

GRI – Profile

Strategy and Analysis

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	1.1	Statement from the most senior decision-maker of the organization	<p>SD Report 2011 Details</p> <p>Strategy and Analysis</p> <p>GRI 1.1: Statement from the most senior decision-maker of the organization</p> <p>When the first Earth Summit was held in Rio 20 years ago, presumably no one foresaw our future the way it actually turned out. A year of crises like 2011, with 100-year floods in Australia and Thailand, the nuclear meltdown in Japan, the debt crisis threatening the Euro, and the Arab Spring – not even Hollywood could have persuaded us to believe in such things. Yet from today's vantage point, 2011 hardly seems any different from the years that went before. Even this drastic accumulation of crises and changes does not feel unfamiliar to us.</p> <p>These more intense conditions also pose a challenge to Allianz as an insurer and asset manager. Our stakeholders today benefit because we prepared our Company in time to face the challenges of our era. That's why we were once again able to keep our promise to our clients in 2011, delivering benefits of 86 billion euros without abandoning the successful course of operating profitability that we have established over the past few years.</p>	Fully	

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			<p>Our hopes for 2012 are focused on effective government policy decisions and on sustainable progress in reducing government debt and promoting healthy growth. But the list of homework that government, society and business must complete together is even longer. Allianz is especially concerned with two challenges:</p> <ul style="list-style-type: none"> • The energy turnaround in Germany, and we hope in the EU as well, must now be followed by a suitable business environment for investors like Allianz to invest in renewable energy installations, up-to-date energy networks, and energy efficiency projects. Today, assets managed by life insurance companies and pension funds total up to 55 trillion US-dollars globally. Theoretically, one percent of this amount would be enough to finance the annual efforts for sustainable global climate protection. Which makes it clear that this task is doable, if institutional and private investors as well as industry and small to medium enterprises join forces, and if political conditions remain predictable and stable. • In Europe in 2010, for the first time, more people retired than entered the job market. This had been foreseen for decades – but it is now becoming a day-to-day reality. Fewer and fewer premium payers will have to provide funding for more and more recipients of benefits. And, at the same time, they will have to pay more to provide for their own retirement than their parents' and grandparents' generations did. So "business as usual" cannot be the solution. With the first Berlin Demography Forum, Allianz has now established an international platform where science, government, society and business can search for better alternatives together. <p>In 2011, Allianz addressed these two challenges in-house. Allianz is one of</p>		

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			<p>the world's largest investors in renewable energies and our total direct investments in this field topped the 1.3 billion euros mark in 2011 and we plan to further increase them. Additionally, we were two years early in achieving our goal of reducing 20 percent per employee of our own CO2 emissions by 2012; in fact, we even exceeded it. For this reason we extended our reduction target: by 2015 we want to achieve a total CO2 reduction of 35 percent per employee. Furthermore, from 2012 we will compensate for any remaining emissions with project investments that also advance climate protection in emerging economies. In Kenya, for example, Allianz is a participant in the world's first REDD project (Reducing Emissions from Deforestation and Forest Degradation), not only protecting more than 200,000 hectares of forest, but also preserving people's living environment and creating employment opportunities. In India, we are involved in exchanging 8.5 million incandescent light bulbs for energy-saving lamps. With projects like these, Allianz fosters climate protection in emerging economies, taps attractive investment opportunities, and at the same time ensures that its own operations are 100 percent carbon-neutral.</p> <p>Just as systematically, we are preparing Allianz, as a sustainable employer, for the consequences of demographic change. Our long-term succession planning, which also takes population aging into account, is already in place. At all levels of management, we are now experiencing gains in social and professional skills, which we can measure from our employees' perspective through our annual Group-wide engagement survey. Our diversity efforts play an important role here. In the matter of women in management, we unquestionably had a need to catch up. We made changes in 2011 which are evident, for example, in the fact that Allianz SE</p>		

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			<p>appointed the first woman to its Board of Management – an important signal. The same applies to our teams, which are becoming more and more international, just as our clients are. We furthermore ensure a mixture of generations, because it's in our best interest to make the most of senior colleagues' experience for everyone's benefit.</p> <p>The crises and changes that surround us pose a challenge. But they are also encouraging Allianz to transform itself. Our guiding compass for success will be our focus on our clients and commitment to sustainability. These will enable us to detect the need for action, as well as opportunities, at an early stage, and to keep our 142,000 employees in 70 countries working enthusiastically toward shared goals.</p> <p>Michael Diekmann CEO of Allianz SE</p> <p>More</p>		
	1.2	Description of key impacts, risks, and opportunities	Annual Report 2011 (Risk Report p.149-177)	Fully	

2. Organizational Profile

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	2.1	Name of the organization	Annual Report 2011	Fully	
	2.2	Primary brands, products, and/or services	Annual Report 2011 (Group Management Report/ Your Allianz p.56-59)	Fully	
	2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	Annual Report 2011 (Your Allianz p.56-68, Consolidated Financial Statements/ Other Information)	Fully	
	2.4	Location of organization's headquarters	Annual Report 2011 (Group Management Report/ Your Allianz)	Fully	Details Organizational Profile GRI 2.4: Location of organization's headquarters

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>Comment GRI 2.4 Königinstraße 28 80802 München Germany</p> <p>More</p>
	2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Annual Report 2011 (Group Management Report/ Your Allianz p.56-58)	Fully	
	2.6	Nature of ownership and legal	Annual Report 2011 (To our Investors/ Allianz Share p.20, 26)	Fully	

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		form			
	2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Annual Report 2011 (Group Management Report/ Your Allianz p.56-68)	Fully	
	2.8	Scale of the reporting organization	Annual Report 2011 (Allianz at a Glance, Segment Overview, Group Management Report/ Your Allianz)	Fully	
	2.9	Significant changes during the reporting period regarding size, structure, or ownership	Annual Report 2011 (To our Investors/Allianz Share p.16-21, Group Management Report/Management Discussion and Analysis p.85-140, Notes to Consolidated Financial Statements p. 189ff)	Fully	
	2.10	Awards	Annual Report 2011	Fully	

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		received in the reporting period	(To our Investors/Allianz Share p.21, Group Management Report/Your Allianz p.73, Group Management Report/Economic p.74) SD Report 2011 Awards list		

3. Report Parameters

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	3.1	Reporting period (e.g., fiscal/ calendar year) for information provided	SD Report 2011 Details Report Parameters GRI 3.1: Reporting period (e.g., fiscal/ calendar year) for information provided All the measures, activities and key figures presented in the current Progress Report refer to the 2011 financial year. Allianz warmly invites all stakeholders to provide feedback to and comments on this SD Report. More	Fully	
	3.2	Date of most recent previous report (if any)		Fully	Details Report Parameters GRI 3.2: Date of most

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					<p>recent previous report (if any)</p> <p>Comment GRI 3.2 The most recent Sustainable Development Report was published on May 4th, 2011.</p> <p>More</p>
	3.3	Reporting cycle (annual, biennial, etc.)		Fully	<p>Details</p> <p>Report Parameters GRI 3.3: Reporting cycle (annual, biennial, etc.)</p> <p>Comment GRI 3.3 Annual</p> <p>More</p>
	3.4	Contact point for questions regarding the report or		Fully	<p>Details</p> <p>Report Parameters GRI 3.4: Contact</p>

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		its contents			<p>point for questions regarding the report or its contents</p> <p>Comment GRI 3.4 Allianz SE Königinstraße 28 80802 Munich, Germany</p> <p>Contact: Isabel Bodlak Allianz4Good</p> <p>More</p>
	3.5	Process for defining report content	<p>SD Report 2011 Details</p> <p>Report Parameters</p> <p>GRI 3.5: Process for defining report content</p> <p>Issues of material importance</p> <p>At Allianz we continuously examine and monitor the sustainability issues of material importance to our business and identify potential emerging issues. To that end, we regularly engage with a wide range of external and internal stakeholders. We use various forms of interaction across all stakeholder groups including our regular Stakeholder Expectations Survey and the</p>	Fully	

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			<p>biannual Global Issues Forum. These are essential tools in gaining a deeper understanding of our stakeholders' expectations as to the sustainability issues material to our business. On top of that, our materiality process identifies the most important challenges and opportunities relating to global issues now and in the future, thus enhancing the tangibility and substance with regard to their impact on our business. We integrated the key findings of our materiality process into our sustainability reporting, showing how the issues concerned impact on financial service providers and outlining the company's strategic approach(Global Issues).</p> <p>More</p>		
	3.6	<p>Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance</p>	<p>SD Report 2011 Environment Social Details</p> <p>Report Parameters</p> <p>GRI 3.6: Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance</p> <p>Allianz' target of reducing the Group's carbon footprint by 20 percent in comparison with the 2006 level was achieved two years ahead of schedule: by the end of 2010, greenhouse gas emissions had been reduced by more than 27 percent per employee. As a result of this achievement, in 2011 Allianz set itself a new carbon reduction target to be achieved by 2015: a further 10 percent reduction as against the remaining 2010 footprint; corresponding to an overall reduction target of approximately 35 percent in</p>	Fully	<p>Details</p> <p>Report Parameters</p> <p>GRI 3.6: Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance</p> <p>Comment GRI 3.6 This Report covers Allianz SE and subsidiaries that are</p>

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			<p>comparison with the 2006 base year.</p> <p>As part of Allianz' carbon reduction strategy, the company runs an Environmental Management System (EMS) to ensure transparency in environmental performance and support the systematic gathering and controlling of environmental data. The three levers of Allianz' carbon reduction strategy are:</p> <ul style="list-style-type: none"> • Avoidance: avoiding emissions, for example through video-conferences instead of business travel • Reduction: reducing emissions by cutting consumption of energy, paper and water • Substitution: using "climate-friendly" alternatives for necessary business activities, e.g. using recycled paper instead of fresh fiber paper or by replacing fossil fuels with renewable energy sources <p>By December 31, 2011, the EMS covered around 83 percent of Allianz' global employee base.</p> <p>Explanatory notes More</p>		<p>directly or indirectly controlled by the Allianz Group, unless otherwise stated. Such control exists when the Allianz Group has the power to govern the financial and operating policies of the subsidiary in general – either when the Allianz Group directly or indirectly owns more than half of the voting rights of the subsidiary, or when control can be otherwise legally evidenced.</p> <p>More</p>
	3.7	State any specific limitations on the scope or boundary of the report (see	<p>SD Report 2011 Environment Social Details</p> <p>Report Parameters</p>	Fully	

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		completeness principle for explanation of scope)	<p>GRI 3.7: State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope)</p> <p>Scope of SD Report</p> <p>The SD Report 2011 relates to the entire Allianz Group and is geared to the G3.1 indicators of the GRI and the Financial Services Sector Supplement, both of which are displayed in an interactive index. This SD Report also includes additional information to document progress on the implementation of the Ten Principles of the UN Global Compact in the fields of human rights, labor standards, environmental protection and anti-corruption.</p> <p>More</p>		
	3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period	<p>SD Report 2011</p> <p>Environment</p> <p>Social</p> <p>Details</p> <p>Report Parameters</p> <p>GRI 3.8: Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations</p> <p>Scope of SD Report</p> <p>The SD Report 2011 relates to the entire Allianz Group and is geared to the G3.1 indicators of the GRI and the Financial Services Sector Supplement, both of which are displayed in an interactive index. This SD Report also</p>	Fully	<p>Details</p> <p>Report Parameters</p> <p>GRI 3.8: Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations</p>

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		to period and/or between organizations	<p>includes additional information to document progress on the implementation of the Ten Principles of the UN Global Compact in the fields of human rights, labor standards, environmental protection and anti-corruption.</p> <p>More</p>		<p>Comment GRI 3.8</p> <p>In line with GRI guidelines, the data in this Report relate to all of the Allianz Group's wholly and majority-owned operations around the world, unless otherwise stated.</p> <p>More</p>
	3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the	<p>Environment</p> <p>Social</p>	Fully	<p>Details</p> <p>Report Parameters</p> <p>GRI 3.9: Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to</p>

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		<p>Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols</p>			<p>apply, or to substantially diverge from, the GRI Indicator Protocols</p> <p>Comment GRI 3.9 Our data-collection and information-gathering process has been implemented to cover all strategic Group departments and major business units. Where possible, we disclose information gathered by our financial controlling system and other quality-proven data systems, for example Human Resources metrics, environmental data or the investment volume of sustainable and responsible investment funds. An official network of</p>

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					<p>content owners is regularly contacted to provide data and information for the reporting period. For data on products of relevance to sustainable development we contact the management staff of individual business lines.</p> <p>All the information in this Report has been compiled from our sources in good faith and with the greatest care. To the best of our knowledge, the information and data contained in this Report reflect the truth. Nevertheless, we assume no liability for the correctness or</p>

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					<p>completeness of the information provided.</p> <p>Environmental figures comply with the standards laid down by the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (VfU) and are extrapolated from the data in our Environmental Management System, which covers 82% of our employees. The Allianz Group's consolidated financial statements meet the International Financial Reporting Standards (IFRS) guidelines, as adopted under the European Union regulations in accordance with</p>

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					<p>Section 315a of the Handelsgesetzbuch (German Commercial Code).</p> <p>More</p>
	3.10	<p>planation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods)</p>	<p>Environment Social</p>	Fully	<p>Details</p> <p>Report Parameters</p> <p>GRI 3.10: plation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods)</p> <p>Comment GRI 3.10</p> <p>In each and every case, the effect of any re-statements of information provided</p>

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					<p>in earlier reports, and the reasons for such re-statement, will be explained, as required, in footnotes.</p> <p>More</p>
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	<p>Environment</p> <p>Social</p>	Fully	<p>Details</p> <p>Report Parameters</p> <p>GRI 3.11: Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report</p> <p>Comment GRI 3.11</p> <p>There have been no significant changes from the SD Report 2010/11.</p> <p>More</p>
	3.12	Table	Environment	Fully	

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		identifying the location of the Standard Disclosures in the report	Social		
	3.13	Policy and current practice with regard to seeking external assurance for the report		Fully	

4. Governance, Commitments, Engagement

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	4.1	Governance structure of the organization, including committees under the highest	Annual Report 2011 (Corporate Governance Report p.24-30)	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		governance body responsible for specific tasks, such as setting strategy or organizational oversight			
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Annual Report 2011 (To our Investors p.6-15)	Fully	
	4.3	For organizations that have a unitary board structure, state the number and gender of members of		Does not exist	Details Governance, Commitments, Engagement GRI 4.3: For organizations that have a unitary board

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		the highest governance body that are independent and/ or non-executive members			<p>structure, state the number and gender of members of the highest governance body that are independent and/ or non-executive members</p> <p>Comment GRI 4.3 We deem this indicator to be irrelevant as the Allianz Group has a two-tier structure with a Board of Management and a Supervisory Board. According to the given G3 definition, this indicator is only material to organizations without a Supervisory Board.</p> <p>More</p>
	4.4	Mechanisms for	Annual Report 2011 (Corporate Governance Report p.29)	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		shareholders and employees to provide recommendations or direction to the highest governance body			
	4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and	Annual Report 2011 (Remuneration Report p.37-53)	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		environmental performance)			
	4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Annual Report 2011 (Corporate Governance Report p.24-32)	Fully	
	4.7	Process for determining the composition, qualifications , and expertise of the members of the highest governance body and its committees, including any	Annual Report 2011 (Corporate Governance Report p.24-29)	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		consideration of gender and other indicators of diversity			
	4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	<p>Annual Report 2011 (p.31-32)</p> <p>SD Report 2011 Code of Conduct Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.8: Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation</p> <p>Principles of Sustainable Development</p> <p>Allianz has developed a set of SD Principles to guide activities in this field. These Principles support the overarching Group Policy and Code of Conduct:</p> <ul style="list-style-type: none"> • Striving to safeguard natural resources in all internal operations – and thereby contributing to and promoting the development of a low-carbon economy. • Incorporating sustainable business practices into Allianz products and services – and finding innovative solutions that address local and global challenges. In this way, Allianz ensures it meets the needs of its customers now and in the future, and thus supports the corporate strategy of achieving profitable and sustainable growth. 	Fully	

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			<ul style="list-style-type: none"> • Developing long-term and mutually beneficial partnerships with stakeholders – through activities and dialogues targeted at different stakeholder groups. For example, Allianz proactively engages with customers to gain a deeper understanding of their needs and requirements to help build lifelong customer relationships. Moreover, it engages employees in SD activities that are aligned with corporate core competencies, such as financial literacy. • Aiming to be fully transparent about Allianz' sustainability performance – and reporting annually. A superior performance in major international sustainability ratings provides proof not only of the progress made in SD but also of transparent and consistent communication <p>More</p> <p>Combating climate change</p> <p>Allianz sees its environmental responsibility primarily as a commitment to enabling a low carbon economy. As such, Allianz has a comprehensive Climate Change Strategy which covers its activities as a provider of financial services – insurance solutions, investments and asset management – and its internal business operations.</p> <p>To demonstrate its commitment to a low carbon future, Allianz' ambition is to be carbon-neutral from 2012. This is achieved through carbon-reducing measures managed under the environmental management system (EMS), with the remaining carbon footprint neutralized.</p> <p>More</p> <p>Avoiding or reducing emissions and substituting resources with lower-carbon alternatives (e.g. energy from renewable sources) are the three levers Allianz employs to reduce its carbon footprint. Since 99 percent of</p>		

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			<p>the Group's emissions come from energy, travel and paper, the focus of the carbon reduction activities has been on these areas:</p> <ul style="list-style-type: none"> • Energy: A Green IT Hardware Purchasing Policy ensures energy-efficient devices are purchased; Energy Star and EPEAT are Group-wide standards for all IT product purchases. In addition, audits of the energy performance of Allianz buildings are undertaken; Allianz Real Estate's Sustainable Buildings pilot project, for example, uses energy audits to determine the energy-efficiency and carbon-reduction potential of relevant parts of the real-estate portfolio. • Travel: A Global Travel Regulation sets minimum global standards for employee travel practices, e.g. by promoting video conferences and rail travel. • Paper: A Global Print Policy cuts overall paper consumption and reduces costs. <p>Reducing the consumption of natural resources cuts not only emissions but also costs. It is with this argument that Allianz implements its carbon reduction measures and ensures Group-wide acceptance of carbon as a business case.</p> <p>More</p>		
	4.9	Procedures of the highest governance body for overseeing the organization'	<p>Annual Report 2011 (Corporate Governance Report p.31-32, Remuneration Report p.37-53) SD Report 2011 Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.9: Procedures of the highest governance body for overseeing the</p>	Fully	

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		<p>s identification and managemen t of economic, environment al, and social performance , including relevant risks and opportunities , and adherence or compliance with internationall y agreed standards, codes of conduct, and principles</p>	<p>organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p> <p>Proximity to Board</p>		

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			<p>Allianz4Good governance structure</p> <pre> graph TD A[Allianz Board of Management] --> B[Board Member Finance] B --> C[Allianz4Good] C --> D[Allianz4Good (central unit)] C --> E[Allianz Climate Solutions (business function)] D --- F[Corporate Responsibility units of Allianz' subsidiaries] E --- F F --- G[Allianz foundations] </pre> <p>The Group's central unit responsible for promoting and further integrating sustainability into all areas of the Allianz business</p> <p>The Group's center of competence for climate change issues (product solutions, advisory, carbon investments)</p> <p>Corporate Responsibility units of Allianz' subsidiaries</p> <p>Allianz foundations</p>		<p>Just how seriously Sustainable Development is taken at Allianz is shown by the close proximity of Allianz4Good to the Board of Management. The</p>

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			<p>head of Allianz4Good reports directly to Dr. Maximilian Zimmerer, the Board Member responsible for Finance. Allianz4Good keeps the Board informed about the progress of SD issues and Allianz' performance, and supports the Board with respect to its strategic decisions on SD-related topics.</p> <p>More</p>		
	4.10	Processes for evaluating the highest governance body's own performance , particularly with respect to economic, environmental, and social performance	Annual Report 2011 (Remuneration Report p.37-53)	Fully	
	4.11	Explanation of whether and how the precautionary approach or principle is addressed	Annual Report 2011 (Riskreport p.149-177)	Fully	

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		by the organization			
	4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	<p>SD Report 2011 Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.12: Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses</p> <p>International commitments and memberships</p> <ul style="list-style-type: none"> • Carbon Disclosure Project • Membership of the European Insurance and Reinsurance Federation (CEA) • European Fund and Asset Management Association (EFAMA) • International Insurance Society (IIS) • Sustainable Stock Exchange Initiative • The Geneva Association • Transparency International • United Nations Global Compact • United Nations Environment Program Finance Initiative • United Nations Principles for Responsible Investment • United Nations Principles for Sustainable Insurance • United Nations Framework Convention on Climate Change • Munich Climate Insurance Initiative (MCII) <p>More</p> <p>National commitments and memberships</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<ul style="list-style-type: none"> • Centrum für Corporate Citizenship Deutschland (Center for Corporate Citizenship Germany) • ClimateWise • Deutscher Nachhaltigkeitskodex (German Sustainability Codex), Rat für nachhaltige Entwicklung, (German Government's Council for Sustainable Development) • Forum Nachhaltige Entwicklung der Deutschen Wirtschaft, also known as econsense (Forum for the Sustainable Development of the German Economy) • UK Stewardship Code • The German Insurance Association (GDV) • 2° – German CEOs for Climate Protection • Bundesverband Investment und Asset Management (BVI) (Federal Association of Investment and Asset management) • Bundesverband der Deutschen Industrie/der Deutschen Arbeitgeberverbände (BDI/BDA) (Federal Association of the German Industry and Employers) • Verband der Privaten Krankenversicherer (PKV) (German Association of Private Health Insurers) <p>More</p>		
	4.13	Memberships in	<p>SD Report 2011 Details</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		<p>associations (such as industry associations) and/ or national/ international advocacy organization s in which the organization: has positions in governance bodies; participates in projects or committees; provides substantive funding beyond routine membership dues; or views membership as strategic</p>	<p>Governance, Commitments, Engagement</p> <p>GRI 4.13: Memberships in associations (such as industry associations) and/ or national/ international advocacy organizations in which the organization: has positions in governance bodies; participates in projects or committees; provides substantive funding beyond routine membership dues; or views membership as strategic</p> <p>International commitments and memberships</p> <ul style="list-style-type: none"> • Carbon Disclosure Project • Membership of the European Insurance and Reinsurance Federation (CEA) • European Fund and Asset Management Association (EFAMA) • International Insurance Society (IIS) • Sustainable Stock Exchange Initiative • The Geneva Association • Transparency International • United Nations Global Compact • United Nations Environment Program Finance Initiative • United Nations Principles for Responsible Investment • United Nations Principles for Sustainable Insurance • United Nations Framework Convention on Climate Change • Munich Climate Insurance Initiative (MCII) <p>More</p> <p>National commitments and memberships</p> <ul style="list-style-type: none"> • Centrum für Corporate Citizenship Deutschland (Center for Corporate Citizenship Germany) • ClimateWise • Deutscher Nachhaltigkeitskodex (German Sustainability Codex), 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Rat für nachhaltige Entwicklung, (German Government's Council for Sustainable Development)</p> <ul style="list-style-type: none"> • Forum Nachhaltige Entwicklung der Deutschen Wirtschaft, also known as econsense (Forum for the Sustainable Development of the German Economy) • UK Stewardship Code • The German Insurance Association (GDV) • 2° – German CEOs for Climate Protection • Bundesverband Investment und Asset Management (BVI) (Federal Association of Investment and Asset management) • Bundesverband der Deutschen Industrie/der Deutschen Arbeitgeberverbände (BDI/BDA) (Federal Association of the German Industry and Employers) • Verband der Privaten Krankenversicherer (PKV) (German Association of Private Health Insurers) <p>More</p>		
	4.14	List of stakeholder groups engaged by the organization	SD Report 2011	Fully	
	4.15	Basis for identification and selection of stakeholders with whom	<p>SD Report 2011 Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.15: Basis for identification and selection of stakeholders with whom</p>	Fully	<p>Details</p> <p>Governance, Commitments,</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		to engage	<p>to engage</p> <p>What stakeholders think and want</p> <p>At a Group level, Allianz makes use of three main dialogue tools to discover what stakeholders think and want, and to determine the most relevant topics for key groups:</p> <ul style="list-style-type: none"> • The global Stakeholder Expectations Survey, which covers issues of social and commercial relevance for Allianz such as climate protection or capital market stability, targets politicians, the media, NGOs, scientists, representatives of other companies and the company's own management staff. • At the biannual Global Issues Forum a body of invited experts discusses and analyzes significant developments and trends impacting our business. This provides Allianz with insights to supplement its systematic efforts to monitor risks and opportunities that may become relevant to its business in the medium to long term. • The third of these crucial dialogue tools is a regular Materiality Process to specify and prioritize a number of material issues that have the greatest impact on Allianz' sustainable business success. The major sources of input are the findings from the Global Issues Forum and the Stakeholder Expectations Survey. <p>These global dialogue tools are complemented by activities conducted by Allianz subsidiaries in their local markets.</p> <p>Thanks to an ongoing and systematic interaction with stakeholder groups, Allianz can not only identify the sustainability topics of most relevance to them and the company's business, but also determine what role it should play in addressing them</p>		<p>Engagement</p> <p>GRI 4.15: Basis for identification and selection of stakeholders with whom to engage</p> <p>Comment GRI 4.15</p> <p>With 142,000 employees and operations in around 70 countries globally, Allianz is a company of significant size with a widely varying stakeholder basis. Therefore, Allianz is committed to engaging its stakeholders (customers, employees, the investment community, NGOs, governments, suppliers and society in general) in a variety</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			More		<p>of ways at both a Group and local level. This naturally includes critical stakeholders as well. Allianz employs a systematic approach to understand the demands of its various stakeholder groups. Further more AZ pursues long term strategic partnernships with international anerkannten NGOs such as GIZ and Red Cross to support Allianz in adressing the issues identified.</p> <p>More</p>
	4.16	Approaches to stakeholder engagement , including frequency of engagement	<p>SD Report 2011 Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.16: Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		by type and by stakeholder group	<p>Broadly based dialogues</p> <p>Allianz has a wide variety of stakeholder groups: customers, employees, the global investment community, governments, non-governmental organizations (NGOs), society and suppliers. To understand their differing demands, Allianz fosters stakeholder relationships at a Group and local level through regular and systematically planned forms of dialogue, e.g. conferences, workshops, road shows and surveys. By listening to and addressing stakeholders' concerns and striving for transparency in all its dealings, Allianz aims to build trustful relationships.</p> <p>The overriding goal is to intensify the various types of stakeholder dialogue with the aim of gathering specific opinions, expectations and ideas and considering these in the light of business operations. Allianz' intention is to better understand and effectively help in managing the impacts of current or future global challenges on stakeholders by finding and developing effective solutions.</p> <p>More</p> <p>Employee engagement</p> <p>In a people business like financial services, employee engagement brings competitive benefits by contributing to a culture of high performance, integrity and customer orientation. Research shows a strong link between engagement and business performance, further highlighting the importance of an effective feedback culture for the benefit of all stakeholders. The Group-wide Allianz Engagement Survey (AES) is now standard practice in gathering employees' feedback on promoting a high-</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>performance culture within Allianz. Most importantly, the results are directly performance-relevant for the top management of Allianz, which generates a strong buy-in and ensures that AES findings are consistently acted upon.</p> <p>More</p> <p>Allianz aims to encourage and enhance employee engagement as a factor that contributes to a culture of high performance and customer orientation. Allianz annually collects feedback from employees, managers and board members to measure the overall level of engagement and identify its drivers. In 2011 we conducted the second Group-wide Allianz Engagement Survey, which brought together local surveys in gathering employees' feedback. 116,229 employees from 66 Allianz companies were invited to participate. The participation rate of 78 percent was 9 percentage points up compared to 2010. The survey results are factors in the remuneration of the Group's Board of Management and top management.</p> <p>More</p>		
	4.17	Key topics and concerns that have been raised through stakeholder engagement , and how the organization has	<p>SD Report 2011 Details</p> <p>Governance, Commitments, Engagement</p> <p>GRI 4.17: Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting</p> <p>What stakeholders think and want</p> <p>At a Group level, Allianz makes use of three main dialogue tools to</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		<p>responded to those key topics and concerns, including through its reporting</p>	<p>discover what stakeholders think and want, and to determine the most relevant topics for key groups:</p> <ul style="list-style-type: none"> • The global Stakeholder Expectations Survey, which covers issues of social and commercial relevance for Allianz such as climate protection or capital market stability, targets politicians, the media, NGOs, scientists, representatives of other companies and the company's own management staff. • At the biannual Global Issues Forum a body of invited experts discusses and analyzes significant developments and trends impacting our business. This provides Allianz with insights to supplement its systematic efforts to monitor risks and opportunities that may become relevant to its business in the medium to long term. • The third of these crucial dialogue tools is a regular Materiality Process to specify and prioritize a number of material issues that have the greatest impact on Allianz' sustainable business success. The major sources of input are the findings from the Global Issues Forum and the Stakeholder Expectations Survey. <p>These global dialogue tools are complemented by activities conducted by Allianz subsidiaries in their local markets.</p> <p>Thanks to an ongoing and systematic interaction with stakeholder groups, Allianz can not only identify the sustainability topics of most relevance to them and the company's business, but also determine what role it should play in addressing them</p> <p>More</p> <p>Issues of material importance</p> <p>At Allianz we continuously examine and monitor the sustainability issues of</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>material importance to our business and identify potential emerging issues. To that end, we regularly engage with a wide range of external and internal stakeholders. We use various forms of interaction across all stakeholder groups including our regular Stakeholder Expectations Survey and the biannual Global Issues Forum. These are essential tools in gaining a deeper understanding of our stakeholders' expectations as to the sustainability issues material to our business. On top of that, our materiality process identifies the most important challenges and opportunities relating to global issues now and in the future, thus enhancing the tangibility and substance with regard to their impact on our business. We integrated the key findings of our materiality process into our sustainability reporting, showing how the issues concerned impact on financial service providers and outlining the company's strategic approach(Global Issues).</p> <p>More</p> <p>Allianz aims to encourage and enhance employee engagement as a factor that contributes to a culture of high performance and customer orientation. Allianz annually collects feedback from employees, managers and board members to measure the overall level of engagement and identify its drivers. In 2011 we conducted the second Group-wide Allianz Engagement Survey, which brought together local surveys in gathering employees' feedback. 116,229 employees from 66 Allianz companies were invited to participate. The participation rate of 78 percent was 9 percentage points up compared to 2010. The survey results are factors in the remuneration of the Group's Board of Management and top management.</p> <p>More</p>		

