

# PRINCIPLES FOR SUSTAINABLE INSURANCE

AUGUST 2025

In early 2014, Allianz became a signatory to the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI), which serves as a global framework for the insurance industry to address environmental, social and governance (ESG) risks and opportunities.

Our commitment to tackling ESG topics – referred to here as sustainability – applies to our own operations and our insurance, investment and asset management activities. As a global insurer, investor, and asset manager, understanding and managing sustainability matters allows us to reduce risks and capture impacts and opportunities in all areas of our business. As well as managing risks, sustainability integration enables us to create products and services that add value to society, collaborate with clients and investee companies to deliver real-world benefits, and orientate capital flows towards sustainable outcomes for all stakeholders.

As a signatory to the PSI, details of Allianz's progress on implementing the PSI's principles during 2023 can be found in the sections below. The key actions are summarized below, for further information, refer to the [Allianz Group Sustainability Report 2023](#).

## PRINCIPLE ONE

We will embed in our decision-making environmental, social governance (ESG) issues relevant to our insurance business

- Allianz is dedicated to clear and transparent governance principles. This includes our governance of sustainability matters as we work to embed and deliver sustainability objectives across our global business and organization. Allianz aims to fully integrate sustainability across the Group. Ultimate responsibility for matters relating to sustainability resides with the Board of Management of Allianz SE as the Group's parent company. In 2023 and for 2024, the targets for the Board of Management were further developed to reflect sustainability priorities. For a complete overview of Allianz's sustainability governance, refer to the Allianz group Sustainability Report, section 01.6.
- Allianz manages sustainability-related risks, impacts and opportunities through Group-wide corporate rules and processes. We continue to expand and strengthen our sustainability risk management framework. Understanding the requirements and limitations of our

operating entities helps us to develop global sustainability processes that can be integrated into local processes and systems. For a complete overview of Allianz's sustainability integration approach, refer to the Allianz Group Sustainability Report 2023, section 01.5.

- During 2023, Allianz assessed a wide range of business transactions for ESG considerations across our sensitive business areas. Overall, 800 transactions were reviewed across our insurance and investment business. 69.1% of transactions were approved, 26.0% were given conditional approval subject to further information or mitigating actions being taken, and 4.9% were declined<sup>1</sup>. For further details, refer to the Allianz Group Sustainability Report 2023, section 02.1.
- In September 2023, we published our Inaugural Net-Zero Transition Plan, which describes our intermediate targets for 2030 and key actions to achieve them. This approach builds on the previously released 2025 emissions targets for proprietary investments and own operations. Our priorities include quantitative emission targets, strategic growth of financing and insuring of low-carbon technologies that support net-zero, targeted restrictions for fossil fuel-based business models to manage transition risks, and a systemic approach to investee engagement and policy advocacy, supported by climate action in our own operations. For more information, refer to the Allianz Group Sustainability Report 2023, section 03.1.
- Allianz is committed to supporting and respecting the protection of international human rights, as well as ensuring it is not complicit with the abuse of human rights. Allianz aims to identify, prevent, mitigate or remediate adverse human rights impacts linked to our business activities and operations, including our supply chain. Our approach has been guided by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Additionally, Allianz SE has been subject to the German Supply Chain Due Diligence Act (GSCA) since 1 January 2023. For a complete overview of Allianz's approach to human rights, refer to the Allianz Group Sustainability Report 2023, section 04.2.
- In 2023 we rolled out an enhanced Allianz classification framework for sustainable insurance solutions in P&C. The former sustainable solutions definition and its application were replaced by the new Sustainable Solutions framework as of 1 January 2023. The Allianz framework for sustainable products and services (Sustainable Solutions) is based on regulatory requirements (mainly the E.U. Taxonomy Regulation) as an integral part. However, it goes beyond and includes additional product elements which contribute to ESG objectives beyond climate change adaptation to support our customers in their transition. In 2023, we generated € 3,025.5 million revenues from certified Sustainable Solutions in our P&C business. For further information, refer to the Allianz Group Sustainability Report 2023, section 02.1.

## PRINCIPLE TWO

We will work together with our clients and business partners to raise awareness of environmental, social and governance (ESG) issues, manage risk and develop solutions

- Risk consulting services are embedded in Allianz's client service offering for large commercial customers. They range from natural hazards, in-depth analysis of industry

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<sup>1</sup> Transactions declined for ESG reasons or as part of the overall risk evaluation.

operations and financial exposures across all industry sectors, to training plans to help clients optimize risk management procedures; some examples include: i) Tech Talk, a technical document for property loss prevention, and ii) Natural catastrophes checklists, bulletins to highlight key actions and a sample checklist to provide guidance and heighten awareness of the risks. Alternatively, to increase resilience for non-commercial customers and society, Allianz launched GloRiA, a tool publicly available (initially only in Germany) that immediately assesses the risk of four common natural hazards at the users' home location: Flood, storm, wildfire, and earthquake. Initially, the tool was designed to create awareness of homeowners' potential risks. For further information, refer to the Allianz Group Sustainability Report 2023, section 02.1.

