1 Allianz Group at a glance
2 Corporate Responsibility strategy & approach
3 Corporate Responsibility in practice
1. Allianz Group at a glance

Allianz – a globally leading financial services provider

Strong global market positions\(^1\)

- **P/C #1**
- **L/H Top 5**
- **AM Top 5**

Strong brand names

- Allianz
- Euler Hermes
- PIMCO
- Global Corporate & Specialty

1) Ranking by revenues
# Our equity story

## Upside potential
- **5% EPS growth**
- **Renewal Agenda**
- **External growth opportunities**
- **Scale benefits**

## Attractive dividend policy
- **50% payout**
- **Dividend ratchet**
- **EUR 3bn + 2bn share buy-backs**
- **Flexible payout of excess capital**

## Downside protection
- **Best-in-class risk management**
- **Excellent capital position**
- **Well diversified**
- **High quality fixed income portfolio**

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1) Allianz’ stated dividend policy may be revised in the future. Also, the decision regarding dividend payments in any given year is subject to specific dividend proposals by the management and supervisory boards, each of which may elect to deviate from the dividend policy if appropriate under the then prevailing circumstances, as well as to the approval of the annual general meeting. The entire dividend policy is subject to a sustainable S II ratio >160%.
Results 9M 2017 – on track

Operating profit in % of FY 2017 outlook midpoint

- **Group**: 77%
- **P/C**: 71%
- **L/H**: 84%
- **AM**: 76%

Operating profit in upper half of target range of EUR 10.8bn +/- EUR 500mn expected

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1) Barring unforeseen events, crises or natural catastrophes
Strong capital & two buy-back programs
30.09.17, Δ vs. 30.06.17

1. Allianz Group at a glance

S/h equity

- **EUR 65bn**
  - Δ +1%

S II capitalization

- **227%**
  - Δ +8%-p

S II capital generation

- Δ +8%-p

Buy-back #1

- **EUR 3bn**
  - ongoing

Buy-back #2

- **EUR 2bn**
  - start expected beginning of 2018

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1) Pre tax and dividend accrual
2) The implementation of the share buy-back program is subject to maintaining a sustainable Solvency II ratio of Allianz Group above 160 percent
1 Allianz Group at a glance

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Our sustainability highlights

- **Gold Class**
  - 2017 Dow Jones Sustainability Index

- **Rolled-out**
  - ESG scoring for equity / fixed income investments

- **508** transactions screened against ESG checklist

- **59%** digital outbound customer communication

- **156** sustainable solutions
  - €1.1bn revenues

- **37%** of Allianz managers were women

- **95%** of proprietary assets managed by PRI1 signatories / asset managers with ESG policy

- **€ 600k**
  - donated to SOS Children’s Villages

- **€ 93mn** for developing employees

- **37%** reduction in per employee CO₂ emissions compared to 2010

- **95%** of Allianz managers were women

- **€ 93mn** for developing employees

- **Environmental management system certified to ISO 14001**

1) FY 2016, if not differently mentioned
Corporate responsibility agenda – our “E”, “S” & “G”

**ENVIRONMENT**

Low-carbon economy

- **Insurer**
  - Sustainable solutions

- **Investor & asset manager**
  - Renewable energy
  - Low-carbon products

- **Corporate citizen**
  - Environmental footprint
  - Carbon reduction

**SOCIAL**

Social inclusion

- **Insurer**
  - Emerging consumers

- **Employer**
  - Diversity
  - Employee satisfaction

- **Corporate citizen**
  - Future generations program
  - Community engagement

**GOVERNANCE**

Business integration and integrity

- **Insurer & investor**
  - Processes for ESG integration

- **Corporate citizen**
  - Compliance programs & training
  - Vendor ESG screening
  - Data protection & privacy
  - Tax
  - Effective remuneration structure
1 Allianz Group at a glance
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Reduce environmental impact, increase efficiencies

Carbon management
- 25% reduction\(^1\) of CO\(_2\) footprint per employee since 2010
- Carbon neutral since 2012. In 2016 381,631 credits retired from own carbon projects

