

Preface:

This report was developed in 2010 and is updated annually in response to the guidelines for a Climate Risk Disclosure Survey originally set forth by the U.S. National Association of Insurance Commissioners in 2009 and 2010, and variations thereof that have since been adopted by some State Insurance Departments in the form of information requests.

The report is focused on responses most pertinent to the activities of the Allianz Group insurance companies operating in the United States – particularly Fireman's Fund Insurance Company, in addition to Allianz Global Corporate and Specialty, Allianz Life Insurance Company of North America, Mondial Assistance USA, and Euler Hermes ACI – and further incorporates the related Allianz Group-wide activities that contribute to how its U.S. and other global insurance businesses respond to climate risk issues queried below. Relevant Allianz Group activities as reported in the annual Carbon Disclosure Project and the Allianz Group Annual Sustainability Reports are appended for further reference.

1. Does the company have a plan to assess, reduce or mitigate its emissions in its operations or organizations? If yes, please summarize.

Yes.

Allianz Group insurance companies in the U.S. are among 37 Allianz Group companies worldwide that are integrated into a Group Environmental Management System (EMS), which tracks each company's emissions and other related indicators dating back to 2006 across operations worldwide. The Allianz EMS is an important management tool that aligns with the international standard for environmental management ISO 14001 as well as the European Eco-Management and Audit Scheme (EMAS), and enables the Allianz Group to monitor and control its five major areas of environmental concern: energy consumption, business travel, paper consumption, waste production, and water consumption. The Allianz EMS currently covers 81% of Allianz's global employee base, compared to 76% in 2008. Regular assessments of the carbon footprint of the Allianz Group operations includes an individual scorecard and measures plan together with emission reduction forecasts for each Allianz group company. Allianz is working towards a global commitment to a 20% greenhouse gas emission reduction by 2012, using 2006 emissions as the baseline for both Allianz Group and each company's reduction target. U.S. companies are among the Group's leaders in working towards this goal. For example, Fireman's Fund Insurance Company has set its 2012 emissions reduction target at 25% and has reduced its energy usage by 36 percent since 1999 through measures at its facilities that were accredited by both the US Environmental Protection Agency's Energy Star Program and the US Green Building Council's Leadership in Energy and Environmental Design (LEED) certification system. Fireman's Fund's Novato headquarters received an Energy Star building rating of 92 (out of 100 possible points). More Allianz facilities will move in this direction as they implement minimum standards for energy efficiency and greenhouse gas emissions, currently being developed. Various facilities are developing other innovative ways to reduce their carbon footprint, including for example, Fireman's Fund's installation of fuel cell technology at its headquarters that will generate clean energy to produce 60% of the energy used at that location, reducing the company's carbon footprint by 15%. Allianz companies will also benefit from a central Allianz Group "Green IT" program launched in 2010 by the Allianz international IT Purchasing Committee, which establishes minimum standards concerning IT equipment purchased and builds on an existing Procurement Policy for Allianz Global Purchasing that highlights areas for carbon reductions in IT Purchasing in line with international standards that have been approved by both the U.S. and European governments. The Allianz Group is also developing a global highly sophisticated videoconference concept (Basis HALO technology) that is expected enable Allianz companies and other Allianz Group companies around the world to reduce travel between high frequency routes by approximately 25%. With natural resource protection integrated into the global Allianz Group Code of Conduct and monthly employee communications on climate change issues,

Allianz employees are increasingly engaged in assuring their companies make progress towards greenhouse gas reduction goals.

More details on the Allianz Group EMS, including global governance, strategy and achievements, can be found on pp.23-30 of the 2010 Allianz Sustainability Report (see Appendix).

2. Does the company have a climate change policy with respect to risk management and investment management? If yes, please summarize. If no, how do you account for climate change in your risk management?

Yes.

Allianz has developed a long-term strategy to address climate change risks and opportunities and to reduce its own environmental impact. This strategy involves strengthening key partnerships, setting goals and targets, and developing new products and services. An 80 point action plan encompasses 17 objectives, among which are reducing the company's carbon emissions, developing products and services geared to address climate change, risk management objectives, leveraging climate change research, and contributing to related public policy development. As part of this comprehensive strategy, a program on emerging risks was integrated into the Allianz Group Risk Policy in 2004 and explicitly includes climate change as a distinct and ongoing topic in the Group Risk Policy. Identifying the impact of, and adequate response to, climate change risks and opportunities across the Allianz companies has become a key focus of the Group's Emerging Risks platform. In addition, the Allianz companies have implemented a Group-wide Catastrophe Risk Policy and are investigating the potential impact of climate change risks in this regard, and in doing so are able to draw on the scientific and analysis capacities of the Allianz Re Cat Management Group where climate risks are also being investigated. As a result, Allianz Group companies are working to assess climate change in their existing risk management and investment management processes. In addition to each businesses independent response to climate change impacts on risk management and investments, global consistency and coordination is ensured through a comprehensive annual review of the broader Allianz Climate strategy, reported to the Allianz Board of Management. Allianz has also developed a stand-alone business unit "Allianz Climate Solutions" that houses significant climate risk related expertise and is helping adjust Group Risk Policies and Standards that govern worldwide businesses, as well as Group investment strategies. This unit also provides technical and other expertise that the U.S. and other worldwide businesses can draw upon as they respond to climate risk issues ranging from responsive product development to risk management and investment considerations. Allianz Real Estate also began development of a formal concept for the evaluation of several building categories in order to build a foundation from which to develop carbon-related guidelines in 2010, now being used in pilots.

More details on the Allianz Group-wide Risk Management System - which includes climate risk considerations as part of extensive risk capital calculations and various risk governance structures and strategies, is available on pp. 10-11 of the 2010 Allianz Sustainability Report (see Appendix). Additional discussion of the Allianz Group's broader strategy for addressing climate change issues can be found on pp. 16-20 of the 2010 Sustainability Report.

3. Describe your company's process for identifying climate change-related risks and assessing the degree that they could affect your business, including financial implications.

Allianz companies regularly assess climate change related business risks and financial implications through the risk governance structures described in survey response (2) above. In addition, the Allianz companies in the U.S. actively participate in an Insurance Center of Competence on Climate Change, which convenes senior business leaders to assess the latest

knowledge on climate related risks and opportunities facing our businesses and customers, and to develop products, services and business strategies that reduce greenhouse gas emissions, adapt to climate risks, and improve understanding of emerging climate risks.

4. Summarize the current or anticipated risks that climate change poses to your company. Explain the ways that these risks could affect your business. Include identification of the geographical areas affected by these risks.

Allianz companies, and the customers we serve, face a variety of potential physical, regulatory and other risks and opportunities related to climate change.

For example, although our businesses are not significant greenhouse gas sources and are thus unlikely to face significant greenhouse gas regulation risks, we are monitoring how existing and proposed state and federal greenhouse gas regulations might create compliance risks and costs for our commercial clients – both as a factor we need to consider in our investment analysis, and as a service to our customers like the recently launched Allianz Global Corporate and Specialty coverage for damage or losses which prevent our clients from deliver carbon reduction certificates as planned. Similarly, evolving state and federal policy and regulation ranging from energy efficiency and renewable energy mandates to building codes need to be accounted for in our investment due diligence and underwriting criteria. With responsive insurance coverages like Fireman's Fund's industry leading green building and rebuilding insurance policies we enable our customers to upgrade their buildings to efficient standards and thus help to mitigate emissions. According to Allianz data, there has been a fifteen-fold increase in weather-related insurance claims over last 30 years. In Allianz's global industrial insurance business, 40% of damages are due to natural catastrophes. Over the next decade, Allianz estimates average losses for the insurance industry could grow to US\$41 billion per annum. Allianz companies draw upon the data analysis, meteorological, climate science and other expert resources such as the competence center for Natural Catastrophes within the Allianz Group Reinsurance unit, as well as broad partnerships with the international climate science community and related NGOs, to constantly update our understanding of the links between climate change and physical risks from more frequent and extreme severe weather – including heat waves, droughts, wildfires, thunderstorms and tornadoes, winter storms and severe cold weather, flooding and sea level rise. We are constantly working to access and help develop more precise and certain knowledge about the links between complex changes in the climate system and specific emerging and forecast impacts – not only because uncertainty in this regard is a risk to our ability to protect our customers and business assets, but also because our industry can play a key role working to integrate sophisticated risk modeling and risk management expertise with emerging climate science in a way that protects the availability and affordability of insurance solutions for our clients. We are also working closely with modeling agencies to better understand how they are integrating potential physical climate change risks into sophisticated modeling of exposures and potential losses, as well as various adaptive and loss-reduction methods and scenarios.

In addition to reviewing reports by the Intergovernmental Panel on Climate Change, the U.S. Climate Change Science Program, and other leading climate science sources, we partner with environmental organizations to commission and contribute to additional research on climate science, impacts, and implications for insurers. For example, our most recent of several reports commissioned in partnership with the World Wildlife Fund entitled *Major Tipping Points in the Earth's Climate System and Consequences for the Insurance Sector* evaluated potential thresholds in current climate projections to 2050, their economic costs, and assets at risk. The study follows a U.S. cooperation between Allianz and WWF that began with an influential 2006, report *Climate Change and Insurance: An Agenda for Action in the United States*, outlining the potential risks and solutions for the U.S. insurance industry. These are among many additional research efforts like Allianz's Hedging Climate Risk report and participation in the industry collaborative that resulted in the *Coastal Resiliency Blueprint*, which further examine insurance and policy solutions to the issue of concentrating population and rising value of infrastructure along floodplains and in coastal regions vulnerable to potential climate change impacts.

Ultimately, no one report can conclusively determine precise climate change impacts and risks and the appropriate insurance business response -- but as confidence in climate science and our understanding of impacts evolves, Allianz and its companies commission, collaborate and gather the broadest possible sources of credible research to inform our business decisions and protect our customers.

As office based companies with no manufacturing facilities, our direct exposure to such physical risks is somewhat limited, but nonetheless includes potential physical damage to corporate property and IT infrastructure, loss of employee working hours and business interruption, and higher operating costs in the form of energy demand and price affects. All of these are eventualities that the Allianz businesses are prepared for as part of the Allianz Group Business Continuity Planning and Crisis Management structures, which were set up in 2003 and have been adapted to include back-up office space solutions and IT infrastructure, teleworking models, and other measures that can respond to climate change related risks as our understanding of these risks develops.

Physical risks have a more significant implication in the form of potential underwriting risk, increased macroeconomic risk, and increased capital risk. Such physical risks underscore the need for loss mitigation investments that aim to preserve the affordability and availability of insurance. Through the Emerging Risk monitoring function of the Allianz Group and participation related forums coordinated by Harvard Medical School and others, Allianz is also monitoring physical risks that may create public health impacts that could indirectly affect Allianz of America's life insurance line.

In addition to underwriting risk, insurers may become exposed to reputational risk wherever climate risks may render certain perils and markets uninsurable due to inadequate loss mitigation and risk management, or encumbering regulations that prevent risk based pricing, constructive use of sophisticated loss exposure and mitigation measure modeling, enforcement of adequate codes, etc.

5. Has the company considered the impact of climate change on its investment portfolio? Has it altered its investment strategy in response to these considerations? If so, please summarize steps you have taken.

