

Allianz offers customers an increasing number of **Green Products**

Overview of Green Products at Allianz Group

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Climate change, mainly caused by human-activity induced (anthropogenic) global warming, poses a major risk to the global economy. As a financial services provider Allianz is well aware that climate change could result in a compounding of risks and – at the same time – opportunities across the entire business spectrum.

Allianz contributes to a low-carbon economy, which is described in the [Climate Change Strategy](#). The strategy outlines the activities as a company, an investor and a financial services provider in offering Green Products to our clients, all embraced by our thought and action leadership.

To meet the challenges our clients face and to identify new business opportunities at an early stage to safeguard our own competitiveness, we adapt products, services, internal processes and policies.

Allianz entities offering Green Products



Products that help
mitigate the effects
of climate change
or take its environmental
impact into account

Climate Change activities of a global financial services provider

Allianz offers its retail and commercial customers a growing range of Green Products supporting the contribution to a low-carbon economy, protecting the environment and helping clients prepare for the negative effects of climate change and/or mitigate associated economic risks. By 2013, Allianz Group offer its clients more than 130 Green Products. They are defined through a straightforward rating tool that scores products according to three core elements: The products **(1) facilitate** a technology, development or market that benefits the environment and/or mitigates climate change impacts, **(2) focus** on resource protection and environmentally-responsible behavior and **(3) reduce** environmental risks for clients via managing, addressing and/or advising on, for example climate and regulation risks/opportunities. Green Products are developed across all segments, including (re)insurance, assistance, services and asset management.



"In order to address the risks of climate change and to contribute to a low-carbon economy, Allianz is committed to offer green solutions to our clients. Allianz draws on its many years of experience as an insurer and risk manager and developed financial products that enable the company to take an active role in climate protection and the shift in energy policy."

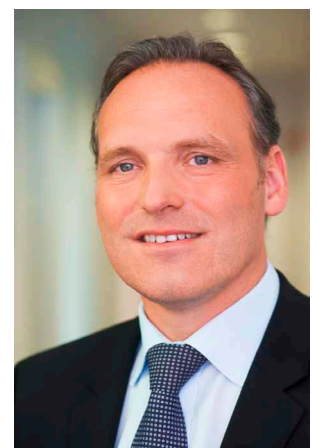
Clement B. Booth, Member of the Board of Management, Allianz SE

Allianz Climate Solutions

Allianz Climate Solutions (ACS) serves as the **center of competence for climate change with a focus on renewable energy**. ACS offers insurance and advisory services and advisory services on financing issues for renewable energy projects to both external clients and Allianz entities. Furthermore, ACS is responsible for climate-related strategy development of Allianz and serves as catalyst for Green Product development. ACS was founded in 2007.

"Climate change and environmental protection continue to be of high interest for the political agenda and society at large. With our Green Products, we help customers to be green when it comes to financial services. An increasing part of our business is 'green'. However, it is difficult to give precise numbers, since many standard products now have 'green' aspects. On top of green solutions, Allianz invests in renewable energy and energy efficiency projects supporting its Climate Change Strategy."

Armin Sandhövel, CEO of Allianz Climate Solutions



The worldwide volume
of investments in the
renewable energy
sector amounted to
EUR 280bn in 2011
(460 in 2030E)
(Source: BNEF 2012)

Overview of Allianz' Green Products

For a better understanding of what Green Products are, these can be grouped into major thematic clusters, namely clean technology, mobility, weather, property, investments and others. The following pages summarize these major clusters and present examples of "green" solutions in different countries and regions.



Clean Technology

Clean technology is a growing market worldwide and includes renewable energy sources, such as solar or wind energy. Allianz offers various products that further enhance the growth of this kind of technology and low-carbon energy generation market providing insurance coverage, loans and advisory services.

