

United Nations Global Compact Communication on Progress 2011

Allianz became a signatory to the United Nations Global Compact in 2002 and is continually committed to upholding its Principles. Our Sustainable Development Report serves as our Communication on Progress (CoP) in implementing the Principles of the UN Global Compact. This document refers and links to the relevant chapters of our Sustainable Development Report 2011 as well as to additional information in the Allianz Group Annual Report 2011 and the Allianz GRI (G3.1) Index Profile 2011.



Statement of continuing support



Michael Diekmann,
Chairman of the
Board of Management,
Allianz Group

When the first Earth Summit was held in Rio 20 years ago, presumably no one foresaw our future the way it actually turned out. A year of crises like 2011, with 100-year floods in Australia and Thailand, the nuclear meltdown in Japan, the debt crisis threatening the Euro, and the Arab Spring – not even Hollywood could have persuaded us to believe in such things. Yet from today's vantage point, 2011 hardly seems any different from the years that went before. Even this drastic accumulation of crises and changes does not feel unfamiliar to us.

These more intense conditions also pose a challenge to Allianz as an insurer and asset manager. Our stakeholders today benefit because we prepared our company in time to face the challenges of our era. That's why we were once again able to keep our promise to our clients in 2011, delivering benefits of EUR 86 billion without abandoning the successful course of operating profitability that we have established over the past few years.

Our hopes for 2012 are focused on effective government policy decisions and on sustainable progress in reducing government debt and promoting healthy growth. But the list of homework that government, society and business must complete together is even longer. Allianz is especially concerned with two challenges: The energy turnaround in Germany, and we hope in the EU as well, must now be followed by a suitable business environment for investors like Allianz to invest in renewable energy installations, up-to-date energy networks and energy efficiency projects.

Today, assets managed by life insurance companies and pension funds total up to USD 55 trillion globally. Theoretically, one percent of this amount would be enough to finance the annual efforts for sustainable global climate protection (Source: International Energy Agency). Which makes it clear that this task is doable, if institutional and private investors as well as industry and small to medium enterprises join forces, and if political conditions remain predictable and stable.

In Europe in 2010, for the first time, more people retired than entered the job market. This had been foreseen for decades – but it is now becoming a day-to-day reality. Fewer and fewer premium payers will have to provide funding for more and more recipients of benefits. And, at the same time, they will have to pay more to provide for their own retirement than their parents' and grandparents' generations did. So "business as usual" cannot be the solution. With the first Berlin Demography Forum, Allianz has now established an international platform where science, government, society and business can search for better alternatives together.

In 2011, Allianz addressed these two challenges in-house:

- Allianz is one of the world's largest investors in renewable energies, and our total direct investments in this field reached EUR 1.3 billion in 2011 and we plan to further increase them. Additionally, we were two years early in achieving our goal of reducing our CO2 emissions by 20 percent; in fact, we even exceeded it. For this reason we extended our reduction target: by 2015 we want to achieve a total CO2 reduction of approximately 35% per employee, focusing on energy consumption as our biggest lever. Furthermore, from 2012 we will compensate for any remaining emissions with project investments that also advance climate protection in emerging economies. In Kenya, for example, Allianz is a participant in the world's first VCS certified REDD project (Reducing Emissions from Deforestation and forest Degradation), not only protecting more than 200,000 hectares of forest, but also preserving people's living environment and creating employment opportunities. In India, we are involved in exchanging 8.5 million incandescent light bulbs for energy-saving lamps. With projects like these, Allianz fosters climate protection in emerging economies, taps attractive investment opportunities, and at the same time ensures that its own operations are 100 percent carbon-neutral.
- Just as systematically, we are preparing Allianz, as a sustainable employer, for the consequences of demographic change. Long-term succession planning, which also takes population aging into account, is already in place. At all levels of management, we are now experiencing gains in social and professional skills, which we can measure from our employees' perspective through our annual Group-wide engagement survey. Our diversity efforts play an important role here. We furthermore ensure a mixture of generations, because it's in our best interest to make the most of senior colleagues' experience – for everyone's benefit. In the matter of women in management, we unquestionably had a need to catch up. We made changes in 2011 which are evident, for example, in the fact that Allianz appointed the first woman to its Board of Management – an important signal. The same applies to our teams, which are becoming more and more international, just as our clients are.

The crises and changes that surround us pose a challenge. But they are also encouraging Allianz to transform itself. Our guiding compass for success will be our focus on our clients and commitment to sustainability. These will enable us to detect the need for action, as well as opportunities, at an early stage, and to keep our 142,000 employees in 70 countries working enthusiastically toward shared goals.

Our continued commitment to the UN Global Compact's Ten Principles on human and labor rights, the environment and anti-corruption is reflected in our progress against our goals. Our Sustainable Development Report 2011 provides insight into the range of our activities and outcomes over the past year. We are committed to further advance the Ten Principles within our sphere of influence.



Michael Diekmann,
Chairman of the Board of Management, Allianz Group

Human Rights

Principle 1 Business should support and respect the protection of internationally proclaimed human rights

Principle 2 Business should make sure that they are not complicit in human rights abuses

 [Links to the respective page in the Internet](#)

Sustainable Development Report 2011

 Our stakeholders	Suppliers and business partners
 Our stakeholders	Investment community
 Global Issues	Demographic change
 Progress Report	Governance > Compliance
 Progress Report	Economic > Own investments
 Progress Report	Social
 GRI Index	Social / Human Rights (HR 1-11)

Annual Report 2011

 [Remuneration Report](#)

Labor

- Principle 3** Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
- Principle 4** Business should uphold the elimination of all forms of forced and compulsory labor
- Principle 5** Business should uphold the effective abolition of child labor
- Principle 6** Business should uphold the elimination of discrimination in respect of employment and occupation

 [Links to the respective page in the Internet](#)

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-  [Our stakeholders](#) Employees
-  [Our stakeholders](#) Suppliers and business partners
-  [Progress Report](#) Social > Talent attraction and retention
-  [Progress Report](#) Social > Diversity and equal opportunities
-  [Progress Report](#) Economic > Own investments
-  [GRI index](#) Social (HR 1-11, LA 2-4)

Annual Report 2011









-  [Remuneration Report](#)

Environment

- Principle 7** Business should support a precautionary approach to environmental challenges
- Principle 8** Business should undertake initiatives to promote greater environmental responsibility
- Principle 9** Business should encourage the development and diffusion of environmentally friendly technology

 Links to the respective page in the Internet

Sustainable Development Report 2011

-  Global Issues Climate change
-  Our stakeholders Environment
-  Our stakeholders Investment community
-  Our stakeholders Stakeholder engagement
-  Progress Report Environment
-  Progress Report Economic > Products and services
-  Progress Report Economic > Own investments
-  GRI Index Environment (EN 1-30)

Anti-Corruption

Principle 10 Business should work against corruption in all its forms, including extortion and bribery

 [Links to the respective page in the Internet](#)




Sustainable Development Report 2011

-  [Our stakeholders](#) [Society](#)
-  [Our stakeholders](#) [Government relations](#)
-  [Progress Report](#) [Governance > Compliance](#)

Annual Report 2011

-  [Corporate Governance Report](#)

References and further information

-  [Allianz Sustainable Development Report 2011](#)
-  [Allianz GRI \(G3\) Index Profile 2011](#)
-  [Allianz Group Annual Report 2011](#)

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