SIGNAL IDUNA

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UNEP-FI Principles for Sustainable Insurance

PSI Report 2025

Introduction

Our corporate responsibility

At SIGNAL IDUNA, we see responsible behavior as an indispensable part of our Group - not least because of our history as a trade insurer which emerged from a strong SME sector. The way we work together and for each other is at the center of our activities, thanks to the legal form of our parent companies as mutual insurance associations. We are convinced that our business activities can only be long-term and future-oriented if the awareness of our corporate responsibility is firmly anchored in our business processes.
On the way to achieving this, we are guided by a total of seven areas of action that reflect our sustainability strategy: These are corporate governance, customer relations, products, capital investment, working environment, climate and resource protection and social engagement.

Reporting year 2025

2025 was characterized by the first publication of reporting under the Corporate Sustainability Reporting Directive (CSRD) for the 2024 financial year. As part of this, a comprehensive carbon footprint was prepared for the SIGNAL IDUNA Group.
Another focus of the SIGNAL IDUNA Group in 2025 was the provision of qualified expertise for customer advice and the provision of an appropriate product portfolio for sales that is aligned with customer interests.
SIGNAL IDUNA Lebensversicherung AG (hereinafter referred to as SIGNAL IDUNA Leben AG), a new SIGNAL IDUNA Group company, has been revitalizing the market since 2022. With the newly founded SIGNAL IDUNA Lebensversicherung AG, we are setting a clear course for our capital investments: At least 30% of our protection assets will be invested in a portfolio defined by us in accordance with the criteria of Art. 2 (No. 17) of the Sustainable Finance Disclosure Regulation (SFDR). This includes renewable energies, green bonds, and infrastructure projects. Details on our investment strategy can be found here.
In 2022, SIGNAL IDUNA signed the PSI (Principles for Sustainable Insurance) of the United Nations Environment Programme Finance Initiative (UNEP FI) and thereby committed itself to taking account of the principles along the value chain.
Joining the UN PSI is an important addition to the UN Principles for Responsible Investment (UN PRI) already signed in March 2021.
With this report on the 2025 financial year, we would like to report transparently on our goals and measures.
The report includes general and sector-specific (life, health and composite insurance) information from SIGNAL IDUNA.

Principle 1:

We will include environmental, social and governance issues that are relevant to our insurance business in our decision-making.

Corporate strategy

In 2021, we anchored our ambitions and goals in our sustainability strategy with seven fields of action.
The short-, medium- and long-term measures formulated there are reviewed and updated on an ongoing basis.
The topic of sustainability is also firmly anchored in SIGNAL IDUNA's organisation. We have had a sustainability officer in the Group since 2017. A cross-divisional ESG core team was established in 2019 and the Sustainability Committee in 2020. The permanent members of the committee include the Chairman of the Executive Board and the Executive Board members responsible for sales, finance and life insurance.
In 2024, the Sustainability team, which coordinates the implementation of the sustainability strategy together with the ESG core team, was expanded by three additional positions.
We also worked intensively on updating and further developing our sustainability strategy. The updated strategy, including the action programme, was approved by the Executive Board at the beginning of 2025.

Risk management and underwriting

The impact of environmental, social and governance issues on the risk situation is systematically taken into account in enterprise risk management; in particular, risks are identified and assessed. The effects of selected climate change scenarios are quantified. The risk strategy addresses and takes account of sustainability risks.
The tools used in enterprise risk management are also continuously developed for ESG risks. This applies, for example, to the climate change scenarios considered and their quantification or the design of early warning indicators and key figures.

In composite insurance, ESG aspects are integrated into decision-making processes for risk management, underwriting and capital adequacy by means of research, models, analyses, tools and metrics.

The topic is gradually being taken into account in the underwriting and acceptance policy. We are endeavoring to significantly expand our business with customers and companies with a focus on e-mobility. To this end, we have integrated benefit extensions and increases in compensation limits into our policy conditions, taking into account developments in e-mobility, e.g. theft of the electric charging cable and extension of the compensation benefit for batteries.

It is to be expected that regulatory requirements will also become increasingly stringent in the future on the subject of " sustainability". We are taking this into account by sensitizing those involved in the underwriting process to the regulatory environment, in particular for the EU Taxonomy Regulation.

Product and service development

We offer our customers customized insurance and financial solutions. On the one hand, it is particularly important to us that every person has the opportunity to obtain customized cover, especially in the areas of existential risks and pensions.

The agile product development process at SIGNAL IDUNA is standardized across all insurance lines and leads to a consistently high level of quality for all newly developed products.