GRI – Economic Indicators

Disclosure on Management Approach

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 4, 6, 7	DMA EC	Economic performance, Market presence, Indirect economic impacts	<p>Annual Report 2011 (Allianz at a glance, Your Allianz/Business Strategy p. 69-86, Corporate Governance p. 24-32, Management Discussion and Analysis/Business environment p. 85-87)</p> <p>SD Report 2011 Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA EC: Economic performance, Market presence, Indirect economic impacts</p> <p>Customer demand, a growing recognition of the materiality of ESG factors and better risk-adjusted returns are sound business reasons for analyzing ESG factors in an investment context. By scrutinizing investments from an ESG perspective, Allianz can identify long-term risks and opportunities not reflected in current market prices and capitalize on them to the benefit of shareholders, customers and other stakeholders. This is especially relevant to Allianz as an insurance company that manages and carries risk over very long time horizons.</p> <p>Allianz is increasingly demonstrating its commitment to ESG through the thoughtful consideration of such factors in its investment strategies and asset management. This is undertaken both as an investor of its proprietary assets and in its third-party asset management business. The Allianz Group's proprietary business is steered by Allianz Investment Management SE (AIM)</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>while the third-party business is managed by Allianz Asset Management (AAM) through its subsidiaries Allianz Global Investors (AllianzGI) and PIMCO.</p> <p>More</p> <p>Principles for Responsible Investment</p> <p>In 2011, Allianz SE (as asset owner) and PIMCO (as asset manager) signed the United Nations Principles for Responsible Investment (UN PRI), joining the AllianzGI subsidiaries RCM, AllianzGI Korea and AllianzGI Investments Europe. The UN PRI is a network of international investors representing more than 30 trillion US-dollars of assets under management and working together to put the six Principles for Responsible Investment into practice. These Principles reflect the view that ESG issues can affect the performance of investment portfolios and therefore must be given appropriate consideration by investors if they are to fulfill their fiduciary duty. 95 percent of the total assets under management by Allianz are now covered by this commitment.</p> <p>More</p> <p>Sustainability in proprietary asset management</p> <p>Allianz strives to invest sustainably across all asset classes over time. The practical implementation of sustainability in proprietary asset management involves integrating ESG factors into the investment process through research, corporate and country analysis, strategic asset allocation, portfolio construction, asset manager selection, monitoring and risk management. Allianz firmly believes that considering ESG factors in performance evaluation is not just another trend but will fundamentally change business and consequently investment performance over time. Allianz has adopted an evolutionary learning path – existing practices are leveraged and consistency enhanced over asset</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>classes and regions to further mature its systematic approach. As a first step, Allianz will ensure that its proprietary assets are not invested in companies involved in banned weapons (cluster munitions, anti-personnel mines and biological or chemical weapons). Any existing investments will be divested.</p> <p>More</p> <p>Responsibility in third-party asset management</p> <p>Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and pursuing active share ownership through proxy voting are at the heart of all their ESG strategies.</p> <p>Find out more about Allianz' specialist asset managers and corresponding approaches to sustainable and responsible investing:</p> <p>More</p> <p>AllianzGI</p> <p>AllianzGI pursues an approach with specialized asset management units for</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>different investment strategies and asset classes as well as several centers of competence for ESG expertise and investing.</p> <ul style="list-style-type: none"> • AllianzGI Capital gives clients the opportunity to define their own social restrictions for the investment selection process. More than 4 percent of the assets under management (or 2 billion US-dollars) represent client accounts managed in a socially responsible manner. • AllianzGI Investments Europe plays a leading role across the entire ESG value chain: <ol style="list-style-type: none"> 1) Upstream: through participating in corporate or multi-stakeholder initiatives and investor networks; 2) Investing: systematic research into and specific adaptation of ESG criteria for both mainstream and ESG portfolios; a 'best-in-class' and 'best effort' approach for ESG portfolios across all main asset classes, minimum ESG ratings and a focus on additional criteria, such as human rights, are required of all eligible issuers; 3) Downstream: a universal proxy voting policy has been adopted and proactive share ownership is practiced. • AllianzGI Korea applies ESG criteria to equity investments with a focus on corporate governance. To unlock the value of target companies stemming from poor corporate governance, fund managers carry out in-depth research, including due-diligence if possible, and continuously monitor the decision-making processes of the target company. AllianzGI Korea's Corporate Governance Strategy takes a "relational engagement" approach, meaning that the strategy needs to be customized for each target company and must be sensitive to the societal and cultural circumstances prevailing at the time. • RCM 's dedicated global Sustainability Research team analyzes over 2,600 global companies on a 'best-in-class' basis. Their analysis is converted into A-E ratings that are integrated into RCM's broader fundamental research platform. ESG-related issues are embedded into the fabric of RCM's Global Corporate Governance Guidelines and Proxy Voting 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Policy, which recognize that as signatories to the UN PRI, RCM is committed, where appropriate, to actively implementing the Principles into its voting activities.</p> <ul style="list-style-type: none"> • risklab develops and implements innovative solutions for asset management and provides investment advice on the integration of ESG factors in a portfolio context. <p>More</p> <p>PIMCO</p> <p>PIMCO focuses on the longer-term dynamics that are at the core of ESG issues. In terms of credit research, PIMCO already has strong governance analysis capabilities and considers ESG factors to be part of its research process. Investing in companies working actively to reduce ESG risks, or engaging companies PIMCO invests in to do more with respect to ESG, helps to reduce the risk of negative surprises and increase the long-term quality of managed portfolios. While ESG factors are not new to the investment process, PIMCO believes that being a UN PRI signatory provides a framework that allows PIMCO professionals to engage with asset owners and other asset managers on the challenges related to ESG evaluation.</p> <p>More</p> <p>Allianz' holistic response</p> <p>As an integrated financial services provider, Allianz is ideally positioned to offer holistic pension solutions by combining its asset management and insurance expertise. Through exploiting Group-wide synergies in these two fields, Allianz now has a range of tailored pension and healthcare products.</p> <p>Allianz regularly develops new products ranging from traditional life insurance</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>to hybrid solutions combining asset management and insurance expertise. The current market conditions in particular have boosted demand for guaranteed retirement savings and protection against market volatility, while protection against inflation has also been a concern. Moreover, as increasing numbers of people retire, there is a growing need for decumulation solutions, including income for life, capital returns, service and inheritance wealth management. Allianz is developing and promoting solutions to address consumer needs in this field. The joint capabilities of Allianz' life insurance and asset management business are particularly relevant for the retirement phase of life.</p> <p>Extensive research and trend studies are influencing strategic decisions throughout the Group, driving product innovation and helping to raise awareness of key demographic challenges within the business community and society as a whole. The planning, direction and implementation of macroeconomic and demographic research at Allianz is in the hands of Group Economic Research and Corporate Development (ERCD). Through a global forum ERCD is involved in strengthening Allianz' position in the retirement segment. Furthermore, Allianz business lines and subsidiaries have local research capabilities that are contributing to the development of products and services to meet local needs. In addition to research, Allianz has strong distribution capabilities in life insurance and asset management to better reach retirement customers.</p> <p>More</p> <p>Key focus on pensions</p> <p>The most important element of Allianz' strategic response to the challenge of demographic change is its product portfolio, which is positioned in an</p>		


CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>increasingly significant sector of the financial services market. A 2010 Allianz study predicted an 80 percent increase in global pension assets to 36 trillion euros in 2020 ¹. Allianz' strength in this field is its ability to manage customers' financial needs throughout their lifetime. Since Allianz covers the whole value chain from research and product development to customer service, and combines asset management with insurance expertise, it can not only supply solutions throughout a customer's lifecycle but also improve their understanding of retirement issues. One example of how this holistic approach is fully integrated into Allianz' business is the Center for Behavioral Finance in the U.S.A. This institute turns research insights into actionable ideas and practical tools for financial advisors, plan sponsors and investors.</p> <p>¹ Allianz Demographic Pulse, Big and Getting Bigger, Nr. 3 2010</p> <p>More</p>		

Economic performance

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	EC1	Direct economic value generated and distributed, including revenues, operating costs,	<p>Annual Report 2011 (Allianz at a glance) SD Report 2011 Details</p> <p>Economic performance</p> <p>GRI EC1: Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		<p>employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments</p>	<p>community investments, retained earnings, and payments to capital providers and governments</p> <p>Over the past two years, Allianz has implemented a Group-wide corporate giving framework and 2011 was the first year for which the company has published figures on its global corporate giving activities. In 2011, Allianz donated an overall total of 22.2 million euros to support local communities. The total corporate giving sum comprises corporate donations, charitable memberships, as well as grants made by the company's affiliate foundations.</p> <p>Allianz also offers its employees the possibility of participating in global and local donation campaigns, especially in case disaster strikes. In 2011, the Allianz Group, its subsidiaries and its employees supported emergency relief and rebuilding activities after the severe natural disasters in Australia, Japan, Thailand and Turkey.</p> <p>More</p> <p>Donations to political parties</p> <p>In 2011, Allianz contributed equal amounts to political parties representing a variety of views within the German political spectrum: the Green Party (Bündnis 90/Die Grünen), Christian Democrats (CDU), Christian Social Union (CSU), Liberals (FDP) and Social Democrats (SPD). A donation of 50,001 euros went to each party. This sum is specifically chosen to ensure the figure is officially published by the German Parliament, which guarantees complete transparency. All contributions are effective as of July 1 to ensure that they are in no manner connected, or perceived to be connected, to any legislative initiatives or elections.</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Allianz only has a policy on donations to political parties in Germany. In other countries, any donations to political parties by Allianz companies comply with the respective national legislation or conventions, which differ greatly from country to country. In the U.S.A., for example, company donations to members of the House of Representatives and the Senate are prohibited. It is common practice, however, for employees to make donations on their own behalf to political parties via so-called Political Action Committees, which channel these donations to local parliamentarians.</p> <p>More</p>		
7	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<p>Annual Report 2011 (Risk Report p. 149 - 177, Consolidated financial statements p. 189ff) SD Report 2011 Details</p> <p>Economic performance</p> <p>GRI EC2: Financial implications and other risks and opportunities for the organization's activities due to climate change</p> <p>Strategic priorities in 2011</p> <p>Within the broad spectrum of strategic activities undertaken in 2011, the following measures were taken in the four key sustainability fields:</p> <ul style="list-style-type: none"> Economic: 2011 was characterized by efforts to further integrate sustainable business practices into Allianz' core business activities. An important step was the establishment of an approach to integrate environmental, social and governance (ESG) factors into Allianz' proprietary 	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>investments.</p> <ul style="list-style-type: none"> • Environmental: Allianz achieved its carbon reduction target two years ahead of schedule and then set itself new targets. During 2011, a new Carbon Reduction Strategy was developed for a roll-out in 2012. • Social: Since supporting the communities in which Allianz operates is an integral part of the corporate responsibility strategy, work continued on the strengthening of social and employee engagement activities within the Group. In early 2011, a new initiative was launched involving Allianz retirees in volunteering activities. • Governance: The alignment of the SD strategy with the business strategy has been further strengthened and a new governance structure to better steer SD activities within the Group established. Moreover, 2011 saw the introduction of stronger reporting structures and an alignment of financial and non-financial performance communication to bring SD reporting into line with the Annual Report. In this regard, the transparency of Allianz' SD performance has been generally enhanced through fulfillment of the highest level of the Global Reporting Initiative (GRI). Last but not least, there have been improvements in the quality and credibility of SD data, and in particular environmental data. <p>More</p> <p>Contributing to a low-carbon economy</p>  <p>Allianz has a Group-wide strategy covering climate change-related risks and opportunities.</p> <p>More</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p data-bbox="638 384 1097 416">How climate change impacts insurers</p> <p data-bbox="638 432 1563 711">Since global warming is most probably causing more frequent extremes of weather – heatwaves, droughts, floods and tropical storms – it materially affects insurers' operations across all lines of business. Weather extremes impact insurers in two ways: through policies covering hurricane or flood damage, for example, and as large-scale institutional investors with significant stakes in companies affected by weather extremes. Payments on claims for damage and loss caused by such phenomena have increased significantly in the past 30 years and totaled approx. 24 billion US-dollars in 2010¹.</p> <p data-bbox="638 735 1424 799">¹ Munich Re; TOPICS GEO; Natural Catastrophes 2010; Analyses, assessments, positions, February 2011; own calculations</p> <p data-bbox="638 807 703 831">More</p> <p data-bbox="638 863 952 895">Climate change research</p> <p data-bbox="638 911 1576 1078">All financial service providers face the challenge of generating and interpreting climate change data as a precondition for climate-related risk management. For this reason, Allianz is investing in research to not only improve the quality of climate change data but also to identify, quantify, price and mitigate the risks involved. Five examples illustrate how this research is conducted:</p> <ul data-bbox="638 1110 1576 1374" style="list-style-type: none"> <li data-bbox="638 1110 1576 1198">• Group Economic Research and Corporate Development (ERCD) identifies climate-related trends, risks and opportunities with a focus on mid-to long-term horizons and their impact on the insurance business. <li data-bbox="638 1230 1576 1318">• The Cat Management Unit at Allianz SE Reinsurance conducts a proactive interchange with academia and plays an active role in the German Insurance Association's climate change working group. <li data-bbox="638 1350 1576 1374">• As part of the strategic partnership with the World Wide Fund for 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Nature (WWF) focusing on finding solutions for capital markets regarding climate change and prevention of it, Allianz carried out several joint projects, e.g. real estate investments, carbon footprint from investments and an employee campaign. The latest study analyzed the link between climate change and extreme surface flooding in Northern Italy. The strategic partnership ended in 2011 but Allianz continues to work with WWF on a project-basis.</p> <p>As a member of the Munich Climate Insurance Initiative (MCII), Allianz contributes know-how and resources to insurance-related projects focusing, for example, on climate risk adaptation. In addition, Allianz is an active member of global climate-related initiatives such as ClimateWise and the UN Environment Programme Finance Initiative.</p> <p>More</p>		
	EC3	Coverage of the organization's defined benefit plan obligations	Annual Report 2011 (Consolidated Financial Statements p. 189ff)	Fully	
	EC4	Significant financial assistance received from government		Fully	

Market presence

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1	EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation		Fully	<p>Details</p> <p>Market presence</p> <p>GRI EC5: Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation</p> <p>Comment GRI EC5</p> <p>In the financial services' industry minimum wages are basically not material since the majority of staff are highly skilled. Hence, Allianz generally pays wages that are higher than the local minimum wages (where they exist). In addition, collective bargaining agreements exist in most of the countries Allianz operates and Allianz strictly adheres to tariff structures and collective bargaining agreements negotiated with trade unions. In all, Allianz paid 8.4 bn EUR in salaries and wages (excluding social security, pension and post-retirement benefits) in 2011 – up from 8.3 bn EUR in 2010.</p> <p>More</p>
	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation		Not applicable	<p>Details</p> <p>Market presence</p> <p>GRI EC6: Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p> <p>Comment GRI EC6</p> <p>We deem this indicator to be of no relevance for Allianz' specific business model as a provider of financial services since our products are of</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>intangible nature. Nevertheless, the Global Purchasing Minimum Standards for both IT and non-IT operations provide a framework for purchasing activities of all Allianz Group Companies (OEs). The responsibility for local purchasing, however, remains with the OEs/regions, which are required to have local purchasing policies in place. Where framework agreements with large global or regional suppliers exist, local specifications are negotiated locally whilst ensuring the implementation in the local market is in line with the framework agreement. Allianz does not report any spending-related figures for locally based suppliers.</p> <p>More</p>
6	EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation		Fully	<p>Details</p> <p>Market presence</p> <p>GRI EC7: Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation</p> <p>Comment GRI EC7</p> <p>Standard recruiting procedures apply in the local markets. As a rule, Allianz recruits its workforce in the respective markets, the exception being employees with skills that are not available locally in the required numbers. With respect to senior management, Allianz hires managers with strong local market credentials and knowledge. As a result, the vast majority of our management positions are staffed locally. For talent-development purposes Allianz makes use of short and medium-term secondments to foreign markets for specialists and managers of all grades.</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					More

Indirect economic impacts

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	<p>SD Report 2011 Details</p> <p>Indirect economic impacts</p> <p>GRI EC8: Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of volunteering work. Our overall aim is to:</p> <ul style="list-style-type: none"> • Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations. • Support the development of effective solutions to address social concerns. • Enhance employees' personal development by helping to 	Fully	

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>develop and build a range of skills and abilities that they can bring back to the workplace.</p> <ul style="list-style-type: none"> • Raise motivation amongst employees and enhance teamwork. <p>More</p> <p>Disaster response</p> <p>When natural disasters occur, many Allianz employees demonstrate a desire to help. Our company responds by offering donation programs to its employees and donating money itself. In this way, we support relief efforts in the affected areas. The effectiveness of our disaster response activities has been enhanced by a number of measures. These include development of an internal guideline to advise Allianz subsidiaries on when and how to take action in the event of a natural disaster, the launch of a global donation platform to involve all our employees worldwide in donation campaigns, and measures to ensure faster and better action-taking when required.</p> <p>More</p> <p>Since volunteer work is always a personal choice, employees can choose from different initiatives. In addition to Group-run programs, Allianz subsidiaries worldwide offer their own programs to suit local requirements and community needs. The Group-run projects include:</p> <ul style="list-style-type: none"> • My Finance Coach:A non-profit initiative run by Allianz SE, Grey Advertising Ltd. and McKinsey & Company, Inc. My Finance Coach aims to improve the financial literacy of 11- to 15-year-old pupils and help them avoid accumulating debts by offering the skills and knowledge they need to manage money responsibly and independently. These volunteering activities are supplemented by a comprehensive range of further training options for teachers and 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>extracurricular activities. The German UNESCO Committee has declared My Finance Coach to be an official project of the United Nations Decade of Education for Sustainable Development (2005-2014).</p> <ul style="list-style-type: none"> • Social OPEX:A leadership development and employee engagement program that brings together Allianz employees and social entrepreneurs to facilitate a mutually beneficial exchange of skills and ideas. Whilst learning valuable lessons for their daily work, our employees apply their business skills to help social entrepreneurs improve their social impact. • startsocial:Themed "innovation needs experience" and run under the patronage of German Chancellor Angela Merkel, this initiative fosters innovative social ideas in Germany. Allianz supports startsocial as one of the four key sponsors and contributes expertise through its former employees, who play an active role as jurors or coaches. <p>More</p> <p>The challenges of microinsurance</p> <p>However, Allianz can only unlock the full growth potential by mastering the challenges of microinsurance:</p> <ul style="list-style-type: none"> • Tiny margins per policy mean microinsurance can only be profitable if a great many standardized products are sold through uniform processes. • Illiteracy, and especially financial illiteracy, is high in countries with the highest microinsurance potential, a challenge that requires dedicated efforts in financial education. • Risk assessment remains difficult and needs to be improved through a better understanding of the markets and people's needs, 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>which is achieved by increased market research.</p> <p>More</p> <p>Financial and social returns</p> <p>The double bottom line in the microinsurance business is that it has to deliver both financial and social returns. To achieve an adequate financial return, Allianz only offers microinsurance in markets where a subsidiary operates and efficient distribution partners such as NGOs, microfinance institutions or mobile operators can be found. The social returns are generated through a strong focus on quality products that deliver genuine client value. For example, Allianz uses focus group demand surveys to determine what this value should be and adapts its products accordingly. Profit expectations in microinsurance are admittedly much lower than from traditional products, but Allianz believes there will be a mid- to long-term pay-off as its low-income customers move up the economic ladder.</p> <p>More</p> <p>Managing and enhancing microinsurance</p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>focus and emphasis of customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> <p>More</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p>		

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			<p>Microinsurance key figures ^{1,2}</p> <table border="0"> <tr> <td>As of December 31, 2011</td> <td style="text-align: right;">2011</td> <td></td> </tr> <tr> <td>Revenues [€m]</td> <td style="text-align: right;">34.5</td> <td></td> </tr> <tr> <td>Customers (rounded) [m]</td> <td style="text-align: right;">2.6</td> <td></td> </tr> </table> <p>¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.</p> <p>² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.</p> <p>More</p> <p>Key performance indicators</p> <p>In line with the measures to refine its microinsurance business principles, Allianz is also striving to better measure and control the financial and social performance of microinsurance by applying key performance indicators (KPIs) to microinsurance. The general KPIs collected from all microinsurance operations (currently in ten markets) are the numbers insured (i.e. coverage), premium income, numbers of distribution partners and, in some cases, claims ratios. The claims ratio is the strongest social impact indicator as it reflects value for money, i.e. how much money is returned to customers in the form of claims. The higher the claims ratio, the better the customer value. However, claims ratios above 100 percent are too high as they signal that the product is not financially sustainable. The claims ratios for enhanced</p>	As of December 31, 2011	2011		Revenues [€m]	34.5		Customers (rounded) [m]	2.6			
As of December 31, 2011	2011													
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Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>credit life products in Indonesia, for example, are consistently between 50 percent and 60 percent, which indicates decent customer value. The claims ratios for other products vary widely. More detailed KPI monitoring and active steering will be initiated in 2012 and introduced in full in 2013. Besides, some in-depth social impact measurement has already taken place, but with inconclusive results. This will receive more focus from 2013 onwards, once robust basic KPI reporting has been established.</p> <p>More</p> <p>There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.</p> <p>As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.</p> <p>Nevertheless, Allianz continued to expand its presence in other</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>markets and entered three new markets in 2011: Burkina Faso, Malaysia and Mali. Innovation in distribution and products progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.</p> <p>More</p> <p>Public-private partnership</p> <p>In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers</p>		


Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p> <p>More</p>		
	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	<p>SD Report 2011 Details</p> <p>Indirect economic impacts</p> <p>GRI EC9: Understanding and describing significant indirect economic impacts, including the extent of impacts</p> <p>The challenges of microinsurance</p> <p>However, Allianz can only unlock the full growth potential by mastering the challenges of microinsurance:</p> <ul style="list-style-type: none"> • Tiny margins per policy mean microinsurance can only be profitable if a great many standardized products are sold through uniform processes. • Illiteracy, and especially financial illiteracy, is high in countries with the highest microinsurance potential, a challenge that requires dedicated efforts in financial education. • Risk assessment remains difficult and needs to be improved through a better understanding of the markets and people's needs, which is achieved by increased market research. <p>More</p> <p>Financial and social returns</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>The double bottom line in the microinsurance business is that it has to deliver both financial and social returns. To achieve an adequate financial return, Allianz only offers microinsurance in markets where a subsidiary operates and efficient distribution partners such as NGOs, microfinance institutions or mobile operators can be found. The social returns are generated through a strong focus on quality products that deliver genuine client value. For example, Allianz uses focus group demand surveys to determine what this value should be and adapts its products accordingly. Profit expectations in microinsurance are admittedly much lower than from traditional products, but Allianz believes there will be a mid- to long-term pay-off as its low-income customers move up the economic ladder.</p> <p>More</p> <p>Managing and enhancing microinsurance</p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social</p>		

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			<p>performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> <p>More</p> <p>A committed corporate citizen</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			 <p data-bbox="779 959 1547 1018">By offering skills, time and money Allianz strives to advance social well-being in local communities.</p> <p data-bbox="779 1034 846 1061">More</p> <p data-bbox="792 1098 1032 1125">Community support</p> <p data-bbox="779 1141 1592 1353">Supporting the communities we operate in is an integral part of our corporate responsibility (CR) strategy. Despite the challenging economic conditions of the last few years, we have maintained our commitment to be a trusted partner in each market. Besides financial donations, we have increased our support through volunteering and capacity-building programs. By sharing our financial know-how with</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>society as a whole, we help support the Allianz Group's stated priority of "building the strongest financial communit"". Here, we focus – wherever possible – on the three keynote areas of financial literacy, risk awareness and low-carbon economy.</p> <p>More</p> <p>Principles of social engagement</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p data-bbox="801 379 1507 416">The Allianz4Good Principles for Social Engagement</p>  <p data-bbox="779 1206 1621 1342">As the center of competence for corporate responsibility in the Allianz Group, the Allianz4Good team defines the basic principles for social engagement at Allianz. These principles are based on the premise that taking a strategic, long-term perspective on social engagement</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>generates sustainable value for all of the company's stakeholders. What is more, they are intended to support local decision-making on proposed projects by providing objective engagement criteria.</p> <p>More</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of volunteering work. Our overall aim is to:</p> <ul style="list-style-type: none"> • Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations. • Support the development of effective solutions to address social concerns. • Enhance employees' personal development by helping to develop and build a range of skills and abilities that they can bring back to the workplace. • Raise motivation amongst employees and enhance teamwork. <p>More</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p>		

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Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p>		

