



Principles for Sustainable Insurance – July 2023 Report

Wüstenrot & Württembergische AG

Principles for Sustainable Insurance

The “**Principles for Sustainable Insurance**” (PSI) are intended as guidelines for insurers when taking sustainability criteria into consideration in their core business. The aim of this United Nations Environment Programme (UNEP) Finance Initiative, which was launched at the UN Conference on Sustainable Development (Rio+20), is to support the creation of a green economy through sustainable insurance.

The tenets of the PSI have led to the largest collaborative initiative between the UN and the insurance industry. Over 250 organisations worldwide have adopted the “Four Principles for Sustainable Insurance”. PSI members represent more than one-third of world premium volume, with USD 15 trillion in assets under management.

By becoming a signatory to the PSI, the W&W Group has committed to take into account environmental, social and governance aspects along the value chain – from product development to investments and sales.

This document describes our commitments and progress in the past 12 months with regard to implementation of the Principles for Sustainable Insurance. It also highlights topics of special importance to the W&W Group.

“Climate change is our new reality, sustainable activity – the key mission. As an insurer, we are a substantial part of the economic transformation the mission requires. We have actively accepted this role at all levels to fulfil this responsibility – in our investments, in our product offers and in the company itself.”

By consistently expanding the necessary structures and networks, we have created space for the systematic, progressive integration of environmental, social and governance criteria in all parts of the company. Sustainability officers have been established at key interfaces, and their competencies have been purposefully expanded. We have defined goals for the continuous reduction of CO₂ emissions connected with our investment portfolios. Our investments take relevant exclusion criteria into account. Furthermore, acceptance criteria are already a fundamental part of the underwriting process. We offer our customers insurance products and digital services designed to support sustainable activity and conserve resources. Sustainability is also a feature of our everyday environment. Moving into our forward-looking new campus has enabled us to further reduce CO₂, decrease our energy consumption and raise employee awareness of the broad range of topics connected with ESG investing.

Setting a course for transformation to ensure that our planet remains habitable – that is the challenge of our time. We have to act today for a good tomorrow. And that is what we do, with the help of long-term, holistic, strategic approaches. We’re on the way.”



*Isa Krupka, Sustainability Coordination
Württembergische Versicherung AG*

COMPANY PROFILE



The W&W Group, an independent financial services group headquartered in Kornwestheim, Germany, developed from the merger of two long-established companies, Wüstenrot and Württembergische, in 1999.

service centres and 2,000 external Württembergische offices. Online offers round out the portfolio.

The headquarters of the W&W Group was moved from Stuttgart to the new W&W Campus in Kornwestheim. Covering six hectares, the finished Campus provides 4,000 modern workspaces plus more than 2,000 flexible office workstations at a forward-looking location for the entire W&W Group.

The W&W Group develops and provides four components of modern financial planning: financial security, housing property, risk protection and savings and investment. By combining the Housing and Insurance divisions, the W&W Group is able to offer customers individual financial planning solutions, with a focus on omni-channel sales, which range from its own mobile sales force to cooperation partners and sales agents, broker activities and digital initiatives. The W&W Group operates almost exclusively in Germany.

In the Housing division, the focus is on the home loan savings business of Wüstenrot Bausparkasse AG along with the construction financing it offers. Other areas include the property development business of Wüstenrot Haus- und Städtebau GmbH and real estate brokerage by Wüstenrot Immobilien GmbH.

The Insurance division offers a wide range of life, health and property/casualty insurance products. The key companies in this division are Württembergische Versicherung AG, Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG.

With regard to its market position, Wüstenrot Bausparkasse AG ranks second among private home loan and savings banks in terms of gross new home loan and savings business. Württembergische Lebensversicherung AG is one of the top 12 German life insurers. Württembergische Versicherung AG is ranked tenth among property insurers in Germany.¹

The Group's strengths include a large base of some 6.5 million customers, as well as emphasis on close personal service, with a mobile sales force of more than 6,000 independent partners nationwide, 1,000 Wüstenrot

¹ GDV, last updated Feb. 2023

Principle 1: We will embed in our decision-making environmental, social and governance issues relevant to our insurance business

Company strategy

The W&W Group takes sustainability as a matter of course. Acting responsibly and demonstrating a social commitment have a long tradition in the Group and are a core element of its strategic alignment. It is based on the understanding – derived from the foundational values of W&W AG's primary shareholder – that corporate management should have a long-term perspective and be focused on stability. In order to further advance the topic of sustainability, we developed a Group-wide sustainability strategy in 2022, with the Group Development unit taking the lead role. The focus was on increasing the measurability of sustainability goals.

