

ALLIANZ CORPORATE CITIZENSHIP STRATEGY

MAY 2020

FOSTERING AND ENABLING SELF-SUSTAINED LIVELIHOODS OF NEXT GENERATIONS

Today, we are making decisions that will shape Next Generations e.g. the future of pension systems, environmental and climate protection, and investments in education all have long-term consequences. Impact of our social actions today are a long-lasting investment for tomorrow.

Furthermore, as a long-term investor and insurer it is in our DNA to effectively address the temporal decoupling of cause and effect. Our products offer a wide range of measures to mitigate future risks and our investments often shape societies for generations. We are thus uniquely aware that our actions influence future living conditions of next generations. We see us as an integral part of this future.

- In 2019, the world population consists of more than 2.2 billion children and 1.2 billion youth, who will be the leaders, employees, customers and investors of tomorrow.
- The most common challenges faced by Next Generations, particularly those in developing countries where 85% of the

youth and children need shelter and housing, access to education, education quality, barriers to employment (UN, 2020).

- 621 million young people are not in education, employment or training. In the context of COVID-19, this is going to be much more severe. (UN 2019; WEF, 2020).

We have a role to play in ensuring that the Next Generations survive the economic and social backlash of the pandemic and other systematic social risks (e.g. unemployment, poverty, inequality), using our scale and expertise as a global investor and insurer to tackle these challenges.

We have committed to strengthening our “S” Pillar approach by focusing on a key beneficiary group - Next Generations (children and youth), and set an ambition to foster and enable self-sustained livelihoods of the next generations. We grounded this ambition from our purpose “We Secure Your Future”, group-wide business [strategy](#), on the most material social issues impacting our business and by synchronizing local efforts across our operating entities in line

with our global Corporate Responsibility (CR) strategy.

Ownership

The Group ESG Board has the highest responsibility of the topic of Corporate Citizenship in which it defines and develops the vision and strategy.

While Allianz Group provides an umbrella strategy for Corporate Citizenship, we also recognize that each country we operate in has different social priorities. Therefore at operating levels and with regards to our corporate foundations Allianz' strategy can be diversified and adapted to local needs.

Our Corporate Citizenship activities are governed namely by the following Allianz Group policies, guidelines and principles: the Allianz Corporate Citizenship Manual, Allianz Group Guidance for Donations and Charitable Memberships (Corporate Giving), the Allianz Code of Conduct for Business Ethics and Compliance, and Anti-Corruption Policy.

Sustainable Development Goals

As a signatory to the United Nations Global Compact, [Allianz leverages from its contributions to the Sustainable Development Goals](#) (SDGs) with its Corporate Citizenship Strategy. While all SDGs are equally relevant, [TruCost](#) report for Allianz has provided insight on business impact. Thus our Corporate Citizenship strategy primarily contributes to SDG 1 - No Poverty, SDG 3 – Good Health and Well-Being and SDG 8 - Decent Work and Economic Growth.

Ambition 2025

In order to fulfil our ambition to “Foster and enable self-sustained livelihoods of the Next Generation”, we will:

- **Use our scale as one of the major insurers in the world and expertise as a global investor to tackle these**

challenges. The activities and actions we have committed to, including improving youth Resilience, Health and Inclusion, will help to ensure that the company lives up to its purpose and social ambition.

- **Keep building on the existing activities** we have in place across the organisation, while strengthening our commitment to tackling these real societal problems faced by youth and children around the world.
- **Identify a major “S” initiative in every country**, involving company leadership (Board Member) and significant parts of employees
- **Track and measure clear commitments across the Group** to assess societal impact through our strategy and 3 key priority areas

Focus on Next Generations on Material Issues

The Corporate Citizenship strategy is embodied in three key focus areas that are concluded as an outcome of most material issues for Allianz:

1. **Resilience:** Increase resilience against prevalent risks in society for the most vulnerable
2. **Health:** Enhance well-being by extending resources and expertise as an insurer
3. **Inclusion & Equal Opportunities:** Address persistent hurdles for youths to become self-reliant in life

Each area serves the purpose of fulfilling Corporate Citizenship ambition of fostering and enabling self-sustained livelihoods of next generations and provides opportunities for operating entities to unite under the global strategy locally.

Our Societal Impact

Measuring the impact of our activities in society as a result of our corporate citizenship activities and upholding the principle of transparency are key aspects of our approach.

Our societal impact is being measured against several different methodologies to understand and assess our influence locally and globally. In general Corporate Citizenship activities are processed by the Input-Output-Outcome-Impact model and in partnerships Impact Reports are being published.

Our activities are being tracked on operating levels, including data provided by our partners

and later consolidated at the Group level annually. Progress made against the defined measurements is reviewed at the Group level by the Group Corporate Responsibility Team. The ESG Board is informed regularly on the progress made.

We communicate our impact and progress made in the fiscal year to our stakeholders in the annual [Allianz Group Sustainability Report](#) and other channels e.g. corporate website and social media. Our communication efforts are also supported by other channels e.g. hosting public events and NGO dialogues.

SOCIETAL IMPACT PERFORMANCE MANAGEMENT

	BUSINESS KPIs	SOCIAL/ENVIRONMENTAL KPIs
Increase resilience against prevalent risks in society for the most vulnerable children and youth	Gross Written Premium (in €mn) in Emerging Consumers Business	SDG 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. Thus, we track the number of lives insured through our microinsurance products (in million), excluding nonlife insurance such as motor, homes, crop etc.
Enhance well-being of next generations by extending resources and expertise as an insurer in health	Through our program and partnerships, we position Allianz as a workplace where mental wellness and resilience is championed. We track the impact through Work Well Index (WWI) in the Employee Engagement Index (EEI). Example target for AZ UK is to raise the score to 80% by 2021 from 70% (2019).	SDG Goal 3. Ensure healthy lives and promote well-being for all at all ages We track the No. of children/youth who we reached through our program. Our overarching target is to increase outreach to the number of children/youth 20% by 2020 (baseline 2018).
Address persistent hurdles for youths to become self-reliant in life by focusing on inclusion and equal opportunities	Access to talent - tracked through number of youth recruited through corporate citizenship activities (e.g. internships, work student, management trainee, etc.) Employee Engagement Index (EEI) is how we measure employee satisfaction which includes questions relating to corporate citizenship.	SDG 8.6 - By 2020 substantially reduce the proportion of youth not in employment, education or training. We track our number of youth who benefitted from our activities towards achieving this SDG.