Yes. Allianz is investing in clean technology, renewable and alternative energy, and other sectors that respond to physical, regulatory and other climate change related risks and opportunities - and provide compelling financial and long term risk reduction results. As of Dec. 2009, Allianz has completed about €760 million of a planned €1.5 billion global investment in wind, solar and other renewable-energy sources by 2012. Some investments can be closely tied to the emissions reduction strategy referenced in the question 1 of this survey - for example, in 2010 Fireman's Fund approved an investment in fuel cell technology that will generate about 60% of the energy at their CA headquarters, yielding a 15% reduction in carbon emissions through energy savings that are expected to deliver a \$1.5 million return on investment over the next 10 years. The green technology and infrastructure investments of Allianz are guided by the company's deep expertise as a leader in these sectors – and match the more than €1.3 Billion (as of Dec. 2009) that retail investors in the U.S. and Europe have invested in the EcoTrends Fund offered by RCM, a company of Allianz Global Investors. Recognizing the connections between climate change and water resource issues, Allianz Global Investors also launched the Allianz RCM Global Water fund in 2008, which seeks long-term capital appreciation by investing in a portfolio of companies that are substantially engaged in water-related activities that relate to the quality or availability of or demand for potable and non-potable water. By the end of 2009, the Global Water fund totaled more than €58 million in. Allianz Investment Management, located in Minneapolis, MN, is tied in to the global AIM network and Allianz SE's investment strategies.

6. Summarize steps the company has taken to encourage policyholders to reduce the losses caused by climate change-influenced events.

Loss prevention is a critical component of how Allianz insurance companies are working to preserve the affordability and availability of adequate insurance in an era of climate change related risks. For example, Allianz works with other insurers, emergency managers and first responders, floodplain managers, and other key stakeholders in the SmarterSafer.org coalition to shape how both public and private insurance can promote loss prevention through two key principles: first and foremost, actuarially sound pricing that sends accurate risk signals about risky development in coastal plains and other areas exposed to climate risks, and second, investment in proven, cost effective pre-disaster loss mitigation investments that home and business owners can make. As the leading US insurer of green buildings and homes, Allianz is also working to merge loss prevention and the benefits of energy efficiency and greenhouse gas reductions as a win-win approach – by working in the broad based SmarterSafer.org and Rebuilding America coalitions to ensure that new federal incentives for energy efficient building and home improvements capture loss resiliency benefits, and working directly with customers as in the case of Fireman’s Fund Green Risk Management and Loss Control services, or the diverse risk consulting services Allianz Global Corporate & Specialty provides to industrial actors who are both exposed to climate related risks and play a key role in energy and other infrastructure development needed to help society adapt to these risks. Ultimately, our policies and risk consulting that enable clients to improve the energy efficiency of their homes and business operations represent a path towards energy savings for our customers and greenhouse gas reductions for the global environment, and thus a long term approach to mitigating future climate change related risks to our customers and our insurance businesses. Allianz has also worked with building code counsels and regulators, to create codes that we can help our customers recognize as critical loss prevention standards. Working with partners like Ceres on projects like the Coastal Resiliency Blueprint, Allianz has helped outline the steps customers can take to reduce climate related losses, provided that the insurance industry and policymakers set the appropriate framework for such measures. Fireman’s Fund also works closely with The Institute for Business & Home Safety (IBHS), the The International Association of Fire Chiefs (IAFC), and other partners to engage policyholders in support of disaster preparedness, These efforts relate closely to climate risks such as Wildfires, where for example, IAFC has helped define “Ember Zones” where Fireman’s Fund risk service consultants then recommend various measures that can be taken to safeguard a home from wildfire and prevent embers from entering a home. A summary fact sheet of Fireman’s Funds various offerings to connect policyholders with climate risk reduction – both in terms of loss prevention, and green solutions that reduce emissions and mitigate future physical climate risks, is available at:

http://www.firemansfund.com/Documents/Green_Press_Kit.pdf

7. Discuss steps, if any, the company has taken to engage key constituencies on the topic of climate change.

In addition to our customers, Allianz companies in the U.S. work with a broad set of stakeholders on climate change issues. We work closely with regulators and policymakers, -- for example, participating in Governor Schwarzenegger’s Alluvial Fan [flood plain] Task Force and the Maryland Insurance Commission’s Climate Change Advisory Committee, as the first insurer to become a U.S. Environmental Protection Agency Energy Star Partner, participating in several high-level meetings with the federal government including the White House Interagency Climate Change Adaptation Task Force meetings and a Capital Markets Partnership briefing for White House and Federal Agency Staff on Green Building Financing, etc. Fireman’s Fund also serves on the Capital Markets Partnership’s underwriting standard development committees for both sustainable manufacturing and integrative [green building] design, and works closely with the partnership’s other members and its national Chairman CA Lieutenant Governor Gavin Newsom. We also engage internationally through Allianz Group participation as co-chair of the United Nations Environment Program – Financial Initiative’s Climate Change Working Group, as a

participant in the Global Roundtable on Climate Change, as the first U.S. Insurer to join the UK based Climate Wise insurance industry collaborative, etc. We work closely with our industry peers, modeling firms, environmental groups, consumer and taxpayer advocates, emergency managers and first responders, and many other stakeholders in promoting environmentally sound, fiscally responsible natural catastrophe insurance models as part of the SmarterSafer.org coalition, and to promote loss-reduction adaptive measures with diverse partners on programs like the Coastal Resiliency Blueprint. We work with a broad-based coalition of labor, business, utilities, manufacturers, and policy groups that have come together in the Rebuilding America coalition to foster a robust, self-sustaining building energy efficiency retrofit industry that will cut energy use and greenhouse gas emissions in 50 million U.S. homes and businesses by 2020. Allianz companies participate in dozens of climate change related conferences each year, like the 2009 WWF Climate Savers Summit and the US Green Building Council's 2009 International Green Build conference. Through the Allianz of America Foundation, we work with educators and NGOs in developing programs like the Climate Witness project, which empowered youth displaced by Hurricane Katrina to study the impact of climate change and engage with their elected officials and communities in discussing impacts and solutions. Through the knowledge.allianz.com platform, we have specifically set out to engage the broadest possible dialogue on climate change impacts and solutions.

8. Describe actions your company is taking to manage the risks climate change poses to your business including, in general terms, the use of computer modeling.

All of the risk management actions discussed in the survey responses above are part of a broader fundamental approach to risk management that Allianz companies apply to manage any material risk to our customers and our businesses – whether they are climate change related or not. While loss mitigation, accumulated risk management, policyholder behavior, adequate risk research, and many of the other components described above are paramount, Allianz companies utilize reinsurance to manage aggregations of risk, as well as specific accumulated risks in certain geographic areas or perils – whether these are the result of climate change impacts, societal factors, or other causes. Reinsurance treaty purchases are managed in coordination with Allianz Group Reinsurance, which helps ensure that the global impacts of climate change and all of the Groups related data analysis, loss exposure modeling and other resources are leveraged. Allianz of America companies also collaborate closely with reinsurers, modeling firms, and other parties to ensure full understanding about how these third parties are integrating climate risk considerations and the potential transferred impact thereof on our businesses and results.

With respect to the issue of modeling, Allianz companies use in-house and third party models to assess potential loss exposure and risk vulnerability, including catastrophe risks that may be impacted by climate change, as a complement to other actuarial methods and means of reducing uncertainty. As for example we pointed out in our submission to the MD Insurance Departments Climate Change Advisory Committee, modeling firms are not only taking steps like updated medium-term forecasts of increased hurricane activity, but they are also modeling loss exposures alongside the cost/benefit of various policy and insurer loss mitigation measures that can be deployed. To the extent that climate change impacts may be impacting loss exposures and spurring a need for mitigation measures in ways where historic data are limited, this is a critical complement to the other measures our business, industry and policymakers can leverage to secure the availability and affordability of insurance solutions in an era of climate change risks. For insurers, modeling firms, and policymakers alike, it is critical that resources and dialogue be deployed with the focus of improving climate science accuracy and resolution with respect to the frequency and severity, location timeframe, etc. of related risks, thereby increasing the utility of models, accuracy of risk assessments and loss mitigation prioritization, pricing that is neither excessive nor inadequate, and other priorities for maintaining insurance affordability and availability.

Furthermore, because potential climate change impacts may increase the need for additional inter-temporal risk diversification beyond what traditional reinsurance can offer, and because of

peak loss events like the \$144 billion (of which \$49 billion were insured) in losses from Hurricane Katrina alone, Allianz has been a leader in developing alternative models for our businesses and customers to transfer risk to the capital markets through special instruments like Catastrophe Bonds. In 2007, Allianz created a dedicated team to investigate and execute transactions that transfer insurance risks, primarily natural catastrophe risks, into the capital markets. Capital markets can play an important role in spreading risks from natural disasters among a large group of capital providers. Since 2007, Allianz has accessed the capital markets repeatedly sourcing protection against peak risks, and this may become another particularly important risk diversification tool in light of projected climate change impacts on the frequency and severity of natural catastrophes.

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APPENDIX – Additional Reference Materials

CDP 2010 Investor
Information Request

Allianz SE 2010
Sustainability Report

Module: Introduction**Page: Introduction****0.1****Introduction**

Please give a general description and introduction to your organization.

Allianz Group is one of the leading global financial services providers and offers insurance and asset management solutions to approximately 75 million customers worldwide.

In its core businesses Property-Casualty insurance, Life/Health insurance and Asset management, Allianz ranks among the top five players in 32 markets around the globe.

0.2**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

Enter Periods that will be disclosed

Thu 01 Jan 2009 - Thu 31 Dec 2009

0.3

Are you participating in the Walmart Sustainability Assessment?

No

0.4**Modules**

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors, the corresponding sector modules will be marked as default options to your information request.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see www.cdproject.net/cdp-questionnaire.

0.5**Country list configuration**

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country

Australia
Austria
Belgium
Brazil
Bulgaria
China
Croatia
France
Germany
Hungary
Indonesia
Ireland
Italy
Malaysia
Mexico
Netherlands
Czech Republic
Poland
Romania
Russia
Slovakia
South Korea
Spain
Colombia
Switzerland
Taiwan
Turkey
United Kingdom
United States of America

0.6 Please select if you wish to complete a shorter information request.

Further Information**Module: Governance****Page: Governance**

1.1 Where is the highest level of responsibility for climate change within your company?

Board committee or other executive body

1.1a

Please specify who is responsible.

Other: Board of Management

1.2 What is the mechanism by which the board committee or other executive body reviews the company's progress and status regarding climate change?

The Allianz Group Climate Strategy was ratified by the Board in 2006. Responsibility for different parts of this strategy have been delegated to various Board members:

- Climate-related investments and Environmental Management: Dr. Paul Achleitner
- WWF climate change partnership and spokesperson for Allianz Group on issues related to Climate Change: Dr. Joachim Faber
- Green insurance products: Clem Booth

The following central entities are involved in the global execution of the Allianz Climate Change Strategy:

1. Allianz4Good: Responsible for the Group-wide environmental management system (EMS)
2. Allianz Climate Solutions: Responsible for coordinating commercial activities (insurance, investment, carbon emission trading related services) related to climate change across the Group
3. Allianz SE Reinsurance: Houses the Center of Competence on Natural Catastrophes, including climate risk modeling
4. Group Risk: Responsible for Group Risk Policy, including calculating appropriate risk capital related to environmental events (e.g. natural catastrophes)
5. Group Economic Research and Corporate Development: Responsible for materiality and forward-looking opportunity/risk assessments with regard to all megatrends, Environment & Climate being one of them.

