

# Social Value Proposition





At Zurich Municipal, our commitment to social value is at the heart of everything we do. By working with us, you're supporting our vision to use our knowledge as a public sector insurer to bring social value and deliver real benefits for your community and its residents.

Our social value proposition is built on four pillars:



Employment, Training & Insurance Expertise

We're committed to making sure our recruitment process is fair and equal. Our employment initiatives are designed to give people the skills they need and chances to keep learning. They're designed to help your communities reach their full potential, with our expert advice and support. We're committed to sharing our extensive knowledge to help you handle key risks and support the public sector.

Together, we can build a stronger, more informed community.



Sustainability & Environmental Initiatives

Zurich's purpose 'create a brighter future together' inspires us to use our business model to scale positive impact for us all, as an insurer, investor, employer and in society. At Zurich, we are prioritising CO2 emissions reductions across our own operations in line with science-based targets, while also engaging and supporting other stakeholders, including our customers and suppliers with their own transitions. We are equally determined to support customers and communities to better manage climate risk and improve resilience against it.



Local Supply Network

Zurich Municipal focuses on supporting local businesses and third-sector organisations through robust insurance coverage, enabling them to invest in development and regeneration.

We also emphasise ethical supply chains, partnering with sustainable suppliers and committing to social enterprise initiatives.



Support Communities

Our employees get involved in community activities, giving their time and professional skills to support those in need.

This includes year-round fundraising activities, a dynamic volunteering program and supporting the local community through ZCT's More Than Money package of support.

Additionally, the Trust benefits from generous employee donations.







# Employment, Training & Insurance Expertise

## Employment

At Zurich, we use a **fair recruitment process** to give everyone an equal chance. Our hiring managers and their interview teams sign up to our **fair recruitment charter**. After offering a role, we do background screening on all potential employees.

We provide policies to **enable real flexibility** by offering part-time, job-share or full-time basis for new vacancies; equal maternity, paternity, and adoption policies; and IVF, miscarriage, and bereavement support.

We can only offer jobs or work placements by following Zurich’s fair and equitable processes, so **we can’t provide employment placements, apprenticeships, or similar as part of our social value proposition**.

As a global employer, Zurich is **committed to creating a supportive environment** that enhances the physical, mental, emotional, and financial well-being of our employees and fosters a culture of skills development.



Zurich UK was recognised as one of **Glassdoor’s “20 Best Places to Work in 2022,”** based on employee feedback on various criteria including company rating, career opportunities, compensation, culture, diversity, senior management, and work-life balance.



Zurich UK has been named as a **five-star large employer** in the 2024 **Insurance Post, Best Insurance Employers Survey** for the **fourth year in a row**. The award is based on employee feedback, recognising our efforts to make Zurich UK a great place to work for the widest range of people.



We meet **real living wage criteria** and **do not use zero hours contracts**, ensuring fair and stable employment.



**Zurich’s Code of Conduct** guides employee behaviour and ensures high ethical, legal, and professional standards. Employees must complete annual training and acknowledge compliance.







# Employment, Training & Insurance Expertise



Our commitment to diversity and inclusion is demonstrated through multiple awards and initiatives including the Insurance Business UK – 5 Star Diversity, Equity and Inclusion 2022. In 2023, we introduced a **Diversity, Equity, and Inclusion (DEI) Toolkit** and launched a new DEI Network for our partners. We aim to track and close any Diversity and Inclusion gaps.



Our **FlexWork programme** empowers employees to work where, when and how they choose. In 2019, we were the first British company to advertise all roles on a flexible/part-time or job share basis. Since then, we’ve quadrupled part-time hires. In the last two years, part-time internal promotions have increased by a 167% - helping a wider group to advance their careers.

Zurich has trained **over 100 employees** in the UK as **Mental Health First Aiders (MHFAs)** to support colleagues’ mental health



**Zurich maintains constructive relationships with Unite and Community Trade Unions**, fostering employee consultation and engagement. We offer a generous reward package, including pensions, holidays, flexible benefits, and ensure all staff are paid the Living Wage. Our health and safety focus includes meeting and exceeding legal requirements and sharing best practices with customers.



