

OUR RESPONSE TO THE UNFRIEND COAL CAMPAIGN

September 2019

DEAR LADIES AND GENTLEMEN,

Thank you for your letter dated April 15, 2019.

As a leading insurer and investor, Allianz is committed to support the long-term development of and transition to a carbon-free economy. This is why we committed in 2018 to set ourselves long-term emissions reduction targets for our proprietary investment portfolio and our business operations, which will be in line with the goals of the Paris Climate Agreement. To this end, we joined the Science Based Targets initiative (SBTi). Most importantly, we have committed that our investment portfolio will have net-zero emissions by 2050. This is one of the main ways we can leverage our influence to tackle the challenge of a changing climate and this commitment will guide our decisions and actions moving forward.

Reaching the goals of the Paris Climate Agreement requires wide-ranging decarbonization efforts across markets and industries, going beyond just “cleaning” our investment portfolio. By actively engaging with companies to have them set measurable climate targets that are supporting our net-zero ambition and are transparently pursued, for example by joining the SBTi, we aim to not only reduce carbon emissions in our portfolio over time but also in the real world. Our participation in the Transition Pathway Initiative, the engagement platform Climate Action 100+, as well as in the Portfolio Decarbonization Coalition and the Principles for Responsible Investment (PRI), connects us with like-minded investors and offers platforms for collaborative engagement. Allianz Global Investors exercises our voting rights on our behalf and transparently reports its proxy voting records [online](#)¹.

Further, and as per previous letters, you are fully aware of our far-reaching measures, including our exclusion of coal-based business models and a public commitment to fully phase out remaining coal exposures across our P&C portfolios and proprietary investments by 2040 the latest.

For underwriting of and investments in projects which are not covered under current restrictions, we apply a case-by-case assessment against an established set of Environmental, Social and Governance (ESG) criteria² – this is also the case for projects related to tar sands. Please understand that the details of these assessments remain internal to Allianz.

Going forward, we will continuously work to meet our commitments and reach our goals – not by publicly communicating singular actions, but by implementing a holistic decarbonization approach that encompasses all our business activities.

For more details, please see [our 2018 Sustainability Report](#).

Sincerely,

Group Corporate Responsibility, Allianz SE

¹ Please note that this reporting covers Allianz's proprietary insurance assets as well as assets from third-party clients on whose behalf AllianzGI exercises voting rights.

² For more information see the [Allianz ESG Integration Framework](#).