Performance related to the Allianz Climate Strategy is reviewed on a regular basis by the Board of Management depending on the topic and external reporting needs (in 2009, this happened several times). For example, climate change impacts on risk management and investments are reported to the Board of Management annually in a comprehensive review of the broader Allianz Climate Strategy, with top-level oversight by the Allianz Group CEO and Chairman of the Board, and primary responsibilities delegated to members of the Board of Management responsible for insurance, as well as finance and asset management. Environmental Management performance, for example, is reviewed twice per year and tracked via a detailed scorecard of CO2 emissions.

1.4 Do you provide incentives for the management of climate change issues, including the attainment of greenhouse gas (GHG) targets?

Yes

1.5 Please complete the table.

Who is entitled to benefit from those incentives?	The type of incentives
Business unit managers	Monetary reward
Facility managers	Monetary reward
Energy managers	Monetary reward

Further Information

Climate Change Strategy attached as PDF More information on Climate Change at Allianz: https://www.allianz.com/en/responsibility/challenges/climate_change/index.html More information on the Environmental Management System: <https://www.allianz.com/en/responsibility/achievements/ecology/index.html>

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Governance/Allianz Climate Change Strategy final.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Governance/AllianzClimateChangeStrategyfinal.pdf)

Module: Risks and Opportunities**Page: Risks & Opportunities Identification Process****2.1 Describe your company's process for identifying significant risks and/or opportunities from climate change and assessing the degree to which they could affect your business, including the financial implications.**

According to the Intergovernmental Panel on Climate Change (IPCC), carbon dioxide (CO2) emissions have increased by 80% since 1970 bringing about a high probability of, for example, an increase in extreme weather events. Global warming therefore has very clear implications for the insurance industry. Over the last 30 years, insurance payouts for weather-related incidents have risen fifteen-fold, a trend that also reflects increased urbanization and more insured property in climatically sensitive areas such as coastal regions and flood-prone zones. Allianz estimates that the cost of weather-related damage will increase to around €40 billion per annum by 2019. The increasing risk associated with climate change is why the insurance sector – and Allianz in particular – is keen to promote a low-carbon society.

Emerging risks were integrated into the Allianz Group Risk Policy in 2004, including climate change as a distinct and ongoing topic. More specifically, since 2007, the Allianz Catastrophe Risk Policy requires operational entities (OEs) to integrate climate change risks in their strategy and mandates the Allianz SE Reinsurance Natural Catastrophes (NatCat) Center of Competence to explicitly perform research on climate risk issues. Identifying the impact of, and adequate response to, climate change risks and opportunities across the Allianz companies has become a key focus of the Group's Emerging Risks platform, which is a regular topic on the agenda of the Allianz Group Risk Committee.

Climate change also impacts our customers' financial planning and risk mitigation strategies, and consequently the products and services Allianz offers as an insurance company. In 2007 Allianz set up a new subsidiary, Allianz Climate Solutions GmbH (ACS), with the brief of guiding the Allianz Group in a long-term, business-oriented approach to climate change. This involves:

- Informing the Group about climate change issues and helping our companies share their expertise
- Supporting the development and expansion of insurance products and other financial solutions for new technologies and renewable energy projects
- Advising customers on the opportunities arising from a low-carbon economy

In addition to this leadership role, ACS acts as an investment manager, providing high-value services by linking the competencies and expertise within the Group on renewable energies, clean technologies and the carbon market to the benefit of our clients.

Regular research on the impact of climate change is conducted by Allianz in partnership with external organizations such as the WWF. Recent studies (end 2009) are:

1. RECIPE - examining four CO2-intensive sectors of the European economy – power generation, industry (cement and steel), transport and agriculture – with proposed strategies for future emission reductions. The study enables the assessment of financial implications on our business.
2. „Tipping Points“ - WWF and Allianz detail the probable consequences of climate change if early action is not taken.

Financial implications are regularly assessed and risk capital is set aside to respond to potential claims due to climate change. The average internal underwriting risk capital after Group diversification that is allocated to natural catastrophe risks has been set at €1.4 billion by Group Risk (see Annual Report, 2009, page 195). In the Annual Report Allianz discloses the five largest accumulative scenarios for its loss potential for single events (probability once in 250 years, i.e. 0.4 %) and adjusted by reinsurance.

Further Information

More information on Allianz' risk strategy can be found in the 2009 Annual Report, p.196: <http://annualreport2009.allianz.com/reports/allianz/annual/2009/gb/English/0/home.html>

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-)

[IdentificationProcess/RECIPE_synthesis_report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-IdentificationProcess/RECIPE_synthesis_report.pdf)

[https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-](https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-IdentificationProcess/Tipping_Points_WWF_Allianz_01.pdf)

[IdentificationProcess/Tipping_Points_WWF_Allianz_01.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-IdentificationProcess/Hedging_Climate_Change_Report.pdf)

https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-IdentificationProcess/Hedging_Climate_Change_Report.pdf

Page: Regulatory Risks

3.1 Do current and/or anticipated regulatory requirements related to climate change present significant risks to your company?

Yes

Do you want to answer using:

The table below

3.2A

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment
Indirect exposure through suppliers and clients	Other: World-wide	Current	As a Global financial services provider with a small environmental footprint relative to other industries, Allianz' exposure to climate change regulatory risk is mostly related to the risks we accept for our insurance customers as well as the risks Allianz faces as an investor.

3.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

Climate policy/regulation affects Allianz through the risks we accept for our businesses and our customers across our business lines, as well as the risks Allianz faces as an investor through the company's holdings.

Risks identified:

1. National legislation on CO2 emission limits, be it through the European Emission Trading Scheme or through other forms of national regulation, will have repercussions on companies operating in those countries. Especially energy intensive industry sectors are currently affected by this legislation. An expansion of the emission trading regime to further industry sectors is foreseen in the European Union. For example, the inclusion of the aviation sector into the trading regime is on its way. As a large investor, Allianz is investigating the impact that such regulation might have on the stock value on an individual basis for those industry sectors most exposed to climate change regulation.

2. Climate change is also considered to be a threat to casualty insurance through litigation cases that may arise for insurance clients whose products have caused high greenhouse gas emissions (analogous to the cases occurring in the tobacco industry). This issue is also under review by Allianz legal and insurance experts.

3. Changing energy efficiency standards in different countries also will have repercussions on the investments our clients will have to undertake.

3.4 Are there financial implications associated with the identified risks?

Yes

3.5 Please describe them.

While Allianz faces some indirect regulatory risk associated with climate change, we consider this risk as small when compared with the benefits to our company of a more robust international regulatory environment surrounding climate change.

However, our recent research concerning the impact of climate regulation has revealed relevant information. The RECIPE study (2009): RECIPE examined four carbon dioxide (CO2)-intensive sectors of the European economy – power generation, industry (cement and steel), transport, and agriculture – and proposed strategies for future emission reductions. In this way we prepared an overview about the impact of climate change regulation on several sectors relevant to us as an insurer and investor.

3.6 Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

As Allianz faces mostly indirect regulatory risk associated with climate change, our mitigation strategy focuses mainly on monitoring potential impact of such risks to our business portfolio as part of our Group Risk Policy.

Allianz has conducted several assessment and compiled the results in various reports & studies to prepare for the management of risks arising from regulatory changes. Examples are:

1. The "Tipping Point" Study (2009) analyzes important tipping elements in the Earth's climate system including their economic consequences and implications for the insurance sector.
2. The RECIPE study (2009) examines four CO2-intensive sectors of the European economy – power generation, industry (cement and steel), transport and agriculture – and proposes strategies for future emission reductions. The study enables the assessment of financial implications on our business.
3. In July 2008 Allianz co-financed a report called "The Value of Carbon in China" which was commissioned by the WWF in China.
4. The Allianz Department "Economic Research and Corporate Development" released a study on the 'third industrial revolution' in October 2007, examining the changes towards more energy and resource efficiency and assessing the long-term effects of enhanced climate protection on the German economy. It identified which sectors will be amongst the winners and losers of enhanced climate protection on basis of mitigation pressure on the one hand and growth potentials on the other hand.

Further Information

For more information on the evaluation of the risks arising from climate regulation see the following attachments: RECIPE_synthesis report, Tipping Points_WWF_Allianz_01 and Financing Global Deal. The report "The Value of Carbon in China" can be downloaded under: http://wwf.org.hk/eng/pdf/references/pressreleases_hongkong/WFcarbon_report_FINAL_20080630_ENG.pdf. As a forward looking investor we are fostering clear climate regulation, see attachment: 2009_investors_agreement.PDF. Allianz screening of regulatory trends: A study commissioned by Allianz and the WWF examining the state of emission reduction commitments of the G8 nations was published in 2009 to highlight the involvement of G8 action regarding each country's climate commitments, Germany taking the overall lead before the UK and France. The study called "G8 Climate Scorecard 2009" can be downloaded under: https://www.allianz.com/static-resources/en/press/news/studies/downloads/downloads_g8/report_g8_climate09.pdf

Attachments

https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/2009_investors_agreement.pdf

[https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-](https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/Tipping_Points_WWF_Allianz_01.pdf)

[RegulatoryRisks/Tipping_Points_WWF_Allianz_01.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/FinancingGlobalDeal.pdf)

https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/FinancingGlobalDeal.pdf

https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/RECIPE_synthesis_report.pdf

https://www.cdproject.net/Sites/2010/93/593/Investor_CDP_2010/Shared_Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryRisks/g8_climatescorecards_2009.pdf

Page: Physical Risks

4.1 Do current and/or anticipated physical impacts of climate change present significant risks to your company?

Yes

Do you want to answer using:

The table below

4.2A**What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?**

Risk	Region/Country	Timescale in Years	
Changes in frequency of extreme weather events	Other: World wide		Allianz has little direct exposure to physical risks as the company does not have complex manufacturing facilities. Risks arise for Allianz office buildings all over the world. However, only small scale interruptions could be recorded in the past due to extreme weather events.
Induced changes in supply chain and/or customers	Other: world wide		Allianz is mainly exposed to physical risks associated with climate change via the risks it underwrites as a global property and casualty insurer.

4.3**Describe the ways in which the identified risks affect or could affect your business and your value chain.**

1. Although Allianz has little direct exposure to physical risks as the company does not have complex manufacturing facilities that face physical climate risks, physical damage due to climate change could and does impact the Allianz Group in a few other ways:

- Physical damage to corporate property due to more frequent extreme weather events
- Damages to the IT infrastructure
- Loss of working hours through employees not being able to commute or being absent due to climate change induced weather events.

A special crisis committee has also been put in place. The crisis committee monitors and responds to emergencies. It is a mechanism for uninterrupted and expedient board level decisions in the event of crisis. Crisis management falls under the responsibility of the Head of Group Communications, Emilio Galli-Zugaro, who reports directly to the Board of Management.

2. Allianz is mainly exposed to physical risks associated with climate change via the risks it underwrites as a global property and casualty insurer.