We oppose modern slavery and human trafficking, aligning with the UN Global Compact’s principles, and provide a confidential whistle blowing helpline to protect those who report violations.



Zurich supports individual growth through a variety **of development opportunities, including courses, coaching, mentoring, and apprenticeships**. Employees are encouraged to volunteer, with a **three-day annual entitlement facilitated by Zurich Community Trust**, leveraging over **32,000 hours of volunteer** time each year.



We are dedicated to fostering the next generation of professionals through our **early career programs**. We offer apprenticeships, graduate programs, and internships at all our major offices, providing hands-on experience, structured training, and professional development opportunities. Local career officers can access these programs to benefit community members, and further information can be found in our Early Career Programs document.



Zurich Insurance is proud to be a signatory of the **Armed Forces Covenant**, a commitment that recognises and honours the service of Armed Forces members by ensuring they are treated with fairness and respect within the communities, economy, and society they serve. We are dedicated to upholding these values and are honoured to currently hold a Silver award status in recognition of our ongoing support.







# Employment, Training & Insurance Expertise



We **share our expertise** and support a wide range of customers, including local government and various sectors, by managing risk and uncertainty to benefit communities.



We actively engage with MPs from all parties, key government departments such as the DCLG, DfE, and Treasury, as well as non-governmental bodies like the Audit Commission and Ministry of Justice.



Zurich UK is the co-sponsor of the All-Party Parliamentary Group (APPG) on Flexible and Family Friendly Working advocating support for positive policy change.

Our focus is to **highlight issues of governance, risk mitigation, and management**, and their impact on the public purse. Notable outcomes of our engagement include the introduction of Building Bulletin 100, which mandates the fitting of sprinklers in schools, and a high-profile lobbying



campaign addressing the impact of Insurance Premium Tax (IPT) on the public sector.

**The Safer Schools App** launched in partnership with INEQE Safeguarding Group, provides a wide range of support and resources for teachers, parents, carers, students, and safeguarding professionals. The app is **free to customers** and saves schools significant training costs.



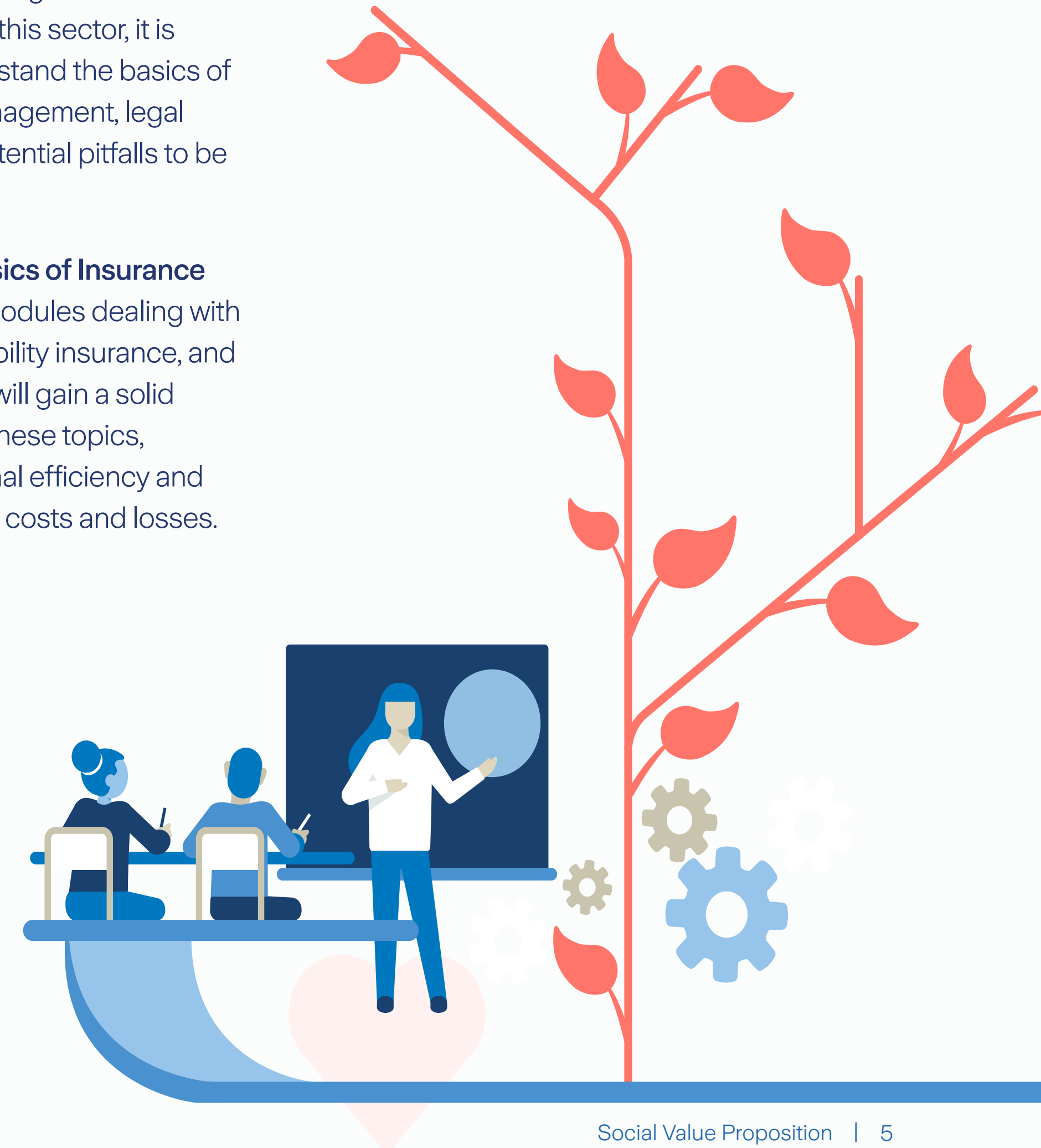
Zurich Municipal customers have access to the **Safer Schools Ecosystem and Road shows** that cover six essential areas to enhance safety and resource. Attendees get an overview of the Safer Schools Ecosystem and learn about emerging online safety risks. As well as access to lesson plans, video content, and guidance on using the Web Management Portal. The INEQE team are on-site to address any questions.



