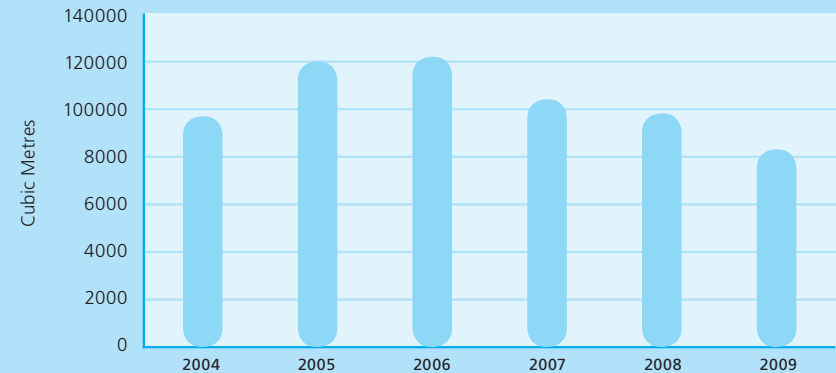
Movement detectors have been installed that trigger the flushing of urinals

The programme of works to install tank bags to all WC cisterns that are not dual flush has been successfully completed and flow restrictors have been fitted in all washroom facilities.

Results

The consumption across major locations has fluctuated over the period – rising in 2005 and 2006 but falling back between 2007 and 2009. It should be noted that the 2007 figure had been previously reported as 83,578 cubic metres but this was understated due to billing inaccuracies.

Water consumption 2004-2009



The ESG and CRE&FM are still seeking a reliable conceptual framework to evaluate progress, for example, the number of buildings, floor area or population. A complicating factor is that many of our buildings are shared with outsourced functions, for example Capita at The Grange in Cheltenham. Elsewhere we share the offices with other tenants for example, Openwork and ScotRail at TriCentre No 3 in Swindon.

Plans for 2010

- By installing remote metering at all major locations any significant variations in consumption will be noted within a few hours so that corrective action can be taken. In this way water targeting and monitoring is expected to produce additional savings.
- Work is underway to introduce water saving devices in all WC cisterns, and flow restrictors to taps in toilets.

2.4 Waste

Objectives

Waste – Implement a pro-active waste minimisation policy

- To make a 1% annual reduction in waste to landfill from 2007 to 2011 Profitable Growth

Profitable
Growth

Progress

In 2009 our local senior managers across UK locations have continued to implement their local environmental action plans. Our waste contractor has also maintained an integrated approach to managing our various waste streams as well as the provision of more reliable information. Not only do we now have more accurate figures for our locations, but these provide evidence of various improvements on previous years. Following the successful trial of Save a Cup at our Cheltenham office in 2008 to recycle paper cups, this has been rolled out to other major locations in the UK.

Results

Our waste minimisation programme has made a reduction of 10% in the tonnage of waste being sent to landfill since 2007. Our total waste for 2009, including all waste recycling, was 1,983 tonnes which was down from 2,223 in 2008.

Our total waste to landfill was 563 tonnes which was again down from 630 in 2008. Total general waste decreased by 67 tonnes.

Recycling of paper & Landfill Waste

Figures for recycling of paper from 2007 onwards were provided by our waste contractor.

Since 2007 the overall quantity of paper recycled each year is approx 1400 tonnes per year, but there have been some fluctuations due to office closures and growth of duplexing (double-sided printing). CRE&FM has responded to the rising landfill tax by encouraging local offices to reduce the amount of waste sent to landfill. Compared with the previous year, the amount of waste being sent to landfill has reduced also paper recycling has decreased.

Year	2007	2008	2009
Waste to landfill (tonnes)	625	630	563
Recycle paper (tonnes)	1,378	1,520	1,272