GRI – Economic Indicators

Disclosure on Management Approach

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 4, 6, 7	DMA EC	Economic performance, Market presence, Indirect economic impacts	<p>Annual Report 2011 (Allianz at a glance, Your Allianz/Business Strategy p. 69-86, Corporate Governance p. 24-32, Management Discussion and Analysis/Business environment p. 85-87)</p> <p>SD Report 2011 Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA EC: Economic performance, Market presence, Indirect economic impacts</p> <p>Customer demand, a growing recognition of the materiality of ESG factors and better risk-adjusted returns are sound business reasons for analyzing ESG factors in an investment context. By scrutinizing investments from an ESG perspective, Allianz can identify long-term risks and opportunities not reflected in current market prices and capitalize on them to the benefit of shareholders, customers and other stakeholders. This is especially relevant to Allianz as an insurance company that manages and carries risk over very long time horizons.</p> <p>Allianz is increasingly demonstrating its commitment to ESG through the thoughtful consideration of such factors in its investment strategies and asset management. This is undertaken both as an investor of its proprietary assets and in its third-party asset management business. The Allianz Group's proprietary business is steered by Allianz Investment Management SE (AIM)</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>while the third-party business is managed by Allianz Asset Management (AAM) through its subsidiaries Allianz Global Investors (AllianzGI) and PIMCO.</p> <p>More</p> <p>Principles for Responsible Investment</p> <p>In 2011, Allianz SE (as asset owner) and PIMCO (as asset manager) signed the United Nations Principles for Responsible Investment (UN PRI), joining the AllianzGI subsidiaries RCM, AllianzGI Korea and AllianzGI Investments Europe. The UN PRI is a network of international investors representing more than 30 trillion US-dollars of assets under management and working together to put the six Principles for Responsible Investment into practice. These Principles reflect the view that ESG issues can affect the performance of investment portfolios and therefore must be given appropriate consideration by investors if they are to fulfill their fiduciary duty. 95 percent of the total assets under management by Allianz are now covered by this commitment.</p> <p>More</p> <p>Sustainability in proprietary asset management</p> <p>Allianz strives to invest sustainably across all asset classes over time. The practical implementation of sustainability in proprietary asset management involves integrating ESG factors into the investment process through research, corporate and country analysis, strategic asset allocation, portfolio construction, asset manager selection, monitoring and risk management. Allianz firmly believes that considering ESG factors in performance evaluation is not just another trend but will fundamentally change business and consequently investment performance over time. Allianz has adopted an evolutionary learning path – existing practices are leveraged and consistency enhanced over asset</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>classes and regions to further mature its systematic approach. As a first step, Allianz will ensure that its proprietary assets are not invested in companies involved in banned weapons (cluster munitions, anti-personnel mines and biological or chemical weapons). Any existing investments will be divested.</p> <p>More</p> <p>Responsibility in third-party asset management</p> <p>Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and pursuing active share ownership through proxy voting are at the heart of all their ESG strategies.</p> <p>Find out more about Allianz' specialist asset managers and corresponding approaches to sustainable and responsible investing:</p> <p>More</p> <p>AllianzGI</p> <p>AllianzGI pursues an approach with specialized asset management units for</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>different investment strategies and asset classes as well as several centers of competence for ESG expertise and investing.</p> <ul style="list-style-type: none"> • AllianzGI Capital gives clients the opportunity to define their own social restrictions for the investment selection process. More than 4 percent of the assets under management (or 2 billion US-dollars) represent client accounts managed in a socially responsible manner. • AllianzGI Investments Europe plays a leading role across the entire ESG value chain: <ol style="list-style-type: none"> 1) Upstream: through participating in corporate or multi-stakeholder initiatives and investor networks; 2) Investing: systematic research into and specific adaptation of ESG criteria for both mainstream and ESG portfolios; a 'best-in-class' and 'best effort' approach for ESG portfolios across all main asset classes, minimum ESG ratings and a focus on additional criteria, such as human rights, are required of all eligible issuers; 3) Downstream: a universal proxy voting policy has been adopted and proactive share ownership is practiced. • AllianzGI Korea applies ESG criteria to equity investments with a focus on corporate governance. To unlock the value of target companies stemming from poor corporate governance, fund managers carry out in-depth research, including due-diligence if possible, and continuously monitor the decision-making processes of the target company. AllianzGI Korea's Corporate Governance Strategy takes a "relational engagement" approach, meaning that the strategy needs to be customized for each target company and must be sensitive to the societal and cultural circumstances prevailing at the time. • RCM 's dedicated global Sustainability Research team analyzes over 2,600 global companies on a 'best-in-class' basis. Their analysis is converted into A-E ratings that are integrated into RCM's broader fundamental research platform. ESG-related issues are embedded into the fabric of RCM's Global Corporate Governance Guidelines and Proxy Voting 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Policy, which recognize that as signatories to the UN PRI, RCM is committed, where appropriate, to actively implementing the Principles into its voting activities.</p> <ul style="list-style-type: none"> • risklab develops and implements innovative solutions for asset management and provides investment advice on the integration of ESG factors in a portfolio context. <p>More</p> <p>PIMCO</p> <p>PIMCO focuses on the longer-term dynamics that are at the core of ESG issues. In terms of credit research, PIMCO already has strong governance analysis capabilities and considers ESG factors to be part of its research process. Investing in companies working actively to reduce ESG risks, or engaging companies PIMCO invests in to do more with respect to ESG, helps to reduce the risk of negative surprises and increase the long-term quality of managed portfolios. While ESG factors are not new to the investment process, PIMCO believes that being a UN PRI signatory provides a framework that allows PIMCO professionals to engage with asset owners and other asset managers on the challenges related to ESG evaluation.</p> <p>More</p> <p>Allianz' holistic response</p> <p>As an integrated financial services provider, Allianz is ideally positioned to offer holistic pension solutions by combining its asset management and insurance expertise. Through exploiting Group-wide synergies in these two fields, Allianz now has a range of tailored pension and healthcare products.</p> <p>Allianz regularly develops new products ranging from traditional life insurance</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>to hybrid solutions combining asset management and insurance expertise. The current market conditions in particular have boosted demand for guaranteed retirement savings and protection against market volatility, while protection against inflation has also been a concern. Moreover, as increasing numbers of people retire, there is a growing need for decumulation solutions, including income for life, capital returns, service and inheritance wealth management. Allianz is developing and promoting solutions to address consumer needs in this field. The joint capabilities of Allianz' life insurance and asset management business are particularly relevant for the retirement phase of life.</p> <p>Extensive research and trend studies are influencing strategic decisions throughout the Group, driving product innovation and helping to raise awareness of key demographic challenges within the business community and society as a whole. The planning, direction and implementation of macroeconomic and demographic research at Allianz is in the hands of Group Economic Research and Corporate Development (ERCD). Through a global forum ERCD is involved in strengthening Allianz' position in the retirement segment. Furthermore, Allianz business lines and subsidiaries have local research capabilities that are contributing to the development of products and services to meet local needs. In addition to research, Allianz has strong distribution capabilities in life insurance and asset management to better reach retirement customers.</p> <p>More</p> <p>Key focus on pensions</p> <p>The most important element of Allianz' strategic response to the challenge of demographic change is its product portfolio, which is positioned in an</p>		


CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>increasingly significant sector of the financial services market. A 2010 Allianz study predicted an 80 percent increase in global pension assets to 36 trillion euros in 2020 ¹. Allianz' strength in this field is its ability to manage customers' financial needs throughout their lifetime. Since Allianz covers the whole value chain from research and product development to customer service, and combines asset management with insurance expertise, it can not only supply solutions throughout a customer's lifecycle but also improve their understanding of retirement issues. One example of how this holistic approach is fully integrated into Allianz' business is the Center for Behavioral Finance in the U.S.A. This institute turns research insights into actionable ideas and practical tools for financial advisors, plan sponsors and investors.</p> <p>¹ Allianz Demographic Pulse, Big and Getting Bigger, Nr. 3 2010</p> <p>More</p>		

Economic performance

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	EC1	Direct economic value generated and distributed, including revenues, operating costs,	<p>Annual Report 2011 (Allianz at a glance) SD Report 2011 Details</p> <p>Economic performance</p> <p>GRI EC1: Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		<p>employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments</p>	<p>community investments, retained earnings, and payments to capital providers and governments</p> <p>Over the past two years, Allianz has implemented a Group-wide corporate giving framework and 2011 was the first year for which the company has published figures on its global corporate giving activities. In 2011, Allianz donated an overall total of 22.2 million euros to support local communities. The total corporate giving sum comprises corporate donations, charitable memberships, as well as grants made by the company's affiliate foundations.</p> <p>Allianz also offers its employees the possibility of participating in global and local donation campaigns, especially in case disaster strikes. In 2011, the Allianz Group, its subsidiaries and its employees supported emergency relief and rebuilding activities after the severe natural disasters in Australia, Japan, Thailand and Turkey.</p> <p>More</p> <p>Donations to political parties</p> <p>In 2011, Allianz contributed equal amounts to political parties representing a variety of views within the German political spectrum: the Green Party (Bündnis 90/Die Grünen), Christian Democrats (CDU), Christian Social Union (CSU), Liberals (FDP) and Social Democrats (SPD). A donation of 50,001 euros went to each party. This sum is specifically chosen to ensure the figure is officially published by the German Parliament, which guarantees complete transparency. All contributions are effective as of July 1 to ensure that they are in no manner connected, or perceived to be connected, to any legislative initiatives or elections.</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Allianz only has a policy on donations to political parties in Germany. In other countries, any donations to political parties by Allianz companies comply with the respective national legislation or conventions, which differ greatly from country to country. In the U.S.A., for example, company donations to members of the House of Representatives and the Senate are prohibited. It is common practice, however, for employees to make donations on their own behalf to political parties via so-called Political Action Committees, which channel these donations to local parliamentarians.</p> <p>More</p>		
7	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<p>Annual Report 2011 (Risk Report p. 149 - 177, Consolidated financial statements p. 189ff) SD Report 2011 Details</p> <p>Economic performance</p> <p>GRI EC2: Financial implications and other risks and opportunities for the organization's activities due to climate change</p> <p>Strategic priorities in 2011</p> <p>Within the broad spectrum of strategic activities undertaken in 2011, the following measures were taken in the four key sustainability fields:</p> <ul style="list-style-type: none"> Economic: 2011 was characterized by efforts to further integrate sustainable business practices into Allianz' core business activities. An important step was the establishment of an approach to integrate environmental, social and governance (ESG) factors into Allianz' proprietary 	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>investments.</p> <ul style="list-style-type: none"> • Environmental: Allianz achieved its carbon reduction target two years ahead of schedule and then set itself new targets. During 2011, a new Carbon Reduction Strategy was developed for a roll-out in 2012. • Social: Since supporting the communities in which Allianz operates is an integral part of the corporate responsibility strategy, work continued on the strengthening of social and employee engagement activities within the Group. In early 2011, a new initiative was launched involving Allianz retirees in volunteering activities. • Governance: The alignment of the SD strategy with the business strategy has been further strengthened and a new governance structure to better steer SD activities within the Group established. Moreover, 2011 saw the introduction of stronger reporting structures and an alignment of financial and non-financial performance communication to bring SD reporting into line with the Annual Report. In this regard, the transparency of Allianz' SD performance has been generally enhanced through fulfillment of the highest level of the Global Reporting Initiative (GRI). Last but not least, there have been improvements in the quality and credibility of SD data, and in particular environmental data. <p>More</p> <p>Contributing to a low-carbon economy</p>  <p>Allianz has a Group-wide strategy covering climate change-related risks and opportunities.</p> <p>More</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p data-bbox="638 384 1097 416">How climate change impacts insurers</p> <p data-bbox="638 432 1563 711">Since global warming is most probably causing more frequent extremes of weather – heatwaves, droughts, floods and tropical storms – it materially affects insurers' operations across all lines of business. Weather extremes impact insurers in two ways: through policies covering hurricane or flood damage, for example, and as large-scale institutional investors with significant stakes in companies affected by weather extremes. Payments on claims for damage and loss caused by such phenomena have increased significantly in the past 30 years and totaled approx. 24 billion US-dollars in 2010¹.</p> <p data-bbox="638 735 1424 799">¹ Munich Re; TOPICS GEO; Natural Catastrophes 2010; Analyses, assessments, positions, February 2011; own calculations</p> <p data-bbox="638 807 703 831">More</p> <p data-bbox="638 863 952 895">Climate change research</p> <p data-bbox="638 911 1576 1078">All financial service providers face the challenge of generating and interpreting climate change data as a precondition for climate-related risk management. For this reason, Allianz is investing in research to not only improve the quality of climate change data but also to identify, quantify, price and mitigate the risks involved. Five examples illustrate how this research is conducted:</p> <ul data-bbox="638 1110 1576 1374" style="list-style-type: none"> <li data-bbox="638 1110 1576 1198">• Group Economic Research and Corporate Development (ERCD) identifies climate-related trends, risks and opportunities with a focus on mid-to long-term horizons and their impact on the insurance business. <li data-bbox="638 1230 1576 1318">• The Cat Management Unit at Allianz SE Reinsurance conducts a proactive interchange with academia and plays an active role in the German Insurance Association's climate change working group. <li data-bbox="638 1350 1496 1374">• As part of the strategic partnership with the World Wide Fund for 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Nature (WWF) focusing on finding solutions for capital markets regarding climate change and prevention of it, Allianz carried out several joint projects, e.g. real estate investments, carbon footprint from investments and an employee campaign. The latest study analyzed the link between climate change and extreme surface flooding in Northern Italy. The strategic partnership ended in 2011 but Allianz continues to work with WWF on a project-basis.</p> <p>As a member of the Munich Climate Insurance Initiative (MCII), Allianz contributes know-how and resources to insurance-related projects focusing, for example, on climate risk adaptation. In addition, Allianz is an active member of global climate-related initiatives such as ClimateWise and the UN Environment Programme Finance Initiative.</p> <p>More</p>		
	EC3	Coverage of the organization's defined benefit plan obligations	Annual Report 2011 (Consolidated Financial Statements p. 189ff)	Fully	
	EC4	Significant financial assistance received from government		Fully	

Market presence

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1	EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation		Fully	<p>Details</p> <p>Market presence</p> <p>GRI EC5: Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation</p> <p>Comment GRI EC5</p> <p>In the financial services' industry minimum wages are basically not material since the majority of staff are highly skilled. Hence, Allianz generally pays wages that are higher than the local minimum wages (where they exist). In addition, collective bargaining agreements exist in most of the countries Allianz operates and Allianz strictly adheres to tariff structures and collective bargaining agreements negotiated with trade unions. In all, Allianz paid 8.4 bn EUR in salaries and wages (excluding social security, pension and post-retirement benefits) in 2011 – up from 8.3 bn EUR in 2010.</p> <p>More</p>
	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation		Not applicable	<p>Details</p> <p>Market presence</p> <p>GRI EC6: Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p> <p>Comment GRI EC6</p> <p>We deem this indicator to be of no relevance for Allianz' specific business model as a provider of financial services since our products are of</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>intangible nature. Nevertheless, the Global Purchasing Minimum Standards for both IT and non-IT operations provide a framework for purchasing activities of all Allianz Group Companies (OEs). The responsibility for local purchasing, however, remains with the OEs/regions, which are required to have local purchasing policies in place. Where framework agreements with large global or regional suppliers exist, local specifications are negotiated locally whilst ensuring the implementation in the local market is in line with the framework agreement. Allianz does not report any spending-related figures for locally based suppliers.</p> <p>More</p>
6	EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation		Fully	<p>Details</p> <p>Market presence</p> <p>GRI EC7: Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation</p> <p>Comment GRI EC7</p> <p>Standard recruiting procedures apply in the local markets. As a rule, Allianz recruits its workforce in the respective markets, the exception being employees with skills that are not available locally in the required numbers. With respect to senior management, Allianz hires managers with strong local market credentials and knowledge. As a result, the vast majority of our management positions are staffed locally. For talent-development purposes Allianz makes use of short and medium-term secondments to foreign markets for specialists and managers of all grades.</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					More

Indirect economic impacts

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	<p>SD Report 2011 Details</p> <p>Indirect economic impacts</p> <p>GRI EC8: Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of volunteering work. Our overall aim is to:</p> <ul style="list-style-type: none"> • Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations. • Support the development of effective solutions to address social concerns. • Enhance employees' personal development by helping to 	Fully	

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>develop and build a range of skills and abilities that they can bring back to the workplace.</p> <ul style="list-style-type: none"> • Raise motivation amongst employees and enhance teamwork. <p>More</p> <p>Disaster response</p> <p>When natural disasters occur, many Allianz employees demonstrate a desire to help. Our company responds by offering donation programs to its employees and donating money itself. In this way, we support relief efforts in the affected areas. The effectiveness of our disaster response activities has been enhanced by a number of measures. These include development of an internal guideline to advise Allianz subsidiaries on when and how to take action in the event of a natural disaster, the launch of a global donation platform to involve all our employees worldwide in donation campaigns, and measures to ensure faster and better action-taking when required.</p> <p>More</p> <p>Since volunteer work is always a personal choice, employees can choose from different initiatives. In addition to Group-run programs, Allianz subsidiaries worldwide offer their own programs to suit local requirements and community needs. The Group-run projects include:</p> <ul style="list-style-type: none"> • My Finance Coach:A non-profit initiative run by Allianz SE, Grey Advertising Ltd. and McKinsey & Company, Inc. My Finance Coach aims to improve the financial literacy of 11- to 15-year-old pupils and help them avoid accumulating debts by offering the skills and knowledge they need to manage money responsibly and independently. These volunteering activities are supplemented by a comprehensive range of further training options for teachers and 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>extracurricular activities. The German UNESCO Committee has declared My Finance Coach to be an official project of the United Nations Decade of Education for Sustainable Development (2005-2014).</p> <ul style="list-style-type: none"> • Social OPEX:A leadership development and employee engagement program that brings together Allianz employees and social entrepreneurs to facilitate a mutually beneficial exchange of skills and ideas. Whilst learning valuable lessons for their daily work, our employees apply their business skills to help social entrepreneurs improve their social impact. • startsocial:Themed "innovation needs experience" and run under the patronage of German Chancellor Angela Merkel, this initiative fosters innovative social ideas in Germany. Allianz supports startsocial as one of the four key sponsors and contributes expertise through its former employees, who play an active role as jurors or coaches. <p>More</p> <p>The challenges of microinsurance</p> <p>However, Allianz can only unlock the full growth potential by mastering the challenges of microinsurance:</p> <ul style="list-style-type: none"> • Tiny margins per policy mean microinsurance can only be profitable if a great many standardized products are sold through uniform processes. • Illiteracy, and especially financial illiteracy, is high in countries with the highest microinsurance potential, a challenge that requires dedicated efforts in financial education. • Risk assessment remains difficult and needs to be improved through a better understanding of the markets and people's needs, 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>which is achieved by increased market research.</p> <p>More</p> <p>Financial and social returns</p> <p>The double bottom line in the microinsurance business is that it has to deliver both financial and social returns. To achieve an adequate financial return, Allianz only offers microinsurance in markets where a subsidiary operates and efficient distribution partners such as NGOs, microfinance institutions or mobile operators can be found. The social returns are generated through a strong focus on quality products that deliver genuine client value. For example, Allianz uses focus group demand surveys to determine what this value should be and adapts its products accordingly. Profit expectations in microinsurance are admittedly much lower than from traditional products, but Allianz believes there will be a mid- to long-term pay-off as its low-income customers move up the economic ladder.</p> <p>More</p> <p>Managing and enhancing microinsurance</p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>focus and emphasis of customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> <p>More</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment									
			<p>Microinsurance key figures ^{1,2}</p> <table border="0"> <tr> <td>As of December 31, 2011</td> <td style="text-align: right;">2011</td> <td></td> </tr> <tr> <td>Revenues [€m]</td> <td style="text-align: right;">34.5</td> <td></td> </tr> <tr> <td>Customers (rounded) [m]</td> <td style="text-align: right;">2.6</td> <td></td> </tr> </table> <p>¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.</p> <p>² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.</p> <p>More</p> <p>Key performance indicators</p> <p>In line with the measures to refine its microinsurance business principles, Allianz is also striving to better measure and control the financial and social performance of microinsurance by applying key performance indicators (KPIs) to microinsurance. The general KPIs collected from all microinsurance operations (currently in ten markets) are the numbers insured (i.e. coverage), premium income, numbers of distribution partners and, in some cases, claims ratios. The claims ratio is the strongest social impact indicator as it reflects value for money, i.e. how much money is returned to customers in the form of claims. The higher the claims ratio, the better the customer value. However, claims ratios above 100 percent are too high as they signal that the product is not financially sustainable. The claims ratios for enhanced</p>	As of December 31, 2011	2011		Revenues [€m]	34.5		Customers (rounded) [m]	2.6			
As of December 31, 2011	2011													
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Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>credit life products in Indonesia, for example, are consistently between 50 percent and 60 percent, which indicates decent customer value. The claims ratios for other products vary widely. More detailed KPI monitoring and active steering will be initiated in 2012 and introduced in full in 2013. Besides, some in-depth social impact measurement has already taken place, but with inconclusive results. This will receive more focus from 2013 onwards, once robust basic KPI reporting has been established.</p> <p>More</p> <p>There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.</p> <p>As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.</p> <p>Nevertheless, Allianz continued to expand its presence in other</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>markets and entered three new markets in 2011: Burkina Faso, Malaysia and Mali. Innovation in distribution and products progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.</p> <p>More</p> <p>Public-private partnership</p> <p>In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers</p>		


Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p> <p>More</p>		
	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	<p>SD Report 2011 Details</p> <p>Indirect economic impacts</p> <p>GRI EC9: Understanding and describing significant indirect economic impacts, including the extent of impacts</p> <p>The challenges of microinsurance</p> <p>However, Allianz can only unlock the full growth potential by mastering the challenges of microinsurance:</p> <ul style="list-style-type: none"> • Tiny margins per policy mean microinsurance can only be profitable if a great many standardized products are sold through uniform processes. • Illiteracy, and especially financial illiteracy, is high in countries with the highest microinsurance potential, a challenge that requires dedicated efforts in financial education. • Risk assessment remains difficult and needs to be improved through a better understanding of the markets and people's needs, which is achieved by increased market research. <p>More</p> <p>Financial and social returns</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>The double bottom line in the microinsurance business is that it has to deliver both financial and social returns. To achieve an adequate financial return, Allianz only offers microinsurance in markets where a subsidiary operates and efficient distribution partners such as NGOs, microfinance institutions or mobile operators can be found. The social returns are generated through a strong focus on quality products that deliver genuine client value. For example, Allianz uses focus group demand surveys to determine what this value should be and adapts its products accordingly. Profit expectations in microinsurance are admittedly much lower than from traditional products, but Allianz believes there will be a mid- to long-term pay-off as its low-income customers move up the economic ladder.</p> <p>More</p> <p>Managing and enhancing microinsurance</p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> <p>More</p> <p>A committed corporate citizen</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			 <p>By offering skills, time and money Allianz strives to advance social well-being in local communities.</p> <p>More</p> <p>Community support</p> <p>Supporting the communities we operate in is an integral part of our corporate responsibility (CR) strategy. Despite the challenging economic conditions of the last few years, we have maintained our commitment to be a trusted partner in each market. Besides financial donations, we have increased our support through volunteering and capacity-building programs. By sharing our financial know-how with</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>society as a whole, we help support the Allianz Group's stated priority of "building the strongest financial communit"". Here, we focus – wherever possible – on the three keynote areas of financial literacy, risk awareness and low-carbon economy.</p> <p>More</p> <p>Principles of social engagement</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p data-bbox="801 379 1507 416">The Allianz4Good Principles for Social Engagement</p>  <p data-bbox="779 1206 1621 1342">As the center of competence for corporate responsibility in the Allianz Group, the Allianz4Good team defines the basic principles for social engagement at Allianz. These principles are based on the premise that taking a strategic, long-term perspective on social engagement</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>generates sustainable value for all of the company's stakeholders. What is more, they are intended to support local decision-making on proposed projects by providing objective engagement criteria.</p> <p>More</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of volunteering work. Our overall aim is to:</p> <ul style="list-style-type: none"> • Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations. • Support the development of effective solutions to address social concerns. • Enhance employees' personal development by helping to develop and build a range of skills and abilities that they can bring back to the workplace. • Raise motivation amongst employees and enhance teamwork. <p>More</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p>		

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Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p>		

GRI – Environmental Indicators

Disclosure on Management Approach

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
7, 8, 9	DM A EN	Materials, Energy, Water, Biodiversity, Emissions / effluents/ waste, Products and services, Compliance, Transport, Overall	<p>SD Report 2011 Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA EN: Materials, Energy, Water, Biodiversity, Emissions/ effluents/ waste, Products and services, Compliance, Transport, Overall</p> <p>Combating climate change</p> <p>Allianz sees its environmental responsibility primarily as a commitment to enabling a low carbon economy. As such, Allianz has a comprehensive Climate Change Strategy which covers its activities as a provider of financial services – insurance solutions, investments and asset management – and its internal business operations.</p> <p>To demonstrate its commitment to a low carbon future, Allianz' ambition is to be carbon-neutral from 2012. This is achieved through carbon-reducing measures managed under the environmental management system (EMS), with the remaining carbon footprint neutralized.</p> <p>More</p> <p>Overall responsibility for improving Allianz' operational carbon footprint is in the hands of Allianz4Good; Board-level responsibility lies with Paul Achleitner and operational responsibility with the Group Environmental Officer. The Group-wide EMS covering the lion's share of Allianz' global employee base ensures transparency in environmental</p>	Partially	<p>Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA EN: Materials, Energy, Water, Biodiversity, Emissions/ effluents/ waste, Products and services, Compliance, Transport, Overall</p> <p>Comment</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>performance and supports systematic environmental data collection and control. Neutralizing the Group's emissions from 2012 is the task of Allianz Climate Solutions, the Group's climate specialist unit.</p> <p>More</p> <p>Allianz carbon reduction strategy</p>		<p>GRI DMA EN</p> <p>Allianz is fully aware of the importance of biodiversity for a healthy environment. The principle of safeguarding natural resources is not only included in the Allianz Code of Conduct but also part of the Group-wide corporate culture. Nevertheless, the</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment												
			<p data-bbox="600 411 1059 448">Allianz carbon reduction strategy</p> <table border="1" data-bbox="616 502 1624 1117"> <thead> <tr> <th>Year</th> <th>Emitted CO₂ per employee [metric tons]</th> <th>Reduction</th> </tr> </thead> <tbody> <tr> <td>2006 (Baseline)</td> <td>3.76</td> <td>-</td> </tr> <tr> <td>2011 (Reduction achieved)</td> <td>2.50</td> <td>-33%</td> </tr> <tr> <td>2015 (Target 2015)</td> <td>2.45</td> <td>-35%</td> </tr> </tbody> </table> <p data-bbox="577 1177 1637 1353">Allianz' initial target of reducing the Group's carbon footprint by 20% by 2012 was achieved two years ahead of schedule. In response to this, Allianz set itself a new carbon reduction target to be achieved by 2015: a further 10 percent reduction on our remaining 2010 footprint, which translates into an overall target of an approximately 35 percent reduction compared to our 2006 base year.</p>	Year	Emitted CO ₂ per employee [metric tons]	Reduction	2006 (Baseline)	3.76	-	2011 (Reduction achieved)	2.50	-33%	2015 (Target 2015)	2.45	-35%		<p data-bbox="1888 395 2056 1369">biodiversity impact of Allianz' operations is negligible. As far as the direct impact is concerned, no significant biodiversity risks have been identified. However, with climate change being one of the main drivers in the loss of biodiversity, the Allianz Group adopted a comprehensive Climate Change</p>
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			<p>More</p> <p>Increasing investments in carbon projects</p> <p>A distinctive feature of Allianz' carbon reduction strategy is the neutralization of remaining emissions by directly investing in carbon projects that generate certificates, rather than simply buying the certificates on a carbon market. This delivers financial returns from a project instead of incurring increasingly high costs through purchasing certificates. After all, only some of the certificates obtained from a project will be required to neutralize Allianz' own emissions, whereas the rest will be sold and thus generate a financial return to the project's shareholders. Moreover, by continuing to reduce carbon emissions in the future, fewer certificates will be needed for neutralization purposes and can be sold instead. This creates a direct incentive for Allianz to intensify its emission reduction efforts, over and above the expected benefits of lower resource costs (e.g. energy). In this way, carbon investments are not just a means of voluntary neutralization, but also a viable business case for Allianz.</p> <p>Last but not least, directly investing in carbon projects is another form of responsible investment. Projects are subject to rigorous standards in terms of their social, environmental and economic sustainability, which are regularly verified by external bodies. They hence reconcile real benefits to local communities and their environment with financial viability.</p> <p>More</p> <p>Awareness campaigns at Allianz</p> <p>Employees across the Group are engaged in different ways in climate change activities, with some focusing on functional responsibilities and others on awareness-raising and effecting individual change and action. Two examples of many:</p> <ul style="list-style-type: none"> • A corporate campaign aims to raise awareness of climate change as a critical 		<p>Strategy aimed at reducing the Group's carbon footprint, dealing with the impact of climate change on both customers and its own business, and contributing to a low-carbon economy by developing relevant products and services.</p> <p>In addition, Allianz supports</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>issue for Allianz' business by providing employees with background information on climate change and stimulating discussion on what can be done to tackle the problem.</p> <ul style="list-style-type: none"> Corporate headquarters in Munich ran a competition to generate ideas on how teams could reduce their own carbon footprint. <p>More</p> <p>Pro-active support for a low-carbon economy</p> <p>As long ago as 2005, Allianz adopted a comprehensive Climate Change Strategy dealing with the impact of climate change on both customers and its own business. Allianz contributes to a low-carbon economy by developing relevant products and services, financing a low carbon economy and reducing the Group's carbon footprint. In its strategic response to climate change Allianz has focused on four core areas:</p> <ul style="list-style-type: none"> Insurance solutions: Allianz develops retail and commercial insurance solutions that mitigate the risks of climate change or manage their impact, e.g. insurance for offshore wind parks and investigations into the insurability of new technologies. In that respect, by providing insurance coverage Allianz acts as a risk manager and plays a key role in enabling new technologies that would otherwise not be available to investors. Allianz' expertise in technologies such as solar or wind energy and the data already gathered in those fields are the preconditions for providing effective insurance cover. Asset management: Allianz offers its customers a wide range of investment funds that integrate environmental, social and governance (ESG) factors into the investment management process. Environmental and climate issues are specifically taken into consideration in the Allianz Global Investors portfolio, for example the Global EcoTrends and the Global Sustainability Funds. Direct investments: As large institutional investors, insurance companies are important players in the financing of a low-carbon economy. Allianz sees renewable energies as an attractive investment opportunity: firstly, for the sake of portfolio diversification; and secondly, because sound returns are expected in the long run. In 		<p>projects with a specific focus on sustaining biodiversity (e.g. Allianz Umweltstiftung) through its network of foundations.</p> <p>More</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>recent years, Allianz has built a considerable wind energy and solar power portfolio. What is more, Allianz has chosen to be carbon-neutral from 2012 and directly invests in carbon projects rather than simply purchasing carbon certificates. Direct carbon investments serve as entry points to emerging markets while at the same time promoting clean technology.</p> <ul style="list-style-type: none"> Internal activities: Allianz is committed to reducing its own environmental footprint. The goal is to reduce the Group's carbon footprint by 35 percent of the 2006 levels by 2015. <p>As the Group-wide center of competence on climate change, Allianz Climate Solutions (ACS) serves other Allianz entities and customers through its risk analysis, investment and insurance expertise – with a clear focus on renewable energy, clean technology and the carbon market. ACS is particularly responsible for the implementation of Allianz' carbon neutralization strategy via carbon investments.</p> <p>Allianz' strategic response naturally involves its reinsurance business as well. In recent years, Allianz SE Reinsurance has successfully issued five natural catastrophe (NatCat) bonds as an alternative and supplement to traditional catastrophe reinsurance, and an integral aspect of the Group's risk management strategy.</p> <p>More</p> <p>Evaluating and expanding green products</p> <p>The Allianz Group has developed around 80 products and services that help mitigate climate change or take its environmental impact into account. The solutions range from asset management to insurance and assistance. The increasing number of green products and services offered by the Allianz Group is a reflection of the need to further prepare for the negative effects of climate change on its business and customers and to mitigate the</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>associated economic risks. The current focus is on aligning the Group-wide understanding of what green products or services are and leveraging their business potential by sharing best practices. In addition, Allianz is aiming to mainstream sustainability factors in its broader insurance product portfolio.</p> <p>More</p> <p>Climate change research</p> <p>All financial service providers face the challenge of generating and interpreting climate change data as a precondition for climate-related risk management. For this reason, Allianz is investing in research to not only improve the quality of climate change data but also to identify, quantify, price and mitigate the risks involved. Five examples illustrate how this research is conducted:</p> <ul style="list-style-type: none"> • Group Economic Research and Corporate Development (ERCD) identifies climate-related trends, risks and opportunities with a focus on mid- to long-term horizons and their impact on the insurance business. • The Cat Management Unit at Allianz SE Reinsurance conducts a proactive interchange with academia and plays an active role in the German Insurance Association's climate change working group. • As part of the strategic partnership with the World Wide Fund for Nature (WWF) focusing on finding solutions for capital markets regarding climate change and prevention of it, Allianz carried out several joint projects, e.g. real estate investments, carbon footprint from investments and an employee campaign. The latest study analyzed the link between climate change and extreme surface flooding in Northern Italy. The strategic partnership ended in 2011 but Allianz continues to work with WWF on a project-basis. 		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>As a member of the Munich Climate Insurance Initiative (MCII), Allianz contributes know-how and resources to insurance-related projects focusing, for example, on climate risk adaptation. In addition, Allianz is an active member of global climate-related initiatives such as ClimateWise and the UN Environment Programme Finance Initiative.</p> <p>More</p>		