Analogous to the IT strategy and risk strategy, the sustainability strategy has been integrated into the W&W Group's strategy process since 2022. In the future, this strategy will include measuring select qualitative and quantitative performance indicators in the area of sustainability and then analysing them using a target/actual comparison. The Housing and Insurance divisions are also developing their own business strategies and integrating aspects of sustainability into them.

The sustainability strategy, which is reviewed annually, is aligned with ESG criteria and covers the following six fields of action: own operations, investment and refinancing, customer and product, employees, society and organisation. Goals and measures have been defined in all fields of action, with implementation planned for no later than 2025.

The topic of sustainability is firmly rooted in our organisational structure. All Executive Board members of the W&W Group are responsible for sustainability, with the CEO (Chief Executive Officer) having overarching responsibility for the strategic orientation in terms of sustainability. The CFO (Chief Financial Officer) is responsible for reporting and sustainability in investments, while the CIO (Chief Information Officer) answers for sustainability in operations. The Chief Staff Officer is in charge of personnel development and employer attractiveness. The CRO (Chief Risk Officer) is

responsible for integrating aspects of sustainability into the risk management system, especially the risks associated with them.

For the purpose of cross-divisional coordination, a sustainability board has been established as an internal body. It consists of Executive Board members and managers and meets on a regular basis. In particular, the sustainability board discusses societal trends and developments, analyses regulatory requirements, reviews the strategic orientation and examines whether existing and planned measures in the divisions conform with the strategy.

A board of sustainability experts with representatives from all the fields of activity has also been implemented to ensure the operative control and implementation of sustainability activities. In addition, the new position of sustainability officer has been filled since 2022. The officer reports to the CEO and is the main contact person on the topic of sustainability in the W&W Group. A person responsible for all division-related topics involving sustainability was likewise appointed in the Insurance division in the course of 2022.

Risk management and underwriting

Risk management

Sustainability aspects may give rise to risks. Sustainability risks may materialise from internal and external risk drivers or triggering events in the areas of climate, environment, social affairs, politics, corporate governance and compliance, which, in the individual risk areas, may have a negative impact on the net assets, financial position or financial performance of the W&W Group.

Sustainability risks include risks from outside that affect the W&W Group and its risk factors (outside-in) as well as risks from sustainability factors caused by the W&W Group that could negatively influence the environment (inside-out). In the areas of climate and environment, risk management takes account of physical risks (occurring not only due to extreme weather events and their consequences, but also in connection with long-term changes to climatic and environmental conditions) and transition risks (arising in connection with conversion to a low-carbon economy) as well as their mutual interdependencies.

To take account of sustainability risks, the W&W Group conducted an internal project in 2022 to study the integration of ESG topics in our existing risk management

process. Topics included the integration of the risk inventory process, the adaptation of our written rules of procedure, the consideration of climate change scenarios and the establishment of risk indicators related to sustainability.

In the W&W Group, sustainability risks are identified and assessed as part of the risk inventory process. On the one hand, this includes evaluating the scope of relevant events related to ESG categories. On the other, it involves the effects of sustainability aspects on individual risk areas and risk types.

Within the ESG categories, ESG events are assessed from the following areas in view of the inside-out and outside-in perspectives of the W&W Group:

- Environment category: Climate change, natural disasters, man-made disasters, scarcity of resources
- Social category: Political environment, social environment, global human rights, operational environment
- Corporate management category: Corporate governance, compliance.

The effects of individual ESG events on the existing risk types are evaluated in terms of their urgency and the intensity of their effects on the respective risk type, in order to identify ESG events of significance for the W&W Group.

Of special importance in this respect are ESG events affecting the risk areas of investments (generally transitory risks) and actuarial risks (generally physical risks). Furthermore, objections to our sustainability strategy can lead to reputational risks.

The evaluation of sustainability risks is supplemented by an examination of climate change scenarios that illustrate the effect of transition risks and physical risks.

Risk governance for sustainability risks is handled using the management tools outlined in the risk strategy of the W&W Group. Management tools for sustainability risks include both quantitative and qualitative criteria (e.g. line and limit systems, underwriting policies, reinsurance agreements, investment principles / investment exclusion criteria, indicators).

Important developments are monitored regularly and factor into risk reporting.