Energy management
- 27% reduction in energy use since 2010
- 45% of energy consumed from renewable, low-carbon sources

CO\(_2\) performance
\[\text{tons / employee}\]

<table>
<thead>
<tr>
<th>Year</th>
<th>CO(_2) Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>3.7</td>
</tr>
<tr>
<td>2016</td>
<td>2.7</td>
</tr>
</tbody>
</table>

-25% \(\text{TARGET} -30\% \text{by 2020}\)

2016 CO\(_2\) profile
\[% of total CO\(_2\) emissions\]

- Paper: 4.3%
- Travel: 34.2%
- Energy: 61.5%

Energy consumption
\[\text{GJ / employee}\]

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>24.2</td>
</tr>
<tr>
<td>2016</td>
<td>17.7</td>
</tr>
</tbody>
</table>

-27% \(\text{TARGET} -30\% \text{by 2020}\)

Renewable energy share
\[% of total energy sourced\]

<table>
<thead>
<tr>
<th>Year</th>
<th>Renewable Energy Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>33</td>
</tr>
<tr>
<td>2016</td>
<td>45</td>
</tr>
</tbody>
</table>

+12\%-p

1) Allianz’s environmental performance is independently verified by PwC
### Environment protection & low-carbon investments

#### Sustainable solutions
- **EUR 1.1bn** revenues across insurance, services and asset management
- Examples: sustainable car claim settlement, green home upgrade, insurance solutions for renewable energy facilities

#### Investing in the energy transition
- 87 wind and solar parks in France, Germany, Italy, Sweden, Austria, Finland, Spain and the US
- Since 2015, no financing of coal-based business models; divestment of equity stakes of EUR 225mn completed; F/I stakes of EUR 3.9bn may be held until maturity

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>2014: 150</td>
<td>2014: 0.6</td>
<td>2014: 59</td>
<td>2014: 1.9</td>
</tr>
<tr>
<td>2016: 156</td>
<td>2016: 1.1</td>
<td>2016: 87</td>
<td>2016: 4.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2016</td>
</tr>
<tr>
<td>No. of sustainable solutions</td>
</tr>
<tr>
<td>Sustainable solutions revenues</td>
</tr>
<tr>
<td>No. of RE(^2) investment projects</td>
</tr>
<tr>
<td>Investment volume</td>
</tr>
</tbody>
</table>

1) Companies that derive more than 30% of revenue from coal-mining or that generate over 30% of their energy from coal
2) Renewable energy
Focus on customers

Customer loyalty & satisfaction
- Net Promoter Score (NPS) as key loyalty metric regularly measured in about 40 companies worldwide (~90% of Gross Premiums Written)
- 55% of businesses with NPS above market

Emerging consumers
- Affordable protection against natural disasters, accidents and illness for more than 55mn people on low incomes in Africa, Asia and Latin America

Customers [mn]
- 2014: 85
- 2016: 86

Net Promoter Score [％ of markets]
- 2014: 47
- 2016: 55
+8%-p

Emerging consumers [mn]
- 2014: 45
- 2016: 55
+20%

Gross Premiums Written [EUR mn]
- 2014: 132
- 2016: 303
+130%

1) Percentage of Allianz businesses that achieved an NPS above the respective market average
3. Corporate Responsibility in practice

Committed and diverse workforce

Employee loyalty & satisfaction
- Annual engagement survey for employees, managers and board members (2016: 85% response rate, its highest to date)
- Employee Engagement Index: measures pride, satisfaction, support and loyalty; board remuneration factor

Employee diversity
- Global target: 40% for women in talent pools
- Zero-tolerance policy on discrimination and harassment in the workplace
- 63 nationalities represented at executive levels across the Group

<table>
<thead>
<tr>
<th>Employees [thousand]</th>
<th>Employee Engagement Index [score]</th>
<th>Female managers [% of managers]</th>
<th>Female executives [% of executives]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016: 140</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

-5%                                              +/-0%                                           +1%-p                                            +5%-p
### Talent development and community engagement