PRIVATE CLIENT SOLUTIONS

- **Renewable Energy Home Insurance:** Coverage for damage to for example solar panels due to break-in, theft, fire and natural disasters as part of the home insurance. *Similar products are offered by Allianz for example in Germany, Italy, France, Romania, Hungary, Portugal, Czech Republic.*
- **Photovoltaic Loans:** Allianz offers loans targeted at private customers for photovoltaic installations. *Similar product offered by Allianz for example in Germany.*

COMMERCIAL CLIENT SOLUTIONS

- **Technical External Risk Insurance:** Allianz offers an electronic equipment insurance of renewable energy projects in the operational phase covering against losses due to interruption of business and All Risks / Erection All Risks insurance for wind turbines. *Similar products are offered by Allianz for example in Argentina, Brazil, Bulgaria, France, Germany, Greece, Hungary, Italy, Poland, Slovakia, Spain, UK and Ukraine.*
- **Renewable Energy Advisory & Services:** Allianz offers evaluation reports/assessments to renewable energy manufacturers, including process and product quality management, as well as the review of product certification, clients' track record and project references. *Similar products offered by Allianz for example in Europe and Asia.*



Mobility

The transport sector accounts for a significant share of global greenhouse gas emissions, which makes it an attractive starting point for taking environmentally-friendly measures. Offering electric /hybrid car upgrades and special premium discounts, Allianz provides incentives for the adoption of low emission cars and environmentally-friendly behavior.

PRIVATE CLIENT SOLUTIONS

- **Low Mileage Discount:** Allianz offers pay-per-use car insurance through which car owners are incentivized to use their vehicles less frequently. *Similar products are offered by Allianz for example in France and Italy.*
- **Electric/Hybrid Car Discounts:** Allianz offers insurance premium discounts to policy holders for hybrid cars or vehicles with low CO₂ emissions. *Similar products are offered by Allianz for example in Bulgaria, France, Ireland, Italy, Portugal and Slovakia.*
- **Hybrid Car Upgrade:** Fireman's Fund in the US offers a vehicle replacement option that insures the full replacement of the car with a comparable hybrid model.

COMMERCIAL CLIENT SOLUTIONS

- **Green Fleet Services:** Allianz offers to track corporate fleets using electronic data transmission. This increases fuel efficiency due to intelligent disposition of vehicles and induces environmentally-friendly behavior. *Similar products are offered by Allianz for example in Switzerland.*
- **Machinery Upgrade Coverage:** Allianz offers vessel owners to replace major engine parts with new parts that are of more efficient environmental standards in case of modification, damage or loss. *Similar products are offered by Allianz for example in the USA.*

The transport sector makes up an estimated 15% of global greenhouse gas emissions (Source: OECD, 2010).



Weather

Agriculture and other businesses are highly depend on weather. Extreme weather events and weather variability result in, for example, unstable annual crop production and insufficient farm income. As a result of climate change, extreme weather events are expected to increase in the future thus leading to higher risk-prone business models. Allianz offers protection against weather risks helping clients to adapt and manage to the impacts of climate change.

PRIVATE CLIENT SOLUTIONS

- **Crop Insurance:** Allianz offers a multi-peril crop insurance using satellite data as a comprehensive insurance package to provide real time data on crop development and possible weather impacts. *Similar products are offered by Allianz for example in Austria, Brazil, Burkina Faso, Mali, Romania and Russia.*
- **Weather Indices:** Allianz and the customer agree upon a predetermined event to trigger the insurance based on weather risk, such as extreme temperature, rainfall, wind, frost, hail and/or snowfall. In some cases that includes incorporating a price or revenue element into the payout calculation. *Similar products are offered by Allianz for example in Europe, Australia, Russia and the USA.*

