Shaping a sustainable future

Allianz SE
March 2021

Allianz Investor Relations App
Apple App Store  Google Play Store
Initiated UN-convened net-zero Asset Owner Alliance
- A group of the world’s largest pension funds and insurers
- Reduce GHG emissions of their investment portfolios to net-zero by 2050

Co-chair of Global Investors for Sustainable Development
- Allianz co-chairs UN-convened initiative of 30 business leaders
- Scale up finance and investment in sustainable development

Developed first ESG guide for global insurance industry
- Allianz co-led Principles for Sustainable Insurance initiative to develop 1st global guidance on ESG in P/C underwriting
- First version of standard published

New targets
- 1st interim target on the way to net-zero GHG emissions in 2050: -25% emissions for selected proprietary investments by 2025¹
- -30% climate gases from own operations by 2025¹

¹) Baseline 2019; selected proprietary investments: public equities and listed corporate bonds
Allianz – the ESG strategy ...

... is based on the 17 UN Sustainable Development Goals ...

... impacting our roles as insurer, investor, employer and corporate citizen

A Sustainable insurer
B Responsible investor
C Attractive employer
D Committed corporate citizen

ESG governance
Allianz – a sustainable insurer

Targets
- Include ESG expertise in products & services
- Phase out insurance of coal based businesses in P/C by 2040

Business segments
- Sustainable solutions
  - Environmental or social benefit
- Climate solutions
  - Insurance of renewable energy, climate risks, NatCat
- Emerging consumers
  - Insurance solutions for low income customers

Examples
- Austria
  - Smart repair
- Germany
  - Roof top photovoltaic insurance
- Allianz Care
  - Health insurance for refugees

Impact on Allianz Group
- Revenues from sustainable solutions
  - EUR 1.9bn
- Insurance transactions assessed for ESG risks
  - 430
- Emerging consumers
  - 46mn

Business integration
- UN Principles for Sustainable Insurance
- ESG integration framework
- Screening along 13 sensitive business areas
- Major sustainability matters discussed at ESG Board

1) 2020
2) Including non-consolidated entities
Allianz – a responsible investor

**Targets**
- Consider ESG in own and 3rd party investments
- Phase out coal based investments by 2040
- Own investments climate-neutral by 2050

**Product examples**
- **AllianzGI**
  - Allianz Climate Transition fund
  - Allianz EM SRI Bond fund
- **PIMCO**
  - Low Duration ESG fund
  - Total Return ESG fund
- **Own investments**
  - Wind & solar parks
  - Certified green buildings

**Impact examples**
- **AllianzGI**
  - 9,532
  - Shareholder meetings with proxy voting by AllianzGI
- **PIMCO**
  - >175
  - PIMCO engagements with issuers
- **Own investments**
  - EUR 6bn
  - Coal assets in run-off

**Sustainable investments** (EUR bn)
- **AllianzGI**
  - 41
  - 56
  - 95
  - 2018 2019 2020
- **PIMCO**
  - 106
  - 102
  - 137
  - 2018 2019 2020
- **Proprietary investments**
  - 25
  - 29
  - 39
  - 2018 2019 2020

**Business integration**
- UN Principles for Responsible Investment
- ESG exclusions (e.g. coal, controversial weapons)
- Listed assets: MSCI ESG scoring
- Non-listed assets: Referral process along 13 sensitive business areas

---

1) 2019; coal assets in run-off: cumulative action since November 2015
2) 2020; sustainable investment definitions differ between proprietary and 3rd party investments
3) 3rd party assets
4) Proprietary investments
### Allianz – an attractive employer

#### Targets
- Gender equality and diversity
- Health and safety of employees
- People and performance matter

#### Group-wide initiatives

<table>
<thead>
<tr>
<th>Diversity</th>
<th>Employee commitment</th>
<th>Career development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender, ethnicity, age, religious belief, sexual orientation, disability</td>
<td>Fair feedback &amp; reward</td>
<td>Allianz University and LinkedIn learning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Dare to grow” career development plans</td>
</tr>
</tbody>
</table>

#### Examples

<table>
<thead>
<tr>
<th>Allianz</th>
<th>Spain</th>
<th>Allianz</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Junior Executive Talent JET program for female talents</td>
<td>First OE which won the “Work Well Award”</td>
<td>Five-year strategic workforce plans</td>
</tr>
</tbody>
</table>