- The Sustainable Solutions framework incorporates material ESG objectives into P&C decision-making and portfolio management processes. We aim to shift our product portfolio towards sustainable products by using the framework as guiding considerations in the product development process. In addition, we offer comprehensive insurance products for low-carbon technologies – such as battery electric vehicles (BEV) and the related ecosystem – as well as for renewable energy technologies, to support the transition of our customers towards net-zero solutions. We have started integrating environmental standards into our claims processes by encouraging or incentivizing our customers, car repair shops, and manufacturers to repair instead of replace or to use refurbished parts, where possible. For further information, refer to the Allianz Group Sustainability Report 2023, section 02.1.
- We are committed to driving decarbonization across all industry sectors by promoting transparency and supporting customers on their net-zero journey. In the commercial insurance business, our aim is to drive decarbonization across all industry sectors and partner with our customers on their net-zero journeys by leveraging collaboration, sustainability expertise, and best practice, as well as our influence as a major global insurance company. To this end, we will proactively approach customers to foster dialogue and encourage a shift toward science-based net-zero strategies. For motor retail insurance, we aim to engage with 20 million current and potential customers by 2030 to support their transition to electric mobility, mainly through Allianz-developed online platforms, newsletters and advertising. For a complete overview, refer to Allianz Group Sustainability Report 2023, section 03.1.
- We also provide financial and non-financial support to underserved groups in our society. This involves offering affordable insurance solutions through our emerging consumer segment, catering to lower-income customers in Africa, Asia, and Latin America, where much of the world's population resides. For further information, refer to the Allianz Group Sustainability Report 2023, section 02.1.4.

### PRINCIPLE THREE

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance (ESG) issues.

- Our Group Regulatory and Public Affairs (GRPA) department is the center of competence and the central coordinator for all regulatory and political management activities across the Allianz Group. Allianz's engagement with regulators and policymakers in 2023 primarily focused on the E.U. and included the following topics: Sustainable finance regulations, prudential regulation, digital regulation, conduction regulation and public-

private cooperation. For further information on Allianz's regulatory, and public affairs, refer to the Allianz Group Sustainability Report 2023, section 05.3.

- In September 2023, we published Allianz's Inaugural Net-Zero Transition Plan, which describes our intermediate targets for 2030 and key actions to achieve them. Since the net-zero transition is a systematic issue, we seek to join forces with other stakeholders. We encourage companies to implement decarbonization strategies via our participation in the B team, Climate Action 100+, the Transition Pathway Initiative, and the Principles for Responsible Investment. We can achieve our targets only jointly with public policy and the real economy, as the necessary changes require broad support. For instance, sufficient frameworks and market incentives are required to bring down demand for emission-intensive products and to allocate capital in line with a 1.5 °C trajectory. The private sector, including insurers, can play an important role in raising awareness and making the business case for getting on track to limit global warming. To that end, we also work with policymakers and regulators to support sustainable financing and achieve the goals laid down in the Paris Agreement. For further information, refer to the Allianz Group Sustainability Report 2023, sections 03.1 and 06.3.4.
- We continuously improve our tools to increase our understanding and modeling capacities of natural disasters. We offer this knowledge to policymakers and the public to support sustainable development and shape resilience measures. Through implementing Cat Risk Management tools, experts at Allianz Reinsurance (Allianz Re) research and analyze the risk situation for natural- and climate-related perils in the countries where we operate. Providing a comprehensive risk profile that can be used for effective risk management measures. For further information, refer to the Allianz Group Sustainability Report 2023, section 02.1.
- As well as engaging with international and national sustainability bodies and initiatives, we also maintain a constructive and regular dialogue with the key stakeholder groups that are impacted the most by our business: these include our customers, employees, society, investors, governments and regulators. With a spirit of cooperation, we prioritize Sustainable Development Goal 17, Partnerships for the Goals, through a variety of partnerships and memberships. For further information, refer to the Allianz Group Sustainability Report, section 06.3.

## PRINCIPLE FOUR

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

- This progress report marks our tenth annual disclosure update.
- For more information on Allianz's progress in implementing the PSI principles, refer to the Allianz Group Sustainability Report 2023. For a comprehensive overview of Allianz's performance, the Group Sustainability Report should be read in conjunction with the Allianz Group Annual Report.
- The Allianz Group Sustainability Report was prepared in accordance with the latest Global Reporting Initiative (GRI) standards. The topics "Climate change" (ESRS E1) and "Own workforce" (ESRS S1) are strategic sustainability focus areas at the Allianz Group, supported by the GRI materiality assessment and confirmed by the CSRD DMA. As such, disclosed on these two topics in accordance with CSRD for the 2023 financial year.