

Statement on renewable / low-carbon energy

| Version | Valid from | Classification |
|----------------|-------------------|-----------------------|
| 2023 | February 9 2023 | Public |

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| Responsible | Allianz SE Global Sustainability |
| Area of Application | Allianz proprietary investments and P&C underwriting as well as facultative P&C re-insurance |

To limit global warming to 1.5°C with reasonable probability of success, a complete overhaul of our economy is needed. Recent geopolitical and macroeconomic developments have impacted the feasibility of transition paths especially in developing countries.

At the heart of it is the transition away from fossil fuels to renewable energy. This was again emphasized by the climate conference COP27 in Egypt, which stressed the importance to rapidly transform energy systems to be more secure, reliable, and resilient, including by accelerating clean and just transitions to renewable energy. In order to enhance our support in this transition, we decided to adapt our approach by introducing this guideline.

As per our fossil fuel guidelines, namely on thermal coal¹, oil sands², and on oil & gas³, companies are restricted to P&C insurance and proprietary investments if they breach specified thresholds (coal, oil sands) or do not fulfill certain commitment expectations by January 1st 2025 (oil & gas).

We all realize the urgency and volume of scaling renewable energy sources to match the phase-out of fossil fuels.

Therefore, Allianz will allow and support ring-fenced / stand-alone construction and operational insurance of, as well as ring-fenced⁴ direct / project investments in renewable and low-carbon energy. This will allow us to approach and work with companies to create more renewable / low-carbon projects.

Renewable/low-carbon energy in this context includes power and heat technologies based on bioenergy, geothermal, green hydrogen (i.e. fully renewable-energy based), hydro, on/offshore wind, solar, tidal. Non-fossil energy storage technologies are included as well; blue hydrogen is also eligible for this allowance if lifecycle emissions of the specific project are verified to be similar to green hydrogen; this is technically possible but needs to be demonstrated in a case-by-case assessment.

This allowance still requires due diligence on other ESG-related matters as set out by the Allianz Standard for Reputational Risks and Issues Management and the Allianz ESG Integration Framework⁵.

¹ [Allianz Statement on Thermal Coal](#)

² [Allianz Statement on Oil Sands](#)

³ [Allianz Statement on Oil and Gas](#)

⁴ defined by a clearly specified and well governed use of proceeds

⁵ [Allianz ESG Integration Framework](#)