Waste streams at major UK office locations in 2009

Location	Building	Confidential Paper (Kg)	Non Confidential Paper (Kg)	Cans (Kg)	Cardboard (Kg)	Plastic Bottles (Kg)	Cups (Kg)	Total Recycled Waste	Average recycled waste per person	General Waste (Kg)	Average landfill waste per person	Total Waste	Total Waste
Belfast	Belfast	12200	0	0	0	0	0	12200	225.93	16720	309.63	28920	28.92
Birmingham	Gt Bridge St Bham	2660	120	0	228	0	0	3008	231.38	4080	313.85	7088	7.088
	Hagley Road	38840	30250	372	3226	1352	1073	75113	183.65	56560	138.29	131673	131.673
	Podium Block	4620	50	4	18	4	4	4700	188.00	Landlord	Landlord	4700	4.7
	Rubery	2720	5400	116	348	100	0	8684	140.06	2970	47.90	11654	11.654
Bolton	Merchants Place	800	0	0	0	0	0	800	80.00	Landlord	Landlord	800	0.8
Brighton	Nile House	2500	200	0	0	0	0	2700	64.29	Landlord	Landlord	2700	2.7
Bristol	Froomsgate	5060	4950	68	154	160	25	10417	347.23	Landlord	Landlord	10417	10.417
	Whitefriars	8860	4690	116	162	196	65	14089	238.80	Landlord	Landlord	14089	14.089
Cardiff	Fusion Point	27012	23400	928	2891	1292	674	56197	128.01	47130	107.36	103327	103.327
Cambridge	133 Station Rd	700	0	0	0	0	0	700	70.00	Landlord	Landlord	700	0.7
Cheadle	Cheadle	2620	350	8	12	12	8	3010	143.33	Landlord	Landlord	3010	3.01
Cheltenham	The Grange	74300	35090	1712	20124	3336	10784	145346	309.91	69448	148.08	214794	214.794
	Cheltenham House	2600	0	0	0	0	0	2600	104.00	Landlord	Landlord	2600	2.6
Fareham	3000 A/B/C	105700	26830	3076	12740	2508	5387	156241	124.30	60662	48.26	216903	216.903
Farnborough	Zurich/Geneva House	61438	7530	1360	7453	1188	2337	81306	185.63	37130	84.77	118436	118.436
Edinburgh	George St	300	0	0	0	0	0	300	20.00	Landlord	Landlord	300	0.3
Glasgow	Bothwell St	20540	8400	4	6	4	4	28958	154.03	14426	76.73	43384	43.384
	Berkeley House	1600	750	0	0	0	0	2350	156.67	Landlord	Landlord	2350	2.35
	Blythswood Sq	100	0	0	0	0	0	100	6.67	Landlord	Landlord	100	0.1
Leeds	East Parade	23500	17820	352	2197	552	627	45048	179.47	14125	56.27	59173	59.173
	Granary Wharf	10040	1840	36	258	112	16	12302	267.43	Landlord	Landlord	12302	12.302

Location	Building	Confidential Paper (Kg)	Non Confidential Paper (Kg)	Cans (Kg)	Cardboard (Kg)	Plastic Bottles (Kg)	Cups (Kg)	Total Recycled Waste	Average recycled waste per person	General Waste (Kg)	Average landfill waste per person	Total Waste	Total Waste
Manchester	Norfolk House	5280	3970	72	6	252	62	9642	205.15	Landlord	Landlord	9642	9.642
	Wilmslow	9940	5920	4	12	4	5	15885	184.71	Landlord	Landlord	15885	15.885
	York House	200	0	0	0	0	0	200	200.00	Landlord	Landlord	200	0.2
Gateshead	Keel Row	1300	20	4	6	4	8	1342	447.33	Landlord	Landlord	1342	1.342
Newcastle	Bamburgh House	1512	20	4	0	0	0	1536	61.44	Landlord	Landlord	1536	1.536
Nottingham	Ng2	1300	150	0	0	0	0	1450	90.63	4080	255.00	5530	5.53
Reading	Abbey Gardens	4720	220	24	12	32	8	5016	66.00	Landlord	Landlord	5016	5.016
Reigate	Reigate	2300	750	28	42	52	12	3184	167.58	Landlord	Landlord	3184	3.184
Sutton	High St	54232	8250	772	1182	924	744	66104	332.18	49920	250.85	116024	116.024
Swindon	Signal Point	1500	0	0	0	0	0	1500	93.75	Landlord	Landlord	1500	1.5
	Tc1 - 3, Uklc	306352	77180	3820	19212	8216	8823	423603	292.14	55430	38.23	479033	479.033
	Gdc	171860	14550	744	11040	740	144	199078	5380.49	130365	3523.38	329443	329.443
	Holbrook House	2520	300	12	6	0	0	2838	202.71	Landlord	Landlord	2838	2.838
	Units 10/11	1940	840	76	300	188	0	3344	238.86	Landlord	Landlord	3344	3.344
Southampton	Hedge End	9840	980	16	102	4	4	10946	475.91	Landlord	Landlord	10946	10.946
	Mountbatten House	1500	60	0	0	0	0	1560	91.76	Landlord	Landlord	1560	1.56
Watford	Watford	4320	50	0	0	0	0	4370	257.06	Landlord	Landlord	4370	4.37
London	Piccadilly	1940	270	8	18	8	8	2252	132.47	Landlord	Landlord	2252	2.252
Total (Kg)		991266	281200	13736	81755	21240	30822	1420019	237.86	563046	106.60	1983065	1983.065
Total (Metric Tonnes)		991.266	281.2	13.736	81.755	21.24	30.822	1420.019	0.24	563.046	0.11	1983.065	

NOTE – TC1-3 and UKLC general waste included in GDC

**General solid waste:
tonnes of materials consumed and paper recycled from 2007 to 2009**

	2007	2008	2009	Change from 2007 to 2009
General Waste (Landfill)				
Cheltenham	126	61	69	-45%
Swindon	210	182	186	-10%
South Coast	127	110	98	-22%
UK branch network	162	277	210	+30%
Total general waste	625	630	563	-10%
RECYCLED PAPER				
Cheltenham	183	145	109	-40%
Swindon	511	561	577	+12%
South Coast	351	462	201	-42%
UK branch network	333	352	385	+15%
Total general waste	1,378	1,520	1,272	-8%
General Waste and Recycled Paper				
Cheltenham	309	206	178	-42%
Swindon	721	743	763	+6%
South Coast	478	572	299	-38%
UK branch network	495	629	595	+20%
Total general waste + recycled paper	2,003	2,150	1,835	-8%

2.5 Commuting

Objective

Our objective in 2009 has continued to be implementation of the local travel plans with a view to reducing solitary car use.

