

Allianz SE Annual Report 2021

# Building confidence in tomorrow



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#### Disclaimer regarding roundings

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

# TO OUR INVESTORS

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# SUPERVISORY BOARD REPORT

Ladies and Gentlemen,

During the financial year 2021, the Supervisory Board fulfilled all its duties and obligations as laid out in the company statutes and applicable law. It monitored the activities of the company's Board of Management, dealt with the succession planning for the Board of Management and advised it on business management issues. It also continued to regularly address the situation and impact of the ongoing COVID-19 pandemic in the financial year 2021.

## Overview

In the financial year 2021, the Supervisory Board held six regular meetings as well as three extraordinary meetings. The regular meetings took place in February, March, May, June, September, and December, and the extraordinary meetings took place in August, September and December. The Supervisory Board also adopted a written resolution in October.

In all of the regular meetings in the financial year, the Board of Management reported on Group revenues and results as well as business developments in the individual business segments. The Board of Management informed the Supervisory Board on the course of business as well as on the development of Allianz SE and the Allianz Group, including deviations in actual business developments from the planning. In this context, the adequacy of capitalization, the solvency ratio, and the respective risk and stress scenarios were discussed. The annual Allianz SE and the Group's consolidated financial statements – including the respective auditor's reports, the half-yearly as well as the quarterly reports – were reviewed in detail by the Supervisory Board after preparation by the Audit Committee.

Other focal points of reporting, in addition to the situation and impact of the COVID-19 pandemic on overall economic conditions as well as on the insurance industry and Allianz employees, were strategic topics including risk strategy and the Board of Management's planning for both the fiscal year 2022 and the three-year period from 2022 to 2024. Another focus was the ongoing discussion of the civil and administrative proceedings in connection with the AllianzGI U.S. Structured Alpha Funds, especially in the second half of 2021. Cyber risk security and the impact of rising inflation rates on the insurance business were also regularly discussed. Furthermore, the Supervisory Board dealt in depth with personnel matters relating to the Board of Management, as well as succession planning for the Board of Management and Supervisory Board, especially in the context of the upcoming elections to the Supervisory Board in 2022. The Supervisory Board and various committees also discussed appropriate consideration of non-financial targets in the target-setting process for the remuneration of the Board of Management.

The Supervisory Board received regular, timely, and comprehensive reports from the Board of Management. The Board of Management's verbal reports at the meetings were accompanied by written documents, which were sent to each member of the Supervisory Board in time for the relevant meeting. The Board of Management also informed the Supervisory Board in writing about important events that occurred between meetings. The chairmen of the Supervisory and Management Boards had regular discussions about major developments and decisions. The Chairman of the Supervisory Board also had individual discussions with each member of the Board of Management about their respective half-year as well as full-year performance.

Also in the financial year 2021, individual and group training sessions were held on the basis of an agreed development plan for continued training of the members of the Supervisory Board, for example on significant developments in information technology, especially cloud services, artificial intelligence and data analytics, as well as on Solvency II and the required reporting obligations relating to non-financial information with regard to environmental, social responsibility and corporate governance (ESG) issues.

## Issues discussed in the Supervisory Board Plenary Sessions

In the meeting of 18 February 2021, the Supervisory Board dealt comprehensively with the provisional financial figures for the financial year 2020 and the Board of Management's dividend proposal. The appointed audit firm, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), Munich, reported in detail on the preliminary results of their audit. In the further course of the meeting, the Supervisory Board also discussed the target achievement of each individual member of the Board of Management and, on this basis, set their variable remuneration for the financial year 2020, subject to the approval of the annual financial statements. As part of this performance assessment, the fitness and propriety of the members of the Board of Management were confirmed. The Supervisory Board also set additional, individual sustainability targets to be achieved by the members of the Board of Management. Next, the Supervisory Board reviewed the remuneration system for the Board of Management and Supervisory Board to be submitted to the Annual General Meeting for approval, and received reports on data protection issues.

In the meeting of 4 March 2021, the Supervisory Board discussed and approved the audited annual Allianz SE and consolidated Group financial statements, including market value balance sheets, as well as the Board of Management's recommendation for the appropriation of earnings for the financial year 2020. The auditors confirmed that there were no discrepancies compared to their February report and issued an auditor's report without any reservations for the individual and consolidated financial statements. The Supervisory Board also reviewed and approved the non-financial report for both Allianz SE and the Allianz Group, taking into account the report of the external auditor. In addition, the Board of Management submitted its report on risk developments in the financial year 2020. The annual reports from Compliance and Internal Audit were also presented at the meeting. Next, the Supervisory Board reviewed the agenda and proposals for resolution for Allianz SE's 2021 Annual General Meeting (AGM) and approved the stipulation of the Board of Management for the AGM to be held virtually. Furthermore, at the recommendation of the Audit Committee, the Supervisory Board appointed PwC as auditor for the 2021 individual and consolidated financial statements, the auditor's review of the 2021 half-yearly financial report, and the audit of the non-financial report. The Supervisory Board further received reports on the sales intensification (push-to-pull) program and on the situation in the industrial insurance business. Finally, the succession planning for the Board of Management was discussed.