With public sector losses increasing and legislation placing new responsibilities on this sector, it is important to understand the basics of insurance, risk management, legal issues, and the potential pitfalls to be avoided.



Our **Customer Basics of Insurance training** has four modules dealing with property, motor, liability insurance, and claims. Delegates will gain a solid understanding of these topics, boosting operational efficiency and helping to manage costs and losses.





# Employment, Training & Insurance Expertise



Our Youth First outreach programme, **‘Kickstart Mentors UK’** in partnership with Teach First, helps schools in disadvantaged areas near our offices. Employees mentor students, focusing on career development skills like interview techniques, CV writing, and presentation skills. The programme aims to inspire confidence by showing students that we recognise their talent, while providing valuable insights into various entry routes in similar organisations.



Zurich Engineering has implemented impactful initiatives to address skill gaps and enhance diversity. By training employees as STEM Ambassadors, they have engaged over 1,000 students, connecting STEM subjects to real-world applications. **Engineering Discovery Days** offer local schools and colleges insights into engineering careers, safety, and sustainability.



**Partnerships with the Women’s Engineering Society and AFBE-UK** support knowledge sharing, work placements, and events to inspire young students. These initiatives align with Zurich’s long-term strategy to promote diversity and education in engineering.



**Zurich Risk Advisor** is a free, user-friendly digital platform designed to enhance risk management efforts by simplifying risk assessments and providing valuable insights and recommendations. It helps customers make risk management initiatives more successful by offering easy-to-understand assessments and practices to mitigate risks across property, business interruption, motor, liability and cyber.

One of its key features is the **Risk Snapshot for Managing Stress/ Mental Health Decline at work**. A self-assessment tool that allows users to assess various organisational



segments, track improvements, conduct reassessments and help businesses document and improve their stress and mental health management practices effectively.



Our **Zurich Sustainability Academy** curates learning modules to help our employees embed their work into the Zurich Sustainability Framework.

Our **menopause policy** recognises that almost everyone will experience menopause at some point, either directly or indirectly. It’s vital we support employees and build a positive and inclusive culture where they can flourish.



