

Transcript for video:

“Allianz on Climate: CEO Oliver Baete on integrating sustainability into all aspects of our business”

Allianz, founded 1890, had because of its business model what is sustainable as a model always at the core. Without insurance societies don't function because the risks that individuals have to bear that can be diversified in the law of large numbers make modern economies work in the first place.

So we are by design as an industry and by default an institution that had to be thinking about what makes the world tick and how it will work, more importantly. The most important thing for me personally is and for anybody in my age group is that we are the first generation on this planet that may leave the planet with more damage than with more prosperity.

And that's why, as long as I have been working, I have been thinking very hard - latest since my kids came to us every day and said: Dad, what are YOU personally doing about that? And it is not just about climate change, it is about pollution as much and many many practices that we have not really understood.

We are in the fourth Industrial Revolution, so technology is changing our lives and if you live in certain Asian countries everybody can see into your bedroom 24/7. That is also something that is changing the world and changes us as human beings in a way that has never been before.

So, my generation is still correctly blamed by our children saying you know, how you have been creating all of these problems on the back of your parents and the parents before, what are you doing about it?

So when I became CEO here in 2015, it sounds very funny, but we said we've always had only financial targets in our objectives for top management, we never had anything that was going beyond generating profit and net income.

By the way we didn't even have a return on investor capital target ever, because in our industry that was seen to be a given.

So the first thing we did is to say: What is actually our natural contribution to being a good part of society? This is what sustainability actually means if you look it up in the dictionary. Having a business model and we have two very important constituents beyond shareholders who are called clients, surprise, and who are called employees, that really matter.