The number of natural catastrophes is already clearly trending upwards. The vast majority of these are weather related. This suggests there is a connection with the slow but constant increase in global temperatures resulting from climate change. Allianz sees a connection between climate change and frequency of extreme weather, with significant implications for insurers. Climate change presents far-reaching risks for businesses and investors through severe weather events and changes in the hydrological cycle:

- Tropical Cyclones (hurricanes, typhoons),
- Winterstorms,
- Thunderstorms and Tornadoes,
- Heat-waves, droughts and severe precipitation events,
- Sea level rise.

"Hedging climate change" is an Allianz study that focuses on the effects of the predicted insurance losses due to natural catastrophes. Urbanization along floodplains and in coastal regions is identified as one major cause of the increase of insurance claims. The study tries to identify possible effects of this development and discusses approaches to deal with them (see attachment).

4.4 Are there financial implications associated with the identified risks?

Yes

4.5 Please describe them.

1. Impact due to extreme weather events for Allianz own operations have been recorded but did not disrupt our business significantly.
2. Over the last 30 years, insurance payouts for weather-related incidents have risen fifteen-fold, a trend that also reflects increased urbanization and more insured property in climatically sensitive areas such as coastal regions and flood-prone zones. Allianz estimates that the cost of weather-related damage will increase to around €40 billion per annum by 2019.

Allianz estimates its largest weather-related loss potential (net of reinsurance) for the following individual events (measured at a probability level of one loss in 250 years, see Annual Report 2009, page 196):

- European windstorm: €1,1 billion
- German hail: €0,8 billion
- US hurricane: €0,7 billion

4.6 Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

Allianz models the actuarial risks presented by climate-related catastrophes in order to estimate the capital required to be set aside in order to cover such large-scale events. As of December 31st 2009, the average internal underwriting risk capital after Group diversification that is allocated to natural catastrophe risks has been set at €1,4 billion by Group Risk.

Disproportionally large risks that might accumulate and have the potential to produce substantial losses (including natural catastrophes) are closely monitored on a stand-alone basis and are subject to a global limit framework. Allianz uses reinsurance and dedicated financial transactions such as risk swaps to mitigate large exposures.

Since 2007 Allianz regularly returned to capital markets by sponsoring a total of five cat bond transactions with a total volume of approximately US\$850 million sourcing protection against peak risks such as UK flood, US earthquake and European windstorm. For example, the Flood Catastrophe Bond ('cat bond') enables Allianz to transfer potential losses from insurance claims resulting from severe flood damage in the UK, and Global earthquake damage in Canada and the USA (excluding California), to the capital markets. The cat bond on windstorms in Europe transfers to investors the risks of windstorms in Austria, Belgium, France, Germany, Ireland, the Netherlands and the UK, using a parametric index trigger.

In May 2010, Allianz SE Reinsurance again tapped capital markets as a strategic source of catastrophe protection with a third take down under the Blue Fin program with an issuance size of US\$150 million. This time, US hurricane and earthquake risks are combined in the new catastrophe bond.

Meanwhile, Poland, the Czech Republic, Hungary and Germany are currently being hit by destructive floods along several large river systems following intensive rain falls in May. In all markets, Allianz claims managers are busy in providing timely and accessible services to clients affected by the floods.

Further Information

Disclosure concerning Allianz' underwriting risk can be found on pages 195-196 in the 2009 Annual Report

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalRisks/Hedging Climate Change Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%2010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalRisks/Hedging%20Climate%20Change%20Report.pdf)

Page: Other risks**5.1****Does climate change present other significant risks - current and/or anticipated - for your company?**

Yes

Do you want to answer using:

The table below

5.2A**What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?**

Risk	Region/Country	Timescale in Years	Comment
Reputational risks	Other: Worldwide	0 -- 5	Allianz has committed to reduce its carbon emissions by 20% on a per employee basis by 2012 (using 2006 as a base line). While internal forecasts indicate that we are on target to meet this external commitment, there is a small reputational risk associated with this commitment.
Unpredictability of risks	Other: World-wide	0 -- 5	For insurers, modelling firms, and policymakers alike, it is critical that resources and dialogue be deployed with the focus of improving climate science accuracy and resolution with respect to the frequency and severity, location timeframe, etc. of related risks, thereby increasing the utility of models, accuracy of risk assessments and loss mitigation prioritization, pricing that is neither excessive nor inadequate, and other priorities for maintaining insurance affordability and availability.
Market risks	Other: World-wide	Uncertain	On a macro economic level there is the risk that equity markets may fall due to weakened investor confidence, and economic slow down may cause interest rates to fall.

5.3 Describe the ways in which the identified risks affect or could affect your business and your value chain.

The risks mentioned above are of minor significance and are not expected to have large financial implications.

Reputational Risk:

The risks arises due to the fact that we might not meet our commitment of CO2 emission reduction. However, the reputational risk we are running is not significant as Allianz is not an energy intensive industry and the focus is on the risks we carry for our clients.

Unpredictability of Risks:

Climate modelling still bears significant uncertainties and the evaluation of our mid- to long-term risk exposure is dependent on these models.

Market Risks:

Weakened equity markets might have an impact on the assets we invest in.

5.4 Are there financial implications associated with the identified risks?

Yes

5.5**Please describe them.****Unpredictability of Risks:**

Exposure levels due to climate change might change and areas that have been heavily affected by climate change and were insured by Allianz might become areas with a lower level of exposure or vice versa. However, due to the high uncertainties of climate models, predictions are difficult. We rely on the observation of changes in weather patterns and calculate and adjust our risk capital accordingly on a regular basis.

5.6**Describe any actions the company has taken or plans to take to manage or adapt to the other risks that have been identified, including the costs of those actions.****Reputational Risks:**

The Environmental Management System (EMS) allows Allianz to track environmental performance. The Allianz EMS is an important management tool that brings us in line with the international standard for environmental management, ISO 14001, as well as the European Eco-Management and Audit Scheme (EMAS) and enables us to monitor and control our five major areas of environmental concern:

Energy consumption,
Business travel,
Paper consumption,
Waste production,
Water consumption.

Since 2009 we have been gathering data on our Group-wide emissions in a standardized process that includes all Allianz companies with more than 400 employees. As demanded by the Allianz CO2 Reduction Program, we have developed a scorecard to help us gather CO2-related data. The scorecard visualizes the development of our CO2 emissions. Data analysis allows us to identify areas where more intensive efforts are required and enables us to estimate potential emissions-reduction areas in years to come. Moreover, we are continually optimizing this CO2 emissions management process.

Our 15% reduction in CO2 emissions per employee since 2006 shows that we are on the right track towards achieving our 20% target by 2012. The data clearly show that we are already making good progress towards our CO2 reduction target — mainly thanks to cutting down on electricity consumption and business travel, and the increased use of renewable energy.

Unpredictability of Risks:

With regard to the financial implications due to climate change, Allianz Group Risk models the actuarial risks presented by climate-related catastrophes in order to estimate the capital required to be set aside in order to cover such large-scale events. The average internal underwriting risk capital after Group diversification that is allocated to natural catastrophe risks has been set at €1.4 billion by Group Risk (see Annual Report). In the Annual Report, Allianz discloses the five largest accumulative scenarios for its loss potential for single events (probability once in 250 years, i.e. 0.4 %) and adjusted by reinsurance.

Further Information

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-Otherisks/2009 Annual Report AZ Group.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-Otherisks/2009%20Annual%20Report%20AZ%20Group.pdf)

Page: Regulatory Opportunities

6.1

Do current and/or anticipated regulatory requirements related to climate change present significant opportunities for your company?

Yes

Do you want to answer using:

The table below

6.2A

What are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
Indirect exposure through suppliers and clients	Other: World-wide	Current	1. Tighter regulation will continue to spur innovation and cost reduction in "green products", thus allowing Allianz to procure green products (such as renewable energy, green IT, etc.) at reasonable cost, thus making it easier for Allianz to meet its own environmental targets. 2. Increased regulation also provides opportunities for Allianz product innovation (see 6.3 below for some examples)
Product efficiency regulations and standards	United Kingdom	Current	Our Group company, Allianz UK, is using the new EU Energy Efficiency in Buildings Directive as a business opportunity, leveraging internal energy efficiency knowledge as a consulting service. Our German Group company, Allianz Germany, is also using the energy efficiency in building standard as a new business opportunity.

6.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

We are preparing our company for the impact climate change will have on our customers and business. We also aim to contribute towards a low-carbon economy by providing appropriate products and services.

The Allianz Climate Change Strategy involves:

1. Products and services: We are developing products that buffer financial risks caused by climate change and help minimize greenhouse gas emissions. The development of green products enables our customers to mitigate their impact on our planet. Their development and marketing may be boosted by unilateral emission reduction targets under discussion in several of our core markets, including Brazil, India and China (the so-called 'BRIC' countries).
2. Investments and technologies: We continue to invest a significant amount of capital in low-carbon technologies such as wind and solar energy and shape market developments through our environmental technology funds. Provision of alternative investments for projects promotes renewable energy, greater energy efficiency, and clean technology. These investments are likely to attract more funds if new legislation and stricter emissions levels are enforced.

6.4 Are there financial implications associated with the identified opportunities?

Yes

6.5

Please describe them.

Premium or fee income associated with the introduction of new products, services and investments.

6.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

In May 2007, Allianz founded the subsidiary Allianz Climate Solutions GmbH (ACS) to focus on developing tailor-made climate change-related products for customers across all our service lines. With this specific expertise, Allianz is continuously researching and developing new products and working with our clients to help address their climate change challenges through our core services – insurance, asset management and banking. This business unit also focuses on the growing market for renewable energies, clean technologies and carbon related services such as consulting in the emission trading area. ACS also acts as a think tank for future investment trends of the Allianz Group.

Some examples of Allianz products developed in response to new regulatory developments:

1. In April 2008, Allianz Engineering in the UK launched a new suite of products in line with the new EU Energy Performance of Buildings Directive.
2. Since early 2009, Mondial Assistance is offering a new energy savings package for home owners in France which, since May, is also promoted by government-backed financing for energy efficiency measures.
3. In July 2008, Allianz Germany together with the Allianz Craftsmen Service developed an all-round service for private clients including an online energy consumption calculator, a demand-oriented energy ID and comprehensive energy advisory. Increasing energy costs receive growing attention by private and commercial clients who try to control their energy consumption themselves. Via an online platform, clients can calculate their energy needs, receive an energy ID and book an energy advisory service. In the beginning of 2009 Allianz Germany supplemented these services with a campaign to measure the energy characteristics of homes by equipping 500 tied agents with infrared cameras in order to take a heat image of their client's houses which serves as the basis for potential energetic improvements. Further information can be accessed under (in German only): <https://www.allianz-services.de/energiesparen.php>
4. The German Renewable Energy Feed-in law has triggered massive dissemination of renewable energy in the market. New investment opportunities are arising in the area of renewables. Allianz Specialized Investments has focused on this market and increased its investment portfolio to about 20 wind- and solar parks across Europe with an investment volume of EUR 760 million by end of 2009.

Further Information

More information on the challenge of climate change can be found on our webpage: https://www.allianz.com/en/responsibility/challenges/climate_change/index.html Web-site of Allianz Climate Solutions: <http://www.acs.allianz.com/en/index.html> In June 6 2009, the UNEP Finance Initiative (UNEP FI) Climate Change Working Group, co-chaired by Allianz and HSBC, presented its views on a future climate agreement at a side event of the Bonn Climate Negotiations. The views of UNEP FI are being presented in a "Green Paper on Financing a Global Deal on Climate Change" which outlines six proposals on how a future climate agreement could be made most attractive for private finance sector participation. The side event, aimed at connecting international climate change negotiators with financial practitioners was chaired by the Preeti Bandhari, Head of the Finance Cooperation of the UN Climate Secretariat and featured a podium discussion with leading negotiators from Germany, South Korea and Mexico as well as financial institutions. The Green Paper is attached.