We’re committed to ensuring Zurich is a place where our colleagues feel supported and safe. In 2023 we rolled out our **abusive relationship policy**, which sets out the support we provide to any colleagues who are experiencing, or have experienced, abuse.



We have a focus on social mobility. We signed up for the **City of London’s Progress Together**. We collect social mobility data, and our ERGs consider social mobility alongside their other areas of focus.



In 2023, we were the first insurer to become a GAIN **‘Industry Transformer’**. GAIN is an industry network focusing on creating an environment where neurodiverse colleagues can thrive, and we announced a 3 year programme with ‘Ambitious about Autism’.





# Employment, Training & Insurance Expertise



**Zurich Digital Smart Permit**, developed in collaboration with customers and contractors, is a web-based solution for managing permits, including those for ‘hot works’ related to construction and maintenance activities. This digital platform eliminates the need for paper permits and ensures a dependable audit trail, streamlining the permit management process.



Zurich Management Services offers guidance and advice from Property Analysts on new build or major refurbishment/extension construction projects. They review plans, drawings, and details of fire and security systems from an insurer’s perspective. This service, which is **free of charge**, is increasingly important due to the rise of Modern Methods of Construction. Identifying potential issues before construction begins, benefits both the customer and the local community.



Recent changes in the UK insurance market have led to more detailed scrutiny of construction materials, emphasising the importance of reviewing customers’ planned projects before they are built.

Zurich, in collaboration with the Chartered Insurance Institute (CII), offers a **free tool for customers** to easily track and accumulate learning hours for continued professional development. This tool records the time spent reading articles or attending webinars and includes a set of questions to check understanding, helping professionals meet their development requirements.

## How can our insurance expertise support locally?

- Our insurance packages help local businesses avoid the opportunity cost of retaining capital for resilience, allowing for reinvestment in local development.
- Delegated in house claims handlers creates employment at Council.
- We support local businesses by incorporating them into our claims supply chain, including panel solicitors, approved repairers, and emergency property repair services.
- Appointment and use of experienced regional loss adjusters supports local employment and assists the insured in presenting their claim.
- Local employment of repairs contractors –third party property damage type claims.
- Cover flexibility supporting community events.
- Planning a local event guidance.
- Motor coverage extending to community coverage.
- We offer expert advice on major risk issues, such as flooding, and are eager to collaborate with local chambers to provide seminars and guidance for small businesses.
- As a major insurer in this sector, we enable service delivery for many national and local charities, thereby supporting vulnerable communities.



# Sustainability & Environmental Initiatives



## Sustainability at Zurich

Being sustainable is a journey we are all on together.

At Zurich we have a number of initiatives underway to help reduce our emissions.

At the end of 2023, Zurich UK published our first **Climate Transition Plan**, which details our targets and actions in the UK and how we continue to work with the wider Zurich Group to have the greatest impact in our journey to net-zero.

Zurich Resilience Solutions (ZRS) provide our customers with in-depth expertise, data and insight to manage risk. ZRS is committed to helping our customers build resilience and preparedness for an ever-changing world. We work hand-in-hand with our customers in the private and public sector to understand their unique requirements, and tailor services to their needs.

## Sustainability Framework

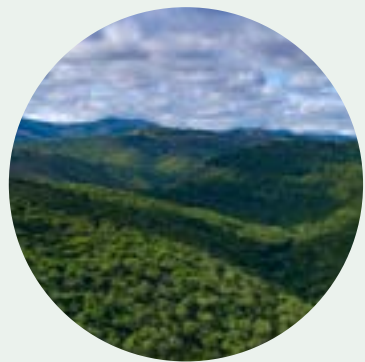
Our sustainability framework builds on our progress to date and aims to meet current and future needs of our stakeholders. Our ambitions are grouped across three focus areas – Planet, Customers and People







# Sustainability & Environmental Initiatives



## Planet

We are committed to aligning our business activities with a net-zero future:

For our own operations we are aiming for **net-zero by 2030** – Absolute reduction in all operational emissions by **60% in 2025 and 70% in 2029**<sup>1</sup>.