Materials

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN1	Materials used by weight or volume	<p>SD Report 2011 Details</p> <p>Materials</p> <p>GRI EN1: Materials used by weight or volume</p> <p>Paper</p> <p>Since 2006, the Allianz Group has been able to cut its paper consumption by more than 44 percent per employee. The biggest reduction was made in 2010, which saw the introduction of a Global Print Policy. Allianz continued on this reduction path in the course of 2011: besides the company's Global Print Policy, the greater use of digital communication technology in internal operations and customer communications helped to reduce paper consumption even further. Moreover, more Allianz subsidiaries are now</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>using paper from recycled sources as opposed to fresh fiber paper; this has positively contributed to the company's carbon footprint.</p> <p>Key figures More</p> <p>Allianz Germany switches to 100 percent recycled paper</p> <p>Last year, the Board of Management of Allianz Germany decided to change over to using 100 percent recycled paper for internal as well as customer communications with effect from March 1, 2011. Recycled paper is now used, for example, for brochures, flyers, product information sheets as well as business letterheads for both sales and non-sales staff and for both internal and external correspondence.</p> <p>More</p> <p>Allianz Argentina – saving rainforests, one PDF at a time</p> <p>Allianz Argentina has launched a program to preserve its country's rainforest by means of a paper-saving policy. For each customer who orders a policy in PDF rather than print form, Allianz Argentina donates the money saved to preserve one square meter of the Misiones Rainforest in the north of the country. What is more, customers can actually see the forest they are helping to preserve. To this end, Allianz Argentina is partnering Banco de Bosques, a recently created foundation dedicated to preserving native rainforests that are in a critical condition. To enhance people's emotional engagement with this work, Banco de Bosques has introduced "geo-referential" donations. This unique system uses a satellite grid from Google Earth to enable customers to actually see the piece of rainforest they are helping to preserve. Furthermore, an electronic insurance policy not only preserves trees, but also saves water, power, land and other critical resources. The Misiones Rainforest, an ecosystem with the largest biological diversity in the country, is home to the rare tipuana tipu tree as well as various species of deer, tapirs, peccaries,</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>coatis and the colorful toucan, all of which are highly endangered species.</p> <p>More</p>		
8, 9	EN2	Percentage of materials used that are recycled input materials	<p>SD Report 2011 Details</p> <p>Materials</p> <p>GRI EN2: Percentage of materials used that are recycled input materials</p> <p>Paper</p> <p>Since 2006, the Allianz Group has been able to cut its paper consumption by more than 44 percent per employee. The biggest reduction was made in 2010, which saw the introduction of a Global Print Policy. Allianz continued on this reduction path in the course of 2011: besides the company's Global Print Policy, the greater use of digital communication technology in internal operations and customer communications helped to reduce paper consumption even further. Moreover, more Allianz subsidiaries are now using paper from recycled sources as opposed to fresh fiber paper; this has positively contributed to the company's carbon footprint.</p> <p>Key figures More</p> <p>Allianz Germany switches to 100 percent recycled paper</p> <p>Last year, the Board of Management of Allianz Germany decided to change over to using 100 percent recycled paper for internal as well as customer communications with effect from March 1, 2011. Recycled paper is now used, for example, for brochures, flyers, product information sheets as well as business letterheads for both sales and non-sales</p>	Fully	

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Energy

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN 3	Direct energy consumption by primary energy source	<p>SD Report 2011 Details</p> <p>Energy</p> <p>GRI EN3: Direct energy consumption by primary energy source</p> <div style="border: 1px solid #ccc; padding: 10px; margin: 10px 0;"> <p>Energy</p> <p>In 2011, the reduction in CO2 emissions was mainly driven by advances in energy consumption, i.e. increasing energy efficiency, as well as the types of energy sourced, a trend that has now continued for a number of years. Specifically, two effects impacted positively: first, energy consumed per employee was reduced by another 9.4 percent, bringing overall energy consumption down by 14.2 percent compared to 2006; and second, as local entities continued to switch to green energy, its share rose for the Group as a whole.</p> <p>Allianz uses energy to power IT hardware, lighting and other electrical appliances, as well as for heating and cooling offices. A bundle of measures contributed to the Group's energy performance in the year under review. These measures ranged from refurbishments and moves to more energy-efficient buildings to the application of the Green IT Hardware Purchasing Policy, which was defined in 2010 and came into force in 2011. This policy requires all IT hardware purchasing requests for proposals to include a Green IT section. Moreover, Energy Star and EPEAT are Group-wide standards for all IT product purchases.</p> <p>As most energy is consumed by buildings, Allianz' focus is on this area and the energy consumption of buildings has been further improved. The most important contributory factors were refurbishment measures with more energy-efficient installations, the</p> </div>	Fully	

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>consolidation of sites, and moves to newer, more energy-efficient buildings. In France, for example, the number of major sites in the Paris area has fallen following the closure of several old and energy-inefficient buildings. In the Netherlands, centralization of the Dutch facilities in Rotterdam allowed the building in Amsterdam to be closed in February 2011. The carve-out of the Dresdner Bank operations in Germany, resulting in the return of server infrastructure, also brought a reduction in overall energy consumption during 2011.</p> <p>Key figures More</p> <p>Fireman's Fund invests in fuel cells</p> <p>Fireman's Fund, an Allianz Group company in the U.S.A. and one of the leading green insurers in the country, has taken a major step towards reducing its own carbon footprint by installing six fuel cells on its campus in Novato, California. These high-tech devices, which convert fuel into electricity through a clean electrochemical process, allow the company to self-produce 60 percent of the energy used on the campus. Besides reducing Fireman Fund's carbon footprint by an additional 15 percent, these fuel cells will also dramatically reduce the company's electricity bills. Last but not least, Fireman's Fund intends to promote the use of fuel cells by offering insurance coverage for them when they are installed at other businesses. In this way, the green investment is also being turned into a business opportunity.</p> <p>More</p>		
8	EN 4	Indirect energy consumption by primary	<p>SD Report 2011 Details</p>	Fully	

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
		source	<p>Energy</p> <p>GRI EN4: Indirect energy consumption by primary source</p> <div style="border: 1px solid black; padding: 5px;"> <p>Energy</p> <p>In 2011, the reduction in CO2 emissions was mainly driven by advances in energy consumption, i.e. increasing energy efficiency, as well as the types of energy sourced, a trend that has now continued for a number of years. Specifically, two effects impacted positively: first, energy consumed per employee was reduced by another 9.4 percent, bringing overall energy consumption down by 14.2 percent compared to 2006; and second, as local entities continued to switch to green energy, its share rose for the Group as a whole.</p> <p>Allianz uses energy to power IT hardware, lighting and other electrical appliances, as well as for heating and cooling offices. A bundle of measures contributed to the Group's energy performance in the year under review. These measures ranged from refurbishments and moves to more energy-efficient buildings to the application of the Green IT Hardware Purchasing Policy, which was defined in 2010 and came into force in 2011. This policy requires all IT hardware purchasing requests for proposals to include a Green IT section. Moreover, Energy Star and EPEAT are Group-wide standards for all IT product purchases.</p> <p>As most energy is consumed by buildings, Allianz' focus is on this area and the energy consumption of buildings has been further improved. The most important contributory factors were refurbishment measures with more energy-efficient installations, the consolidation of sites, and moves to newer, more energy-efficient buildings. In France, for example, the number of major sites in the Paris area has fallen following the closure</p> </div>		

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8, 9	EN 5	Energy saved due to conservation and efficiency	<p>SD Report 2011 Details</p> <p>Energy</p> <p>GRI EN5: Energy saved due to conservation and efficiency improvements</p>	Fully	

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
		improvements	<p>Energy</p> <p>In 2011, the reduction in CO2 emissions was mainly driven by advances in energy consumption, i.e. increasing energy efficiency, as well as the types of energy sourced, a trend that has now continued for a number of years. Specifically, two effects impacted positively: first, energy consumed per employee was reduced by another 9.4 percent, bringing overall energy consumption down by 14.2 percent compared to 2006; and second, as local entities continued to switch to green energy, its share rose for the Group as a whole.</p> <p>Allianz uses energy to power IT hardware, lighting and other electrical appliances, as well as for heating and cooling offices. A bundle of measures contributed to the Group's energy performance in the year under review. These measures ranged from refurbishments and moves to more energy-efficient buildings to the application of the Green IT Hardware Purchasing Policy, which was defined in 2010 and came into force in 2011. This policy requires all IT hardware purchasing requests for proposals to include a Green IT section. Moreover, Energy Star and EPEAT are Group-wide standards for all IT product purchases.</p> <p>As most energy is consumed by buildings, Allianz' focus is on this area and the energy consumption of buildings has been further improved. The most important contributory factors were refurbishment measures with more energy-efficient installations, the consolidation of sites, and moves to newer, more energy-efficient buildings. In France, for example, the number of major sites in the Paris area has fallen following the closure of several old and energy-inefficient buildings. In the Netherlands, centralization of the Dutch facilities in Rotterdam allowed the building in Amsterdam to be closed in February 2011. The carve-out of the Dresdner Bank operations in Germany, resulting</p>		

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8, 9	EN 6	Initiatives to provide energy-efficient or renewable energy based products and	<p>SD Report 2011 Details</p> <p>Energy</p> <p>GRI EN6: Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives</p> <p>Energy</p>	Fully	

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
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8, 9	EN 7	Initiatives to reduce indirect energy consumption and reductions	<p>SD Report 2011 Details</p> <p>Energy</p> <p>GRI EN7: Initiatives to reduce indirect energy consumption and reductions achieved</p>	Fully	

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
		achieved	<p>Energy</p> <p>In 2011, the reduction in CO2 emissions was mainly driven by advances in energy consumption, i.e. increasing energy efficiency, as well as the types of energy sourced, a trend that has now continued for a number of years. Specifically, two effects impacted positively: first, energy consumed per employee was reduced by another 9.4 percent, bringing overall energy consumption down by 14.2 percent compared to 2006; and second, as local entities continued to switch to green energy, its share rose for the Group as a whole.</p> <p>Allianz uses energy to power IT hardware, lighting and other electrical appliances, as well as for heating and cooling offices. A bundle of measures contributed to the Group's energy performance in the year under review. These measures ranged from refurbishments and moves to more energy-efficient buildings to the application of the Green IT Hardware Purchasing Policy, which was defined in 2010 and came into force in 2011. This policy requires all IT hardware purchasing requests for proposals to include a Green IT section. Moreover, Energy Star and EPEAT are Group-wide standards for all IT product purchases.</p> <p>As most energy is consumed by buildings, Allianz' focus is on this area and the energy consumption of buildings has been further improved. The most important contributory factors were refurbishment measures with more energy-efficient installations, the consolidation of sites, and moves to newer, more energy-efficient buildings. In France, for example, the number of major sites in the Paris area has fallen following the closure of several old and energy-inefficient buildings. In the Netherlands, centralization of the Dutch facilities in Rotterdam allowed the building in Amsterdam to be closed in February 2011. The carve-out of the Dresdner Bank operations in Germany, resulting</p>		

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>in the return of server infrastructure, also brought a reduction in overall energy consumption during 2011.</p> <p>Key figures More</p> <p>Fireman's Fund invests in fuel cells</p> <p>Fireman's Fund, an Allianz Group company in the U.S.A. and one of the leading green insurers in the country, has taken a major step towards reducing its own carbon footprint by installing six fuel cells on its campus in Novato, California. These high-tech devices, which convert fuel into electricity through a clean electrochemical process, allow the company to self-produce 60 percent of the energy used on the campus. Besides reducing Fireman Fund's carbon footprint by an additional 15 percent, these fuel cells will also dramatically reduce the company's electricity bills. Last but not least, Fireman's Fund intends to promote the use of fuel cells by offering insurance coverage for them when they are installed at other businesses. In this way, the green investment is also being turned into a business opportunity.</p> <p>More</p> <p>Avoiding or reducing emissions and substituting resources with lower-carbon alternatives (e.g. energy from renewable sources) are the three levers Allianz employs to reduce its carbon footprint. Since 99 percent of the Group's emissions come from energy, travel and paper, the focus of the carbon reduction activities has been on these areas:</p> <ul style="list-style-type: none"> • Energy: A Green IT Hardware Purchasing Policy ensures energy-efficient devices are purchased; Energy Star and EPEAT are Group-wide standards for all IT product purchases. In addition, audits of the energy performance of Allianz buildings are undertaken; Allianz Real Estate's Sustainable Buildings pilot project, for example, uses energy audits to determine the energy-efficiency and carbon- 		

Co P	GR I	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>reduction potential of relevant parts of the real-estate portfolio.</p> <ul style="list-style-type: none"> • Travel: A Global Travel Regulation sets minimum global standards for employee travel practices, e.g. by promoting video conferences and rail travel. • Paper: A Global Print Policy cuts overall paper consumption and reduces costs. <p>Reducing the consumption of natural resources cuts not only emissions but also costs. It is with this argument that Allianz implements its carbon reduction measures and ensures Group-wide acceptance of carbon as a business case.</p> <p>More</p>		

Water

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN8	Total water withdrawal by source	<p>SD Report 2011 Details</p> <p>Water</p> <p>GRI EN8: Total water withdrawal by source</p> <p>Water</p> <p>Water consumption remained fairly stable in 2011. A slight decrease on 2010 was caused by natural fluctuations rather than specific measures. At Allianz, water consumption is mainly impacted by ongoing</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>measures to generally increase the resource efficiency of buildings through refurbishments and moves to newer and more modern buildings.</p> <p>Key figures More</p>		
8	EN9	Water sources significantly affected by withdrawal of water	SD Report 2011	Not material	<p>Details</p> <p>Water</p> <p>GRI EN9: Water sources significantly affected by withdrawal of water</p> <p>Comment GRI EN9</p> <p>This requirement is of limited relevance to Allianz as a financial services company since its operations are office-based and located in towns or cities. Water is mainly supplied by water utilities. Any other water Allianz uses is mainly groundwater.</p> <p>More</p>
8, 9	EN10	Percentage and total volume of water recycled and reused		Not material	<p>Details</p> <p>Water</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>GRI EN10: Percentage and total volume of water recycled and reused</p> <p>Comment GRI EN10 This requirement is of limited relevance to Allianz as a financial services company since its operations are office-based. No water is recycled and reused.</p> <p>More</p>

Biodiversity

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	EN11	ation and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Not material	<p>Details</p> <p>Biodiversity</p> <p>GRI EN11: ation and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</p> <p>Comment GRI EN11 Not material to a financial services company since Allianz' operations are office-based and located in cities.</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					More
	EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas		Not material	<p>Details</p> <p>Biodiversity</p> <p>GRI EN12: Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas</p> <p>Comment GRI EN12</p> <p>Not material to a financial services company since Allianz' operations are office-based and located in cities.</p> <p>More</p>
	EN13	Habitats protected or restored		Not material	<p>Details</p> <p>Biodiversity</p> <p>GRI EN13: Habitats protected or restored</p> <p>Comment GRI EN13</p> <p>Although not material to a financial services company since Allianz' operations are office-based and located in cities, Allianz supports projects with a specific focus on sustaining biodiversity and protecting habitats through its network of foundations (e.g. Allianz Umweltstiftung in Germany). In addition, Allianz is investing in protecting forests through its acquisition of a 10</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>percent equity share in Wildlife Works Carbon LLC (WWC), a developer of REDD projects (Reducing Emissions from Deforestation and Forest Degradation) to help protect forests in developing and emerging countries. The projects that WWC implements meet strict sustainability criteria and are the first of their kind to generate CO2 certificates. A first project in Kenya will prevent the emission of 36 million metric tons of CO2 – equivalent to about twice the annual CO2 emissions of the City of Berlin – across an area of 208,000 hectares over its lifespan of more than 30 years.</p> <p>More</p>
	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity		Not material	<p>Details</p> <p>Biodiversity</p> <p>GRI EN14: Strategies, current actions, and future plans for managing impacts on biodiversity</p> <p>Comment GRI EN14</p> <p>Although not material to a financial services company since Allianz' operations are office-based and located in cities, Allianz supports projects with a specific focus on sustaining biodiversity and protecting habitats through its network of foundations (e.g. Allianz Umweltstiftung in Germany). In addition, Allianz is investing in protecting forests through its acquisition of a 10 percent equity share in Wildlife Works Carbon LLC (WWC), a developer of REDD projects (Reducing Emissions from</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>Deforestation and Forest Degradation) to help protect forests in developing and emerging countries. The projects that WWC implements meet strict sustainability criteria and are the first of their kind to generate CO2 certificates. A first project in Kenya will prevent the emission of 36 million metric tons of CO2 – equivalent to about twice the annual CO2 emissions of the City of Berlin – across an area of 208,000 hectares over its lifespan of more than 30 years.</p> <p>More</p>
	EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk		Not material	<p>Details</p> <p>Biodiversity</p> <p>GRI EN15: Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk</p> <p>Comment GRI EN15</p> <p>Not material to a financial services company since Allianz' operations are office-based and located in cities.</p> <p>More</p>

Emissions, effluents, waste

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN16	Total direct and indirect greenhouse gas emissions by weight	<p>SD Report 2011</p> <p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN16: Total direct and indirect greenhouse gas emissions by weight</p> <p>Allianz monitors its environmental impact and calculates greenhouse gas emissions from energy, paper and water consumption, business travel, and waste generation. Almost 99 percent of Allianz' carbon footprint originates from energy, travel and paper. The actual allocation, however, has seen shifts in previous years with energy's share of the Group's carbon footprint decreasing further. This shift has been mainly driven by the efforts to cut the Group's energy consumption as well as sourcing an increasing share of energy from renewable sources.</p> <p>More</p> <p>In 2011, Allianz continued to reduce its carbon footprint, with CO2 emissions from its business operations a further six percentage points lower than 2010. Allianz' overall CO2 reduction since 2006 now stands at 33 percent per employee. Although already seemingly close to our new target, our challenge will be to control emissions as the economy continues to improve</p> <p>More</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN17	Other relevant indirect greenhouse gas emissions by weight	<p>SD Report 2011</p> <p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN17: Other relevant indirect greenhouse gas emissions by weight</p> <p>In 2011, Allianz continued to reduce its carbon footprint, with CO2 emissions from its business operations a further six percentage points lower than 2010. Allianz' overall CO2 reduction since 2006 now stands at 33 percent per employee. Although already seemingly close to our new target, our challenge will be to control emissions as the economy continues to improve</p> <p>More</p> <p>Allianz monitors its environmental impact and calculates greenhouse gas emissions from energy, paper and water consumption, business travel, and waste generation. Almost 99 percent of Allianz' carbon footprint originates from energy, travel and paper. The actual allocation, however, has seen shifts in previous years with energy's share of the Group's carbon footprint decreasing further. This shift has been mainly driven by the efforts to cut the Group's energy consumption as well as sourcing an increasing share of energy from renewable sources.</p> <p>More</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
7, 8, 9	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	<p>SD Report 2011 Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN18: Initiatives to reduce greenhouse gas emissions and reductions achieved</p> <p>Travel</p> <p>With travel the second-largest driver of the Group's carbon footprint, Allianz aims to reduce CO2 emissions by cutting down business travel, promoting video-conferences and switching to more climate-friendly vehicles in its car fleet. To this effect, the Global Travel Policy, which sets minimum standards for employee travel practices, is the framework for controlling travel in the Group. Overall kilometers traveled increased slightly again in 2011, returning to pre-crisis levels. However, for a financial services company doing business in around 70 countries, travelling for business is a necessity. Where travel is unavoidable, Allianz seeks to reduce the environmental impact of it.</p> <p>As half of the overall distance traveled by Allianz employees is accounted for by road travel, another focus has been on the continuous modernization of the company's car fleet. In 2011, several Allianz subsidiaries added electric or hybrid cars to their car fleets and thus reduced the average CO2 emissions of the Group's overall fleet. Nowadays, environmental aspects</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>and not just economic considerations play an increasing role in Allianz' purchasing decisions.</p> <p>Around 40 percent of all kilometers traveled are accounted for by air travel. 2011 saw a further rise in the share of air travel due to increased business requirements; e.g. rebranding activities.</p> <p>Key figures More</p> <p>Allianz Suisse changes domestic fleet to hybrid vehicles In 2011, Allianz Suisse was the first insurance company in Switzerland to initiate a complete reorganization of its car fleet. All claims inspectors now use hybrid cars; as such it reduces CO2 emissions per vehicle by 60 percent and Allianz Suisse saves more than 300 metric tons of CO2 a year from the fleet of around 100 cars.</p> <p>More</p>		
8	EN19	Emissions of ozone-depleting substances by weight		Not material	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN19: Emissions of</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>ozone-depleting substances by weight</p> <p>Comment GRI</p> <p>EN19</p> <p>The use of ozone-depleting substances is not a material issue for Allianz. While they may be present in air-conditioning, refrigeration and cooling systems in Allianz offices, these are closed systems and servicing is carried out with due care to prevent any gases escaping. That is why Allianz does not measure ozone-</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>depleting substances.</p> <p>More</p>
8	EN20	NOx, SOx, and other significant air emissions by type and weight		Fully	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN20: NOx, SOx, and other significant air emissions by type and weight</p> <p>Comment GRI EN20</p> <p>Allianz' environmental monitoring and reduction efforts are focused on CO2 emissions since it has no production facilities of significance and</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>therefore no relevant emissions of nitric oxide (NO), sulfur monoxide (SO) or any other significant air emissions. Allianz recognizes, however, that energy consumption and business travel, in particular, also produce NOX and SOX emissions and while Allianz does not calculate these emissions, they are being reduced as a result of the Group-wide CO2-reduction strategy.</p> <p>More</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN21	Total water discharge by quality and destination		Not material	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN21: Total water discharge by quality and destination</p> <p>Comment GRI</p> <p>EN21</p> <p>Not material to an office-based financial service provider. Allianz does not monitor water discharge. Apart from a small proportion used to irrigate the grounds, all the water is used for drinking, cooking, cleaning or sanitation, and is discharged into sewers. Allianz</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>therefore estimates its total water discharge to be no more than its total water consumption.</p> <p>More</p>
8	EN22	Total weight of waste by type and disposal method	<p>SD Report 2011 Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN22: Total weight of waste by type and disposal method</p> <p>Waste</p> <p>Allianz has been able to significantly cut down on its waste output since 2006, which is now 14 percent lower than the base year. In 2011, Allianz' waste output fell only slightly with one-off events preventing a greater reduction. Since several Allianz subsidiaries carried out clearing work and closed archives, waste levels in these subsidiaries increased as documents were disposed of. This development is part of the moves to increase the degree of digitalization at Allianz and make greater use of digital storage facilities.</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>In general, Allianz strives to reduce the amount of waste it generates and increase the proportion it recycles by encouraging employees to separate different kinds of waste. For example, Allianz Life US and Allianz Global Assistance France implemented various waste reduction and recycling measures, which also raised awareness among employees.</p> <p>Key figures More</p>		
8	EN23	Total number and volume of significant spills		Not material	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN23: Total number and volume of significant spills</p> <p>Comment GRI EN23</p> <p>None. Since most of Allianz' operations are office-based and very few</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>hazardous substances are handled, the total number and volume of significant spills are negligible.</p> <p>More</p>
8	EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally		Not material	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN24: Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>internationally</p> <p>Comment GRI</p> <p>EN24</p> <p>Allianz does not produce any hazardous waste.</p> <p>More</p>
8	EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff		Not material	<p>Details</p> <p>Emissions, effluents, waste</p> <p>GRI EN25: Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>Comment GRI</p> <p>EN25</p> <p>Not material to an office-based financial service provider. Apart from a small amount used to irrigate the grounds, all Allianz' water is discharged into sewers. Allianz therefore anticipates no significant impact on water bodies or habitats.</p> <p>More</p>

Products and services

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
7, 8, 9	EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	<p>SD Report 2011 Details</p> <p>Products and services</p> <p>GRI EN26: Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation</p> <p>Allianz carbon reduction strategy</p>	Not material	<p>Details</p> <p>Products and services</p> <p>GRI EN26: Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation</p> <p>Comment</p> <p>GRI EN26 Not material to Allianz since its products and services are mainly of an immaterial</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment												
			<p>Allianz carbon reduction strategy</p> <table border="1"> <caption>Allianz carbon reduction strategy data</caption> <thead> <tr> <th>Year</th> <th>Emitted CO₂ per employee [metric tons]</th> <th>Reduction from Baseline</th> </tr> </thead> <tbody> <tr> <td>2006 (Baseline)</td> <td>3.76</td> <td>0%</td> </tr> <tr> <td>2011 (Reduction achieved)</td> <td>2.50</td> <td>-33%</td> </tr> <tr> <td>2015 (Target 2015)</td> <td>2.45</td> <td>-35%</td> </tr> </tbody> </table>	Year	Emitted CO ₂ per employee [metric tons]	Reduction from Baseline	2006 (Baseline)	3.76	0%	2011 (Reduction achieved)	2.50	-33%	2015 (Target 2015)	2.45	-35%		<p>nature. More</p>
Year	Emitted CO ₂ per employee [metric tons]	Reduction from Baseline															
2006 (Baseline)	3.76	0%															
2011 (Reduction achieved)	2.50	-33%															
2015 (Target 2015)	2.45	-35%															
			<p>Allianz' initial target of reducing the Group's carbon footprint by 20% by 2012 was achieved two years ahead of schedule. In response to this, Allianz set itself a new carbon reduction target to be achieved by 2015: a further 10 percent reduction on our remaining 2010 footprint, which translates into an overall target of an approximately 35 percent reduction compared to our 2006 base year.</p>														

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			More		
8, 9	EN27	Percentage of products sold and their packaging materials that are reclaimed by category		Not material	<p>Details</p> <p>Products and services</p> <p>GRI EN27: Percentage of products sold and their packaging materials that are reclaimed by category</p> <p>Comment</p> <p>GRI EN27 No measurements and anyway of limited relevance to a financial</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					services company. More

Compliance

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		Fully	

Transport

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of	SD Report 2011 Details Transport GRI EN29: Significant environmental impacts of transporting products and other goods and materials used for	Partially	Details Transport GRI EN29: Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		the workforce	<p>the organization's operations, and transporting members of the workforce</p> <p>Travel</p> <p>With travel the second-largest driver of the Group's carbon footprint, Allianz aims to reduce CO2 emissions by cutting down business travel, promoting video-conferences and switching to more climate-friendly vehicles in its car fleet. To this effect, the Global Travel Policy, which sets minimum standards for employee travel practices, is the framework for controlling travel in the Group. Overall kilometers traveled increased slightly again in 2011, returning to pre-crisis levels. However, for a financial services company doing business in around 70 countries, travelling for business is a necessity. Where travel is unavoidable, Allianz seeks to reduce the environmental impact of it.</p> <p>As half of the overall distance traveled by Allianz employees is</p>		<p>transporting members of the workforce</p> <p>Comment GRI EN29</p> <p>In 2011, Allianz employees traveled a total of 953,717 km on business trips. Whenever possible, business travel is avoided through the use of telephone or videoconferencing facilities. In addition, all letters in Germany are sent via German Mail's GoGreen program, which neutralizes any emissions caused by transportation of those letters.</p> <p>Aspect "significant environmental impacts of transportation used for logistical purpose": Not material to Allianz since its products and services are mainly of an immaterial nature. Hence there are no significant environmental impacts of transporting products and other goods and materials.</p> <p>More</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>accounted for by road travel, another focus has been on the continuous modernization of the company's car fleet. In 2011, several Allianz subsidiaries added electric or hybrid cars to their car fleets and thus reduced the average CO2 emissions of the Group's overall fleet. Nowadays, environmental aspects and not just economic considerations play an increasing role in Allianz' purchasing decisions.</p> <p>Around 40 percent of all kilometers traveled are accounted for by air travel. 2011 saw a further rise in the share of air travel due to increased business requirements; e.g. rebranding activities.</p> <p>Key figures More</p> <p>Allianz Suisse changes domestic fleet to hybrid vehicles</p> <p>In 2011, Allianz Suisse was the first insurance company in Switzerland to</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>initiate a complete reorganization of its car fleet. All claims inspectors now use hybrid cars; as such it reduces CO2 emissions per vehicle by 60 percent and Allianz Suisse saves more than 300 metric tons of CO2 a year from the fleet of around 100 cars.</p> <p>More</p>		

Overall

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
7, 8, 9	EN30	Total environmental protection expenditures and investments by type		Not available	<p>Details</p> <p>Overall</p> <p>GRI EN30: Total environmental protection expenditures and investments by type</p> <p>Comment GRI EN30</p> <p>Environmental protection expenditures are largely embedded in overall operational business expenditures, without dedicated budgeting and reporting. In most cases, it is not possible to determine the amount used for regular maintenance that is also</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>environmentally beneficial. In addition, numerous activities that help reduce Allianz' environmental impact do not involve any expenses.</p>

Disclosure on Management Approach

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 3, 6	DM A LA	Employment, Labor/ management relations, Occupational health and safety, Products and services, Training and education, Diversity and equal opportunity, Equal remuneration for women and men	<p>SD Report 2011 Details Disclosure on Management Approach</p> <p>GRI DMA LA: Employment, Labor/ management relations, Occupational health and safety, Products and services, Training and education, Diversity and equal opportunity, Equal remuneration for women and men</p> <p>Group-wide HR management</p> <p>Globally, Allianz employs almost 142,000 people who work in about 70 countries. A key part of Allianz' strategic focus is ensuring it has the best talent on board to drive its business success, today and over the long term. All central HR activities operate under the responsibility of a Group Chief HR Officer directly reporting to the Allianz Board of Management. The aim of Allianz' global HR management is to ensure a consistent HR strategy across the Group, e.g. providing Allianz companies with a strategic HR framework for areas such as Global Talent Management.</p> <p>More</p> <p>Nurturing talent</p> <p>Developing the skills and competencies of employees across Allianz' diverse global organization requires a common approach across the Group. Allianz strives to retain skilled employees, recruit and develop top talents, and promote high performers. Allianz' Global Talent Management aims to enhance the quality and improve the performance of highly talented staff by means of a common, systematic approach implemented across all Allianz companies. Since Allianz is a diverse company with businesses in many countries, it also ensures that local specifics are taken into account.</p> <p>Specifically, the following approaches are pursued:</p> <ul style="list-style-type: none"> <p>Managing talents and careers</p> <p>We underline the necessity of a regular development dialogue between managers and employees at all levels. In 2011 a new minimum standard, which foresees that every employee in the management pathway should have a development plan, was also introduced. And we conduct an assessment to define individual development needs in order</p> 	Fully	

to achieve professional excellence in an employee's current or targeted job. This involves looking at an individual's competency, skills and experience.