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryOpportunities/FinancingGlobalDeal.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryOpportunities/FinancingGlobalDeal.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryOpportunities/Mondial Assistance Products.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-RegulatoryOpportunities/Mondial%20Assistance%20Products.pdf)

[Page: Physical Opportunities](#)**7.1 Do current and/or anticipated physical impacts of climate change present significant opportunities for your company?**

Yes

Do you want to answer using:

The table below

7.2AWhat are the current and/or anticipated significant physical opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
Induced changes in supply chain and/or customers	Other: World-wide	Current	Allianz is in the business of insuring against risk. Increasing threats due to more frequent and potentially more severe events caused by global warming also lead to higher demand for insurance.

7.3 Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

Increasing threats due to more frequent and potentially more severe events caused by global warming also lead to higher demand for insurance.

There is still a big gap between total losses and insured losses which is greatest in developing countries, where insurance markets are still rudimentary. Even in developed economies a large share of catastrophe risks still remain uninsured. In the biggest individual case of financial loss to date, Hurricane Katrina caused US\$ 144 billion in total losses in the southern United States, only US\$49 billion (~35%) of which were insured.

This opportunity is, however, a double-edged sword. Only with effective risk-management capabilities and capital market expertise (e.g. the ability to transfer risk to the capital markets via Cat Bonds) can insurance firms ensure that they are able to cover the risks they are underwriting, and thus take advantage of this opportunity.

7.4**Are there financial implications associated with the identified opportunities?**

Yes

7.5**Please describe them.**

Over the last 30 years, insurance payouts for weather-related incidents have risen fifteen-fold, a trend that also reflects increased urbanization and more insured property in climatically sensitive areas such as coastal regions and flood-prone zones. Allianz estimates that the cost of weather-related damage will increase to around €40 billion per annum by 2019.

However, these risks also bear new business opportunities as well. Huge catastrophe risks can be transferred to the market via bond solutions or weather derivatives can be set up hedging one risk against the other or weather index insurance can be provided to e.g. the agricultural sector.

7.6**Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.**

Allianz only writes new property and casualty business if it fits within our risk appetite and target margins can be achieved. Disproportionally large risks that might accumulate and have the potential to produce substantial losses (including natural catastrophes) are closely monitored on a stand alone basis and are subject to a global limit framework. Allianz uses reinsurance and dedicated financial transactions such as risk swaps to mitigate large exposures.

CATASTROPHE BONDS:

Since 2007 Allianz regularly returned to capital markets by sponsoring a total of five cat bond transactions with a total volume of approximately US\$850 million sourcing protection against peak risks such as UK flood, US earthquake and European windstorm. For example, the Flood Catastrophe Bond ('cat bond') enables Allianz to transfer potential losses from insurance claims resulting from severe flood damage in the UK, and Global earthquake damage in Canada and the USA (excluding California), to the capital markets. The cat bond on windstorms in Europe transfers to investors the risks of windstorms in Austria, Belgium, France, Germany, Ireland, the Netherlands and the UK, using a parametric index trigger.

In May 2010, Allianz SE Reinsurance again tapped capital markets as a strategic source of catastrophe protection with a third take down under the Blue Fin program with an issuance size of US\$150 million. This time, US hurricane and earthquake risks are combined in the new catastrophe bond.

WEATHER INDEXBASED SOLUTION:

In June 2008, the Rosno Climate Insurance Initiative (Rosno being the Russian subsidiary of Allianz Group) launched crop insurance in Russia which is able to combine a traditional agricultural and weather index insurance with modern methods of capital markets. The crop insurance covers yield shortfall due to crop damage caused by natural hazards and in addition provides compensation to farmers in case rainfall or temperatures during a crop growing cycle have been insufficient to optimize the crop yield.

Further Information**Attachments**

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Allianz US climate change study final.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Allianz%20US%20climate%20change%20study%20final.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Hedging Climate Change Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Hedging%20Climate%20Change%20Report.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Tipping_Points_WWF_Allianz_01.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-PhysicalOpportunities/Tipping_Points_WWF_Allianz_01.pdf)

[Page: Other Opportunities](#)**8.1 Does climate change present other significant opportunities - current and/or anticipated - for your company?**

Yes

Do you want to answer using:

The table below

8.2AWhat are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment
New services and/or product market opportunities	Other: Worldwide	Current	See 8.6 and the Climate products fact sheet for examples of new product offerings related to climate change.

8.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

Customers increasingly demand "green" products that not only cover their risks but also reward their environmental behaviour. Allianz continues to introduce green product and service offerings in several countries, which now total about 50 products. A selection can be found in the answer to 8.6 and the full list of 50 ecoproducts covering insurance, assistance / consulting services and asset management products such as environmental theme funds is attached.

8.4 Are there financial implications associated with the identified opportunities?

Yes

8.5

Please describe them.

All new business opportunities provide further income in the form of premium or fees.
Please refer to 8.6

8.6 Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

A selection of Allianz' "green" product offerings:

- Allianz Global Investors' (AllianzGI) RCM Global EcoTrends fund invests in companies offering products and services in renewable energy, environmental protection (environmental quality, waste disposal, recycling) and water enhancement projects. The fund has collected over €1.3 billion until Dec 2009 since its launch in May 2006 in USA, UK, Taiwan, Korea and Germany. AllianzGI has also launched the Allianz RCM Global Water fund in 2008, which seeks long-term capital appreciation by investing in a portfolio of companies that are substantially engaged in water-related activities that relate to the quality or availability of or demand for potable and non-potable water. It totals more than €58 million in assets at the end of 2009.

- Allianz Specialized Investments, a division of Allianz Capital Partners, is investing a proportion of life insurance premiums into wind farms and photovoltaic power plants across Europe. Allianz has proclaimed the goal to invest €300–500 million into renewables by 2010, this goal was surpassed in 2009 with a total volume of €760 million. The Group owns 20 wind - and solar parks in Italy, Germany and France and plans to further expand this portfolio. The output of those assets so far can provide power to about 290,000 households for a year. It is planned to invest in total €1.5 billion into renewable energy, half of it into wind energy and the other half into solar, by 2012.

- Since September 2008, Allianz Australia offers premium discounts for motor insurance clients that have low, environmentally friendly levels of vehicle use. Allianz customers who have low weekly vehicle use are rewarded with modest premium discounts for emitting less greenhouse gases compared to people who regularly use their car to commute to work or study and/or travel long distances each week. A similar product is offered by Allianz Austria.

- In June 2008, the Rosno Climate Insurance Initiative (Rosno being the Russian subsidiary of Allianz Group) launched crop insurance in Russia which is able to combine a traditional agricultural and weather index insurance with modern methods of capital markets. The crop insurance covers yield shortfall due to crop damage caused by natural hazards and in addition provides compensation to farmers in case rainfall or temperatures during a crop growing cycle have been insufficient to optimize the crop yield.

- Since April 2008, Allianz Risk Transfer offers Performance Guarantees for the Solar Power Industry. The use of new and innovative technologies often leads to unknown risks that can hardly be evaluated. Therefore companies in the solar industry grant long-term guarantees for their products, with financial impacts for the whole project life-cycle. Allianz Risk Transfer developed an insurance solution specifically tailored to these high-tech solar manufacturers.

- Fireman's Fund Insurance Company (FFIC), a company of Allianz, was the first property and casualty insurance company to offer green insurance to the U.S. commercial marketplace (its Green Guard Commercial Building Coverages was inceptioned in 2006), and continues to be an industry leader in providing innovative, market-leading green insurance and related services. The company has expanded its green insurance from commercial to personal, including green insurance for historic buildings, hotels, manufacturing facilities, restaurants, homes and personal and commercial automobiles.

- Since August 2009, FFIC offers a green auto insurance with a hybrid upgrade. If the car is stolen or damaged beyond repair, FFIC pays the full replacement cost and not only the actual cash value for the first three/five years. The hybrid auto upgrade enables policyholders to upgrade to a hybrid model (or its equivalent) during the first three model-years in the event of a total loss. This is an attractive choice for those car owners who want to protect the value of their assets, reduce their energy costs and protect the environment. Research showed that ninety percent of US adults are open to choosing a hybrid, if they were considering of buying a new vehicle.

Further Information

More products and services can be found in the attachment and under https://www.allianz.com/en/customer_solutions/green_solutions/index.html More on climate change in general can be found under: https://www.allianz.com/en/responsibility/challenges/climate_change/index.html

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Allianz US climate change study final.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Allianz%20US%20climate%20change%20study%20final.pdf)

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Mondial Assistance Products.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Mondial%20Assistance%20Products.pdf)

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Hedging Climate Change Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/Hedging%20Climate%20Change%20Report.pdf)

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/09 11 Climate products factsheet.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/RisksOpportunities-OtherOpportunities/09%2011%20Climate%20products%20factsheet.pdf)

Module: Strategy**Page: Strategy****9.1**

Please describe how your overall group business strategy links with actions taken on risks and opportunities (identified in questions 3 to 8), including any emissions reduction targets or achievements, public policy engagement and external communications.

In 2006, Allianz adopted a comprehensive Climate Change Strategy in four core areas. Besides working to minimize the carbon footprint of our own business processes, we are preparing our company for the impact climate change will have on our customers and business. We also aim to contribute towards a low-carbon economy by providing appropriate products and services.

The Allianz Climate Change Strategy involves:

1) Products and services: We are developing products that buffer financial risks caused by climate change and help minimize greenhouse gas emissions.

2) Investments and technologies: We continue to invest a significant amount of capital in low-carbon technologies such as wind and solar energy and shape market developments through our environmental technology funds.

3) Operations and carbon footprint: We are reducing the carbon emissions from our own operations, for example from office buildings and business travel. In 2006, Allianz set itself the target of reducing the greenhouse gas emissions of the entire Group to 20% lower than 2006 levels by 2012. In 2009 our strategy for carbon dioxide reduction was updated to better address the climate-change risks and opportunities to our business and reduce our own environmental impact.

4) Research and advocacy: As we believe that knowledge entails responsibility, we are striving to raise the public's and politicians' awareness of climate risks and the economic

consequences.

Details on each of these four core areas can be found at the following web-address:

https://www.allianz.com/en/responsibility/challenges/climate_change/our_approach/our_approach.html

Further Information

For detailed information on Allianz' Climate Change strategy, please visit: https://www.allianz.com/en/responsibility/challenges/climate_change/our_approach/our_approach.html

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Strategy-StrategyAllianz Climate Change Strategy final.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Strategy-StrategyAllianz%20Climate%20Change%20Strategy%20final.pdf)

Page: Strategy - Targets

9.2

Do you have a current emissions reduction target?