In the area of private and occupational pension provision, we at SIGNAL IDUNA Leben AG offer the modern SIGNAL IDUNA Global Garant Invest fund policy, a pension solution that optimally combines security in the form of freely selectable guarantees with the opportunities of the capital markets. With the newly founded SIGNAL IDUNA Lebensversicherung AG, we are setting a clear course for our capital investments: At least 30% of our protection assets will be invested in a portfolio defined by us in accordance with the criteria of Art. 2 (No. 17) of the Sustainable Finance Disclosure Regulation (SFDR). This includes renewable energies, green bonds, and infrastructure projects. Details on our investment strategy can be found here. Attractive returns are possible with this product thanks to SIGNAL IDUNA's own special fund, which is managed by the capital market experts of the SIGNAL IDUNA Group.

With the SI Pur Invest pension product, we have added a purely unit-linked pension insurance without guarantees to our tried-and-tested SI Global Garant Invest since 1 January 2024. SI Pur Invest has been equipped with many product highlights, including start management, maturity management models and a modern unit-linked pension drawdown. Customers can also choose from many funds in accordance with Articles 8 and 9 of the Sustainable Finance Disclosure Regulation.

SIGNAL IDUNA Leben AG also offers attractive solutions for modern income and risk protection, in which the capital is invested in the security assets described above. SIGNAL IDUNA WorkLife offers reliable protection for financial provision in the event of occupational disability or loss of basic abilities. SIGNAL IDUNA RisikofreiLeben provides modern cover for the family in the event of death, while SIGNAL IDUNA Sterbegeld ensures that the financial burden of a funeral does not have to be borne by relatives.

With the increase in the maximum actuarial interest rate on 1 January 2025, the framework conditions for pension solutions have improved. As a sign of our fair and partnership-based corporate governance, we at SIGNAL IDUNA have passed this interest rate advantage on to our customers where appropriate and possible. This measure leads to a noticeable increase in the value of existing SI WorkLife and SI Pur Invest contracts and provides clear added value. We are thus emphasizing our commitment to actively shaping the financial future of our customers and strengthening the long-term performance of their insurance cover.

In the area of health insurance, SIGNAL IDUNA offers a range of pension elements that contribute to sub-indicators of SDG 3 "Health and Well-being". These include, among others: Vaccinations, preventive check-ups, preventive courses, dental prophylaxis, health and behavioral bonuses that reward health-conscious behavior.
In addition, a wide range of services are offered that take particular account of the social aspect, such as preventive services to proactively maintain health, health apps, e.g. to support relatives of those in need of care or an app for insured persons suffering from mild depression as a low-threshold offer for recovery, as well as case and disease management for the active support of affected insured persons and their relatives.

In composite insurance, for example, our homeowners' insurance includes the Smart Home module: the insurance of modern building technology such as climate control and shading systems as well as solar and photovoltaic systems. As part of our extended natural hazards insurance, we sensitize our customers to solutions for natural hazards resulting from flooding and backwater, including heavy rainfall and flooding. In the event of a claim, our residential buildings insurance covers a considerable amount of additional costs for reconstruction due to technological advances and improved energy efficiency. Environmental liability insurance also includes preventive advice for our customers on handling hazardous substances to water and facilities requiring authorization (BImSchG/UmweltHG). In motor insurance, for example, we offer a discount for low mileage and special rates for e-scooter sharing concepts.

Claims management

In life insurance, we focus on a high level of customer orientation in the processing of benefits. This includes fast, fair and transparent settlement, particularly in the case of claims for occupational disability and basic disability insurance, as well as special services such as individual assistance with occupational reintegration.

In health insurance, we offer our customers the option of submitting invoices digitally, which significantly lowers the logistical threshold, especially for customers who are ill. SIGNAL IDUNA is also working on an invoice processing tracing system that can be viewed by our customers, thereby increasing transparency.
If medical aids are required, we proactively offer to lend them out. Our case and disease management also helps to utilise the resources of the healthcare system in a targeted manner and in the interests of our customers.

Our SI composite claims processes are comprehensible and are subject to constant review by BaFin, auditors, trustees and internal auditors.
Claims settlement is transparent: the customer receives comprehensible settlement letters and is provided with a digital claims schedule for each claim, which informs them of the progress of the matter.
External claims service providers are reputable and experienced companies that treat their employees fairly and socially and demonstrate professional corporate governance.
We pursue a multi-channel approach with regard to claims notifications. Customers can contact us via the claims hotline, the online claims report, by e-mail or post or the responsible field service partner.

Sales and marketing

We provide information on ESG topics in dialogue formats between sales and marketing.

We continuously train our sales staff in developing the topic of "sustainability" in agency operations and addressing it in consultations. The topic is also an integral part of the onboarding process for new sales employees. To this end, we have fundamentally revised our training concept and aligned it even more closely with the needs of our agents when addressing customers.
Two training modules form the basis for customer-centered and regulatory-compliant advice on the topic of "sustainability". They focus on the following topics: Sustainability basics, significance for insurance & finance, regulatory basics as well as how to enquire about customer preferences during the advisory meeting.