In addition, Career Development Conferences (CDCs) are held every year at Allianz companies and at Group level. Here, top leaders discuss important talent topics such as succession planning and define action plans for leaders and high potentials. Thus, our CDCs are a systematic and consistent Group-wide approach which identifies candidates who are able to take over roles at the next management level. This greatly fosters global, cross-company and cross-functional career planning as well as the quality of succession planning.

- **Promoting leadership skills**

The Allianz Management Institute (AMI), Allianz' corporate university, is responsible for the professional education and further development of executives throughout the Group. AMI offers international programs, functional and specialist training and open enrollment programs to target distinct learning groups and levels within the Group. Allianz is recognized for its high standards and the quality of its corporate university, which also offers a Corporate Learning Improvement Program (CLIP) accredited by the European Foundation for Management Development (EFMD).

Allianz also encourages employees to engage in corporate volunteering schemes such as [Social OPEX](#), which is a great example of how leadership development and employee engagement can be mutually beneficial.

- **Focusing on functions**

Certain critical functions are in short supply throughout the industry. That is why Allianz specifically recruits and trains specialists in various areas, e.g. in its Global Actuarial & Risk Development and Audit Talent Development Programs.

Since maintaining and managing knowledge are crucial to Allianz' business success, senior high-performers and retirees are selected from throughout the Group to facilitate the transfer of knowledge and provide subsidiaries with additional business, technical and personnel skills.

- **Meeting future staff needs**

Allianz' long-term success relies on employing people with the right skills where and when they are needed. Strategic Workforce Planning (SWFP), launched in 2009, is an analytical and strategic planning process employed to ensure Allianz has enough staff with the right skills in the right place and at the right time – now and in the future. By supplying up to 10-year forecasts on economic, demographic and socio-cultural trends, SWFP proactively supports strategic decision-making in this field.

[More](#)

Diversity

Allianz recognizes the importance of having of a diverse, inclusive workforce that is made up of employees from different backgrounds. We understand that promoting diversity is necessary for any global company to be successful.

The importance of the diversity initiative at Allianz is reflected by the commitment of the Board of Management and senior management to its success. Werner Zedelius, the Allianz SE Board Member responsible for German-speaking Insurance Entities and Human Resources, chairs the Global Diversity Council founded in 2007. The Diversity Council, as well as the Global Diversity Office, are responsible for driving the success of Allianz' diversity strategy. To accomplish this, Allianz has implemented a number of initiatives, including those focused on gender, ethnicity, age, religion, sexual orientation, disability, education or nationality. Consistent with our Code of Conduct, Allianz has a zero-tolerance policy for discrimination and harassment in the workplace.

As part of the effort on the advancement of women at Allianz, in 2008, we already set ourselves the global target of increasing the share of women in the talent pool for executive positions to 30 percent by 2015. A top management mentoring program for women and flexible work-life programs, such as part-time employment or job sharing, are part of the supporting actions taken in several countries in 2011. In 2011, we made a joint declaration with other DAX 30 companies of our commitment to increase the share of female leaders in Germany. Allianz' own commitment is to have 30 percent of management positions in Germany held by women by the end of 2015.

In addition to the actions described above, the Diversity Initiative at Allianz also includes:

- Establishing highly visible and successful diversity programs internationally
- Developing diversity plans and setting standards for the advancement of diverse employees
- Monitoring progress and exchanging information on best practices (diversity plans and diversity implementers' network)
- Implementing global programs, e.g. 100 Women Sponsorship, Go Flexible (see below)
- Designing toolkits, e.g. for mentoring, disability toolkit and eLearning
- Creating awareness for LGBT (Lesbian, gay, bi-sexual, transgender)

[More](#)

Employee engagement

In a people business like financial services, employee engagement brings competitive benefits by contributing to a culture of high performance, integrity and customer orientation. Research

shows a strong link between engagement and business performance, further highlighting the importance of an effective feedback culture for the benefit of all stakeholders. The Group-wide Allianz Engagement Survey (AES) is now standard practice in gathering employees' feedback on promoting a high-performance culture within Allianz. Most importantly, the results are directly performance-relevant for the top management of Allianz, which generates a strong buy-in and ensures that AES findings are consistently acted upon.

[More](#)

Sustainable-value approach to remuneration

Remuneration structures and incentives are designed to encourage sustainable value creation for Allianz within clear frameworks that allow for strong governance. The remuneration system at Allianz is based on the following principles:

- Provide a transparent, fair and integrated offering to attract, motivate and retain highly qualified employees.
- Deliver total rewards that are competitive in the relevant markets.
- Align remuneration with the performance of the individuals and the achievement of Allianz' financial and strategic goals ("pay for performance").
- Operate effectively in different performance scenarios and business circumstances.
- Mitigate inappropriate risk taking and reward risk control.

At the same time, Allianz strives to consider all types of reward and recognition to effectively motivate individuals by using a role-appropriate mix of elements, i.e., monetary and non-monetary. This takes into account the particular roles of employees, business activities and local remuneration and regulatory environments.

In 2011, Allianz again offered an employee stock-purchase plan in many markets in order to strengthen employees' commitment to the company and raise their awareness of the corporate strategy and business results. Furthermore, many employees participate in various company pension plans, insurance arrangements, deferred compensation plans, flexible working and other employee benefit arrangements.

[More](#)

Furthering employees' rights

Allianz strives to apply core human rights principles throughout its worldwide operations. Allianz is a signatory to the United Nations Global Compact (UNG), has integrated the Ten Principles into its globally binding Code of Conduct and also respects the OECD Guidelines for Multinational Enterprises.

Allianz was among the first companies to create pan-European workers' participation standards and establish a European Works Council (SE Works Council) under the legislation for Societas Europaea (SE) companies. In addition, Allianz is a signatory to the Fundamental Rights and Principles at Work of the International Labour Organization (ILO), including the ILO declaration on the freedom of association and the right to collective bargaining. Thus, in countries where local law prohibits formalized works councils, Allianz respects local law but does not obstruct parallel means of association and bargaining and strives to act in the spirit of the UNGC Principles.

[More](#)

Allianz firmly believes that work-life balance is a key factor in ensuring long-term employee motivation and health, as well as in attracting new recruits. In 2011, significant progress was made in creating a balance between work and private life. Allianz' overriding goal is to offer its employees a working environment that furthers productive work. In this context, flexible working hours are generally seen as an important factor.

The flexible working solutions offered to Allianz employees worldwide include part-time work, home office working, job sharing and paid leave (e.g. in case of birth, adoption, death, accident, illness, marriage or move). In 2011, various local guidelines were developed to increase the degree of working flexibility. These included a Flexible Working Model introduced by Allianz UK and an agreement on flexible working hours developed in collaboration with the Works Council at Allianz Spain. The Go Flexible pilot program launched for executives in Germany provides for sabbatical, part-time and virtual office arrangements.

Another key factor in balancing work and private life is how family-friendly a firm is. The Allianz Group supports the creation of day care facilities, e.g. on-site crèches or early learning centers. Moreover, Allianz has introduced various initiatives to enhance its employees' work-life balance. These include a Parents' Forum to discuss how to better balance the demands of family and work in day-to-day life, and a New Dads @ Work platform for young fathers to discuss crucial issues relating to family life and work.

Examples of work life tools Allianz offers its employees in various countries include:

- Flexible working solutions (e.g. flexible or individual working hours, home office, job-sharing, sabbatical leave)
- Family support (e.g. pro-active re-entry support after maternity leave, discounted daycare, no meetings before 9 am and after 6 pm, backup child or adult care)
- Health support (e.g. onsite fitness facilities, health services, time/stress/work-life

			<p>management)</p> <ul style="list-style-type: none"> Retirement support (e.g. retirement transition, company pension scheme) Others (e.g. paid time off for volunteering, college/university/education reimbursement) <p>More information on Allianz' work-life balance activities can be found on our corporate website. More</p>		
1 to 6	DM A HR	Investment and procurement practices, Non-discrimination, Freedom of association and collective bargaining, Child labor, Prevention of forced and compulsory labor, Security practices, Indigenous rights, Assessment, Remediation	<p>Annual Report 2011 (Corporate Governance Report p. 24-32)</p> <p>SD Report 2011 - see LA4 Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA HR: Investment and procurement practices, Non-discrimination, Freedom of association and collective bargaining, Child labor, Prevention of forced and compulsory labor, Security practices, Indigenous rights, Assessment, Remediation</p> <p>Group-wide procurement standards</p> <p>Allianz' goals in procurement activities are to ensure the continuous promotion of sustainability standards in its supply chain. A global procurement department as part of Allianz' Group-wide shared services center, Allianz Managed Operations and Services SE (AMOS), plays a key role in promoting those standards with current and potential suppliers, even though the risks associated with the environmental and social impact of Allianz' suppliers are limited. In practice, this means ensuring that all Allianz suppliers abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles. Both the Code and the Principles are in line with the International Labour Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights, Labor Standards, Environment and Anti-Corruption.</p> <p>More</p> <p>Managing the supply chain</p> <p>The task of supervising compliance with Allianz' ESG standards throughout the supply chain is split between the global sourcing and procurement unit for globally sourced products and services and the subsidiaries' purchasing units for locally sourced products and services. These units ensure that all suppliers comply with Allianz' sustainability standards for both IT and non-IT purchasing activities. Global operational purchasing policies for both IT and non-IT define cooperation between Allianz companies and headquarters.</p>	Fully	

			<p>Allianz has instituted a two-tier process to ensure suppliers comply with its sustainability standards:</p> <ul style="list-style-type: none"> • The Supplier Selection Process run by AMOS for global purchasing projects or the subsidiary's purchasing unit for local projects controls the environmental and social standards of potential suppliers. All suppliers are sent a sustainability questionnaire tailored to the potential risks arising from their respective line of business. Contracts between Allianz and suppliers contain a clause committing them to comply with Allianz' ESG standards. • The Vendor Integrity Screening as part of the general Supplier Selection Process controls the governance and compliance performance of vendors and ensures a proper integrity due diligence before they are engaged. In addition, Allianz conducts its own, independent research to validate a potential vendor's integrity and ensure comprehensive screening. This process is carried out by local purchasing departments (IT and non-IT) with the support of the respective Allianz compliance departments. <p>The Vendor Integrity Screening and sustainability questionnaires are part of every Request for Proposal, including potential renewals of existing contracts. Since the average supply contract term is three years, regular monitoring of suppliers is ensured. Allianz also requires suppliers to keep the company informed of any business relationships conflicting with the Allianz Code of Conduct or Purchasing Principles.</p> <p>If a supplier (or its employees or sub-contractors) is found to be in breach of contract, Allianz will enter into a dialogue with that supplier to determine the type and extent of the breach; i.e. has the contract actually been breached and if so, how serious is the breach? The outcome of this dialogue may result in the contract either being terminated, suspended pending further investigation or subjected to the provision that the supplier has to implement remedial measures to ensure the breach will not happen again.</p> <p>More</p>		
10	DM A SO	Local communities, Corruption, Public policy, Anti-competitive behavior, Compliance,	<p>Annual Report 2011 (Corporate Governance Report p. 24-32)</p> <p>SD Report 2011 Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA SO: Local communities, Corruption, Public policy, Anti-competitive behavior, Compliance, Anti-competitive behavior</p>	Fully	

Anti-competitive behavior

Managing and enhancing microinsurance

At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of customer education.

Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.

[More](#)

A committed corporate citizen



By offering skills, time and money Allianz strives to advance social well-being in local communities.

[More](#)

Community support

Supporting the communities we operate in is an integral part of our corporate responsibility (CR) strategy. Despite the challenging economic conditions of the last few years, we have maintained our commitment to be a trusted partner in each market. Besides financial donations, we have increased our support through volunteering and capacity-building programs. By sharing our financial know-how with society as a whole, we help support the Allianz Group's stated priority of "building the strongest financial community". Here, we focus – wherever possible – on the three keynote areas of financial literacy, risk awareness and low-carbon economy.

[More](#)

Principles of social engagement

The Allianz4Good Principles for Social Engagement

1 Alignment with long-term Allianz Group strategy

2 Alignment with local business objectives

3 Measurement and accountability

4 Transparency

As the center of competence for corporate responsibility in the Allianz Group, the Allianz4Good team defines the basic principles for social engagement at Allianz. These principles are based on the premise that taking a strategic, long-term perspective on social engagement generates sustainable value for all of the company's stakeholders. What is more, they are intended to support local decision-making on proposed projects by providing objective engagement criteria.

[More](#)

Corporate volunteering

We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of

volunteering work. Our overall aim is to:

- Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations.
- Support the development of effective solutions to address social concerns.
- Enhance employees' personal development by helping to develop and build a range of skills and abilities that they can bring back to the workplace.
- Raise motivation amongst employees and enhance teamwork.

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Since volunteer work is always a personal choice, employees can choose from different initiatives. In addition to Group-run programs, Allianz subsidiaries worldwide offer their own programs to suit local requirements and community needs. The Group-run projects include:

- **My Finance Coach:** A non-profit initiative run by Allianz SE, Grey Advertising Ltd. and McKinsey & Company, Inc. My Finance Coach aims to improve the financial literacy of 11- to 15-year-old pupils and help them avoid accumulating debts by offering the skills and knowledge they need to manage money responsibly and independently. These volunteering activities are supplemented by a comprehensive range of further training options for teachers and extracurricular activities. The German UNESCO Committee has declared My Finance Coach to be an official project of the United Nations Decade of Education for Sustainable Development (2005-2014).
- **Social OPEX:** A leadership development and employee engagement program that brings together Allianz employees and social entrepreneurs to facilitate a mutually beneficial exchange of skills and ideas. Whilst learning valuable lessons for their daily work, our employees apply their business skills to help social entrepreneurs improve their social impact.
- **startsocial:** Themed "innovation needs experience" and run under the patronage of German Chancellor Angela Merkel, this initiative fosters innovative social ideas in Germany. Allianz supports startsocial as one of the four key sponsors and contributes expertise through its former employees, who play an active role as jurors or coaches.

[More](#)

Disaster response

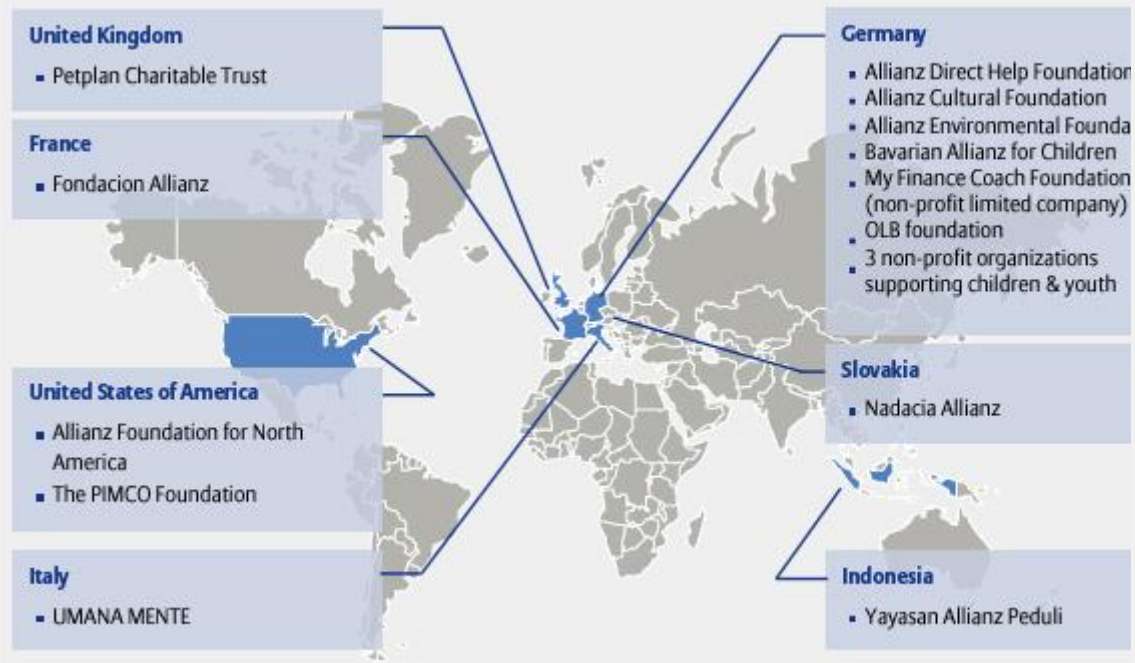
When natural disasters occur, many Allianz employees demonstrate a desire to help. Our company responds by offering donation programs to its employees and donating money itself. In this way, we support relief efforts in the affected areas. The effectiveness of our disaster response activities has been enhanced by a number of measures. These include development of an internal guideline to advise Allianz subsidiaries on when and how to take action in the event of a natural disaster, the launch of a global donation platform to involve all our employees

worldwide in donation campaigns, and measures to ensure faster and better action-taking when required.

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Corporate foundations

Allianz' international network of corporate foundations



For many years, foundations of all kinds have played an essential role in society and the importance of their work continues to increase, especially in times of financial uncertainty and growing social need. Our international network of 16 Allianz-affiliated corporate foundations supports us in living out our role as a responsible corporate citizen. Although operating independently of the company, these foundations are linked to Allianz subsidiaries all over the world.

What these foundations have in common is their goal to advance social well-being and address

social, environmental and cultural issues in their local communities, as determined by each foundation's particular purpose.

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Sovereign debt crisis, financial crisis, crisis in the Euro zone: all these politico-economic crises urgently require solutions, sooner rather than later, since they also heavily impact our industry. Legislators at national, regional and global levels are striving to find them. But banks remain a critical factor. Since large insurance companies are incorrectly mentioned in the same breath as these financial institutions, one of Allianz' main goals in dialoguing with government and related institutions is to explain the specific details of the diversified risks at the heart of the insurance business.

[More](#)

Fostering government relations

At Allianz, the specialist department responsible for interfacing with all political institutions worldwide is Group Government Relations and Public Policy (GPP). The role of GPP is to listen to what politicians require of the insurance industry and voice an expert opinion on regulatory proposals and their implementation. Based in Munich, GPP operates in a decentralized manner via representative offices in Berlin, Brussels, Rome, Washington D.C. and Beijing. In most other Allianz subsidiaries GPP communicates via so-called political contacts, with special circles convening for European or G20 issues. GPP monitors regulatory and legislative activities, organizes the necessary internal activities, and provides the Allianz Group – up to Board level – with the expertise needed to conduct dialogues on burning current and fundamental socio-political issues. As the gateway to political institutions, GPP also organizes presentations, meetings and joint letters by industry associations and other corporate groupings on matters of critical relevance for the Group.

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Lobbying and political networking

Political lobbying sometimes has a poor image because it is frequently misunderstood. Relationships between government and business, however, can never be a one-way street. Governments, parliaments and regulators can only work effectively and efficiently if they listen to expert advice, e.g. from the world of business. The added value Allianz can offer in this context is to provide expert advice on every little detail of the complex regulatory issues affecting the financial services industry. Allianz undertakes this political advisory work without focusing on a single-minded pursuit of its own momentary business interests, but also with an eye to the interests of society as a whole in the long run. Moreover, all Allianz' activities in this field are conducted in compliance with the Allianz Lobbying Code of Conduct, which is based on a strict set of values to ensure integrity in all the Group's interaction with political bodies,

parties and organizations.

Allianz maintains dialogues with policymakers at a national and international level, among other things through membership of the European Insurance and Reinsurance Federation (CEA), the European Fund and Asset Management Association (EFAMA), the Geneva Association and the International Insurance Society (IIS), and through participation, for example, at numerous hearings of committees at the European Parliament.

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Early warning, analysis and management of political issues

Allianz engages on key economic, governmental and societal issues at an early stage in order to promote an enabling political environment for the company's development. To this end, GPP identifies, prioritizes and monitors issues of relevance to the company's business as well as tracking regulatory developments at a global, European and national level. The ongoing management of political issues involves proposing, developing, coordinating and reviewing Allianz' policy positions as well as setting up conferences and events focusing also on issues of major environmental and societal importance, e.g. energy and climate change. In addition, Allianz engages in regular discussions with political, academic and societal circles on fundamental societal developments with a strategic impact on the company's business.

[More](#)

Microinsurance

For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.

Microinsurance key figures ^{1,2}

As of December 31, 2011	2011	2010	2009
Revenues [€m]	34.5	78.4	--
Customers (rounded) [m]	2.6	3.8	2.4

¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.

² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.

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There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.

As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.

Nevertheless, Allianz continued to expand its presence in other markets and entered three new markets in 2011: Burkina Faso, Malaysia and Mali. Innovation in distribution and products progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.

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Public-private partnership

In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.

Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education

1, 8	DM A PR	Customer health and safety, Product and service labelling, Marketing communication s, Customer privacy, Compliance	<p>campaigns.</p> <p>More</p> <p>Annual Report 2011 (Corporate Governance Report p. 24-32)</p> <p>SD Report 2011 - see PR6</p> <p>Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA PR: Customer health and safety, Product and service labelling, Marketing communications, Customer privacy, Compliance</p> <p>Creating a customer-centric organization</p> <p>Societal developments such as demographic change or increasing digitalization are influencing both consumer needs and their access and attitudes to markets like insurance. Since Allianz' business is essentially about people, with Allianz literally accompanying its customers through their entire life, it is vital to identify their changing needs and adapt accordingly. To this end, Allianz is developing innovative solutions to fulfill evolving expectations and anticipate the future requirements of customers and markets.</p> <p>A strong customer focus is at the heart of the overall strategy Allianz pursues – and this is reflected in the organizational set-up, with Market Management working to enhance customer and market orientation at a Group and local level. In practice, its responsibility involves:</p> <ul style="list-style-type: none"> • Gaining in-depth market and customer insights • Building loyal and engaging customer relationships • Developing a holistic go-to-market strategy • Defining customer product and service requirements • Building and protecting the Allianz brand <p>More</p> <p>Establishing loyal customer relationships</p> <p>Since Allianz aims to achieve customer loyalty leadership in all its markets, customer feedback is a vital tool in monitoring customer satisfaction and constantly improving. Net Promoter Score (NPS), a measurement of a customer's willingness to recommend Allianz, has been established as the key global metric for customer loyalty and is regularly measured in around 40 companies representing approximately 90 percent of gross written premiums. NPS is applied in two ways:</p>	Partially	<p>Details</p> <p>Disclosure on Management Approach</p> <p>GRI DMA PR: Customer health and safety, Product and service labelling, Marketing communication s, Customer privacy, Compliance</p> <p>Comment GRI DMA PR Not material.</p> <p>Since Allianz does not deal with physical products, there are no direct health and safety risks. The aspect of customer health and safety is therefore of limited relevance to</p>
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- Top-down NPS, measured annually according to global standards, which allows benchmarking to local competitors
- Bottom-up NPS, measured continuously after customer interaction at critical touch points (e.g. claims)

Improvement measures and concrete service levels are derived from NPS insights in order to ensure service delivery is in line with customer expectations.

Since managing complaints well is a top priority, Allianz has internally certified its companies to ensure that Group-wide quality standards are met in handling complaints and that customers are treated fairly. In addition, Allianz regards complaints as another important source of customer feedback and analyzes them to implement improvements. Moreover, as the quality of advice at our sales touch points is crucial to ensuring customer needs are met, Allianz engages test shoppers to act as customers and report back on what they have experienced. Lessons learned from such mystery shopping activities help, for example, to improve training programs for agents.

[More](#)

In recent years, environmental, social and governance (ESG) factors have become more important in investment analysis and asset management, with private and institutional investors increasingly considering these factors in their investment decisions. Allianz is meeting this demand by offering a range of Sustainable and Responsible Investment (SRI) funds across the major asset classes through its third-party asset managers. At the end of 2011, the assets Allianz managed in SRI funds were more than 10 percent higher in a year-on-year comparison at 3.4 billion euros (2010: 3.1 billion euros). This increase was mainly driven by a general appreciation and inflow of new assets into fixed-income SRI funds. Given the turbulences on the equity markets in 2011, investors were generally looking for investments with a lower risk profile, which was also true of Allianz' overall portfolio. Allianz' assets under management in equity SRI funds developed very much in line with the total market, although Allianz' performance was slightly better. Despite slight outflows, Allianz' assets under management in equity SRI remained fairly stable.

Sustainable and Responsible Investments

As of December 31, 2011	2011	2010	2009
Assets under Management in SRI funds [€bn] ¹	3.4	3.1	4.8

¹ Figures are for Allianz Global Investors only and exclude SRI funds managed by PIMCO.

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2011 Global Investor Statement on Climate Change

Allianz as a financial services company.


Allianz Global Investors is a signatory to the 2011 Global Investor Statement on Climate Change, as it was to such Statements in the past. The Statement is supported by the Advisory Council of the United Nations Principles for Responsible Investment (UN PRI) and by 285 investors representing assets of more than 20 trillion US-dollars.

As a global investor, Allianz manages diversified portfolios featuring a cross section of assets, companies, sectors and markets. Investors are interested in advancing a low-carbon economy because climate change and policies to address it affect both the global economy and individual assets. Without private sector investment, the climate investment gap will not be closed and the objective of a low-carbon economy will not be achieved. Investors are therefore calling on domestic governments and international institutions to implement the policies and tools needed to optimize private investment in a low-carbon economy.