Yes

9.6

Please complete the table. (If you have a current emissions reduction target or have a recently completed target)

Target Type	Value of Target	Unit	Base year	Emissions in base year (metric tonnes CO ₂ -e)	Target Year	GHGs and GHG sources to which the target applies	Target met?	Comment
Absolute emissions reduction	20.00	% reduction from base year	2006	551336.00000	2012	Scope 1 + 2 + 3	Target ongoing	Our 15% reduction in CO ₂ emissions per employee since 2006 shows that we are on the right track towards achieving our 20% target by 2012. The data show that we are already making good progress towards our CO ₂ reduction target — mainly by cutting down on electricity consumption and business travel, and the increased use of renewable energy.

Further Information

For more information on our CO₂ reduction strategy, targets and achievements: https://www.allianz.com/en/responsibility/achievements/ecology/decreasing_co2/decreasing_co2.html

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Strategy-Targets/CO₂ reduction commitment and concept_catalogue of general measures.doc](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Strategy-Targets/CO2%20reduction%20commitment%20and%20concept%20catalogue%20of%20general%20measures.doc)

Page: Strategy - Emission Reduction Activities

9.7

Is question 9.7 relevant for your company?

Yes

9.7

Please use the table below to describe your company's actions to reduce its GHG emissions.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
- Overall reduction achievement reached by 2009: - Avoidance and reduction: for detailed examples on all indicators see attachment Energy_savings_question_9.7.doc; - Substitution: Purchasing renewable electricity in operating entities (attachment under question 9.6.)	Not relevant	6068359	Other: GWh	37507	Achieved		Insignificant costs - not quantified	43900000	EUR(€)	Achieved	2006-2009 Investment Explanation: Investments for "green solutions" are made in the course of the natural life cycle substitution of equipment / devices not particularly leading to major additional investments. Exceptions within single operating entities are possible but are not monitored by our Group Environmental Management System.

9.9

Please provide any other information you consider necessary to describe your emission reduction activities.

Our carbon dioxide target is a 20% reduction in our greenhouse-gas emissions by 2012, based on 2006 levels. We focus our carbon reduction strategy on the following three levers:

1. Substitution of fossil-fuel energy with alternatives from renewable sources
2. Avoidance of emissions through increased use of communications technologies (for instance, video-conferencing) to avoid unnecessary travel
3. Reduction of emissions caused through the consumption of energy, paper, and water (for example, through the use of power-saving alternatives such as low-energy lighting).

Allianz is dedicated to maintaining the highest standards in environmental management, and we are continually searching for ways to improve internal processes. One of our goals for 2010 is to further align our environmental data collection and controlling processes with the well-established procedures for financial reporting.

In our carbon concept we are focusing on the three major levers for emission cuts: 1. energy (65% global CO₂ emissions), 2. business travel (29% global CO₂ emissions) and 3. paper (5% global emissions).

For extensive details on our emission reduction measures and Best Practices on Group and local level, please see attachment Energy_savings_question 9_7.

9.10

Do you engage with policy makers on possible responses to climate change including taxation, regulation and carbon trading?

Yes

9.11

Please describe.

To raise awareness of how urgent the climate change issue is, Allianz is working closely with key opinion leaders in the regulatory, public, and private sectors. We also want to help these three sectors work together effectively in channelling international financial investment towards mitigating and adapting to climate change.

Despite justifiable criticism of what was achieved in Copenhagen, the Climate Conference in December 2009 was another milestone in dealing with this issue. Although the Copenhagen Accord is not a binding agreement, it does provide a point of entry for private-sector involvement in the United Nations (UN) Framework Convention on Climate Change (UNFCCC). Throughout 2010, there are plans for discussions between private financial institutions, private financiers, and governments to advance the development of public-private finance mechanisms. As a member of the Climate Change Working Group of the United Nations Environment Programme Finance Initiative (UNEP FI), Allianz promotes proposals that encourage the financial sector to tackle climate change issues.

Selected Initiatives:

1. Carbon Disclosure Project (CDP): Allianz was a founding signatory and in April 2010, supported the first CDP call for water disclosure.
2. 2009 Investor Statement on the Urgent Need for a Global Agreement on Climate Change: Endorsed by over 180 financial institutions, including Allianz Global Investors, this document sets out what these companies believe should be the key elements of an international agreement on climate change management and improvement plans.
3. 2° – German CEOs for Climate Protection: The objective of this initiative, established by Allianz and nine other leading German companies in partnership with policymakers, is to limit global warming to no more than 2°C above pre-industrialization levels.

Further Information

For more information on "Advocacy" please see: https://www.allianz.com/en/responsibility/challenges/climate_change/research_advocacy/research_advocacy.html For more information on "CO₂ Reduction" please see: https://www.allianz.com/en/responsibility/achievements/ecology/decreasing_co2/decreasing_co2.html

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Strategy-EmissionReductionActivities/Energy_savings_question 9_7.doc](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Strategy-EmissionReductionActivities/Energy_savings_question_9_7.doc)

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: Emissions Boundary - (1 Jan 2009 - 31 Dec 2009)

10.1

Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Companies over which financial control is exercised per consolidated audited financial statements

10.2

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions within this boundary which are not included in your disclosure?

No

Further Information

Allianz exerts its environmental governance over 37 Group companies, i.e. 81% of its employees (i.e. 153,000 employees) world-wide. Due to the wide-spread and decentralized units of the Group, we have decided to focus on operations larger than 400 employees in order to have the strongest lever for action, e.g. on large office buildings. Most of these operations are consolidated in only a few buildings. However, some of the companies are wider spread and have in turn focussed on their larger subunits. On that basis we are extrapolating the greenhouse gas emission data to 100 % of total employees in accordance to the GHG Protocol and the special financial standard provided by the German-based VfU (for more information on this standard, please refer to question 11.1).

Page: Methodology - (1 Jan 2009 - 31 Dec 2009)

11.1a

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions and/or describe the procedure you have used (in the text box in 11.1b below).

Please select the published methodologies that you use.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Other: VfU standard (Association of Banks, Saving Banks and Insurance - German-based)

11.1b

Please describe the procedure that you use.

Allianz Group collects environmental data in accordance with the VfU standard, based on the GHG Protocol. The VfU standard has been developed by the German Association of Environmental Management of Banks, Saving Banks and Insurance Companies to provide the financial services sector with an environmental accounting scheme and appropriate

indicators (<http://www.vfu.de/s/cin/start/path@page,overview.php/page@1c383cs35/navi@8/openm@97-96>). The standard, first defined in 2005, was updated in 2007. It automatically provides the indicators and respective conversion factors of the respective countries (e.g. according to energy sources) which we use for environmental accounting (VfU Indicators 2005, calculation file Feb. 2007). Further updates of the conversion factors were regularly foreseen as of December 2008.

Process of Data Collection:

The collection of global data is implemented once a year. An extrapolation of the data is conducted for those parts of Allianz which are not covered in our reporting system. In the end, emissions are calculated on the basis of standardized conversion factors.

Data are collected from Group companies, which have more than 400 employees, i.e., from their headquarter locations and their subsidiaries. The collection of data is achieved by using a variety of techniques of ascertaining the data, including exact measurement (such as supplier invoice and meter), calculation and detailed estimation as well as rough estimates.

We calculate consumption (and emissions) for an average employee based on the employees covered in our EMS and we extrapolate our emissions to 100% of employees in accordance to the VfU standard and individually for the five key indicators: energy, water, travel, paper and waste.

CO2 Calculation:

Our calculation of GHG emissions is based on the taxonomy of VfU indicators (2005) and GRI-G3 (Global Reporting Initiative indicators EN16 and EN17). In addition, Allianz Group uses the conversion factors of the GHG Protocol for the CO2 emissions deriving from road and air travel in order to ensure the possibility of intra-sectorial comparison with our peers.

According to this standard, direct GHG emissions (Scope 1) cover emissions of direct use of fossil fuels. Further, indirect GHG emissions (Scope 2) cover emissions from the generation of our electricity consumption and use of district heating. Other indirect GHG emissions (Scope 3) cover emissions from the use of paper, water and waste disposal as well as business travel (including total travel by road).

System Boundary:

We use the VfU standard for the definition of the system boundary of environmental data collection. Hence, we collect energy data and water consumption as well as waste output of those buildings that are either owned or rented. Our data also includes our internal IT centre. Outsourced IT server capacities are out of scope.

Travel data covers all business trips of internal staff by road, by rail and by air. The mileage of external carriers and the commuting of employees are out of scope.

Paper consumption data covers all paper input and external distributed marketing material which is produced for Allianz.

See description of methodology, standards and system boundaries in the attachment:

-VfU-Indicators 2005_Report.pdf
 -Kopie von VfU_Indicators_2005_Calculation_File_February_2007_VfU-Download_2007-10-19.xls
 -Allianz_EMS Boundary_2008-10.ppt
 -CO2-conversion factors_Allianz2008_2009-01-14.xls

11.2

Please also provide the names of and links to any calculation tools used.

Please select the calculation tools used.

GHG Protocol - Allocation of Emissions from a Combined Heat and Power (CHP) Plant 1.0 September 2006
 GHG Protocol - CO2 emissions from business travel 1.2 August 2005
 GHG Protocol - CO2 emissions from fuel use in facilities 3.0 March 2008
 GHG Protocol - GHG emissions from purchased electricity, heat of steam 2.1 June 2009
 GHG Protocol - GHG emissions from stationary combustion 4.0 February 2009
 GHG Protocol - Indirect CO2 emissions from purchased electricity 3.0 March 2008
 GHG Protocol - Indirect CO2 emissions from purchased electricity, heat or steam 2.0 March 2008

11.3

Please give the global warming potentials you have applied and their origin.

Gas	Reference	GWP
Carbon dioxide	IPCC Fourth Assessment Report (AR4 - 100 year)	1

11.4

Please give the emission factors you have applied and their origin.

Fuel/Material	Emission Factor	Unit	Reference
---------------	-----------------	------	-----------

Further Information

Allianz Group is using standard emission factors in accordance to national standards and recommended by the GHG Protocol.

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Methodology\(1Jan2009-31Dec2009\)/Allianz_EMS Boundary_2008-10.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Methodology(1Jan2009-31Dec2009)/Allianz_EMS_Boundary_2008-10.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Methodology\(1Jan2009-31Dec2009\)/VfU-Indicators 2005_Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Methodology(1Jan2009-31Dec2009)/VfU-Indicators_2005_Report.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Methodology\(1Jan2009-31Dec2009\)/Kopie von VfU_Indicators_2005_Calculation_File_February_2007_VfU-Download_2007-10-19.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Methodology(1Jan2009-31Dec2009)/Kopie_von_VfU_Indicators_2005_Calculation_File_February_2007_VfU-Download_2007-10-19.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Methodology\(1Jan2009-31Dec2009\)/CO2-conversion factors_Allianz2008_2009-01-14.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Methodology(1Jan2009-31Dec2009)/CO2-conversion_factors_Allianz2008_2009-01-14.pdf)

Page: Emissions Scope 1 - (1 Jan 2009 - 31 Dec 2009)

12.1

Please give your total gross global Scope 1 GHG emissions in metric tonnes of CO2-e.

53205

¿
 Is question 12.2 relevant to your company?

Yes

12.2

Please break down your total gross global Scope 1 emissions in metric tonnes CO2-e by country/region.