Underwriting

The insurance companies of the W&W Group have started integrating ESG issues into underwriting.

For instance, we do not insure any exclusively conventional energy providers focused on coal-fired or nuclear power, nor do we insure plants in the arms industry or factories that violate human rights (e.g. forced labour and child labour). At the same time, rates have been set for technologies for sustainable energy generation, such as on-shore wind energy converters, photovoltaic systems and power-to-X plants.

Products

The W&W Group can assemble personal financial planning solutions from the shared range of services based on fundamental social concepts – from financial security, housing property, risk protection, and savings and investment. By helping provide the best possible financial planning to broad sections of the population, we enable people to enjoy personal freedom with the greatest possible security. Insurance products and private pension plans make it possible for people and society to safeguard their standard of living. In addition, preventive measures reduce the likelihood of damages, such as break-ins, fires and workplace accidents.

Our strategic orientation focuses on the development of green product alternatives and components. Since 2022, we have been in a position to offer our customers a range of sustainable product variants, which we develop and expand going forward. This is supported by transparent customer communication and an ever-expanding range of service offers on the topic of sustainability.

Today, **Württembergische Versicherung AG** already offers a broad spectrum of insurance products with sustainable components. On the one hand, conventional products are available for green risks and climate risks, for example, insurance for electric cars, photovoltaic systems and natural hazards. On the other hand, sustainable product components are being developed for conventional risks. The rates are checked periodically and adjusted to market conditions, with consideration given to aspects of sustainability and their insurability within the products. The offer covers different divisions of property/casualty insurance for corporate and private customers.

In corporate customer business, products are already being offered to target groups with sustainable business

operations. Products for corporate customers also include sustainable product components. In contents insurance, for example, additional costs are covered for energy upgrades and sustainable generation. Moreover, an expansion of unidentified risks (e.g. flooding of rooftop terraces) has been implemented.

Since the introduction of the new rate in June 2022, building insurance policies now offer coverage for additional costs due to preventative measures after flood or backflow damage.

In the area of technical insurance, around 42,000 photovoltaic systems (previous year: around 39,000) and around 2,300 wind turbines (previous year: around 2,200) are currently covered with electronics insurance policies, which include insurance for loss of income.

Sustainable product features are offered in the area of private insurance for household contents and residential buildings. For example, in the event of damage liable for compensation, the policies cover additional costs for energy-efficient measures and age-appropriate conversion, as well as for the purchase of new household appliances designed to save water or energy. The new material rates (June 2022) cover additional costs for environmentally sustainable renovations to, for example, furniture or clothing made of sustainable materials free of problematic and harmful substances, as well as consultation in the areas of energy and building biology after damage has occurred. Customers with photovoltaic systems can take out an all risk insurance policy with additional coverage for loss of income. Our portfolio currently includes roughly 17,500 all risk policies for photovoltaic systems (previous year: 11,000).

In motor insurance, we already offer strong, comprehensive services for electric and hybrid cars. One example is the all risk coverage, which insures against damage to the battery due to undervoltage or overvoltage, while also covering accessories (charging cable, charging card, etc.). Customers with electric scooters are also able to obtain insurance tags at lower prices than for non-electric vehicles.

Working together with Württembergische Versicherung AG, **Adam Riese** is developing products that offer customers financial protection. The residential building insurance product already covers the added costs for an energy or age-appropriate upgrade in the event of damage. Electric scooters are also insured. Special coverage is planned for household contents and residential building insurance products, for example,

insurance for photovoltaic systems. In addition, a concerted effort is being made to expand the rest of the product range to include green risks and to develop green product components.

At **Württembergische Lebensversicherung AG**, aspects of sustainability are mainly taken into consideration in the area of investment solutions.

Our unit-linked annuity insurance product “Genius” falls into this area. What sets it apart is the ability to conclude a variety of guarantees in addition to pure fund investment. In such cases, the capital is dynamically distributed into three investment areas (referred to as pots). For the unit-linked annuity insurance product “Genius” we offer a versatile range of funds to choose from (“3rd pot” of the dynamic 3-pot hybrid product “Genius”).

The capital protection fund (“2nd pot”) plays a leading role in “Genius”, as it is always included. For that reason, the fund was redesigned back in 2020 to account for sustainability criteria. When the Sustainable Finance Disclosure Regulation (SFRD) went into force on 10 March 2021, the “2nd pot” was categorised as an Article 8 fund (funds with an investment policy compatible with environmental and/or social features pursuant to Article 8 of the SFRD).