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Employment

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	LA1	Total workforce by employment type, employment contract, and region, broken down by gender	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA1: Total workforce by employment type, employment contract, and region, broken down by gender</p> <p>Employees by region</p>	Partially	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA1: Total workforce by employment type, employment contract, and region, broken down by gender</p> <p>Comment GRI LA1 A breakdown of figures by region and gender</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment																
			<p data-bbox="577 379 808 411">Employees by region [%]</p>  <p data-bbox="562 906 1518 963">In 2011, the total number of employees in the Allianz Group fell in a year-on-year comparison, mainly due to deconsolidation of subsidiaries.</p> <p data-bbox="562 1007 1323 1034">Please see the Annual Report 2011 for a breakdown by country.</p> <p data-bbox="562 1054 629 1082">More</p> <p data-bbox="577 1107 887 1134">Employment relationships</p> <table border="1" data-bbox="577 1134 1509 1362"> <thead> <tr> <th data-bbox="591 1139 972 1166">Employment relationships² [%]</th> <th data-bbox="1151 1171 1211 1198">2011</th> <th data-bbox="1308 1171 1368 1198">2010</th> <th data-bbox="1442 1171 1503 1198">2009</th> </tr> </thead> <tbody> <tr> <td data-bbox="591 1219 831 1246">Permanent employees</td> <td data-bbox="1151 1219 1211 1246">93.7</td> <td data-bbox="1308 1219 1368 1246">93.5</td> <td data-bbox="1442 1219 1503 1246">94.5</td> </tr> <tr> <td data-bbox="591 1267 831 1294">Temporary employees</td> <td data-bbox="1151 1267 1189 1294">6.3</td> <td data-bbox="1308 1267 1346 1294">6.5</td> <td data-bbox="1442 1267 1480 1294">5.5</td> </tr> <tr> <td data-bbox="591 1315 815 1342">Full-time employees</td> <td data-bbox="1151 1315 1211 1342">88.7</td> <td data-bbox="1308 1315 1368 1342">88.3</td> <td data-bbox="1442 1315 1503 1342">89.4</td> </tr> </tbody> </table>	Employment relationships ² [%]	2011	2010	2009	Permanent employees	93.7	93.5	94.5	Temporary employees	6.3	6.5	5.5	Full-time employees	88.7	88.3	89.4		<p data-bbox="1756 368 2024 491">based on the scale of the organization's operations can not be provided.</p> <p data-bbox="1756 533 2056 1362">Allianz is a financial services company of significant size with circa 142,000 employees worldwide. It has a global HR controlling function responsible for Group-wide data collection as well as defining the standards for data collection and material indicators required for Group reporting. A common terminology and data definitions are applied across all Group companies, which are asked to deliver their data to the global system in an annual process. Every year, all Allianz companies – in all more than 250 local entities from over 70 countries – deliver their local HR figures to the</p>
Employment relationships ² [%]	2011	2010	2009																		
Permanent employees	93.7	93.5	94.5																		
Temporary employees	6.3	6.5	5.5																		
Full-time employees	88.7	88.3	89.4																		

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment																								
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6	LA2	Total number and rate of new employee hires and employee turnover by age group, gender, <input type="text"/>	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA2: Total number and rate of new employee hires and employee turnover by age group, gender, and region</p>	Partially	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA2: Total number and rate of new employee hires and employee turnover by age group, gender, and <input type="text"/></p>

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Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations		Fully	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA3: Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations</p> <p>Comment GRI LA3</p> <p>In terms of benefits Allianz SE does not differentiate between full-time and part-time employees. At Allianz SE, full-time and part-time salaried employees receive the same benefits. However, differences could exist in the case of temporarily salaried employees. For example, those with contracts of less than 12 months are not included in the company-run retirement scheme. Most countries have legally applicable vesting</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>periods for corporate pension plans. To avoid undue administrative burdens resulting from fractional claims from short employment periods, only employees with contracts of more than 12 months are included in the pension scheme.</p> <p>More</p>
	LA15	Return to work and retention rates after parental leave, by gender		Not available	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA15: Return to work and retention rates after parental leave, by gender</p> <p>Comment GRI LA15 Group-wide reporting for retention rates after parental leave does not yet exist on this rather new indicator.</p> <p>Allianz is a financial</p>

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					<p>services company of significant size with circa 142,000 employees worldwide. It has a global HR controlling function responsible for Group-wide data collection as well as defining the standards for data collection and material indicators required for Group reporting. A common terminology and data definitions are applied across all Group companies, which are asked to deliver their data to the global system in an annual process. Every year, all Allianz companies – in all more than 250 local entities from over 70 countries – deliver their local HR figures to the global system. In order to take into account external developments such as changes to applicable reporting standards where data</p>

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Labor/management relations

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 3	LA4	Percentage of employees covered by collective bargaining agreements		Fully	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA4: Percentage of employees covered by collective bargaining agreements</p> <p>Comment GRI LA4</p> <p>On the basis of a survey of local legislative landscapes in November 2011, Allianz estimates that nearly 80% of its employees in the following countries may benefit from collective bargaining agreements:</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>Austria, Belgium, Czech Republic, Spain, France, Luxembourg, Germany, Italy, Netherlands, Portugal, Slovakia, Romania, UK, Ireland, Romania, Poland, Greece, Hungary, Bulgaria (employee figures vary by country).</p> <p>In Denmark, Estonia, Latvia, Lithuania, Norway, Finland and Slovenia there are very few or no Allianz employees.</p> <p>In addition, Allianz is committed to observing and implementing the Fundamental Rights and Principles at Work of the International Labor Organization (ILO), including the ILO declaration on the freedom of association and the right to collective bargaining. Thus, in countries where local law prohibits formalized works councils, Allianz respects local law but does not obstruct parallel means of association and bargaining and strives to act in the spirit and nature of the United Nations Global Compact (UNGC) principles.</p> <p>Please also refer to the Agreement concerning the Participation of Employees in Allianz SE, which states in its preamble that the Allianz Group explicitly stands by this goal.</p> <p>More</p>
	LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements		Fully	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA5: Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements</p> <p>Comment GRI LA5</p> <p>Operational and organizational changes are accompanied by consultation and negotiation with employee representatives and/or trade unions and</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					subject to adequate notice periods. If any cross-border operational and organizational changes are to be considered as exceptional circumstances with material effects on the interests of the employees, the management of Allianz SE must inform and consult the (European) SE Works Council early enough so that management can take the views of the SE Works Council into account when coming to a decision (cf. Part A, Paragraph 7 of the Agreement concerning the Participation of Employees in Allianz SE).

Occupational health and safety

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1	LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA6: Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs</p> <p>Work-life balance Allianz employees mainly have desk jobs that are usually less associated with occupational health risks. However, the company is fully aware of potential health issues, such as stress.</p> <p>Allianz' goal is to ensure its staff stay healthy and motivated and enjoy a positive work-life balance. Throughout the Group, companies are proactively engaged in measures to support their employees' health and well-being. Here, flexible working models are</p>	Fully	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA6: Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs</p> <p>Comment GRI LA6 Allianz does not have a Group-wide committee to help monitor and advise on occupational health and safety programs. These issues are managed at a local level. Allianz' targeted operating model</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>key tools, as are the company's efforts to help staff meet the demands of family life, e.g. with daycare facilities, child-care subsidies or disease prevention and fitness campaigns. In addition, a pilot program for executives (Go Flexible) offers sabbatical, part-time and virtual working options at selected companies in Germany.</p> <p>In 2011, as one of the first financial services providers, Allianz adopted the European guidelines on dealing with work-related stress. The guidelines apply to all Allianz companies in the EU Member States, the contracting states of the European Economic Area and Switzerland.</p> <p>Although Allianz is a large and diverse organization, a common operating model has been defined and implemented across the Group over the past years. Within the Allianz Operating Model, an additional sub-function of HR at each subsidiary is to ensure local health and safety management. At each subsidiary, officers work with senior management to ensure compliance with the organization's health, safety and environment (HSE) plan, and to design and implement project-specific HSE programs.</p> <p>More</p>		<p>foresees a dedicated health and safety officer function in the set-up of local HR departments. In addition, Allianz' European Works Council, which represents the interests of Allianz SE and its subsidiaries in the EU, European Economic Area and Switzerland, covering approx. 80% of all employees, assumes responsibility for cross-border matters, including health and safety matters.</p> <p>More</p>
1	LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA7: Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender</p> <p>Sick-related absenteeism</p>	Partially	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA7: Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment																																														
			<p>There was very little change in sick days per employee in 2011, with fluctuations remaining within normal limits. No differentiation is made between absences caused by sickness and stress, since this is not permitted in many countries.</p> <p>Sick-related absenteeism ¹</p> <table> <tr> <td></td> <td>2011</td> </tr> <tr> <td></td> <td>2010</td> </tr> <tr> <td></td> <td>2009</td> </tr> <tr> <td>Average sick days per employee</td> <td>6.1</td> </tr> <tr> <td></td> <td>6.0</td> </tr> <tr> <td></td> <td>5.8</td> </tr> <tr> <td>Sick days per region:</td> <td></td> </tr> <tr> <td>Asia Pacific</td> <td>3.0</td> </tr> <tr> <td></td> <td>3.2</td> </tr> <tr> <td></td> <td>3.3</td> </tr> <tr> <td>Germany</td> <td>8.5</td> </tr> <tr> <td></td> <td>8.0</td> </tr> <tr> <td></td> <td>8.2</td> </tr> <tr> <td>Middle East & Africa</td> <td>3.3</td> </tr> <tr> <td></td> <td>3.3</td> </tr> <tr> <td></td> <td>3.3</td> </tr> <tr> <td>Eastern Europe</td> <td>5.1</td> </tr> <tr> <td></td> <td>4.9</td> </tr> <tr> <td></td> <td>5.4</td> </tr> <tr> <td>North America</td> <td>0.5</td> </tr> <tr> <td></td> <td>0.6</td> </tr> <tr> <td></td> <td>1.4</td> </tr> <tr> <td>South America</td> <td>2.1</td> </tr> </table>		2011		2010		2009	Average sick days per employee	6.1		6.0		5.8	Sick days per region:		Asia Pacific	3.0		3.2		3.3	Germany	8.5		8.0		8.2	Middle East & Africa	3.3		3.3		3.3	Eastern Europe	5.1		4.9		5.4	North America	0.5		0.6		1.4	South America	2.1		<p>Comment GRI LA7</p> <p>The injury rate, occupational diseases rate and lost day rate is not applicable.</p> <p>Accident data are not reported centrally, but as most of the Allianz business is conducted in offices, work-related accidents are not a major issue. Hence, the few accidents there are occur in the employees' private lives or on their way to and from work.</p> <p>A Breakdown of figures by gender based on the scale of the organization's operations can not be provided.</p> <p>Allianz is a financial services company of significant size and with circa 142,000 employees worldwide. We have a global HR controlling function responsible for data collection across the Group as well as defining the standards for data collection and material indicators required for our Group reporting. A common terminology and data definitions are applied across all Group companies, which are asked to deliver their data to our global system in an annual process. Every year all Allianz companies, in total more than 250 local entities, from over 70 countries deliver their local HR figures to the global</p>
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1	LA8	Education, training, counseling,	SD Report 2011 Details	Fully	Details Social: Labor Practices and Decent

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
		prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	<p>Social: Labor Practices and Decent Work</p> <p>GRI LA8: Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases</p> <p>Health programs</p> <p>In general, Allianz offers a variety of activities (workshops, seminars, brochures, etc.) to support its employees in health maintenance and stress prevention. Although no Group-wide program is in place, activities of this kind take place in nearly all Allianz companies in accordance with local customs and requirements. 2011 saw progress in providing work environments that promote employees' health and well-being. These measures were steered and implemented at a local level. All Allianz companies in Germany benefit from an overarching health management system, and special training courses are provided for employees in stress management, fitness and relaxation, ergonomic workplace design, health and nutrition. Employees who have suffered a long-term illness are helped in their gradual return to work by a recently introduced reintegration program.</p> <p>More</p>		<p>Work</p> <p>GRI LA8: Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases</p> <p>Comment GRI LA8</p> <p>Although Allianz has no Group-wide program in place and no details of the initiatives undertaken by subsidiary companies are collected at Group level, several subsidiary companies have implemented initiatives. Various companies, including Allianz Germany, run diagnostic cancer prevention programs for employees, for example.</p> <p>More</p>
1	LA9	Health and safety topics covered in formal agreements with trade unions	<p>SD Report 2011</p> <p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA9: Health and safety topics covered in formal agreements with trade unions</p> <p>Health & safety topics covered in formal agreements with trade</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>unions</p> <p>The Group's European SE Works Council has been particularly focusing on employee health. In May 2011 a pan-European Agreement on Guidelines concerning Work-Related Stress was signed by members of the Allianz SE Board of Management and the SE Works Council. Allianz SE is one of the first financial services providers to have adopted the European guidelines on dealing with work-related stress. This is particularly relevant since the working environment is becoming increasingly demanding and stressful – through international competition, efforts to enhance efficiency and effectiveness, or changes in working processes. The guidelines apply to all Allianz companies in the EU Member States, the contracting states of the European Economic Area, and Switzerland. Responsibility for their implementation within the Allianz organization is in the hands of the management staff of the local European entities, assisted by HR experts. They decide upon the relevant local tools to offer to their employees, e.g. an anonymous helpline, counseling, education or training. Support in rehabilitation and reintegration is also provided. Besides introducing and successively implementing the guidelines, Allianz also plans to carry out risk analyses of potential stress factors in the working environment in order to detect possible causes and avoid or limit them at the earliest possible stage.</p> <p>More</p>		

Training and education

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

	LA10	Average hours of training per year per employee by gender, and by employee category	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA10: Average hours of training per year per employee by gender, and by employee category</p> <table border="1"> <thead> <tr> <th colspan="4">Employee training</th> </tr> <tr> <th colspan="4">Employee training ¹</th> </tr> <tr> <th></th> <th>2011</th> <th>2010</th> <th></th> </tr> <tr> <th></th> <th>2009</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Total training expenses ² [€m]</td> <td>87.6</td> <td>80.0</td> <td></td> </tr> <tr> <td></td> <td>80.7</td> <td></td> <td></td> </tr> <tr> <td>Training expenses per employee²[€]</td> <td>666.8</td> <td>605.6</td> <td></td> </tr> <tr> <td></td> <td>606.3</td> <td></td> <td></td> </tr> <tr> <td>Average training days</td> <td></td> <td></td> <td></td> </tr> <tr> <td>- Staff</td> <td>2.7</td> <td>2.9</td> <td>2.7</td> </tr> <tr> <td>- Managers</td> <td>2.5</td> <td>3.7</td> <td>3.5</td> </tr> <tr> <td>Employees undergoing at least one training session [%]</td> <td></td> <td></td> <td></td> </tr> <tr> <td>- Staff</td> <td>60.6</td> <td>55.5</td> <td></td> </tr> <tr> <td></td> <td>60.7</td> <td></td> <td></td> </tr> <tr> <td>- Managers</td> <td>68.0</td> <td>81.8</td> <td></td> </tr> <tr> <td></td> <td>81.1</td> <td></td> <td></td> </tr> </tbody> </table> <p>The crucial process of identifying and developing talents across the Allianz Group is conducted via Career Development Conferences (CDC) held around the world. During CDCs in 2011, top leaders evaluated more than 3,900 senior managers and high-potentials from 70 subsidiaries on the basis of clearly defined competencies. Moreover, key functions – Operations, Market Management and Pricing & Underwriting – staged functional CDCs to discuss and address specific functional pipeline, skills and competency gaps across different Group companies. Specific functional capability-building programs have been introduced with the aim of closing gaps identified in ongoing functional</p>	Employee training				Employee training ¹					2011	2010			2009			Total training expenses ² [€m]	87.6	80.0			80.7			Training expenses per employee ² [€]	666.8	605.6			606.3			Average training days				- Staff	2.7	2.9	2.7	- Managers	2.5	3.7	3.5	Employees undergoing at least one training session [%]				- Staff	60.6	55.5			60.7			- Managers	68.0	81.8			81.1			Partially	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA10: Average hours of training per year per employee by gender, and by employee category</p> <p>Comment GRI LA10 The average number of trainings per year per gender is not available.</p> <p>Allianz is a financial services company of significant size and with circa 142,000 employees worldwide. We have a global HR controlling function responsible for data collection across the Group as well as defining the standards for data collection and material indicators required for our Group reporting. A common terminology and data definitions are applied across all Group companies, which are asked to deliver their data to our global system in an annual process. Every year all Allianz</p>
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CDCs at a Group level.

The Allianz Management Institute (AMI) has continued to expand the reach and impact of its programs via its network of Group-wide academies. In 2011, AMI reached more than 10,000 participants worldwide. AMI's extensive range of programs includes campus, leadership transitions, leadership capabilities and functional programs. These all serve as critical enablers to enhance capabilities at a leadership and functional level so that managers are equipped to deliver a sustainable and superior performance.

A broad range of functional training and development activities in 2011 as well as individual development targets and plans support the ongoing development and lifelong learning of employees.

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companies, in total more than 250 local entities, from over 70 countries deliver their local HR figures to the global system. In order to take into account external developments such as changes to applicable reporting standards, in this case data definitions need to be adjusted or new indicators to be included, we have established structures and processes in place. GRI 3.1 requires HR data in much greater details than was the case in previous years. For our 2011 reporting, wherever possible, we transparently report the data collected through our global system in line with the new standard. For some indicators we lack the degree of detail required by GRI. For these missing data, which mostly relate to an additional split regarding regions, gender or age groups, internally we consider those as change requests on our global HR controlling and data collected. Given the

					<p>size and complexity of our organization, our reporting is driven by the issue of materiality, hence data collection and reporting is driven by benefit and effort considerations. We will continuously report about our progress in integrating the new GRI requirements in our future reports.</p> <p>More</p>
	LA11	<p>Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p>	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA11: Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p> <p>Nurturing talent Developing the skills and competencies of employees across Allianz' diverse global organization requires a common approach across the Group. Allianz strives to retain skilled employees, recruit and develop top talents, and promote high performers. Allianz' Global Talent Management aims to enhance the quality and improve the performance of highly talented staff by means of a common, systematic approach implemented across all Allianz companies. Since Allianz is a diverse company with businesses in many countries, it also ensures that local specifics are taken into account.</p> <p>Specifically, the following approaches are pursued:</p> <ul style="list-style-type: none"> Managing talents and careers 	Fully	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA11: Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p> <p>Comment GRI LA11 Although career break opportunities exist, there are no general rules. Since employees have to reach an agreement with their respective line</p>

We underline the necessity of a regular development dialogue between managers and employees at all levels. In 2011 a new minimum standard, which foresees that every employee in the management pathway should have a development plan, was also introduced. And we conduct an assessment to define individual development needs in order to achieve professional excellence in an employee's current or targeted job. This involves looking at an individual's competency, skills and experience.

In addition, Career Development Conferences (CDCs) are held every year at Allianz companies and at Group level. Here, top leaders discuss important talent topics such as succession planning and define action plans for leaders and high potentials. Thus, our CDCs are a systematic and consistent Group-wide approach which identifies candidates who are able to take over roles at the next management level. This greatly fosters global, cross-company and cross-functional career planning as well as the quality of succession planning.

- **Promoting leadership skills**

The Allianz Management Institute (AMI), Allianz' corporate university, is responsible for the professional education and further development of executives throughout the Group. AMI offers international programs, functional and specialist training and open enrollment programs to target distinct learning groups and levels within the Group. Allianz is recognized for its high standards and the quality of its corporate university, which also offers a Corporate Learning Improvement Program (CLIP) accredited by the European Foundation for Management Development (EFMD).

Allianz also encourages employees to engage in corporate volunteering schemes such as [Social OPEX](#), which is a great example of how leadership development and employee engagement can be mutually beneficial.

- **Focusing on functions**

Certain critical functions are in short supply throughout the industry. That is why Allianz specifically recruits and trains specialists in various areas, e.g. in its Global Actuarial & Risk Development and Audit Talent Development Programs.

managers, agreements are always on an individual basis, and that includes the options available after the return from such a break.

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Since maintaining and managing knowledge are crucial to Allianz' business success, senior high-performers and retirees are selected from throughout the Group to facilitate the transfer of knowledge and provide subsidiaries with additional business, technical and personnel skills.

- **Meeting future staff needs**

Allianz' long-term success relies on employing people with the right skills where and when they are needed. Strategic Workforce Planning (SWFP), launched in 2009, is an analytical and strategic planning process employed to ensure Allianz has enough staff with the right skills in the right place and at the right time – now and in the future. By supplying up to 10-year forecasts on economic, demographic and socio-cultural trends, SWFP proactively supports strategic decision-making in this field.

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Employee training

Employee training ¹

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			<p>The crucial process of identifying and developing talents across the Allianz Group is conducted via Career Development Conferences (CDC) held around the world. During CDCs in 2011, top leaders evaluated more than 3,900 senior managers and high-potentials from 70 subsidiaries on the basis of clearly defined competencies. Moreover, key functions – Operations, Market Management and Pricing & Underwriting – staged functional CDCs to discuss and address specific functional pipeline, skills and competency gaps across different Group companies. Specific functional capability-building programs have been introduced with the aim of closing gaps identified in ongoing functional CDCs at a Group level.</p> <p>The Allianz Management Institute (AMI) has continued to expand the reach and impact of its programs via its network of Group-wide academies. In 2011, AMI reached more than 10,000 participants worldwide. AMI's extensive range of programs includes campus, leadership transitions, leadership capabilities and functional programs. These all serve as critical enablers to enhance capabilities at a leadership and functional level so that managers are equipped to deliver a sustainable and superior performance.</p> <p>A broad range of functional training and development activities in 2011 as well as individual development targets and plans support the ongoing development and lifelong learning of employees.</p> <p>More</p>											
	LA12	Percentage of employees receiving regular performance and career development reviews, by gender	<p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA12: Percentage of employees receiving regular performance and career development reviews, by gender</p> <table border="1"> <tr> <td data-bbox="560 1225 1518 1279">Employee training</td> <td data-bbox="560 1279 1518 1311">Employee training¹</td> <td data-bbox="560 1311 1518 1369"> <table border="1"> <tr> <td></td> <td>2011</td> <td>2010</td> </tr> <tr> <td></td> <td>2009</td> <td></td> </tr> </table> </td> </tr> </table>	Employee training	Employee training ¹	<table border="1"> <tr> <td></td> <td>2011</td> <td>2010</td> </tr> <tr> <td></td> <td>2009</td> <td></td> </tr> </table>		2011	2010		2009		Partially	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA12: Percentage of employees receiving regular performance and career development reviews, by gender</p>
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A broad range of functional training and development activities in 2011 as well

Comment GRI LA12
The percentage of total employees (from LA1) by gender who received a formal performance appraisal and review during the reporting period is not available.

Allianz is a financial services company of significant size and with circa 142,000 employees worldwide. We have a global HR controlling function responsible for data collection across the Group as well as defining the standards for data collection and material indicators required for our Group reporting. A common terminology and data definitions are applied across all Group companies, which are asked to deliver their data to our global system in an annual process. Every year all Allianz companies, in total more than 250 local entities, from over 70 countries deliver their local HR figures to the global system. In order to take

as individual development targets and plans support the ongoing development and lifelong learning of employees.

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Diversity and equal opportunity

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment																								
1, 6	LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	<p>Annual Report 2011 (Members of the board of management)</p> <p>SD Report 2011 Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA13: Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity</p> <table border="1"> <thead> <tr> <th>Diversity</th> <th>2011</th> <th>2010</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td>Diversity ¹</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Women in executive positions ² [percent]</td> <td>19.2</td> <td>17.6</td> <td>17.2</td> </tr> <tr> <td>Female managers ³ [percent]</td> <td>33.3</td> <td>32.7</td> <td>31.5</td> </tr> <tr> <td>Share of women in core business [percent]</td> <td>52.3</td> <td>52.4</td> <td>52.2</td> </tr> <tr> <td>Nationalities represented in executive positions ⁴</td> <td>51</td> <td>51</td> <td>51</td> </tr> </tbody> </table> <p>Allianz recognizes the importance of having of a diverse, inclusive workforce that is made up of employees</p>	Diversity	2011	2010	2009	Diversity ¹				Women in executive positions ² [percent]	19.2	17.6	17.2	Female managers ³ [percent]	33.3	32.7	31.5	Share of women in core business [percent]	52.3	52.4	52.2	Nationalities represented in executive positions ⁴	51	51	51	Fully	
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CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>from different backgrounds. We understand that promoting diversity is necessary for any global company to be successful and have implemented a number of initiatives to support this. Consistent with our Code of Conduct, Allianz has a zero-tolerance policy towards discrimination and harassment in the workplace.</p> <p>As part of the effort on the advancement of women at Allianz, in 2008, we already set ourselves the global target of increasing the share of women in the talent pool for executive positions to 30 percent by 2015. A top management mentoring program for women and flexible work-life programs, such as part-time employment or job sharing, are part of supporting actions taken in several countries in 2011. In 2011, we also made a joint declaration with other DAX 30 companies of our commitment to increase the share of female leaders in Germany. Allianz' own commitment is to have 30 percent of management positions in Germany held by women by the end of 2015.</p> <p>Selected measures Allianz is taking to achieve its targets include:</p> <ul style="list-style-type: none"> • The Allianz 100 Women Sponsorship Program launched in 2011: a globally-run two-year sponsorship program of top performing female professionals by Allianz' most senior executives • Mentoring programs for women at companies such as Allianz SE, Allianz Global Corporate & Specialty (AGCS), Allianz Global Investors (AllianzGI), Euler Hermes and Allianz France • Networking initiatives for women, including Allianz Women in Dialogue, Allianz US Women Resource Group, Euler Hermes Women's Network and the Allianz Italy Women's Committee • In Germany, Allianz fully supports the initiative of the Ministry for Family Affairs, Senior Citizens, Women and Youth to bring more women into leadership positions by developing measures to improve the balance between work and private life <p>¹ Figures based on the number of employees in Allianz' core business. ² Including women at all executive positions below the Board of Management. ³ Including women functionally responsible for other staff, regardless of level, e.g. division, department, and team managers. ⁴ This figure is calculated by including all executive positions below the Board of Management; the figure for 2010 has been adjusted retrospectively.</p> <p>More</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p data-bbox="577 359 1025 384">Integration of employees with disabilities</p> <p data-bbox="562 421 1756 596">In the year under review, Allianz continued to facilitate the integration of employees with disabilities. In 2010 Allianz began implementing Group-wide guidelines to ensure that buildings, workstations and websites are accessible to wheelchair users, the blind and visually impaired. In 2011, several Allianz subsidiaries, for example in Hungary and Mexico, improved building accessibility for people with disabilities. Allianz Germany installed building accessibility signage and Allianz Czech Republic installed a voice information service in its elevators.</p> <p data-bbox="562 643 1744 762">Allianz Italy actively recruits disabled graduates for underwriter positions, and both Mondial Assistance Italy and Allianz Hungary made accessibility improvements at call centers to encourage disabled recruits. At Mondial Assistance Brazil, visually-impaired call center operators have been shown to be particularly focused. By providing excellent customer service, they have helped to increase the call center's productivity.</p> <p data-bbox="562 786 627 809">More</p> <p data-bbox="577 839 725 865">Age structure</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment																												
			<p>Age structure [%]</p> <table border="1"> <caption>Age structure [%] Data</caption> <thead> <tr> <th>Age Group</th> <th>2011</th> <th>2010</th> <th>2009</th> </tr> </thead> <tbody> <tr> <td>25 or under</td> <td>7.7</td> <td>7.8</td> <td>8.1</td> </tr> <tr> <td>26-34</td> <td>27.2</td> <td>27.4</td> <td>28.1</td> </tr> <tr> <td>35-44</td> <td>29.6</td> <td>30.0</td> <td>30.2</td> </tr> <tr> <td>45-54</td> <td>25.4</td> <td>25.0</td> <td>24.5</td> </tr> <tr> <td>55-64</td> <td>9.8</td> <td>9.5</td> <td>8.9</td> </tr> <tr> <td>65 or over</td> <td>0.3</td> <td>0.3</td> <td>0.2</td> </tr> </tbody> </table> <p>The aging populations of industrialized economies are also reflected in the Allianz workforce, where a trend towards a slightly older average workforce is apparent.</p> <p>More</p>	Age Group	2011	2010	2009	25 or under	7.7	7.8	8.1	26-34	27.2	27.4	28.1	35-44	29.6	30.0	30.2	45-54	25.4	25.0	24.5	55-64	9.8	9.5	8.9	65 or over	0.3	0.3	0.2		
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Equal remuneration for women and men

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 6	LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation		Not available	<p>Details</p> <p>Social: Labor Practices and Decent Work</p> <p>GRI LA14: Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation</p> <p>Comment GRI LA14</p> <p>The groups remuneration practices are strictly independent of any diversity factors including a persons gender, hence Allianz does not differentiate between men and women in its remuneration system.</p>

Investment and procurement practices

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1 to 6	HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	<p>SD Report 2011</p> <p>Details</p> <p>Social: Human Rights</p> <p>GRI HR1: Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening</p> <p>Group-wide procurement standards</p> <p>Allianz' goals in procurement activities are to</p>	Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR1: Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening</p> <p>Comment GRI HR1</p> <p>As integrated financial services provider of significant size, Allianz is committed to</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>ensure the continuous promotion of sustainability standards in its supply chain. A global procurement department as part of Allianz' Group-wide shared services center, Allianz Managed Operations and Services SE (AMOS), plays a key role in promoting those standards with current and potential suppliers, even though the risks associated with the environmental and social impact of Allianz' suppliers are limited. In practice, this means ensuring that all Allianz suppliers abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles. Both the Code and the Principles are in line with the International Labour Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights, Labor Standards, Environment and Anti-Corruption.</p> <p>More</p>		<p>promoting sustainability in its core business activities, i.e. investment, asset management and underwriting, and applies a strong risk governance framework, which also takes human rights' issues into account in its business activities.</p> <p>The Allianz Group Risk Policy is the overarching policy for the Group with segment-specific minimum standards for Allianz' insurance and asset management operations focusing on reputational risks. This also includes specific consideration of human rights. Given the diversity of Allianz' activities and business operations, human rights risks are always considered in the context of the specific risks of an underwriting project, investment or finance decision.</p> <p>For example, Allianz Global Investors Investments Europe takes human rights' issues into account for all dedicated Sustainable and Responsible Investments (SRI). Minimum ESG ratings and a focus on additional criteria, such as human rights, are required of all eligible issuers. Human rights risks are considered in the context of the specific risks of the issuers.</p> <p>Every new or newly negotiated contract with suppliers and service providers contains a clause that commits the contracting party to abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles. Both the</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					Code and the Principles are in line with the International Labor Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights, Labor, Environment and Anti-Corruption. More
1 to 6	HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	<p>SD Report 2011 Details</p> <p>Social: Human Rights</p> <p>GRI HR2: Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken</p> <p>Group-wide procurement standards Allianz' goals in procurement activities are to ensure the continuous promotion of sustainability standards in its supply chain. A global procurement department as part of Allianz' Group-wide shared services center, Allianz Managed Operations and Services SE (AMOS), plays a key role in promoting those standards with current and potential suppliers, even though the risks associated with the environmental and social impact of Allianz' suppliers are limited. In practice, this means ensuring that all Allianz suppliers abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles. Both the Code and the</p>	Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR2: Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken</p> <p>Comment GRI HR2 In its relations with suppliers Allianz strives to achieve a balance between economic, ecological and social factors – and this includes human rights' issues. Even though the risks associated with the environmental and social impact of Allianz' suppliers are limited, every new or newly negotiated contract with suppliers and service providers contains a clause that commits the contracting party to "abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles". Both the Code and the Principles are in line with the International Labor Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights,</p>