Country	Scope 1 Metric tonnes CO2-e
---------	-----------------------------

Australia	0
Austria	1345
Belgium	660
Brazil	2
Bulgaria	208
Croatia	955
France	3229
Germany	6354
Hungary	1519
Ireland	84
Italy	5209
Netherlands	305
Czech Republic	197
Romania	1139
Russia	4739
Slovakia	915
South Korea	426
Spain	193
Switzerland	604
Turkey	342
United Kingdom	1371
United States of America	3261
Poland	611

12.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by business division. (Only data for the current reporting year requested.)

Business Division	Scope 1 Metric tonnes CO2-e
AGCS	183
Allianz Australia	0
Allianz Belgium	660
Allianz Brazil	2
Allianz Bulgaria	208
Allianz China	0
Allianz Germany AG	2473
Allianz Elementar Austria	1345
Allianz Espana	193
Allianz France	2915
Allianz Global Investors Group	331
Allianz Hungary	1519
Allianz Indonesia	0
Allianz Ireland	84
Allianz Italy	5209
Allianz Korea	426
Allianz Malaysia	0
Allianz Mexico	0
Allianz Netherlands	305
Allianz Pojistovna	197
Allianz Poland	611
Allianz Romania	1139
Allianz SE	269
Allianz Slovenska	915
Allianz Suisse	604
Allianz Taiwan	0
Allianz Turkey	342
Allianz UK	1371
Allianz Life US	1946
Allianz Zagreb	955
ASIC	316
Colseguros	0
Euler Hermes	2782
FFIC	1316
Mondial Assistance Group	314
ROSNO	4739

12.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by facility. (Only data for the current reporting year requested.)

Facilities Scope 1 Metric tonnes CO2-e

¿

Is question 12.6 relevant to your company?

Yes

12.6

Please break down your total gross global Scope 1 emissions by GHG type. (Only data for the current reporting year requested.)

GHG Type	Scope 1 Emissions (Metric tonnes)	Scope 1 Emissions (Metric tonnes CO2-e)
CO2	53205.00	53205

¿

Is question 12.8 relevant to your company?

Yes

12.8

Please give the total amount of fuel in MWh that your organization has consumed during the reporting year.

250181

¿

Is question 12.10 relevant to your company?

Yes

12.10

Please complete the table by breaking down the total figure by fuel type.

Fuels	MWh
Natural gas	241324.00
Gas/Diesel oil	8857.00

12.12

Please estimate the level of uncertainty of the total gross global Scope 1 figure that you have supplied in answer to question 12.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
More than 10% but less than or equal to 20%	Data Gaps Extrapolation Metering/ Measurement Constraints Data Management	Sources of data uncertainty in our data are: a) A lack of data and the resulting need to extrapolate data for "non-covered" employees. b) The quality of ascertaining data. c) The interpretation of definitions of required data: despite well-defined system boundaries, uncertainties about individual data sets occur and, thus, result in inaccuracies. d) The handling of our internal sustainability data reporting database tool, STAR. e) Errors in metering at the source (as in faulty devices). We address the two main sources (a and b) of uncertainty by using extrapolation and recording data quality.

Further Information

[Page: Emissions Scope 2 - \(1 Jan 2009 - 31 Dec 2009\)](#)

13.1

Please give your total gross global Scope 2 GHG emissions in metric tonnes of CO₂-e.

256347

¿

Is question 13.2 relevant to your company?

Yes

13.2

Please break down your total gross global Scope 2 emissions in metric tonnes of CO₂-e by country/region.

Country	Metric tonnes CO ₂ -e
Australia	11565
Austria	1668
Belgium	493
Brazil	7
Bulgaria	1969
China	3198
Croatia	1283
France	16579
Germany	75146
Hungary	1983
Indonesia	1526
Ireland	1316
Italy	4196
Malaysia	3740
Mexico	932
Netherlands	1068
Czech Republic	1762
Poland	6520
Romania	16
Russia	14091
Slovakia	2098
South Korea	2831
Spain	3745
Colombia	6
Switzerland	262
Taiwan	2129
Turkey	9
United Kingdom	4305
United States of America	33344

13.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by business division. (Only data for the current reporting year

requested.)

Business division name	Metric tonnes CO2-e
AGCS	4117
Allianz Australia	11565
Allianz Belgium	493
Allianz Brazil	7
Allianz Bulgaria	1969
Allianz China	3198
Allianz Germany AG	45719
Allianz Elementar Austria	1668
Allianz Espana	3745
Allianz France	5489
Allianz Global Investors US	6717
Allianz Global Investors Germany	5019
Allianz Hungary	1983
Allianz Indonesia	1526
Allianz Ireland	1316
Allianz Italy	4196
Allianz Korea	2831
Allianz Malaysia	3740
Allianz Mexico	932
Allianz Netherlands	1068
Allianz Pojistova	1762
Allianz Poland	6520
Allianz Romania	16
Allianz SE	2133
Allianz Slovenska	2098
Allianz Suisse	262
Allianz Taiwan	2129
Allianz Turkey	9
Allianz UK	4305
Allianz Life US	13243
Allianz Zagreb	1283
ASIC	14190
Colseguros	6
Euler Hermes	3968
FFIC	13384
Mondial Assistance Group	11089
ROSNO	14091

13.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by facility. (Only data for the current reporting year requested.)

Facility name	Metric tonnes CO2-e
---------------	---------------------

¿

Is question 13.6 relevant to your company?

Yes

13.6

How much electricity, heat, steam, and cooling in MWh has your organization purchased for its own consumption during the reporting year?

Please supply data for these energy types.	MWh
Electricity	659664
Heat	114436

13.8

Please estimate the level of uncertainty of the total gross global Scope 2 figure that you have supplied in answer to question 13.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty range	Main sources of uncertainty in your data
-------------------	--

Please expand on the uncertainty in your data.

More than 10% but less than or equal to 20%	Data Gaps Extrapolation Metering/ Measurement Constraints Data Management
---	---

Sources of data uncertainty in our data are: a) A lack of data and the resulting need to extrapolate data for "non-covered" employees. b) The quality of ascertaining data c) The interpretation of definitions of required data: despite well defined system boundaries, uncertainties about individual data sets occur and, thus, result in inaccuracies. d) The handling of our internal sustainability data reporting database tool, STAR. e) Errors in metering at the source (as in faulty devices). We address the two main sources (a and b) of uncertainty by using extrapolation and recording data quality. Our process of calculating Scope 1 GHG emissions consists of several steps: collecting data, extrapolating the data for those parts of Allianz which are not covered with our reporting system and, finally, calculating the emissions. Data is collected from Group companies which have more than 400 employees, i.e., from their headquarter locations and their subsidiaries. The collection of data is achieved by using a variety of techniques of ascertaining the data, including exact measurement (such as supplier invoice and meter), calculation and detailed estimation as well as rough estimates. We extrapolate missing data (e.g. of Group companies of Allianz, which have no more than 400 employees) as described in the following process: Description of extrapolation process: We extrapolate our data to 100% of employee according to the taxonomy of VfU indicators' calculation file Version 02/2007 and we extrapolate missing data as described in the following process: We calculate consumption (and emissions) for an average employee based on the employees covered in our EMS (the respective number of employees is defined as reference figure in the VfU standard). We extrapolate our emissions by multiplying average consumption with the total head count and then calculate the emission data. Our EMS is using a reporting scheme in accordance to the VfU standard and thus accounts for five key indicators: energy, water, travel, paper and waste. For each of these five indicators the coverage may differ. Hence, we specifically extrapolate consumption and emissions with respect to the reference figures of each main indicator. Our conversion factors are based on the GHG Protocol.

Further Information

14.1

Do you consider that the grid average factors used to report Scope 2 emissions in question 13 reflect the contractual arrangements you have with electricity suppliers?

Yes

14.4

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

Yes

14.5

Please provide details including the number and type of certificates.

Type of certificate	Number of certificates	Comments
Renewable Energy Certificates	8	Electricity: Allianz Italy (partially hydropower), Allianz Brazil, Colseguros (Colombia) (both 100% hydro), Allianz Suisse (hydro and solar), Allianz Netherlands (50% hydro) and Allianz UK (2/3 hydro) are using hydropower, and Allianz Germany receives 100% of its electricity from renewables according to its supplier contract. Allianz Belgium (79% renewables) has purchased biomass (2 MW out of the 79% renewables). The certificates in the attachment disclose our contractual agreements, where low carbon energy has been specifically requested from the supplier and is not automatically included into the market mix.
Other: Carbon Credits		Transport: On September 5, 2007, Allianz launched ECOmotion, the first climate neutral car insurance. It allows environmentally conscious drivers to neutralize the CO2 emissions of their vehicle. Allianz and 3C Consulting GmbH only use high quality certificates from CO2 reduction projects in the field of renewable energy and energy efficiency. ECOmotion has been developed in cooperation with the World Wide Fund for Nature (WWF). ECOmotion is used to offset the carbon emissions of the German corporate fleet reducing 1188 t CO2 in 2009.

Further Information

Addendum 14.1: Yes, as long as there were specific informations from the supplier, we consider them. If not, we used the country specific average market mix conversion factor given by the Greenhouse Gas Protocol in June 2006

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Rekening Eneco.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Rekening%20Eneco.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/CERTIFICATION ENERGIE VERTE.PDF](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/CERTIFICATION%20ENERGIE%20VERTE.PDF)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Recertificaçã 2009 v2.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Recertifica%C3%A7%C3%A3o%202009%20v2.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/EDF Green Cert 01.01.09 to 31.12.09.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/EDF%20Green%20Cert%2001.01.09%20to%2031.12.09.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Go Green 2009.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/Go%20Green%202009.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/EON Green Cert 01.01.09 to 01.01.10.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/EON%20Green%20Cert%2001.01.09%20to%2001.01.10.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/rekening eneco 1.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope2-Contractual/rekening%20eneco%201.pdf)

Page: Emissions Scope 3

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Is question 15.1 relevant to your company?

Yes

15.1

Please provide data on sources of Scope 3 emissions that are relevant to your organization.

Sources of Scope 3 emissions	Metric tonnes of CO ₂ -e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
Business travel	145216	We consider the following indicators as Scope 3 indicators: emissions coming from business travel, paper consumption, water use and waste produced by us. Our process of calculating Scope 3 GHG emissions consists of several steps: collecting data, extrapolating the data for those parts of Allianz which are not covered with our reporting system and, finally, calculating the emissions. For more information, please refer to the section "Further information".	
Other: Rail Travel	3712	Please refer to the section "Further information".	
Other: Road Travel	97523	Please refer to the section "Further information".	
Other: Short-haul Air Travel	20341	Please refer to the section "Further information".	
Other: Long-Haul Air Travel	23640	Please refer to the section "Further information".	
Other: Paper: Total paper consumption	24749	Please refer to the section "Further information".	
Other: Paper: Post-consumer recycled	1139	Please refer to the section "Further information".	
Other: Paper: New fibres ECF+TCF	18962	Please refer to the section "Further information".	
Other: Paper: New fibres chlorine bleached	4647	Please refer to the section "Further information".	
Other: Water: Total water consumption	818	Please refer to the section "Further information".	
Other: Water: Rain water	3	Please refer to the section "Further information".	
Other: Water:			

Natural water	62	Please refer to the section "Further information".
Other: Water: Drinking water	745	Please refer to the section "Further information".
Waste generated in operations	3851	Please refer to the section "Further information".
Other: Waste: Waste incinerated	3706	Please refer to the section "Further information".
Other: Waste: Waste disposed of in landfills	4	Please refer to the section "Further information".
Other: Waste: Special waste treatment	141	Please refer to the section "Further information".