The guarantee assets of Württembergische Lebensversicherung AG are likewise considered a financial product with environmental and/or social features in accordance with Article 8 of the SFRD. The guarantee assets are not only the “1st pot” of the Genius Product, they’re also the investment option of classic pension products.

Audits and adjustments are carried out in connection with aspects of sustainability for both the capital protection fund and the guarantee assets.

The products “KlassikClever” and “IndexClever” are accordingly aligned with aspects of sustainability, and have qualified as finance products in line with Article 8 of the SFRD since 10 March 2021. And in April 2021, the multi-asset strategy index of “Index Clever” was positioned for the future by exchanging the share subindices with Climate Care Indices. The results of all these measures are published on the website at <http://www.wuerttembergische.de/nachhaltigkeit> and made transparent in accordance with the regulatory provisions in the pre-contractual documents.

Moreover, the freely selectable range of funds (“3rd pot”) includes a steadily growing number of funds that focus on the topic of sustainability. These cover a comprehensive spectrum of investment preferences, particularly with respect to risk tolerance: pension funds, mixed funds, active share funds and ETFs. For this and other purposes, Württembergische Lebensversicherung AG has set up its three in-house funds “W&W Sustainable Strategy”, “W&W Sustainable Strategy Shares” and “W&W Sustainable Strategy Pensions”.

As part of the periodic review of our fund offers, we expanded our “Genius” range of funds at the end of 2022 to include five new sustainable funds focused on water resources, climate goals and more. At the time of publication (4 August 2023), the active range of funds included 38 funds in line with Articles 8 and 9 of the SFRD.

In addition, the two in-house sustainability funds “W&W Sustainable Strategy” and “W&W Sustainable Strategy Shares” were combined as an investment strategy with a prominent place in the offer system. This eases entry for customers interested in aspects of sustainability. All of these funds take aspects of sustainability into account in the investment process, for example, through exclusions, best-in-class approaches or sustainability ratings at the level of the individual title and corresponding selection.

Quality and compliance with minimum standards of sustainability are ensured by means of a periodic review process based on internal and external evaluations. For example, funds that invest in agricultural commodities are not allowed. The Group’s own funds are subject to exclusion criteria for certain investments, which apply Group-wide. These exclusion criteria are continuously reviewed and adjusted to meet the circumstances. A fixed criterion has been established for reviewing new funds before subscribing to them: they must exhibit a minimum degree of consideration for sustainability through environmental and social features (Article 8 of the SFRD). For more on the exclusion criteria, see the Investments section.

In general, we have established sustainability characteristics for all of our pension products. This applies in particular to the guarantee assets, which are subject to Group-wide exclusion criteria. Where investment options exist, sustainable ones can be chosen.

Württembergische Krankenversicherung AG is focused on strengthening preventive health care and doing our best to help our customers return to health. In the

process, it is important for us to stand by them as holistic partners for health. That’s why our healthcare offer includes not only support for “staying healthy” (focus on preventative care) but also support for “getting healthy” (disease management / service offer). The health and service offerings are constantly being enhanced and brought into line with the needs of our customers.

Sales and marketing

We provide our sales employees with regular training on sustainable advisory services and products. Our holistic advisory approach therefore takes into account our customers’ ESG sustainability preferences when giving advice on investment products based on life insurance.

Investments

As an investor, we know that we – together with other large institutional investors – can directly exercise significant influence on the success of a structural transition to an economy and a society that are friendlier to the climate and generate lower emissions. Being aware of how important this is, we pursue an active approach to reducing harmful emissions in our investment portfolios. Our goal is to achieve climate-neutral investment (primarily in the area of shares and corporate bonds) by 2050. This active approach further aims to sustainably promote the development and distribution of climate-friendly technologies.

In the Insurance division and at W&W AG, aspects of sustainable investment are taken into consideration and documented in the annual investment process of strategic asset allocation.

The W&W Group is a signatory to the Principles for Responsible Investment (PRI), thus highlighting to both employees and the public the sustainable alignment of its investment business. We also take care to ensure that these principles are applied by our chosen external managers when trading in share, pension or real estate funds. In some cases, we additionally accept suitable ESG policies for managers who are not signatories of the PRI.