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>Principles are in line with the International Labour Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights, Labor Standards, Environment and Anti-Corruption.</p> <p>More</p>		<p>Labor, Environment and Anti-Corruption.</p> <p>More</p>
1 to 6	HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	<p>SD Report 2011 Details</p> <p>Social: Human Rights</p> <p>GRI HR3: Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p> <p>Government relations</p> <p>The goal in 2011 was to increase contacts and interaction in order to conduct an ongoing dialogue on fundamental issues and societal challenges, such as the stability of the European Union and the euro. The key discussion topics impacting on Allianz' activities included the euro crisis, the European unification process, the regulatory and supervisory issues relating to Solvency II, the proposed financial transaction tax and environmental issues.</p> <p>In September 2011, Michael Diekmann inaugurated the Allianz Forum at Pariser Platz in Berlin, thus marking Allianz' increased commitment to collaborating with other</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>foundations on sustainability issues; this includes Allianz' own foundations, other relevant organizations with offices in the building and cooperation partners.</p> <p>More</p>		

Non-discrimination

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 2, 6	HR4	Total number of incidents of discrimination and corrective actions taken		Not applicable	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR4: Total number of incidents of discrimination and corrective actions taken</p> <p>Comment GRI HR4</p> <p>Although Allianz does not report on this issue externally, anti-discrimination measures are monitored via the annual statements of the Group companies and the Strategic Human Resources Scorecard. Moreover, Allianz has implemented an internal Code of Conduct for Business Ethics and Compliance, which sets the standards for business conduct throughout the Group and also forms the basis for other guidelines and principles. The Code, which is obligatory for all Allianz employees worldwide, provides clear guidance by laying down principles for topics such as non-discrimination and harassment, dealing with confidential information, insider trading, external communications, conflicts of interest, gifts and entertainment, and the protection of Group property and natural resources. If they occur, material cases of discrimination are reported to the compliance functions as defined by escalation criteria.</p>

Freedom of association and collective bargaining

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 2, 3	HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	<p>SD Report 2011 Details</p> <p>Social: Human Rights</p> <p>GRI HR5: Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights</p> <div style="border: 1px solid black; padding: 5px;"> <p>Group-wide procurement standards</p> <p>Allianz' goals in procurement activities are to ensure the continuous promotion of sustainability standards in its supply chain. A global procurement department as part of Allianz' Group-wide shared services center, Allianz Managed Operations and Services SE (AMOS), plays a key role in promoting those standards with current and potential suppliers, even though the risks associated with the environmental and social impact of Allianz' suppliers are limited. In practice, this means ensuring that all Allianz suppliers abide by the company's environmental, social and governance (ESG) standards, as outlined in the Allianz Code of Conduct and Purchasing Principles. Both the Code and the Principles are in line with the International Labour Organization (ILO) standards and the principles of the United Nations (UN) Global Compact – in particular Human Rights, Labor Standards, Environment and Anti-Corruption.</p> <p>More</p> </div>	Fully	

Child labor

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

1, 2, 5	HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor		Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR6: Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor</p> <p>Comment GRI HR6</p> <p>No operations have been identified. The issue of child labor is not directly relevant to Allianz since children are not suitable for supplying financial services. Nevertheless, by including the United Nations Global Compact's Ten Principles as an annex to its Code of Conduct, Allianz states that it will not tolerate nor support such activities in its operations.</p>
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Forced and compulsory labor

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 2, 4	HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor		Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR7: Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor</p> <p>Comment GRI HR7</p> <p>No operations have been identified. The issue of forced labor is not directly relevant to Allianz since the nature of financial services is not conducive to such practices. Nevertheless, by including the United Nations Global Compact's Ten Principles as an annex to its Code of Conduct, Allianz states that it will not</p>

tolerate nor support such activities in its operations.

Security practices

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 2	HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations		Not	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR8: Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations</p> <p>Comment GRI HR8 Allianz' security personnel act according to the Code of Conduct, which applies to all Allianz personnel.</p>

Indigenous rights

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1, 2	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken		Not applicable	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR9: Total number of incidents of violations involving rights of indigenous people and actions taken</p> <p>Comment GRI HR9 The issue of violations involving indigenous people is not directly relevant</p>

to Allianz. Nevertheless, by including the United Nations Global Compact's Ten Principles as an annex to its Code of Conduct, Allianz states that it will not tolerate nor support such activities in its operations.

Assessment

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	<p>SD Report 2011 Details</p> <p>Social: Human Rights</p> <p>GRI HR10: Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments</p> <p>Sustainability in proprietary asset management Allianz strives to invest sustainably across all asset classes over time. The practical implementation of sustainability in proprietary asset management involves integrating ESG factors into the investment process through research, corporate and country analysis, strategic asset allocation, portfolio construction, asset manager selection, monitoring and risk management. Allianz firmly believes that considering ESG factors in performance evaluation is not just another trend but will fundamentally change business and consequently investment performance over time. Allianz has adopted an evolutionary learning path – existing practices are leveraged and consistency enhanced over asset classes and regions to further mature its systematic approach. As a first step, Allianz will ensure that its proprietary assets are not invested in companies involved in banned</p>	Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR10: Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments</p> <p>Comment GRI HR10 Given the diversity of Allianz' activities and business operations, human rights risks are always considered in the context of the specific risks of an underwriting project, investment or finance decision.</p>

		<p>weapons (cluster munitions, anti-personnel mines and biological or chemical weapons). Any existing investments will be divested.</p> <p>More</p> <p>Insurance companies are not only risk managers but also large-scale institutional investors. Investment management is thus an integral part of Allianz' business. Integrating sustainability into investment strategies is not only important for Allianz' third-party asset management, but also influences decisions on proprietary business, i.e. how the income from insurance premiums is invested.</p> <p>Allianz is striving to achieve sustainable investments across all asset classes. To this end, Allianz has adopted an evolutionary learning path where existing practices are leveraged and consistency over asset classes and regions is further enhanced to mature the company's systematic approach. As a first step, Allianz will ensure that its proprietary assets are not invested in companies involved in controversial weapons (cluster munitions, anti-personnel mines and biological or chemical weapons) and any existing investments are divested.</p> <p>What is more, in 2011 the Allianz Group signed the United Nations Principles for Responsible Investment, joining several of the Group's third-party asset managers as a signatory. This commitment applies to Allianz' proprietary assets, which totaled 461 billion euros in 2011.</p> <p>More</p>		
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Remediation

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms		Fully	<p>Details</p> <p>Social: Human Rights</p> <p>GRI HR11: Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms</p> <p>Comment GRI HR11</p> <p>The compliance reporting mechanism did not come up with any indications of issues that are primarily related to human rights' violations.</p>

Local communities

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<p>SD Report 2011</p> <p>Details</p> <p>Social: Society</p> <p>GRI SO1: Percentage of operations with implemented local community engagement, impact assessments, and development programs</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through</p>	Fully	

various kinds of volunteering work. Our overall aim is to:

- Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations.
- Support the development of effective solutions to address social concerns.
- Enhance employees' personal development by helping to develop and build a range of skills and abilities that they can bring back to the workplace.
- Raise motivation amongst employees and enhance teamwork.

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Disaster response

When natural disasters occur, many Allianz employees demonstrate a desire to help. Our company responds by offering donation programs to its employees and donating money itself. In this way, we support relief efforts in the affected areas. The effectiveness of our disaster response activities has been enhanced by a number of measures. These include development of an internal guideline to advise Allianz subsidiaries on when and how to take action in the event of a natural disaster, the launch of a global donation platform to involve all our employees worldwide in donation campaigns, and measures to ensure faster and better action-taking when required.

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Since volunteer work is always a personal choice, employees can choose from different initiatives. In addition to Group-run programs, Allianz subsidiaries worldwide offer their own programs to suit local requirements and community needs. The Group-run projects include:

- **My Finance Coach:** A non-profit initiative run by Allianz SE, Grey Advertising Ltd. and McKinsey &

Company, Inc. My Finance Coach aims to improve the financial literacy of 11- to 15-year-old pupils and help them avoid accumulating debts by offering the skills and knowledge they need to manage money responsibly and independently. These volunteering activities are supplemented by a comprehensive range of further training options for teachers and extracurricular activities. The German UNESCO Committee has declared My Finance Coach to be an official project of the United Nations Decade of Education for Sustainable Development (2005-2014).

- **Social OPEX:** A leadership development and employee engagement program that brings together Allianz employees and social entrepreneurs to facilitate a mutually beneficial exchange of skills and ideas. Whilst learning valuable lessons for their daily work, our employees apply their business skills to help social entrepreneurs improve their social impact.
- **startsocial:** Themed "innovation needs experience" and run under the patronage of German Chancellor Angela Merkel, this initiative fosters innovative social ideas in Germany. Allianz supports startsocial as one of the four key sponsors and contributes expertise through its former employees, who play an active role as jurors or coaches.

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Financial and social returns

The double bottom line in the microinsurance business is that it has to deliver both financial and social returns. To achieve an adequate financial return, Allianz only offers microinsurance in markets where a subsidiary operates and efficient distribution partners such as NGOs, microfinance institutions or mobile operators can be found. The social returns are generated through a strong focus on quality products that deliver genuine client value. For example, Allianz uses focus group demand surveys to determine what

this value should be and adapts its products accordingly. Profit expectations in microinsurance are admittedly much lower than from traditional products, but Allianz believes there will be a mid- to long-term pay-off as its low-income customers move up the economic ladder.

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Managing and enhancing microinsurance

At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of customer education.

Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their

children's education or other major life cycle events, while still enjoying life insurance cover.

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Microinsurance

For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.

Microinsurance key figures ^{1,2}

As of December 31, 2011	2011	2010	2009
Revenues [€m]	34.5	78.4	--
Customers (rounded) [m]	2.6	3.8	2.4

¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.

² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.

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There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main

reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.

As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.

Nevertheless, Allianz continued to expand its presence in other markets and entered three new markets in 2011: Burkina Faso, Malaysia and Mali. Innovation in distribution and products progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.

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Public-private partnership

In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims

resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.

Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.

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Over the past two years, Allianz has implemented a Group-wide corporate giving framework and 2011 was the first year for which the company has published figures on its global corporate giving activities. In 2011, Allianz donated an overall total of 22.2 million euros to support local communities. The total corporate giving sum comprises corporate donations, charitable memberships, as well as grants made by the company's affiliate foundations.

Allianz also offers its employees the possibility of participating in global and local donation campaigns, especially in case disaster strikes. In 2011, the Allianz Group, its subsidiaries and its employees supported emergency relief and rebuilding activities after the severe natural disasters in Australia, Japan, Thailand and Turkey.

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SO9

Operations with significant potential or actual negative impacts on local communities

SD Report 2011

[Details](#)

Social: Society

GRI SO9: Operations with significant potential or actual negative impacts on local communities

Microinsurance

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² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.

Not applicable

[Details](#)

Social: Society

GRI SO9: Operations with significant potential or actual negative impacts on local communities

Comment GRI SO9

Since the vast majority of Allianz' operations are office-based, there is no potential or actual negative impact on local communities. Hence, this indicator is not relevant for Allianz' specific business model.

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Key performance indicators

In line with the measures to refine its microinsurance business principles, Allianz is also striving to better measure and control the financial and social performance of microinsurance by applying key performance indicators (KPIs) to microinsurance. The general KPIs collected from all microinsurance operations (currently in ten markets) are the numbers insured (i.e. coverage), premium income, numbers of distribution partners and, in some cases, claims ratios. The claims ratio is the strongest social impact indicator as it reflects value for money, i.e. how much money is returned to customers in the form of claims. The higher the claims ratio, the better the customer value. However, claims ratios above 100 percent are too high as they signal that the product is not financially sustainable. The claims ratios for enhanced credit life products in Indonesia, for example, are consistently between 50 percent and 60 percent, which indicates decent customer value. The claims ratios for other products vary widely. More detailed KPI monitoring and active steering will be initiated in 2012 and introduced in full in 2013. Besides, some in-depth social impact measurement has already taken place, but with inconclusive results. This will receive more focus from 2013 onwards, once robust basic KPI reporting has been established.

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There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a

thorough investigation by the government.

As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.

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		<p>purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p> <p>More</p>																				
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	<p>SD Report 2011 Details</p> <p>Social: Society</p> <p>GRI SO10: Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p> <p>Microinsurance key figures ^{1,2}</p> <table border="0"> <tr> <td>As of December 31, 2011</td> <td>2011</td> <td></td> </tr> <tr> <td></td> <td>2010</td> <td></td> </tr> <tr> <td></td> <td>2009</td> <td></td> </tr> <tr> <td>Revenues [€m]</td> <td>34.5</td> <td></td> </tr> <tr> <td></td> <td>78.4</td> <td>--</td> </tr> <tr> <td>Customers (rounded) [m]</td> <td>2.6</td> <td></td> </tr> </table>	As of December 31, 2011	2011			2010			2009		Revenues [€m]	34.5			78.4	--	Customers (rounded) [m]	2.6		Not applicable	<p>Details</p> <p>Social: Society</p> <p>GRI SO10: Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities</p> <p>Comment GRI SO10</p> <p>Since the vast majority of Allianz' operations are office-based (as explained in SO09), such prevention or mitigation measures are basically irrelevant.</p>
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Key performance indicators

			<p>In line with the measures to refine its microinsurance business principles, Allianz is also striving to better measure and control the financial and social performance of microinsurance by applying key performance indicators (KPIs) to microinsurance. The general KPIs collected from all microinsurance operations (currently in ten markets) are the numbers insured (i.e. coverage), premium income, numbers of distribution partners and, in some cases, claims ratios. The claims ratio is the strongest social impact indicator as it reflects value for money, i.e. how much money is returned to customers in the form of claims. The higher the claims ratio, the better the customer value. However, claims ratios above 100 percent are too high as they signal that the product is not financially sustainable. The claims ratios for enhanced credit life products in Indonesia, for example, are consistently between 50 percent and 60 percent, which indicates decent customer value. The claims ratios for other products vary widely. More detailed KPI monitoring and active steering will be initiated in 2012 and introduced in full in 2013. Besides, some in-depth social impact measurement has already taken place, but with inconclusive results. This will receive more focus from 2013 onwards, once robust basic KPI reporting has been established.</p> <p>More</p>		
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Corruption

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
10	SO2	Percentage and total number of business	SD Report 2011	Fully	

		units analyzed for risks related to corruption	<p>Details</p> <p>Social: Society</p> <p>GRI SO2: Percentage and total number of business units analyzed for risks related to corruption</p> <p>Business units analyzed for corruption-related risks In 2011, the annual corruption risk assessment was successfully conducted across all regions and lines of business. Allianz applies its general operational risk management approach to assess corruption and fraud risk.</p> <p>More</p>		
10	SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	<p>SD Report 2011</p> <p>Details</p> <p>Social: Society</p> <p>GRI SO3: Percentage of employees trained in organization's anti-corruption policies and procedures</p> <p>Employees' training in anti-corruption policies 2011 saw the ongoing implementation of the Allianz Anti-Corruption Program with intense training of employees on the main anti-corruption, anti-fraud and gifts and entertainment rules. The training sessions were held worldwide in local languages in classrooms and online.</p> <p>The aim of this Program, which is compulsory for all employees, is to inform them about the main anti-corruption and anti-fraud rules, the essentials of the Anti-Corruption and Gifts & Entertainment Policies,</p>	Fully	

			<p>and Allianz' anti-fraud principles.</p> <p>More</p> <p>Employee training on human rights aspects</p> <p>The Allianz Code of Conduct provides clear guidance on business conduct in accordance with Allianz' values. All Allianz employees and new recruits are regularly provided with information and training on the Allianz Code of Conduct. In these training sessions employees obtain practical guidelines for making their own decisions and avoiding potential conflicts of interest. These guidelines also help employees recognize where they are approaching a critical limit, such as the acceptance of gifts or invitations from business partners.</p> <p>Since 2007, Allianz has trained 82,000 employees in anti-discrimination and anti-harassment procedures. In addition, Allianz' employees gave top marks in our employee engagement survey for the statement that "My company makes it clear that discrimination will not be tolerated."</p> <p>More</p>		
10	SO4	Freedom of association and collective bargaining	<p>Annual Report 2011 (Corporate Governance Report p. 24-32)</p>	Fully	<p>Details</p> <p>Social: Society</p> <p>GRI SO4: Freedom of association and collective bargaining</p> <p>Comment GRI SO4</p> <p>The Allianz Group maintains documented internal protocols and procedures on how to handle any</p>

					<p>violation of the Code of Conduct.</p> <p>In the course of 2011, there were isolated cases of Code of Conduct violations. Due to the level of severity involved, these cases resulted in a discontinuation of the contract of employment with the employees concerned.</p> <p>Since September 2011, the internal reporting and escalation of compliance incidents (incl. whistle-blowing cases) has been moved to an electronic platform. This allows a higher degree of standardization in tracking, follow-up and documentation.</p>
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Public policy

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1 to 10	SO5	Public policy positions and participation in public policy development and lobbying	<p>SD Report 2011</p> <p>Details</p> <p>Social: Society</p> <p>GRI SO5: Public policy positions and participation in public policy development and lobbying</p> <p>Partnerships</p> <ul style="list-style-type: none"> Volans: cooperation in the Social OPEX program with Volans, a future-focused consultancy working at the interface of the sustainability, entrepreneurship 	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>and innovation movements</p> <ul style="list-style-type: none"> • International Red Cross and Red Crescent Movement: a global partnership in disaster response (since 2011) • Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (German Society for International Cooperation): the first public-private partnership for microinsurance activities <p>More</p> <p>Lobbying and political networking</p> <p>Political lobbying sometimes has a poor image because it is frequently misunderstood. Relationships between government and business, however, can never be a one-way street. Governments, parliaments and regulators can only work effectively and efficiently if they listen to expert advice, e.g. from the world of business. The added value Allianz can offer in this context is to provide expert advice on every little detail of the complex regulatory issues affecting the financial services industry. Allianz undertakes this political advisory work without focusing on a single-minded pursuit of its own momentary business interests, but also with an eye to the interests of society as a whole in the long run. Moreover, all Allianz' activities in this field are conducted in compliance with the Allianz Lobbying Code of Conduct, which is based on a strict set of values to ensure integrity in all the Group's interaction with political bodies, parties and organizations.</p> <p>Allianz maintains dialogues with policymakers at a national and international level, among other things through membership of the European Insurance and Reinsurance Federation (CEA), the European Fund and Asset Management Association (EFAMA), the Geneva Association and the International Insurance Society (IIS), and through participation, for example, at numerous hearings of committees at the European Parliament.</p> <p>More</p> <p>Government relations</p> <p>The goal in 2011 was to increase contacts and interaction in order to conduct an ongoing dialogue on fundamental issues and societal challenges, such as the stability</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>of the European Union and the euro. The key discussion topics impacting on Allianz' activities included the euro crisis, the European unification process, the regulatory and supervisory issues relating to Solvency II, the proposed financial transaction tax and environmental issues.</p> <p>In September 2011, Michael Diekmann inaugurated the Allianz Forum at Pariser Platz in Berlin, thus marking Allianz' increased commitment to collaborating with other foundations on sustainability issues; this includes Allianz' own foundations, other relevant organizations with offices in the building and cooperation partners.</p> <p>More</p> <p>Dialogues at national and international level</p> <p>Major activities in the area of government relations and public policy in 2011:</p> <ul style="list-style-type: none"> • Proactive exchanges with regulatory and supervisory bodies (in both Germany and Europe) on the financial crisis, the European Sovereign Insurance Mechanism, Solvency II, accounting matters, the financial transaction tax and related issues • Initiation of two half-day conferences in Brussels on the future of the European Economic Union (March) and the EU and Emerging Powers (October), each with approx. 80 participants • Support for energy and environmental issues through a Rio +20 event staged with Klaus Töpfer, the former Executive Director of the United Nations Environment Programme (UNEP), at the Allianz Forum in Berlin in October 2011 • Support for the European unification process through initiation of the Allianz-CER European Forum in Brussels, a set of conferences organized with the Centre of European Reforms • Joint activities with EU subsidiaries on Solvency II and gender-related tariff issues, both directed at EU Council Members • Regular support for EU-wide associations, e.g. the European Insurance and Reinsurance Federation (CEA) and the European Fund and Asset Management Association (EFAMA) <p>More</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
10	SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	<p>SD Report 2011 Details</p> <p>Social: Society</p> <p>GRI SO6: Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country</p> <p>Donations to political parties</p> <p>In 2011, Allianz contributed equal amounts to political parties representing a variety of views within the German political spectrum: the Green Party (Bündnis 90/Die Grünen), Christian Democrats (CDU), Christian Social Union (CSU), Liberals (FDP) and Social Democrats (SPD). A donation of 50,001 euros went to each party. This sum is specifically chosen to ensure the figure is officially published by the German Parliament, which guarantees complete transparency. All contributions are effective as of July 1 to ensure that they are in no manner connected, or perceived to be connected, to any legislative initiatives or elections.</p> <p>Allianz only has a policy on donations to political parties in Germany. In other countries, any donations to political parties by Allianz companies comply with the respective national legislation or conventions, which differ greatly from country to country. In the U.S.A., for example, company donations to members of the House of Representatives and the Senate are prohibited. It is common practice, however, for employees to make donations on their own behalf to political parties via so-called Political Action Committees, which channel these donations to local parliamentarians.</p> <p>More</p>	Fully	

Anti-competitive behavior

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
10	SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Annual Report 2011 (Corporate Governance Report p. 24-32, Notes to the consolidated financial statement p. 189ff)	Fully	

Compliance

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Annual Report 2011 (Notes to the Consolidated Financial Statements p. 189ff)	Fully	

Customer health and safety

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures		Not applicable	<p>Details</p> <p>Social: Product Responsibility</p> <p>GRI PR1: Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures</p> <p>Comment GRI PR1 Since Allianz does not deal with physical products and there are therefore no direct health and safety</p>

					risks, this indicator is of limited relevance to a financial services company. More
1	PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes		Not applicable	Details Social: Product Responsibility GRI PR2: Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes Comment GRI PR2 Since Allianz does not deal with physical products and there are therefore no direct health and safety risks, this indicator is of limited relevance to a financial services company.

Product and service labelling

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
8	PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements		Not applicable	Details Social: Product Responsibility GRI PR3: Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>Comment GRI PR3</p> <p>No significant product or service categories are covered by and assessed for compliance with such procedures.</p> <p>More</p>
8	PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes		Not applicable	<p>Details</p> <p>Social: Product Responsibility</p> <p>GRI PR4: Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes</p> <p>Comment GRI PR3</p> <p>No significant product or service categories are covered by and assessed for compliance with such procedures.</p> <p>More</p>
	PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	<p>SD Report 2011</p> <p>Details</p> <p>Social: Product Responsibility</p> <p>GRI PR5: Practices related to customer satisfaction, including</p>	Fully	

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>results of surveys measuring customer satisfaction</p> <p>Establishing loyal customer relationships</p> <p>Since Allianz aims to achieve customer loyalty leadership in all its markets, customer feedback is a vital tool in monitoring customer satisfaction and constantly improving. Net Promoter Score (NPS), a measurement of a customer's willingness to recommend Allianz, has been established as the key global metric for customer loyalty and is regularly measured in around 40 companies representing approximately 90 percent of gross written premiums. NPS is applied in two ways:</p> <ul style="list-style-type: none"> • Top-down NPS, measured annually according to global standards, which allows benchmarking to local competitors • Bottom-up NPS, measured continuously after customer interaction at critical touch points (e.g. claims) <p>Improvement measures and concrete service levels are derived from NPS insights in order to ensure service delivery is in line with customer expectations.</p> <p>Since managing complaints well is a top priority, Allianz has internally certified its companies to ensure that Group-wide quality standards are met in handling complaints and that customers are treated fairly. In addition, Allianz regards complaints as another important source of customer feedback and analyzes them to implement improvements. Moreover, as the quality of advice at our sales touch points is crucial to ensuring customer needs are met, Allianz engages test shoppers to act as customers and report back on what they have experienced. Lessons learned from such mystery shopping activities help, for example, to improve training programs for</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>agents.</p> <p>More</p> <p>Since Allianz aims to be a loyalty leader in all its markets, it regards customer feedback as a vital tool in monitoring customer satisfaction and ensuring ongoing improvement of its products, services and processes. Net Promoter Score (NPS), a regular measurement of a customer's willingness to recommend Allianz, has been established as the key global metric for customer loyalty. It is applied in two ways: top-down and bottom-up.</p> <p>Top-down NPS is measured on an annual basis and benchmarks Allianz against relevant local competitors. In 2011, 33 companies participated, representing about 80 percent of Allianz' business. In a second approach to NPS (bottom-up NPS), Allianz directly collects customer feedback on key interactions, such as after claims handling or sales. This method is used throughout the Group and delivers valuable insight from about a million customers annually.</p> <p>Top-down NPS results indicate the company's efforts have been successful. The proportion of Allianz businesses with more loyal and satisfied customers than their local competitors rose from 46 percent in 2010 to 52 percent in 2011. The number of Allianz companies that have attained loyalty leadership in their market also rose from 21 percent in 2010 to 28 percent in 2011.</p> <p>Achieving loyalty leadership is one key lever for business success, since loyalty leaders tend to outperform their local peers in growth and profitability. The findings of empirical analysis carried out in many of Allianz' local markets have</p>		

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
			<p>demonstrated a positive link between NPS and new business, agent productivity and customer value growth. The reason for this is that more loyal and satisfied customers make fewer complaints, have a lower churn rate and are more likely to buy other services and products and make referrals.</p> <p>More</p>		

Marketing communications

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Code of Conduct	Fully	<p>Details</p> <p>Social: Product Responsibility</p> <p>GRI PR6: Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship</p> <p>Comment GRI PR6</p> <p>Since 2009, Allianz has been running a global sales compliance program addressing the issues of compliance with legislation, standards and voluntary codes relating to marketing communications (including advertising, promotion, and sponsorship).</p> <p>In marketing its products and services, Allianz is committed to communicating in a responsible fashion, as the following examples show:</p> <ul style="list-style-type: none"> The use of easily intelligible language in all

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
					<p>marketing and communication activities to ensure customers fully understand Allianz' products and services, and to help overcome any potential distrust of the financial sector.</p> <ul style="list-style-type: none"> • The adaptation of marketing material to respect the linguistic and cultural requirements of significant ethnic groups within a society. • Financial literacy campaigns to accompany products, such as microinsurance policies for poorly educated people on very low incomes <p>More</p>
	PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	Annual Report 2011 (Notes to the consolidated financial statements p. 189ff)	Fully	

Customer privacy

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
1	PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data		Fully	<p>Details</p> <p>Social: Product Responsibility</p> <p>GRI PR8: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data</p> <p>Comment GRI PR8</p>

Allianz has not received any information about material breaches of privacy rules. In addition, the Allianz SE Board of Management decided to extend the Group Data Privacy function.