For our underwriting portfolio we are aiming for net-zero by 2050 with interim targets as follows:

- Reduction in the intensity of Insurance Associated Emissions (IAE) in our large corporate customer portfolio by 20% by 2030<sup>2</sup>
- By 2030 we will have engaged with 450 of our large insurance customers who contribute most heavily to our portfolio emissions. The insights we gather help inform how we support our customers transition and their decarbonisation pathway
- Expanding our range of sustainable products and services

For our **investment** portfolio we are aiming for net-zero by 2050 with the following interim targets across the Group:

- 55% reduction<sup>1</sup> in the emissions intensity of our listed equity and corporate bond investments<sup>3</sup> by 2030
- By 2030, directly **engage** with 20 high emitting companies which currently do not have credible science-based targets
- Increase allocation to climate solution investments

### Current progress:

**Operations:** We’ve reduced our UK absolute operational emissions by 66%<sup>1</sup> in 2023, and we now use 100% renewable electricity in all our offices. We continue to electrify our fleet as well as reduce paper and waste in our offices

**Underwriting:** We’re helping our customers transition to a net-zero future

**Investment:** In 2023 Zurich Group’s impact investing portfolio helped avoid a total of 4.5 million metric tonnes of CO2e emissions and benefited 4.6 million people <sup>4</sup>



## Customer

We support our customers’ transformation to a sustainable future:

- We are focusing on channelling our insurance capacity across all insurance lines, profitably **expanding our range of sustainable products and services**, and deploying and **growing our expertise to support key net-zero technologies** and infrastructure in key markets.

- Deliver **digital sustainability** including our data commitment and responsible use of AI

We are constantly growing our range of **sustainable products and services** to meet our customers’ changing needs across the **insurance value chain**, examples include:

- **Insurance coverage** for carbon mitigation solutions
- Risk prevention services that contribute to more customer awareness and resilience to the adverse impacts of climate change e.g., flood resilience.

We also aim to adopt **claims practices** to reduce emission and enhance resilience, e.g., repair-not-replace and build-back-better. To find out more about these, please see page 11.

<sup>1</sup> Compared to 2019 <sup>2</sup>Compared to 2022 baseline <sup>3</sup>Reduction of emissions intensity (Scope 1 and Scope 2). Emissions intensity is defined as metric tons CO2 equivalent per USD million invested. <sup>4</sup> Please see more details on [impact investing approach](#). Impact numbers for 2021 and following include methodology upgrade as explained in our [impact measurement methodology paper](#).





# Sustainability & Environmental Initiatives



## Initiatives making a difference to our customers, communities and employees

For more than 100 years, we have helped protect individuals and organisations against risk.

- **Zurich Insite** offers cutting edge smart sensors to monitor the health of buildings, and helps our customers prevent losses, boost their efficiency and cut their carbon emissions. Zurich Insite won a Technology Innovation of the Year award at the European Risk Management Awards 2023.
- Our **Zurich Resilience Solutions climate resilience experts** will assess the climate resilience risks that are relevant to your business and recommend practical next steps. They will review your public information or any documents you provide and compare it to the leading standards in your industry. The assessment will also give you a high-level summary of the main trends and risks related to natural hazards that your organisation might encounter, covering various perils.

- Zurich UK is proud to be a member of **ClimateWise**, a global insurance initiative that supports collaborative research on climate risk. Representing a growing global network of leading insurance industry organisations, ClimateWise helps to align its members' expertise to directly support society as it responds to the risks and opportunities of climate change
- Zurich UK are a member of **Resilience First**, a business network setting the standard for resilience leadership in the private sector for a safe, secure, and sustainable future. We emphasise the significance of resilience against risks like flooding, climate change and cyber-attacks.
- Zurich UK are members of the **All Party Parliamentary Group (APPG)** for the Environment. The APPG exists to raise awareness of environmental issues and act as a platform for information and dialogue on environmental policy

- We joined forces with Ade Adepitan, presenter, Paralympic medallist and climate champion to create a book '**The Secret Garden Under the Sea**', which helps children understand the environmental benefits of seagrass. The book is available to schools across the country.