Further Information

We consider the following indicators as Scope 3 indicators: emissions coming from business travel, paper consumption, water use and waste produced by us. Our process of calculating Scope 3 GHG emissions consists of several steps: collecting data, extrapolating the data for those parts of Allianz which are not covered with our reporting system and, finally, calculating the emissions. Data is collected from Group companies which have more than 400 employees, i.e., from their headquarter locations and their subsidiaries. The collection of data is achieved by using a variety of techniques of ascertaining the data, including exact measurement (such as supplier invoice and meter), calculation and detailed estimation as well as rough estimates. We extrapolate missing data (e.g. of Group companies of Allianz, which have no fewer than 400 employees) as described in the following process. Description of extrapolation process: We extrapolate our data to 100% of employees according to the taxonomy of VU indicators' calculation file Version 02/2007 and we extrapolate missing data as described in the following process: We calculate consumption (and emissions) for an average employee based on the employees covered in our EMS (the respective number of employees is defined as reference figure in the VU standard). We extrapolate our emissions by multiplying average consumption with the total head count and then calculate the emission data. Our EMS is using a reporting scheme in accordance to the VU standard and thus accounts for five key indicators: energy, water, travel, paper and waste. For each of these five indicators the coverage may differ. Hence, we specifically extrapolate consumption and emissions with respect to the reference figures of each main indicator. Description of assumptions made for extrapolating specific indicators: Consumption indicators are calculated on the basis of the collected average consumption per employee. Our conversion factors are based on the GHG Protocol.

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope3/VU-Indicators 2005_Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope3/VU-Indicators%202005_Report.pdf)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Scope3/Kopie von VU_Indicators_2005_Calculation_File_February_2007_VU-Download_2007-10-19.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Scope3/Kopie%20von%20VU-Indicators%202005_Calculation_File_February_2007_VU-Download_2007-10-19.pdf)

Page: Emissions 7

16.1

Does the use of your goods and/or services enable GHG emissions to be avoided by a third party?

Yes

16.2

Please provide details including the anticipated timescale over which the emissions are avoided, in which sector of the economy they might help to avoid emissions and their potential to avoid emissions.

Allianz Group provides more than 50 products, most are geared towards the mitigation of climate change. Some lines of products are listed below, more details are given in the attachment (Climate products fact sheet):

1. Engineering Energy Services: Two products by Allianz Engineering UK on energy efficiency in commercial buildings and the Allianz Germany services on energy efficiency improvements in private homes help our clients to directly reduce CO2 emissions after home improvements have been carried out.
2. Property, liability, technical insurance for renewable energies established with the traditional product portfolio.
3. Green building insurance: LEEDS certified green buildings are insured at Fireman's Fund with a special tariff.
4. Carbon insurance: guarantee for certified carbon emission reduction
5. Green car insurance: offered e.g. at Allianz Austria for drivers with a low carbon emission vehicle.
6. Allianz Specialised Investments has bought 20 wind- and solar parks with a capacity to power about 290.000 households. Allianz own investments into renewable energy will increase to €1.5 billion by 2012 fostering low carbon technologies such as wind and solar.

All of these products, services and investments contribute to the avoidance or reduction of CO2 emissions through our clients or through our investment portfolio. The amount of effective reduction cannot be estimated due to the manifold and widespread reach of these products and investments and a baseline that is unknown to us (e.g. what type of car would have been bought instead of a hybrid/electric car or which of the 20 wind- and solar parks are used instead of an energy source from fossil fuel).

Potential estimation: CO2 emissions from the generated wind energy could be calculated and compared to the same power generated by coal fired power or average market mix.

The lifecycle of these emission reductions starts with the purchasing of the product/service or e.g. with the investment made in a wind park and goes over the lifetime of the car or the wind park respectively.

More details on sustainable products: see: www.allianz.com/responsibility

¿
Is question 17.1 relevant to your company?

Yes

17.1

Please provide your total carbon dioxide emissions in metric tonnes CO2 from the combustion of biologically sequestered carbon i.e. carbon dioxide emissions from burning biomass/biofuels.

264

Further Information

Addendum to 17.1: 2374146 MJ electricity produced by biomass in Belgium = 264 t CO2 produced biomass. Comment: We do not directly emit CO2 from biomass or biofuels as we buy electricity via local electricity providers in each country. To date, only Allianz Belgium and Allianz Ireland use electricity from biomass. Allianz Belgium has bought 2MW of biomass.

Attachments

Page: Emissions 8

18.1a

Please describe a financial intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

If you do not consider a financial intensity measurement to be relevant to your company, select "Not relevant" in column 5 and explain why in column 6.

Figure for Scope 1 and Scope 2 emissions	GHG units	Multiple of currency unit	Currency unit	Financial intensity metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
43.00	Other: g CO2-e	1	EUR(€)	Profit	We usually compare our emissions to our human capital since we are a service provider. However, we also can take profit and turnover to compare and record achievements. Please see comment for details.
3.00	Other: g CO2-e	1	EUR(€)	Other: Turnover	We usually compare our emissions to our human capital since we are a service provider. However, we also can take profit and turnover to compare and record achievements. Please see comment for details.

18.1b

Please describe an activity-related intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

Oil and gas sector companies are also asked to report activity-related intensity metrics in answer to table O&G1.3.

If you do not consider an activity-related intensity measurement to be relevant to your company, select "Not relevant" in column 3 and explain why in column 4.

Figure for Scope 1 and Scope 2 emissions	GHG units	Activity-related metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
	Not relevant		For intensity measurements, we usually compare our emissions to our human capital and measure per employee. In 2009, every employee emitted 2023 kg CO2 (compared to 2008 with 2167 kg CO2/employee) in Scope 1 and 2 emissions. In terms of intensity also CO2 emission per operating profit or turnover can be used. In 2009, AZ posted 1. a profit of €7,182 million, and 2. a turnover of €97,385 million. Allianz Group emitted 309,552 CO2-e metric tons of Scope 1 and 2 emissions, compared to 336,245 CO2-e metric tons in 2008. 1. 309,552 CO2-e metric kg divided by €7,182 million = 43.1g CO2-e/EUR (in 2008: 63.3g CO2-e/EUR) 2. 309,552 CO2-e metric kg divided by €97,385 million = 3.2 g CO2-e/EUR (in 2008: 5.1g CO2-e/EUR)

19.1

Do the absolute emissions (Scope 1 and Scope 2 combined) for the reporting year vary significantly compared to the previous year?

Yes

19.2

Please explain why they have varied and why the variation is significant.

26693 Tonnes less CO2 emissions = 7.8% less total CO2 emissions from previous year.

Explanation:

1. Reducing the total electricity consumption by 2.9 % and the fossil fuel consumption by 4.8 %.
2. Increase of the renewable electricity by 9.3 % up to 15.7 % of total electricity consumption.
3. A number of measures to avoid, reduce and substitute CO2 emissions, have been implemented to drive emission reduction world-wide. Measures implemented to achieve this emission reduction are explained in detail in the attachment (see attachment: energy savings).

20.1A

Please complete the following table indicating the percentage of reported emissions that have been verified/assured and attach the relevant statement.

Scope 1 (Q12.1) Scope 2 (Q13.1) Scope 3 (Q15.1)

20.1B

I have attached an external verification statement that covers the following scopes:

Scope 1
Scope 2
Scope 3

Further Information

Comment: the Environmental data have been externally verified/assured in part in 2008. The following levels of assurance have been given in 2008 for Group companies covering approximately 30% of employees world-wide: • Limited assurance engagement on the attached environmental indicators balance sheets for the years 2006 and 2007 of the German units of Allianz Germany. Plans for GHG emissions accounting information to be externally verified/assured in future: Plans for an initial central audit and regular internal audits of the international data collection and processes are currently developed under the framework of a project that is geared towards the integration of environmental data collection into financial data management. This will grant an increase in quality of data through the financial approval and controlling system.

Attachments

[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Other2/Energy_savings_question_9_7.doc](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Other2/Energy_savings_question_9_7.doc)
[https://www.cdproject.net/Sites/2010/93/593/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Other2/Independant_Assurance_Report.pdf](https://www.cdproject.net/Sites/2010/93/593/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Other2/Independant_Assurance_Report.pdf)

Page: Emissions 9 Trading

21.1

Do you participate in any emission trading schemes?

No, we don't participate nor do we currently anticipate participating in any emissions trading scheme within the next two years.

21.4

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

21.5

Please complete the following table.

Credit origination or credit purchase?	Project identification	URL link to project documentation	Verified to which standard?	Number of credits (metric tonnes of CO ₂ -e)	Credits retired?	Purpose e.g. complian
Credit Purchase	<p>1. FOR CLIENTS: For the ECOmotion product we provide Gold Standard credits from renewable energy projects via an external broker. Under this frame, Allianz Germany offers a car insurance which offsets the emissions caused by the respective car via the cancellation of Gold Standard credits provided via an external carbon credit broker. Allianz offers this service in addition to the classical car insurance. The product was developed together with the WWF under a three-year climate partnership. The product is not being directly promoted and clients have to pay for the credits cancelled for their car, we offer the administration and handling of the credits free of charge. ECOmotion shall be introduced in other markets such as Australia and the US. 2. FOR OUR OWN OPERATIONS: Since February 2008, all 344 company-owned vehicles in Germany have been CO₂-neutral. This has been achieved by neutralizing 1,189 metric tons of CO₂ emissions a year through our investment in the Turkish wind farm</p>	https://www.allianz.com/en/responsibility/achievements/ecology/environmental_footprint/environmental_footprint.html				

Yuntdag, which is currently Turkey's second-largest wind farm with a total of 17 wind turbines. The emissions thus saved are equivalent to the CO2 emitted by a typical hybrid car driving almost 350 times around the world. At the end of February 2009, Allianz received an award for its commitment from First Climate (Germany) GmbH, one of the world's leading emissions-trading companies.

Further Information

Comment: Allianz as a financial services provider is not included in the emission trading scheme. It is also not custom for a financial service provider to internally trade emissions. However, from a point of view of business opportunities we consider the Kyoto mechanisms as very relevant for our company and thus, we are providing products and services around this scheme. The Group company, Allianz Climate Solutions, is especially dedicated to identify opportunities, develop and provide products and service for our customers. With this specific expertise, we are continuously researching and developing new products and working with our clients to help address their climate change challenges through our core services – insurance and asset management. This business unit also focuses on the growing market for renewable energies, clean technologies and carbon related services. Currently, insurance provision (Certified Emission Reduction Guarantee) for customers under the emission trading scheme, is under development for a larger customer base and has already been provided on a case by case basis. For more information, please consult our webpages: www.allianz.com/responsibility.

Module: Climate Change Communications

Page: Communications 1

22.1

Have you published information about your company's response to climate change/GHG emissions in other places than in your CDP response?

Yes

22.2

In your Annual Reports or other mainstream filing? (If so, please attach your latest publication(s).)

Yes

22.3

Through voluntary communications such as CSR reports? (If so, please attach your latest publication(s).)

Yes

Further Information

Annual Report: <http://annualreport2009.allianz.com/reports/allianz/annual/2009/gb/English/0/home.html> Sustainable development report: <https://www.allianz.com/en/responsibility/index.html>

Carbon Disclosure Project