**Talent management & employee health**
- Develop leadership & functional skills to ensure employees can achieve current and future business goals
- WorkWell program addresses negative effects of work-related stress across Allianz’s 50 largest companies
- 64% score in WorkWell Index

**Community engagement**
- Encouraging Future Generations program: e.g. partnership with SOS Children’s Villages, Social Innovation Fund, Investment Ready Program

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<tr>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>3</td>
<td>668</td>
<td>21</td>
<td>723</td>
</tr>
<tr>
<td>2016</td>
<td>3</td>
<td>690</td>
<td>19</td>
<td>700</td>
</tr>
</tbody>
</table>

1) Comprises corporate donations, charitable memberships, grants made by Allianz foundations
2) Employee volunteers only includes the Group-run program My Finance Coach (Germany only)
ESG – integrated into core business processes

ESG screening process
- Group-wide ESG guidelines
- 13 sensitive business areas
- Sensitive countries list
- Mandatory referral process in case of ESG risks

Compliance / data protection / taxes
- Anti-corruption training compulsory for all employees
- Supplier selection process & vendor integrity screening. 2016: 425 screenings, 178 suppliers signed code of conduct
- Allianz standard for data protection and privacy

13 sensitive business areas
508 transactions with ESG screening 2016
EUR 3bn tax payment 2016
30% tax rate 2016

1) Income taxes
3. Corporate Responsibility in practice

ESG factors – integral part of investment decisions

1) Selecting & monitoring of asset managers

- Asset managers required to be PRI¹ signatories or adhere to own ESG policies

2) Systematic ESG integration

- Sustainability assessments of investments based on case-by-case analysis along proprietary ESG guidelines

3) Systematic ESG integration

- Capturing ESG performance of issuers through ESG scores, “Comply or Explain” by AM for low scoring issuers, plus engagement

4) Clearly defined exclusion criteria

- In general no investments in controversial weapons and coal-based business models²

5) Investments in sustainability projects³

- EUR 4.6bn renewable energy
- EUR 0.9bn green bonds
- EUR 3.9bn certified green buildings

6) Regular stakeholder dialogues

- NGOs, regulators and peers

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¹ PRI: Principles for Responsible Investment
² Companies generating 30% or more of their revenues from thermal coal mining; companies generating 30% or more of their energy from coal
³ Figures as of 12/2016
3. Corporate Responsibility in practice

Target remuneration structure – Allianz SE Board of Management

- **Equity-related remuneration**
  - 25%

- **Annualized mid-term bonus (MTB)**
  - 25%

- **Base salary**
  - 25%

- **Annual bonus**
  - 25%

**Total target compensation**

- **Fixed**
  - 25%

- **Variable**
  - 75%

**Variable target compensation**

- **Longer-term / deferred**
  - Fiscal year
  - 50%

- **Annualized mid-term bonus (MTB)**
  - Fiscal year
  - 67%

- **Base salary**
  - Fiscal year
  - 33%
Target remuneration structure – Allianz SE Board of Management

- Restricted stock units
- 4 year vesting period
- Payout at end of 3 year cycle
- Targets (examples):
  - True Customer Centricity
  - Inclusive Meritocracy including gender diversity

- Cash payment
- Qualitative + quantitative targets
- 50% individual performance
- 50% Group OP + net income

25% Equity-related remuneration
25% Base salary
25% Mid-term bonus
25% Annual bonus

Governance
Providing transparency on our ESG approach

ESG approach and performance are published in the Group Sustainability Report, ESG Integration Framework and PRI\(^1\) Transparency Report

In September 2017 we published the second version of the Allianz ESG Integration Framework outlining our governance, processes and guidelines for ESG integration in insurance and investment. Most important updates are:

- description of process behind ESG Scoring approach,
- description of approach to capturing ESG opportunities.

www.allianz.com/esg-framework

1) Principles for Responsible Investment
More details

Sustainability Report 2016
www.allianz.com/sustainability

HR Fact Book 2016
www.allianz.com/hr-factbook

ESG Integration Framework
www.allianz.com/esg-framework
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These assessments are, as always, subject to the disclaimer provided below.

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Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group’s core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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