# Sustainability & Environmental Initiatives



## Our Claims Approach

At Zurich we have established a sustainability framework for Claims. This includes defined standards to support our customers, communities, people and partners.

We are committed to creating and working with partners to deliver innovative sustainable solutions ranging from growing the circular economy to providing extra support and care to our customers.

### Restore not Replace

We encourage our claims suppliers to prioritise restoration over replacement. We also partner with a surface repair and restoration specialists, so we can quickly repair damage to fixtures and fittings, significantly reducing waste and minimising disruption for our customers. We comply with Waste Electrical and Electronic Equipment (WEEE) recycling directives to ensure the safe disposal of white goods.

### Motor claims

In our motor claims we offer customers the choice of recycled parts, when available, for non-mechanical repairs.. This practice prevents delays that can occur when new parts are not immediately available.

### Electric Vehicles

We have expanded our replacement vehicle options to include electric vehicles, with the aim that when available customers with electric cars can receive a comparable replacement if theirs is off the road.

### Process Enhancement with Technology

We’re making claims easier by using drones and remote assessments. This technology helps us quickly and efficiently handle claims, reducing the need for site visits and cutting down on travel emissions

### Build Back Better Toolkit

Our Build Back Better Toolkit aims to enhance the resilience of properties affected by floods. It provides guidelines for adjusters to engage with customers, offering solutions to reduce future damage and carbon footprints. Launched in November 2021, the toolkit has received positive feedback from key government bodies and aims to increase the adoption of property-level flood resilience measures.







# Local Supply Network

Zurich Municipal focuses on supporting local businesses and third-sector organisations through robust insurance coverage.

Within our own procurement processes we aim to work with suppliers who share our values, and expect high standards of business conduct from those who represent us or do business with us.

By sharing expertise on risk management and sustainable practices, Zurich Municipal helps customers build resilience and adapt to emerging risks, ensuring a collaborative journey towards a net-zero future.

Our Sustainable Sourcing program has three core pillars that address environmental, social and ethical factors.



## Social

### Social Enterprises

Our work with social enterprises is an example of how Zurich is generating a positive social impact within the communities where we operate.

Zurich are one of the founding members of Social Enterprise UK's "Buy Social" Corporate Challenge, which commits 10 large UK companies from diverse industries to have spent £100m with social enterprise firms

Our spending in the UK with our stationery and talent development provider, Wildhearts Group, has helped transform over 1,000 lives through programs addressing gender inequality and social mobility. Examples include business micro loans to women in developing countries and the provision of free training and education for disadvantaged school children and marginalised groups in the UK and abroad.

### Diverse Suppliers

Our work with diverse suppliers is another example of how we generate positive social impact within the communities that we operate. We regard diverse as any company that is owned, controlled or managed at least 51% by one or more minority, woman, LGBTQ+, veteran, service-disabled veteran, person with a disability, aboriginal-indigenous person, or a historically underutilised business defined under applicable country specific rules.



## Environmental

### Net-Zero supply chain

We are looking to our supply chain to set emissions reduction and net zero targets. Our goal is for 75% of our managed procurement spend to be with suppliers that have science-based emissions reduction targets by 2025 and net zero targets by 2030. We aim to use our influence and press for change, expecting suppliers to set their own targets - consistent with an approach already taken as an insurer and an investor.

### Helping suppliers reach Net-Zero

Zurich is providing tools and resources to help its suppliers decarbonise their operations.

Zurich Group is providing climate training materials and teaming up with carbon accounting firm Normative to offer free access to the Business Carbon Calculator. Together, these will help suppliers understand Zurich's goals, calculate their carbon footprint and obtain a blueprint of practical steps they can take on their own journeys to net-zero operations.



## Ethical

At Zurich, we care about doing the right thing and are committed to high standards of business conduct. We have therefore set out minimum ethical standards that suppliers will be expected to comply with and other standards that we encourage our suppliers to strive towards. This is our Supplier Code of Conduct. We also ensure that our contracts with suppliers include relevant clauses such as ethical conduct and labour, health and safety and environmental standards.