COMMERCIAL CLIENT SOLUTIONS

- **Forest Insurance:** Allianz provides forest owners with cover against losses caused by insured peril, for example, fire, hail, windstorm, earthquake, volcanic eruption or landslide. *Similar products are offered by Allianz for example in Australia, Brazil and Russia.*
- **Lack of Sun and Wind Insurance:** Allianz offers a product that protects against the revenue downside of for example photovoltaic (or wind) installations, if the yield is lower than the agreed upon deviation compared to the forecasted energy yield (for example due to reduced global radiation or a lower capacity than the minimum stated by the manufacturer). The associated income foregone is then compensated. *Similar products are offered by Allianz for example in Europe, Australia and the USA.*



40% of the energy consumption and about one third of the CO₂ emissions in EU can be traced to existing buildings (Source: European Commission, 2012)

Property

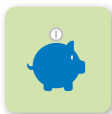
The potential to reduce emissions and energy consumption is vast, particularly in today's real estate portfolio. Modernization and more energy efficient components not only reduce emissions, but also save money. Allianz offers upgrade schemes to current modernization standards in case of loss as well as advisory services and loans to finance the modernization of property.

PRIVATE CLIENT SOLUTIONS

- **Modernization Loan or Insurance:** Allianz provides financing in the form of a loan intended for domestic modernization measures as well as an optional coverage. Following a loss, the coverage allows policyholders to rebuild according to the most recent green home standards using green materials. Modernization measures increase energy efficiency thus reducing energy costs. *Similar products are offered by Allianz for example in Australia, Austria, Germany, UK and Fireman's Fund (USA).*
- **Energy Efficiency Advisory:** Allianz offers advisory services to reduce energy consumption addressing saving potentials in clients' households as well as assisting clients in the implementation of energy efficiency/saving measures. *Similar products are offered by Allianz for example in Germany, France, UK and Fireman's Fund (USA).*

COMMERCIAL CLIENT SOLUTIONS

- **Energy Performance Services:** Allianz offers a suite of products in line with the EU Energy Performance of Buildings Directive including energy certification for buildings or for heating and cooling systems. *Similar products are offered by Allianz for example in France and UK.*
- **Modernization Insurance:** Allianz offers coverage after partial or total loss for the increased cost to replace damaged business property with "green"-rated equipment, products and construction materials. *Similar products are offered by Allianz for example in the USA.*



Investments

Investors have the responsibility to integrate environmental, social and governance factors in company analysis. Therefore Allianz offers various funds that take these factors into account.

PRIVATE CLIENT SOLUTIONS

- **Sustainable and Responsible Investments:** Allianz follows an investment policy geared towards long-term capital growth by investing in equities that satisfy a sustainable investment approach. *Similar products offered by Allianz for example in Europe and Asia.*
- **Themed Funds:** Allianz offers a themed equity fund, which invests in companies that fall within the broadly defined and rapidly growing eco-sector of clean water (for example water treatment and supply). *Similar product offered by Allianz for example in the USA.*



Others

Besides the clearly identifiable clusters above, Allianz offers a range of other products, which mainly reduce the financial and regulatory risks of our clients.

COMMERCIAL CLIENT SOLUTIONS

- **Environmental Pollution Liability:** Allianz offers environmental pollution liability to clients who seek options to limit the financial impact to businesses after liability for damage to the environment is established – whether the damage occurred negligently or accidentally. *Similar products are offered by Allianz for example in Austria, France, Germany, Hungary, Italy, Poland, Romania, UK, Ukraine and Slovakia.*
- **CO₂ Certificate Insurance:** Allianz offers a product that insures a shortfall in CO₂ certificates which are, for example, generated within the framework of the Clean Development Mechanism, caused by a physical loss. The product focuses on climate-friendly installation generating CO₂ certificates. *Similar products are offered by Allianz for example in Europe, Asia and the USA.*

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For individual products and solutions, please contact the spokespersons of the individual subsidiaries

Further information:

www.acs.allianz.com

www.knowledge.allianz.com/environment/

www.allianz.com/en/responsibility/global_issues/climate_change

www.allianz.com/en/responsibility/progress_report/economic/green_products