#### Results

<table>
<thead>
<tr>
<th>Share of female managers</th>
<th>Inclusive meritocracy index</th>
<th>Hired people</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018: 37.8%</td>
<td>2018: 71</td>
<td>2017: 21,890</td>
</tr>
<tr>
<td>2019: 37.9%</td>
<td>2019: 73</td>
<td>2018: 24,702</td>
</tr>
<tr>
<td>2020: 38.2%</td>
<td>2020: 78</td>
<td>2019: 24,829</td>
</tr>
</tbody>
</table>

#### Business integration
- Meritocracy as part of renewal agenda 2.0
- Managers’ remuneration linked to engagement survey results
Allianz – a committed corporate citizen

**Targets**
- Foster customer centricity
- Drive digital transformation
- Manage own environmental impact

**Group wide initiatives**

**Customer**
- Simple/intuitive products
- Empathic service

**Digital**
- Productivity gains by simplicity and harmonization

**Environmental impact**
- Long-term climate targets
- Carbon-neutrality since 2012

**Examples**

**Germany**
- Motor 2.0

**Germany, NL, IT, ES**
- Allianz Direct

**Results and ambitions**

<table>
<thead>
<tr>
<th>NPS above market (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allianz</td>
<td>74</td>
<td>70</td>
<td>79</td>
<td>75 plus</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>P/C expense ratio (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allianz</td>
<td>28.0</td>
<td>27.5</td>
<td>26.8</td>
<td>27.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tons CO₂ per employee</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allianz</td>
<td>2.7</td>
<td>2.4</td>
<td>1.4</td>
<td>1.7</td>
</tr>
</tbody>
</table>

**Business integration**
- Customer/digital = part of renewal agenda 2.0
- Group environment management system

- Environmental data assured by PwC
- Ensure data privacy & compliance
Allianz – effective sustainability governance

The “ESG anchor” on the highest possible hierarchy level ...

Group ESG Board

- Quarterly meetings on ESG topics
- Defines future ESG standards
- Decides on ESG relevant business

... ensures ESG integration in the whole Allianz universe

<table>
<thead>
<tr>
<th>ESG referral process</th>
<th>Insurance</th>
<th>Investments¹</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Listed</td>
<td>Non-listed</td>
</tr>
<tr>
<td>ESG referral process</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>ESG sensitive business guidelines</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Sensitive countries list</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>ESG scoring approach</td>
<td>○</td>
<td>●</td>
</tr>
<tr>
<td>Engagement and dialog</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>ESG exclusion policies</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Asset manager mandating, selection and</td>
<td>○</td>
<td>●</td>
</tr>
<tr>
<td>review</td>
<td>●</td>
<td>●</td>
</tr>
</tbody>
</table>

Projects

- Proceed
- Proceed with mitigation
- Do not proceed

Results of ESG referral process

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>631</td>
<td>336</td>
<td>321</td>
<td>361</td>
</tr>
<tr>
<td>602</td>
<td>230</td>
<td>233</td>
<td>190</td>
</tr>
<tr>
<td>190</td>
<td>46</td>
<td>46</td>
<td>46</td>
</tr>
</tbody>
</table>

1) Proprietary investments
### Sustainability performance – excellent external recognition

<table>
<thead>
<tr>
<th>Member of Dow Jones Sustainability Indices</th>
<th>Corporate ESG Performance</th>
<th>FTSE4Good</th>
<th>MSCI ESG Ratings</th>
<th>CDP</th>
<th>PRI</th>
<th>ISS Quality Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable class</td>
<td>Prime</td>
<td>Top 8%</td>
<td>AAA rating¹</td>
<td>A- rating</td>
<td>A+ rating</td>
<td>Highest rating in the ISS Quality Score for the environment and social pillars (2020)</td>
</tr>
<tr>
<td>SAM / Dow Jones Sustainability Index</td>
<td>One of the leading insurance companies</td>
<td>Top 8% in sector in the FTSE4Good Index</td>
<td>AAA rating by MSCI ESG Research</td>
<td>A- rating (leadership level) in the Carbon Disclosure Project</td>
<td>Highest rating in 8 out of 9 categories (2020)</td>
<td>Highest rating in the ISS Quality Score for the environment and social pillars (2020)</td>
</tr>
</tbody>
</table>

¹) The use by Allianz of any MSCI ESG research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Allianz by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
This document includes forward-looking statements, such as prospects or expectations, that are based on management's current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz Group's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) the frequency and severity of insured loss events, including those resulting 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, most notably the EUR/USD exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions including and related integration issues and reorganization measures, and (xi) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

No duty to update

The Allianz Group assumes no obligation to update any information or forward-looking statement contained herein, save for any information we are required to disclose by law.