# Local Supply Network



- Our **Building Property Resilience Design Guide** will help you consider and manage risks at the initial design stages of new build or structural alterations. Before any spending commitments are made, we can assist by working with your property teams and architects to actively design in resilience to damage from the major perils.
  - An evident area where we can leverage our expertise to make a substantial impact is by assisting our customers in understanding and mitigating risks. We offer **free risk guides aimed specifically at the voluntary sector**. For instance, our **'Flood guide'** which helps you understand, prepare for and respond to a flood emergency.
  - Flooding is a risk to millions of homes and buildings in the UK. Whether it's from rivers, seas, surface water or groundwater, floods can cause significant damage and stress. We have created a **flood guide** that offers practical advice for you and your communities.
  - The **Zurich Climate Resilience Alliance** is a partnership, powered by the Z Zurich Foundation, focused on enhancing resilience to climate hazards in both rural and urban communities. As part of Zurich's flood resilience programme, the post-event review capability (PERC) provides research and independent reviews of large flood events. It seeks to answer questions related to aspects of flood resilience, flood risk management and catastrophe intervention. It looks at identifying best practice and opportunities for further improvements.
  - Zurich Municipal have partnered with the tech company, Previsico to offer a **surface water flood warning service**, at no extra cost to our Zurich Municipal customers. This flood forecasting technology warns of flooding at property level, up to 48 hours in advance, predicting the time and depth of the flooding, allowing you to take mitigating action and protect your property.
  - We have urged the Government to collaborate with insurers & Local Authorities to proactively address **wildfire risks** by developing a risk map of vulnerable areas.
- Additionally, we recommend implementing a Property Resilience Certification scheme to provide property buyers with a clearer understanding of their risks.
- **The Zurich CV Workshop** is designed for students in years 9 to 11 to learn how to write an effective CV through fun and interactive activities. We lead the session and collaborate with teachers to deliver content and facilitate activities. The workshop help students identify key elements of a successful CV and provides practical tips for creating their own.
  - Zurich runs **interview workshops** for students and those seeking employment opportunities, providing practical tips and interactive activities to prepare them for future job interviews. Volunteers and teachers co-deliver these sessions, ensuring an engaging and supportive learning environment.
  - Working in **Partnership with Teach First** we are launching our new CV Writing and Interview Skills podcasts.
- We shared **guidance on how to safely dispose of vapes** and other items that contain lithium-ion batteries. Zurich Municipal called to the Government to launch a fully funded curbside collection service for electric waste and a national awareness campaign on how to dispose of vapes safely.
  - 'Autistic and OK' is a peer-to-peer **mental health programme** for autistic pupils in mainstream secondary schools developed by Ambitious About Autism in conjunction with Zurich. In 2023 we rolled out the programme to more than 200 schools.
  - We're active in **industry initiatives**, including Women In Finance Charter, Financial Services Skills Commission, Stonewall, Edge and the Race at Work charter. Zurich has joined The Valuable 500 movement and are working with Purple as Insurance partner for Purple Tuesday.





# Supporting Communities



## Zurich Community Trust

Zurich in the UK funds the Zurich Community Trust (ZCT), an independent charity, with annual donations of profit and employee time.

Employees contribute their time, skills, and money to benefit the community through various fundraising activities and a robust volunteering programme. Collaborating with charity partners and professional bodies, the Trust aims to make a positive, measurable, and sustainable impact on communities both in the UK and internationally.

In 2023, ZCT provided £2.56 million in support across the UK, with employees raising over £224,000 and volunteering 19,000 hours on various projects. Employee involvement includes regular active participation in fundraising through MyImpact and volunteering initiatives.

The Trust harnesses over 32,000 volunteer hours annually, with activities such as ZCT's Challenge programme, skill sharing, mentoring, and collaboration with external charities such as Teach First (Coach a Teacher programme) and Age UK (Telephone Befriending scheme).

About ZCT

ZCT 2023 Impact Report







Zurich Municipal is a trading name of Zurich Insurance Company Ltd. A public limited company incorporated in Switzerland. Registered in the Canton of Zurich, No. CHE-105.833.114, registered offices at Mythenquai 2, 8002 Zurich. UK Branch registered in England and Wales no BR000105. UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ

P0852201 (03/25) TAG