We have successfully completed our pilot project in agency management. The participating agencies have analyzed their consumption and drawn up a carbon footprint. From this, a voluntary extrapolation is made to the entire sales organization in line with the CSRD.
The knowledge and experience gained from the pilot will be incorporated into the further development of the concept, which will be rolled out step by step. We have also decided to increase e-mobility for our salaried sales force.

Investment management

In March 2021, our Group signed the UN Principles for Responsible Investment (UN PRI). We are thus committed to the values of these principles and report on them.
The management of sustainability risks is firmly anchored in our investment strategy. We are in a continuous process of further development.

There are clear exclusion criteria in the investment guidelines.

Therefore, the SIGNAL IDUNA Group expressly does not invest in :[1]

Companies and states
Systematic violations of human rights[2]

- Displacement
- Responsibility for or support of inhumane working conditions
- Responsibility for or support of child labour

Companies
Production of banned weapons (in accordance with internationally recognized conventions):

- Anti-personnel mines, cluster munitions and biological and chemical weapons

General excluded activities
Speculative transactions

- Raw materials
- Food

In addition, further exclusion criteria are defined for SIGNAL IDUNA Leben AG[1]:

Companies
Coal-based business models

- Production and mining of coal, related products and other consumable fuels for energy generation
- Power generation based on thermal coal
- Mining and sale of steam coal

Petroleum-based business models

- Energy production with crude oil and oil derivatives
- Crude oil exploration and production
- Distribution of crude oil and related products

Nuclear power:

- Power generation from nuclear energy

These exclusion criteria apply to all directly and indirectly held investments.
Active violations in new investments are ruled out by strict checking processes. In the event of passive violations in the existing portfolio, there are differentiated processes for handling the cases.

Principle 2:

We will work with our customers and business partners to raise awareness of environmental, social and governance issues, manage risks and develop solutions.

We continuously tap into our network and work with business partners to develop solutions together. For our pilot concept in agency management, the companies UNO INO & ClimatePartner GmbH supported us in balancing the CO_2emissions for the participating agencies. Together with the company PROGRESS Finanzplaner, we have developed a customer approach on the subject of "sustainability". The topic is being further developed in consultation with our customers. We regularly inform them about current sustainability topics in our newsletter for existing customers. In 2025, there were again no complaints about sustainability in complaints management.

The Code of Social, Environmental and Economic Responsibility developed by Central Purchasing sets out SIGNAL IDUNA's expectations of its suppliers and their products and services. These expectations are based, among other things, on the German Supply Chain Act (LkSG). The Code is available on our website to ensure transparency. In addition, the Code was expanded in various places in 2024 and, for example, the LkSG was included in the preamble. In a separate section, we also inform suppliers about the established complaints procedure and our policy statement on the LkSG. To promote accessibility, an English version of the ESG Code has now also been published on our website. As part of our partnership-based cooperation, we evaluate potential and developments in sustainability, which we take into account when making our procurement decisions.
To support our sustainability strategy, we enter into regular dialogue with our reinsurance partners in order to bring about improvements in their ESG efforts. We enquire about and record sustainability risks with all reinsurers.

We firmly integrate ESG aspects into training programmes in order to develop responsible and forward-looking specialists. Since 2022, the area of environmental protection and sustainability has been anchored as a

[1] The exclusion criteria apply in each case to the relevant protection assets of the domestic insurance companies.

[2] Taking into account the principle of free, informed and prior consent (FPIC principle) and the International Labour Organization standard, Conventions 138 and 182.

standard vocational training position in the training regulations. Based on this, we integrate sustainability skills into the training programme. In a sustainability workshop, the trainees deal with our sustainability goals and the ESG criteria and develop skills in the area of sustainability. For example, the trainees have created a digital handprint with personal sustainability goals for their everyday professional and private lives (e.g. cycling to work) and got involved in our Sustainability Day.

Principle 3:

We will work with governments, regulators and other key stakeholders to promote comprehensive action in society on environmental, social and governance issues.

We participate in various working groups of the GDV (German Insurance Association) and the DAV (German Actuarial Association) and also maintain constructive dialogue with BaFin (German Federal Financial Supervisory Authority). We are also a member of Versicherungsforen Leipzig and the German Sustainability Network. We are also an active member of B.A.U.M. e.V., a network for sustainable management, and are a founding member of the industry initiative Sustainability in Life Insurance.

Principle 4:

We will demonstrate accountability and transparency by regularly reporting publicly on our progress in implementing the principles.

By publishing this report, we fulfil our obligations of transparent reporting .
We also publish the following documents:

- Sustainability declaration (in accordance with the CSRD) in the management report of the annual report
- Reports in accordance with the Sustainable Finance Disclosure Regulation (EU Regulation 2019/2088) and the Delegated Regulation (Delegated Regulation)

Information about our commitment is also available on our website.