Compliance

CoP	GRI	GRI Indicator	Reference	Level of fulfillment	Comment
	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Annual Report 2011 (Notes to the consolidated Financial statements p. 189ff)	Fully	

Disclosure on Management Approach

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment						
	FS6	Percentage of the portfolio for business lines by specific region, size and by sector	<p>Annual Report 2011 (Group Management Report/Management Discussions and Analysis p. 85-177)</p>	Fully							
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	<p>SD Report 2011 Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS7: Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p> </div> <p>Microinsurance key figures ^{1,2}</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; text-align: left;">As of December 31, 2011</td> <td style="width: 20%; text-align: center;">2011</td> <td style="width: 20%; text-align: center;">2010</td> </tr> <tr> <td></td> <td style="text-align: center;">2009</td> <td></td> </tr> </table>	As of December 31, 2011	2011	2010		2009		Fully	
As of December 31, 2011	2011	2010									
	2009										

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment												
			<table border="0"> <tr> <td data-bbox="663 389 831 416">Revenues [€m]</td> <td data-bbox="1301 389 1357 416">34.5</td> <td data-bbox="1480 389 1536 416">78.4</td> </tr> <tr> <td></td> <td data-bbox="1301 427 1335 454">--</td> <td></td> </tr> <tr> <td data-bbox="663 480 931 507">Customers (rounded) [m]</td> <td data-bbox="1301 480 1357 507">2.6</td> <td data-bbox="1480 480 1536 507">3.8</td> </tr> <tr> <td></td> <td data-bbox="1301 512 1357 539">2.4</td> <td></td> </tr> </table> <p data-bbox="629 564 1682 715">¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.</p> <p data-bbox="629 719 1659 778">² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.</p> <p data-bbox="629 783 685 810">More</p> <p data-bbox="629 820 1659 1027">There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.</p> <p data-bbox="629 1086 1659 1257">As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.</p> <p data-bbox="629 1315 1626 1342">Nevertheless, Allianz continued to expand its presence in other markets and entered three new</p>	Revenues [€m]	34.5	78.4		--		Customers (rounded) [m]	2.6	3.8		2.4			
Revenues [€m]	34.5	78.4															
	--																
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	2.4																

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.</p> <p>More</p> <p>Public-private partnership</p> <p>In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p> <p>More</p> <p>Responsibility in third-party asset management</p> <p>Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and pursuing active share ownership through proxy voting are at the heart of all their ESG strategies.</p> <p>Find out more about Allianz' specialist asset managers and corresponding approaches to sustainable and responsible investing:</p> <p>More</p> <p>AllianzGI</p> <p>AllianzGI pursues an approach with specialized asset management units for different investment strategies and asset classes as well as several centers of competence for ESG expertise and investing.</p> <ul style="list-style-type: none"> • AllianzGI Capital gives clients the opportunity to define their own social restrictions for the investment selection process. More than 4 percent of the assets under management (or 2 billion US-dollars) represent client accounts managed in a socially responsible manner. • AllianzGI Investments Europe plays a leading role across the entire ESG value chain: <ol style="list-style-type: none"> 1) Upstream: through participating in corporate or multi-stakeholder initiatives and investor networks; 2) Investing: systematic research into and specific adaptation of ESG criteria for both mainstream and ESG portfolios; a 'best-in-class' and 'best effort' approach for ESG portfolios 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>across all main asset classes, minimum ESG ratings and a focus on additional criteria, such as human rights, are required of all eligible issuers;</p> <p>3) Downstream: a universal proxy voting policy has been adopted and proactive share ownership is practiced.</p> <ul style="list-style-type: none"> • AllianzGI Korea applies ESG criteria to equity investments with a focus on corporate governance. To unlock the value of target companies stemming from poor corporate governance, fund managers carry out in-depth research, including due-diligence if possible, and continuously monitor the decision-making processes of the target company. AllianzGI Korea's Corporate Governance Strategy takes a "relational engagement" approach, meaning that the strategy needs to be customized for each target company and must be sensitive to the societal and cultural circumstances prevailing at the time. • RCM's dedicated global Sustainability Research team analyzes over 2,600 global companies on a 'best-in-class' basis. Their analysis is converted into A-E ratings that are integrated into RCM's broader fundamental research platform. ESG-related issues are embedded into the fabric of RCM's Global Corporate Governance Guidelines and Proxy Voting Policy, which recognize that as signatories to the UN PRI, RCM is committed, where appropriate, to actively implementing the Principles into its voting activities. • risklab develops and implements innovative solutions for asset management and provides investment advice on the integration of ESG factors in a portfolio context. <p>More</p> <p>PIMCO</p> <p>PIMCO focuses on the longer-term dynamics that are at the core of ESG issues. In terms of credit research, PIMCO already has strong governance analysis capabilities and considers ESG factors to be part of its research process. Investing in companies working actively to reduce ESG risks, or engaging companies PIMCO invests in to do more with respect to ESG, helps to reduce the risk of negative surprises and increase the long-term quality of managed portfolios. While ESG factors are not new to the investment process, PIMCO believes that being a UN PRI signatory provides a framework that allows PIMCO professionals to engage with asset owners and other asset managers on the challenges related to ESG evaluation.</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment								
			<p>More</p> <p>In recent years, environmental, social and governance (ESG) factors have become more important in investment analysis and asset management, with private and institutional investors increasingly considering these factors in their investment decisions. Allianz is meeting this demand by offering a range of Sustainable and Responsible Investment (SRI) funds across the major asset classes through its third-party asset managers. At the end of 2011, the assets Allianz managed in SRI funds were more than 10 percent higher in a year-on-year comparison at 3.4 billion euros (2010: 3.1 billion euros). This increase was mainly driven by a general appreciation and inflow of new assets into fixed-income SRI funds. Given the turbulences on the equity markets in 2011, investors were generally looking for investments with a lower risk profile, which was also true of Allianz' overall portfolio. Allianz' assets under management in equity SRI funds developed very much in line with the total market, although Allianz' performance was slightly better. Despite slight outflows, Allianz' assets under management in equity SRI remained fairly stable.</p> <p><i>Sustainable and Responsible Investments</i></p> <table border="1"> <thead> <tr> <th data-bbox="667 911 1227 938">As of December 31, 2011</th> <th data-bbox="1238 911 1339 938">2011</th> <th data-bbox="1350 911 1451 938">2010</th> <th data-bbox="1462 911 1563 938">2009</th> </tr> </thead> <tbody> <tr> <td data-bbox="667 967 1227 994">Assets under Management in SRI funds [€bn] ¹</td> <td data-bbox="1238 967 1339 994">3.4</td> <td data-bbox="1350 967 1451 994">3.1</td> <td data-bbox="1462 967 1563 994">4.8</td> </tr> </tbody> </table> <p>¹ Figures are for Allianz Global Investors only and exclude SRI funds managed by PIMCO.</p> <p>More</p>	As of December 31, 2011	2011	2010	2009	Assets under Management in SRI funds [€bn] ¹	3.4	3.1	4.8		
As of December 31, 2011	2011	2010	2009										
Assets under Management in SRI funds [€bn] ¹	3.4	3.1	4.8										
	FS8	Monetary value of products and services designed to deliver a specific	<p>SD Report 2011</p> <p>Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS8: Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose</p>	Fully									

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
		environmental benefit for each business line broken down by purpose	<p>Investments in renewable energy projects</p> <p>In addition to ESG factors being integrated into traditional asset classes such as equity and fixed income, concerns about climate change are transforming the way assets are managed and are also giving rise to new asset classes, especially in the field of alternative assets such as renewable energy and carbon investments.</p> <p>As large institutional investors, insurance companies are important players in the financing of a low-carbon economy. Allianz sees renewable energies as an attractive growth market for two reasons: first, for portfolio diversification; and second, because sound returns are expected in the long run. The sum total of Allianz' direct investments in renewable energy projects topped the 1.3 billion euros mark during 2011. By the end of 2012, Allianz plans to further increase its portfolio to 1.5 billion euros. Allianz, which is already one of the world's largest investors in this field, is building up a long-term portfolio in wind energy and solar power. By the end of 2011, Allianz' renewable energy portfolio included some 38 wind and solar parks in Germany, France and Italy. The wind parks acquired during 2011 included Les Mistandines (10 MW), Forges (12 MW), Aussac (8 MW) and Belrain (8 MW) in France. After investing in its first-ever solar park in 2010, the solar parks Allianz acquired during 2011 included Pofi (6 MW), Galatina (10 MW) and the Brindisi extension (2 MW) in Italy, and Valensole (12 MW) and St. Marcel (12 MW) in France.</p> <p>More</p> <p>Carbon investments</p> <p>In addition to Allianz's voluntary commitment to reduce carbon emissions from its business operations, from 2012 onwards Allianz will neutralize its remaining emissions by directly investing in carbon projects that generate certificates. As only some of the certificates will be required to ensure Allianz's carbon neutrality, the rest can be sold to generate a financial return.</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>This creates a direct incentive for the company to intensify its emission reduction efforts. Carbon investments are thus not just a voluntary means of becoming carbon-neutral, but also a viable business case for Allianz. Investments undertaken in 2011 included:</p> <ul style="list-style-type: none"> <li data-bbox="622 520 1684 826"> <p>• Wildlife Works Carbon LLC (WWC) Allianz is furthering forest protection in developing and emerging countries through the acquisition of a 10 percent share in WWC, an organization that develops Reducing Emissions from Deforestation and Forest Degradation (REDD) projects. The first project is a 208,000 hectare forest in South-East Kenya, which acts as a corridor between two national parks. During the 30-year lifetime of this project, up to 36 million metric tons of carbon dioxide emissions will be avoided, generating the equivalent number of carbon credits. By investing in WWC, Allianz is highlighting REDD projects as an attractive investment option, since they combine a high level of social and ecological responsibility with competitive returns for investors.</p> <li data-bbox="622 831 1684 1015"> <p>• C-Quest Capital LLC (CQC) Allianz is financing an energy efficiency program implemented by CQC in India. The program replaces incandescent light bulbs in private households with more energy-efficient compact fluorescent lamps (CFLs). Approximately 8.5 million light bulbs will be replaced, reducing residential energy consumption and avoiding 3.7 million metric tons of carbon dioxide emissions over a ten-year period.</p> <p data-bbox="622 1019 689 1043">More</p> <p data-bbox="622 1082 931 1106">Green products and services</p> <p data-bbox="622 1126 1666 1225">Allianz has a range of green solutions that help mitigate climate change or take its environmental impact into account. By the end of 2011, Allianz Group offered more than 80 products and services ranging from asset management to insurance and assistance:</p> <ul style="list-style-type: none"> <li data-bbox="622 1254 1684 1377"> <p>• Insurance solutions Allianz companies have developed a wide range of solutions to meet local market needs. For example, Allianz Global Corporate & Specialty (AGCS) has developed new insurance solutions for offshore wind parks and is investigating the insurability of new technologies,</p> 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>such as carbon capture and storage facilities.</p> <ul style="list-style-type: none"> Asset management Environmental and climate issues are taken into consideration in the Allianz Global Investors portfolio, e.g. the Allianz Global Water fund and the Global EcoTrends fund. For a comprehensive overview please see our Green Products Factsheet. More 		
	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	<p>SD Report 2011 Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS9: Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures</p> <p>Responsibility in third-party asset management</p> <p>Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and pursuing active share ownership through proxy voting are at the heart of all their ESG strategies.</p>	Fully	Details Financial Services Sector Supplement Performance Indicators GRI FS9: Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>Find out more about Allianz' specialist asset managers and corresponding approaches to sustainable and responsible investing:</p> <p>More</p> <p>AllianzGI</p> <p>AllianzGI pursues an approach with specialized asset management units for different investment strategies and asset classes as well as several centers of competence for ESG expertise and investing.</p> <ul style="list-style-type: none"> • AllianzGI Capital gives clients the opportunity to define their own social restrictions for the investment selection process. More than 4 percent of the assets under management (or 2 billion US-dollars) represent client accounts managed in a socially responsible manner. • AllianzGI Investments Europe plays a leading role across the entire ESG value chain: <ol style="list-style-type: none"> 1) Upstream: through participating in corporate or multi-stakeholder initiatives and investor networks; 2) Investing: systematic research into and specific adaptation of ESG criteria for both mainstream and ESG portfolios; a 'best-in-class' and 'best effort' approach for ESG portfolios across all main asset classes, minimum ESG ratings and a focus on additional criteria, such as human rights, are required of all eligible issuers; 3) Downstream: a universal proxy voting policy has been adopted and proactive share ownership is practiced. • AllianzGI Korea applies ESG criteria to equity investments with a focus on corporate governance. To unlock the value of target companies stemming from poor corporate governance, fund managers carry out in-depth research, including due-diligence if possible, and continuously monitor the decision-making processes of the target company. AllianzGI Korea's Corporate Governance Strategy takes a "relational engagement" approach, meaning that the strategy needs to be customized for each target company and must be sensitive to the societal and cultural circumstances prevailing at the time. • RCM 's dedicated global Sustainability Research team analyzes over 2,600 global 		<p>Comment GRI</p> <p>FS9</p> <p>Allianz only works with suppliers who, firstly, have successfully passed Allianz' supplier selection and vendor integrity screening process, which is based on the Allianz Code of Conduct (CoC); secondly, comply with the strict environmental, social and governance (ESG)</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>companies on a 'best-in-class' basis. Their analysis is converted into A-E ratings that are integrated into RCM's broader fundamental research platform. ESG-related issues are embedded into the fabric of RCM's Global Corporate Governance Guidelines and Proxy Voting Policy, which recognize that as signatories to the UN PRI, RCM is committed, where appropriate, to actively implementing the Principles into its voting activities.</p> <ul style="list-style-type: none"> • risklab develops and implements innovative solutions for asset management and provides investment advice on the integration of ESG factors in a portfolio context. <p>More</p> <p>PIMCO</p> <p>PIMCO focuses on the longer-term dynamics that are at the core of ESG issues. In terms of credit research, PIMCO already has strong governance analysis capabilities and considers ESG factors to be part of its research process. Investing in companies working actively to reduce ESG risks, or engaging companies PIMCO invests in to do more with respect to ESG, helps to reduce the risk of negative surprises and increase the long-term quality of managed portfolios. While ESG factors are not new to the investment process, PIMCO believes that being a UN PRI signatory provides a framework that allows PIMCO professionals to engage with asset owners and other asset managers on the challenges related to ESG evaluation.</p> <p>More</p> <p>Overall responsibility for improving Allianz' operational carbon footprint is in the hands of Allianz4Good; Board-level responsibility lies with Paul Achleitner and operational responsibility with the Group Environmental Officer. The Group-wide EMS covering the lion's share of Allianz' global employee base ensures transparency in environmental performance and supports systematic environmental data collection and control. Neutralizing the Group's emissions from 2012 is the task of Allianz Climate Solutions, the Group's climate specialist unit.</p> <p>More</p>		<p>standards on which the CoC is based; and thirdly, certify and audit their own value chain as proof of their own high quality standards. Contracts with suppliers run, on average, for three years and every supplier has to go through the above-mentioned procedure before a contract is renewed. This ensures regular screening by Allianz subsidiaries'</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillment	Comment												
			<p>Allianz carbon reduction strategy</p> <table border="1"> <caption>Allianz carbon reduction strategy data</caption> <thead> <tr> <th>Year</th> <th>Emitted CO₂ per employee [metric tons]</th> <th>Reduction from Baseline</th> </tr> </thead> <tbody> <tr> <td>2006 (Baseline)</td> <td>3.76</td> <td>0%</td> </tr> <tr> <td>2011 (Reduction achieved)</td> <td>2.50</td> <td>-33%</td> </tr> <tr> <td>2015 (Target)</td> <td>2.45</td> <td>-35%</td> </tr> </tbody> </table> <p>Allianz' initial target of reducing the Group's carbon footprint by 20% by 2012 was achieved two years ahead of schedule. In response to this, Allianz set itself a new carbon reduction target to be achieved by 2015: a further 10 percent reduction on our remaining 2010 footprint, which</p>	Year	Emitted CO ₂ per employee [metric tons]	Reduction from Baseline	2006 (Baseline)	3.76	0%	2011 (Reduction achieved)	2.50	-33%	2015 (Target)	2.45	-35%		<p>purchasing units and Allianz Managed Operations and Services SE (AMOS), which in turn makes auditing superfluous.</p> <p>More</p>
Year	Emitted CO ₂ per employee [metric tons]	Reduction from Baseline															
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			<p>translates into an overall target of an approximately 35 percent reduction compared to our 2006 base year.</p> <p>More</p> <p>Managing the supply chain</p> <p>The task of supervising compliance with Allianz' ESG standards throughout the supply chain is split between the global sourcing and procurement unit for globally sourced products and services and the subsidiaries' purchasing units for locally sourced products and services. These units ensure that all suppliers comply with Allianz' sustainability standards for both IT and non-IT purchasing activities. Global operational purchasing policies for both IT and non-IT define cooperation between Allianz companies and headquarters.</p> <p>Allianz has instituted a two-tier process to ensure suppliers comply with its sustainability standards:</p> <ul style="list-style-type: none"> • The Supplier Selection Process run by AMOS for global purchasing projects or the subsidiary's purchasing unit for local projects controls the environmental and social standards of potential suppliers. All suppliers are sent a sustainability questionnaire tailored to the potential risks arising from their respective line of business. Contracts between Allianz and suppliers contain a clause committing them to comply with Allianz' ESG standards. • The Vendor Integrity Screening as part of the general Supplier Selection Process controls the governance and compliance performance of vendors and ensures a proper integrity due diligence before they are engaged. In addition, Allianz conducts its own, independent research to validate a potential vendor's integrity and ensure comprehensive screening. This process is carried out by local purchasing departments (IT and non-IT) with the support of the respective Allianz compliance departments. 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>The Vendor Integrity Screening and sustainability questionnaires are part of every Request for Proposal, including potential renewals of existing contracts. Since the average supply contract term is three years, regular monitoring of suppliers is ensured. Allianz also requires suppliers to keep the company informed of any business relationships conflicting with the Allianz Code of Conduct or Purchasing Principles.</p> <p>If a supplier (or its employees or sub-contractors) is found to be in breach of contract, Allianz will enter into a dialogue with that supplier to determine the type and extent of the breach; i.e. has the contract actually been breached and if so, how serious is the breach? The outcome of this dialogue may result in the contract either being terminated, suspended pending further investigation or subjected to the provision that the supplier has to implement remedial measures to ensure the breach will not happen again.</p> <p>More</p>		
	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environment		Not applicable	Details Financial Services Sector Supplement Performance Indicators GRI FS10:

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
		al or social issues			<p>Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues</p> <p>Comment GRI</p> <p>FS10</p> <p>Although engagement cannot be tracked at a global level, Allianz does engage with companies in its investment portfolio, particularly those included</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
					<p>in its socially responsible investment funds.</p> <p>More</p>
	FS11	Percentage of assets subject to positive and negative environmental or social screening	<p>SD Report 2011 Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS11: Percentage of assets subject to positive and negative environmental or social screening</p> <p>Responsibility in third-party asset management</p> <p>Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and pursuing active share ownership through proxy voting are at the heart of all their ESG strategies.</p> <p>Find out more about Allianz' specialist asset managers and corresponding approaches to</p>	Fully	

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Assets under Management in SRI funds [€bn] ¹	3.4	3.1									
	FS1 2	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	<p>SD Report 2011 Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS12: Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting</p> <p><i>Responsibility in third-party asset management</i> Allianz Asset Management (AAM), one of the world's top five asset managers, is responsible for the Group's third-party asset management business as well as for managing a significant share of the Group's proprietary assets.</p> <p>AAM is home to two asset managers: AllianzGI with its specialized asset management units and PIMCO, a multi-asset global solutions provider. Even with different regional focuses and investment strategies, embedding ESG into asset management and offering corresponding products and services is already common practice across Allianz' third-party asset managers. Building strong ESG research capabilities, engaging with the companies they invest in and</p>	Fully	<p>Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS12: Voting policies applied to environmental or social issues for shares over which the reporting</p>						

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	2011	2010									
Assets under Management in SRI funds [€bn] ¹	3.4	3.1									
	FS13	Access points in low-populated or economically disadvantaged areas by type	<p>SD Report 2011 Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS13: Access points in low-populated or economically disadvantaged areas by type</p> <p><i>Managing and enhancing microinsurance</i></p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of</p>	Fully							

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment						
			<p>customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> <p>More</p> <p>Microinsurance</p> <p>For poor families in emerging markets and developing countries, microinsurance is a means of managing the risks associated with natural disasters, accidents and illness. Allianz provides a financial safety net to millions of people in Asia, Africa and South America through its microinsurance portfolio.</p> <p>Microinsurance key figures ^{1,2}</p> <table border="1"> <thead> <tr> <th data-bbox="663 1235 943 1262">As of December 31, 2011</th> <th data-bbox="1301 1235 1361 1294">2011 2009</th> <th data-bbox="1485 1235 1545 1262">2010</th> </tr> </thead> <tbody> <tr> <td data-bbox="663 1326 831 1353">Revenues [€m]</td> <td data-bbox="1301 1326 1361 1353">34.5</td> <td data-bbox="1485 1326 1545 1353">78.4</td> </tr> </tbody> </table>	As of December 31, 2011	2011 2009	2010	Revenues [€m]	34.5	78.4		
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Revenues [€m]	34.5	78.4									

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment				
			<p style="text-align: center;">--</p> <p>Customers (rounded) [m]</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">2.6</td> <td style="text-align: center;">3.8</td> </tr> <tr> <td style="text-align: center;">2.4</td> <td></td> </tr> </table> <p>¹ Allianz is currently introducing a stringent operational definition of microinsurance, which is due for finalization and publication in April 2012. Validation of Allianz' international product portfolio against this new definition has already started and will be completed in 2012. Over the coming 12 months, the number of recognized insured people and premiums in microinsurance is therefore likely to undergo significant changes, with an expected downward tendency.</p> <p>² Excluding figures for November and December from India, as those data were not yet available at the date of the publication of our report.</p> <p>More</p> <p>There was a sharp decline from 3.8 million customers at the end of 2010 to 2.6 million at the end of 2011. The main reason is that Allianz' largest microinsurance portfolio is in India, where operations were heavily affected by the so-called Andhra Pradesh (AP) microfinance crisis. The crisis started in October 2010, when reports of suicides of low-income borrowers in AP due to over-indebtedness surfaced in the media. As a result, the AP government encouraged micro-borrowers to stop repaying their loans pending a thorough investigation by the government.</p> <p>As AP is the heartland of microfinance in India, the loan portfolios of most Indian microfinance institutes, including Allianz' most important distribution partners, contracted significantly in the wake of the crisis. This, in turn, triggered mass surrenders of microinsurance policies and a sharp drop in premium income, because distribution and premium collection are often piggy-backed onto microloans.</p> <p>Nevertheless, Allianz continued to expand its presence in other markets and entered three new markets in 2011: Burkina Faso, Malaysia and Mali. Innovation in distribution and products</p>	2.6	3.8	2.4			
2.6	3.8								
2.4									

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>progressed as well. This includes the launch of a scheme to sell microinsurance through mobile phones in Madagascar as well as new index-based insurance products for cotton and maize for small farmers in Burkina Faso and Mali.</p> <p>More</p> <p>Public-private partnership</p> <p>In 2010, Allianz formed a strategic public-private partnership with the German development organization GIZ (Deutsche Gesellschaft für internationale Zusammenarbeit). In 2011, this partnership expanded to take more projects under its umbrella. The biggest spin-off project is an index-insurance product for small farmers in eight Asian countries, where growth of crops such as rice will be calculated with the help of satellite-based remote radar sensing. As a result, claims resulting from insufficient plant growth (e.g. due to drought or flooding) can be assessed and paid from a computer. This is faster, more transparent, less fraud-prone and generally cheaper than conventional agricultural insurance. The project started in October 2011, will run for 2.5 years and also involves funding from the Swiss Agency for Development and Cooperation (SDC). Asian rice farmers will be able to purchase the first retail products generated by this project in early 2013.</p> <p>Within the scope of this partnership, GIZ and Allianz have also developed principles to guide Allianz' microinsurance business. These principles focus on value for the customer and educating customers about product and process quality. The principles have been pilot-tested in India since 2011 by means of responsible sales practice training and customer education campaigns.</p> <p>More</p>		
	FS1	Initiatives to	SD Report 2011	Fully	

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
	4	improve access to financial services for disadvantaged people	<p>Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS14: Initiatives to improve access to financial services for disadvantaged people</p> <div style="border: 1px solid black; padding: 10px;"> <p>Managing and enhancing microinsurance</p> <p>At Allianz the microinsurance business is run locally by subsidiaries and coordinated centrally by Allianz4Good. To assess demand, develop products and support financial understanding, Allianz works closely with NGOs such as CARE International, PlaNet Finance and World Vision. A public-private partnership between Allianz and the German development organization GIZ (Gesellschaft für Internationale Zusammenarbeit) has led to the establishment of the principles that guide Allianz' microinsurance business, such as fair pricing, customer focus and emphasis of customer education.</p> <p>Moreover, GIZ and Allianz have developed a set of key performance indicators to better measure and control the financial and social performance of microinsurance. One such key social indicator is the claims ratio of microinsurance products, which shows how much of the premium is returned to customers in the form of claim payments. A claims ratio of 50–60 percent – the average figure for Allianz' microinsurance products – is generally considered to indicate good customer value while leaving an adequate return on investment for the company. As Allianz aims to grow its microinsurance business and customers climb up the socio-economic ladder, the company is working to expand its product range to offer appropriate products for all the life and income situations of poor families on their way to prosperity. For example, many customers who have started with a simple life insurance policy have responded well to an Allianz proposal to add a savings component, e.g. saving for their children's education or other major life cycle events, while still enjoying life insurance cover.</p> </div>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			More		
	FS1 5	Policies for the fair design and sale of financial products and services		Fully	Details Financial Services Sector Supplement Performance Indicators GRI FS15: Policies for the fair design and sale of financial products and services Comment GRI FS15 The Allianz Code of Conduct states that “When establishing a

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
					<p>customer relationship or providing financial services to a customer, appropriate care shall be taken that the customer receives the information needed for a reasonable decision by the customer, be it as part of the product information or be it through the advising intermediary or producer.”</p> <p>Since 2009, Allianz has been running a</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
					<p>global sales compliance program addressing the issues of compliance with legislation, standards and voluntary codes relating to marketing communications (including advertising, promotion, and sponsorship).</p> <p>In marketing its products and services, Allianz is committed to communicating in a responsible fashion, as the following</p>

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
					<p>examples show:</p> <ul style="list-style-type: none"> <li data-bbox="1906 488 2085 1315">• The use of easily intelligible language in all marketing and communication activities to ensure customers fully understand Allianz' products and services, and to help overcome any potential distrust of the financial sector. <li data-bbox="1906 1321 2085 1347">• The

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
					<p>adaptation of marketing material to respect the linguistic and cultural requirements of significant ethnic groups within a society.</p> <ul style="list-style-type: none"> • Financial literacy campaigns to accompany products, such as microinsurance policies for poorly educated people on very low incomes. <p>More</p>
	FS1	Initiatives to	SD Report 2011	Fully	

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
	6	enhance financial literacy by type of beneficiary	<p>Details</p> <p>Financial Services Sector Supplement Performance Indicators</p> <p>GRI FS16: Initiatives to enhance financial literacy by type of beneficiary</p> <p>Corporate volunteering</p> <p>We support the development of effective solutions to critical social issues by drawing on the company's core competencies and engaging Allianz' employees through various kinds of volunteering work. Our overall aim is to:</p> <ul style="list-style-type: none"> • Develop and strengthen links with local communities by sharing the knowledge, skills and abilities of Allianz employees through community activities, programs and organizations. • Support the development of effective solutions to address social concerns. • Enhance employees' personal development by helping to develop and build a range of skills and abilities that they can bring back to the workplace. • Raise motivation amongst employees and enhance teamwork. <p>More</p> <p>Since volunteer work is always a personal choice, employees can choose from different initiatives. In addition to Group-run programs, Allianz subsidiaries worldwide offer their own programs to suit local requirements and community needs. The Group-run projects include:</p> <ul style="list-style-type: none"> • My Finance Coach:A non-profit initiative run by Allianz SE, Grey Advertising Ltd. and McKinsey & Company, Inc. My Finance Coach aims to improve the financial literacy of 11- to 15-year-old pupils and help them avoid accumulating debts by offering the skills and knowledge they need to manage money responsibly and independently. These volunteering activities are supplemented by a comprehensive 		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>range of further training options for teachers and extracurricular activities. The German UNESCO Committee has declared My Finance Coach to be an official project of the United Nations Decade of Education for Sustainable Development (2005-2014).</p> <ul style="list-style-type: none"> • Social OPEX:A leadership development and employee engagement program that brings together Allianz employees and social entrepreneurs to facilitate a mutually beneficial exchange of skills and ideas. Whilst learning valuable lessons for their daily work, our employees apply their business skills to help social entrepreneurs improve their social impact. • startsocial:Themed "innovation needs experience" and run under the patronage of German Chancellor Angela Merkel, this initiative fosters innovative social ideas in Germany. Allianz supports startsocial as one of the four key sponsors and contributes expertise through its former employees, who play an active role as jurors or coaches. <p>More</p> <p>Allianz is investing on many fronts to overcome these challenges, e.g. by demonstrating the value of insurance to illiterate women through insurance simulation games or using comic strips. Besides the social responsibility aspect, these measures help to create sounder foundations for the company's microinsurance business and enhance product knowledge among potential customers.</p> <p>More</p> <p>Driving Digitalization at Allianz</p> <p>The evolution of the digital world has dramatically changed the way customers are consuming media, searching for information or recommendations, and buying products. Moreover, expectations about service levels are increasing. Allianz is continually addressing this new digital lifestyle by developing new service offerings and innovative product concepts while constantly evolving the digital touch points to stay true to our</p>		

Co P	GRI	GRI Indicator	Reference	Level of fulfillme nt	Comment
			<p>promise of being a trusted partner. For Allianz this is business-critical in order to keep in touch with the next-generation target audience. Digital technologies provide many opportunities for our whole organization – opportunities Allianz wants to leverage in the framework of its established digital program.</p> <p>Digitalization offers a wide range of opportunities for innovation and Allianz has implemented a framework for establishing idea generation, management and implementation. This global Allianz Innovation Program is based on the principle of implementing good ideas for the benefit of both the company and its customers. The number of implemented ideas has steadily increased since the launch of the program, as participating subsidiaries successfully link innovation to their business issues and drive the program forward at a local level.</p> <p>More</p>		