We work with our outside service provider to analyse the investment portfolios (especially for companies and countries). The analysis also takes into account special environmental and social risks and those concerning corporate governance that are associated with investment, insofar as these ESG risks are related to the investment portfolio and its management. Exclusion

criteria have been developed for our portfolios based on this analysis, resulting in the following exclusions:

- companies whose activities involve controversial weapons covered by UN conventions (biological and chemical weapons, incendiary weapons, anti-personnel mines and cluster munitions),
- companies that generate more than 1 per cent of their revenue from arms manufacturing or dealing,
- companies where more than 10 per cent of their activity is related to coal,
- companies that are proved to have used forced labour,
- companies that are proved to have used child labour,
- countries that have an authoritarian regime or are considered not free (Freedom House classification). This exclusion applies to the direct portfolio and most indirect investments.
- In addition, strategic asset allocation does not provide for investments in agricultural commodities.

These exclusions are implemented and monitored Group-wide in the direct portfolio and in indirect investment (funds), provided they are controlled by the W&W Group.

In addition to taking exclusion criteria into account, we also have long pursued an active approach in the area of sustainability. In this regard, renewable energies have been a core element of our strategic investment approach for many years.

More than half of the investments in German real estate in the direct and indirect portfolio (same level as last year) are classified in accordance with the German Energy Saving Ordinance (ENEV 2009). This rate is being progressively expanded with the acquisition of new properties.

The importance of the topic of sustainability is also growing in connection with fixed-interest securities, traditionally the largest part of our investments, for example, in the form of green/sustainable bonds. We strive to take this form of investment into consideration for new investments and reinvestments in order to make a further contribution toward the financing of climate-friendly projects.

As at 30 June 2023, the W&W Group held green/sustainable bonds with a nominal value of about €1.5 billion (previous year: €1.5 billion) and a market value of about €1.1 billion (previous year: €1.2 billion).

In the years to come we will continue our efforts to constantly reduce the share of CO₂- in our investments

(especially in the areas of shares and corporate bonds). The first step in this plan is to achieve a ten per cent reduction in the relative carbon footprint between 2023 and 2025.

Implementation of the Taxonomy Regulation-

Regulation (EU) 2020/852 of 18 June 2020 (Taxonomy Regulation) establishes criteria whether an economic activity qualifies as environmentally sustainable for the purposes of determining the degree to which an investment is environmentally sustainable. An economic activity qualifies as environmentally sustainable when it contributes substantially to one or more of the environmental objectives of the Taxonomy Regulation, does not significantly harm any of the environmental objectives and is carried out in compliance with the minimum safeguards. Environmentally sustainable economic activities within the meaning of the Taxonomy Regulation are therefore also called taxonomy-aligned economic activities.

In the Insurance division, investments in securities and other kinds of company financing are broadly diversified in terms of financed taxonomy-eligible economic activities. The investments also include real estate assets for own- and third-party use. In this kind of investment the economic activity “acquisition and ownership of buildings” is carried out by the group.

In the insurance business, the economic activity “non-life insurance: underwriting of climate-related perils” is taxonomy-eligible.

In the past year efforts were advanced to collect information that would serve to identify taxonomy-aligned economic activities and their financing. In the years to come, the identification of taxonomy-aligned economic activities will be furthered by additional improvements to the data pool, particularly with regard to issuer and counterparty information and the real estate portfolio.

Companies of W&W Group aim to introduce green product lines and components.

Implementation of the Sustainable Finance Disclosure Regulation

For the first time with Württembergische Lebensversicherung AG a company of W&W Group reported a statement on principal adverse impacts of investment decisions on sustainability factors, in

accordance with Delegated Regulation (EU) 2022/1288 which is the delegated act concerning Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation - SFDR). The statement was published on 30 June 2023.

<https://www.wuerttembergische.de/ueberuns/nachhaltigkeit>.

In the past years W&W Group identified violations of human rights (socially adverse) and the production of greenhouse gas emissions (environmentally adverse) as principal adverse impacts on sustainability factors caused by investment decisions. As a result, the group gradually established investment exclusions concerning coal and lignite, controversial weapons, military equipment and civilian firearms, child labour, compulsive labour, authoritarian regimes (unfree countries) and agricultural commodities. Other measures included environmentally oriented investments in renewable energies, Green Bonds in accordance with existing frameworks and energy-efficient real estate partially certified for sustainability by, for example, the DGNB e. V. (German Sustainable Building Council).