Progress

During the year we reviewed a number of our original travel plans to ensure that they accurately reflected current commuter patterns and have continued to develop our local travel plans at each location, aiming not only to reduce pollution but also to take account of local restrictions on commuter car parking.

Our annual 'Bike to Work Day' was supported at all UK offices, with a prize draw of a bicycle offered as an incentive for participants.

Commuter travel plans – In 2009, we focused on travel plans for our major office location in Birmingham following a re-organisation, promoting cycling across all locations and continued monitoring to understand progress against the agreed targets.

The Jambusters car share database linked to provision of guaranteed parking spaces has continued to be particularly successful.

We have continued to provide additional coach routes to bring staff to Whiteley from Portsmouth, Gosport, Horndean, Portchester and Locks Heath areas meant up to 200 staff (about 13%) each day travelled to work using this mode of transport. The opening of a bus-only route through a residential area has meant our coaches have easy access and given timetable reliability. A similar bus service is also provided for staff at our Cheltenham site.

Plans for 2010

- To promote cycling across all locations.
- To continue monitoring so that we can understand how we are doing against the agreed targets for modal shifts.

2.6 Business Travel

Objectives

Business Travel – Reduce carbon dioxide emissions associated with Business travel

To make a year on year CO²/employee emissions reduction contributing towards Group target of 10% reduction in carbon footprint by 2013 against 2007 baseline- Monitor and manage trends through quarterly MI for road, rail and air:

- To reduce business travel by 1% for cars in terms of miles/employee/ year
- To reduce business travel by 5% for rail in terms of miles/employee/ year
- To reduce business travel by 5% for flights based on miles/employee/ year
- To encourage the business to reduce unnecessary business travel and use tele/video-conferencing at every opportunity and increase usage of hours per employee per year usage by 5%.

Profitable Growth

Progress

Strong cost saving initiatives coupled with the introduction and promotion of improved telephone & video conferencing facilities has delivered a significant reduction in the amount of business travel. Miles travelled by air & road were reduced considerably and delivered a CO² emissions reduction of some 19% over the previous year.

CO² emissions are an increasingly important factor in the choice of company cars offered to qualifying employees. It is considered impractical at present to account for carbon associated with commuting and in the supply chain.

Results

In recent years the scope of our management information has gradually been improving. Rail miles were obtained from Trainline, road miles were obtained from expense claims for business travel and hire fleet records. Flight details were obtained from American Express and our Climate Office has issued clear instructions about which conversion factors (kgCO²/mile) must be used to turn our data about miles travelled by each mode of transport into carbon dioxide equivalent, as follows:

2009	Rail	Road	Air
Conversion Factor	GHG Protocol	DEFRA	GHG Protocol
Conversion Factor	0.096	0.33	0.2254
mileage	487,759	18,158,264	14,860,818
CO ² tonne	47	5,992	3,350

We have adopted the conversion factors specified by our Climate Office for air and rail. Our road mileage is currently calculated from the summation of individual expense claims and we do not have any data on fuel quantities which means that the DEFRA conversion factors have been adopted.

Year	Miles Millions			Total Miles millions	Miles/ person	CO ² Tonnes			Total CO ² tonnes	Staff No. 1,000	CO ² Kg/ Person
	Rail	Road	Air			Rail	Road	Air			
2005	n/a	21.82	15.6	37.42	3,401	n/a	7,200	2,180	9,380	11	850
2006	0.472	22.60	19.8	42.87	4,287	28	7,460	2,770	10,258	10	1,025
2007	0.534	21.36	19.9	41.79	4,916	51	7,050	4,485	11,583	8.5	1,362
2008	0.540	20.5	21.2	42.24	5,340	51	6,769	4,778	11,598	7.9	1,466
2009	0.488	18.2	14.9	33.59	4,069	47	5,992	3,350	9,389	7.1	1,269

There are insufficient metrics in 2009 to decide if we achieved our targets:

- To increase the usage of video-conferencing;
- To increase the usage of tele-conferencing;
- To review management information provision and develop consistent reporting across all business units and types of travel as well as video/tele-conferencing usage vs. mileage reduction.

Plans for 2010

- The ESG will continue to measure the size and shape of the UK's carbon footprint.
- Various cost-saving initiatives are expected to significantly reduce the amount of business travel undertaken in 2010.
- The ESG will continue to encourage tele/video-conferencing and web-casting as well as seeking to obtain more accurate metrics.
- Zurich will be introducing High Definition Video Conferencing facilities to most of our locations and will be undertaking a comprehensive communication plan to help our people make the fullest use of the new facility.

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