Adverse impacts on sustainability factors were specified by Delegated Regulation (EU) 2022/1288 as indicators for adverse impacts on sustainability factors (Principal Adverse Impacts – PAI). PAI indicators pursuant to this Delegated Regulation exist for investments in companies, sovereigns and supranationals and real estate assets. Württembergische Lebensversicherung AG invests in all three asset classes and calculated in total 20 quantitative PAI indicators for the first time for the fiscal year 2022.

Württembergische Lebensversicherung AG has evaluated the extent to which the PAI indicators for measuring the sustainability efforts described above can be adopted and used as a criterion for future investment decisions. As a result, Württembergische Lebensversicherung AG considers the following PAI indicators for investment decisions:

- exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons)
- exposure to fossil fuels through real estate assets
- exposure to energy-inefficient real estate assets (EPC of C or below).

The remaining indicators are not yet considered actively into investment decisions, but their development is being continuously monitored. There are not yet any adequate time series for taking actions or setting targets.

The statement on principal adverse impacts of investment decisions on sustainability factors can be downloaded at

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions

Dialogue with other financial services providers on ESG issues

We maintain a dialogue with other companies in the financial services sector for the purpose of raising awareness of ESG issues in the industry and further implementing the topic in our value chain. A continuous process for the regular transfer of knowledge was implemented through the establishment of working groups.

In this context, we have, for example, joined the financial centre initiative “Stuttgart Financial.” The aim of this initiative is to strengthen Stuttgart’s position as a financial centre and increase its visibility as a preeminent location for financial services in Germany.

Requirements along our value chain

Social aspects such as working conditions along the supply chain and respect for human rights play an important role in the procurement of operating resources.

We consider the relationships with our suppliers to be long-term partnerships. They are based on trust and transparency, as well as on clearly defined common rules. None of our suppliers are known to have experienced specific incidents with negative social or environmental effects. Should we become aware of any, we would investigate the matter. And if the outcome were negative, we would take steps, which could include termination of the business relationship.

Current regulatory initiatives include measures to improve protection of human rights in global supply chains (German Act on Corporate Due Diligence Obligations in Supply Chains [Lieferkettensorgfaltspflichtengesetz]). To implement the requirements resulting from the Act on Corporate Due Diligence Obligations in Supply Chains, a project involving all affected departments was conducted in the W&W Group. The project involved developing and implementing

processes for risk analysis and appeal procedures and for identifying potential risks and abuses in the supply chain. A human rights representative was also appointed.

As a rule, our chosen external managers for share, pension and real estate funds are signatories to the PRI.

Sustainability in connection with advisory processes

In order to ensure that our customers are given tailored advice on the topic of sustainability, our sales force receives advanced training on a regular basis, and we also provide customers with qualified informational material.

In our range of funds, for example, we actively offer our customers sustainable funds. We are continuously expanding the offer.

As of 2 August 2022, customers are also asked about their sustainability preferences when receiving consultation on insurance investment products in accordance with the updated Insurance Distribution Directive (IDD). To provide the best possible support for the consultation process and to ensure that suitable products are chosen for customers, Württembergische Lebensversicherung AG has integrated the sustainability query into the offer system and drafted accompanying documents on sustainable investment funds and on the classification of its own products, including specific aspects of sustainability that are taken into account.

To ensure high-quality advisory services and opinion formation for sales partners and customers alike, intensive training is provided across all sales channels on various aspects of sustainability with regard to our products as well as on what advice to give about them.

Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues

Participation in project and working groups on ESG issues

We have regular discussions and participate actively in various project and working groups of the German Insurance Association (GDV) and the German Federal Financial Supervisory Authority (BaFin). In this context, we regularly take part in public consultations and contribute our expertise to help shape a comprehensive opinion in the industry.

Voluntary commitment to sustainability initiatives

We have voluntarily joined initiatives such as the PSI and PRI and are committed to implementing sustainable principles more strongly in our business activities and to continually enhancing them.

The W&W Group has further supplemented the measures it takes to promote diversity by signing the “Charta der Vielfalt” (Diversity Charter).

Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles

This PSI Progress Report covers the status as at 30 June 2023. The W&W Group updates the PSI Progress Report annually.

Our sustainability reports can be found on our website under the “Sustainability” tab [link: <https://www.ww-ag.com/en/about-us/Sustainability>].

The W&W Group also publishes additional information on sustainability on its website. In addition to our signings, collaborations and initiatives, we provide information regarding our sustainability strategy, including specifics on the six fields of action and the goals and measures defined for them.