On 5 May 2021, just before the AGM, the Board of Management briefed the Supervisory Board on business performance in the first quarter of 2021 as well as on the current situation of both the Allianz Group and Allianz SE, in particular with regard to the wider impact of the COVID-19 pandemic and the acquisition of the insurance and asset management business from Aviva in Poland and Lithuania. The Supervisory Board also dealt with the objectives for its composition and matters relating to the Board of Management.

At the meeting on 24 June 2021, the Board of Management first reported in detail on the course of business in the financial year 2021 to date and provided an outlook on the expected results for the second quarter and the half-year results. In addition, the Board of Management reported on legal conditions for dividend distributions and the Board's actions to protect employees in the COVID-19 pandemic, in particular Allianz's efforts with regard to vaccinations for employees and family members. The Supervisory Board also dealt comprehensively with Allianz Direct as an insurer with uniform market presence, product range and processes, and a common platform. Other topics covered in the report were an overview of Allianz France's business activities, a status report on cyber risks and cybersecurity at Allianz and a comparative report on key competitors. The Board of Management then reported on the implementation of its 2018 strategy and presented the first part of the strategy presentation for Strategy 2022+ (trends and implications) for discussion. The Supervisory Board also reviewed the objectives for its composition and added the topics of cybersecurity and sustainability to the skills profile. The Supervisory Board further discussed in detail the preparation for the Supervisory Board elections in 2022 and the general succession planning for the Supervisory Board.

At an extraordinary meeting on 1 August 2021, the Board of Management informed the Supervisory Board in detail about new developments with respect to administrative investigations in the USA and the ongoing civil proceedings in connection with the Structured Alpha Funds of AllianzGI U.S. LLC.

At a further extraordinary meeting on 29 September 2021, the Supervisory Board discussed in detail the decisions on Board of Management personnel scheduled for the next ordinary meeting and heard a report from Ms. Boshnakova on the status of the transformation at Allianz Partners.

At the meeting on 30 September 2021, the Board of Management first reported on the course of business in the financial year 2021 to date and the impact of the COVID-19 pandemic on employees. The meeting focused on the continuation of the presentation on the strategic direction of the Allianz Group and Allianz SE (solo) and on the preparation for Capital Markets Day scheduled for December 2021. In particular, the objectives for the period 2022 – 2024 were discussed in detail. Another focus was the handling of the AllianzGI U.S. Structured Alpha matter, in respect of which the Board of Management gave a detailed progress report on the civil and administrative proceedings and the Supervisory Board had the Board of Management report in detail on the measures it was taking, and the appropriateness of such measures. The Supervisory Board also discussed the IT strategy as well as the self-evaluation of the Supervisory Board required by supervisory law and the development plan drawn up on this basis, as well as the adjustment of its rules of procedure and the objectives for its composition to reflect changed requirements due to the Financial Market Integrity Strengthening Act (FISG). Based on the discussion at the extraordinary meeting on 29 September 2021, the Supervisory Board appointed Dr. Andreas Wimmer to the Board of Management of Allianz SE with effect from 1 October 2021 as the successor for Ms. Jacqueline Hunt, who resigned from office as of 30 September 2021. The Supervisory Board further appointed Ms. Sirma Boshnakova as an additional member of the Board of Management of Allianz SE with effect from 1 January 2022. The Supervisory Board then met without the Board of Management and discussed the succession planning for the Supervisory Board, the strategy presentation given by the Board of Management at the meeting and the AllianzGI Structured Alpha matter.

By way of a written resolution on 26 October 2021, for the purposes of clarification, the Supervisory Board assigned the Audit Committee the task of dealing with – and regularly discussing with the Board of Management – the progress of the civil and administrative proceedings concerning the AllianzGI Structured Alpha Funds as well as the measures taken by the Board of Management. It also established a working group of the Audit Committee to advise the Audit Committee and the Supervisory Board on this matter, and engaged an external law firm to advise the Supervisory Board on matters in connection with AllianzGI Structured Alpha.

At an extraordinary meeting on 2 December 2021, the Supervisory Board discussed in detail its deliberations on the adjustment of the dividend policy and was told about a potentially imminent reinsurance transaction of the life insurance company in the USA.

At the meeting of 16 December 2021, the Board of Management first provided information about the third-quarter results, the further course of business, and the situation of the Allianz Group. Furthermore, the Supervisory Board discussed the planning for the financial year 2022 and the three-year plan for 2022 to 2024, including the strategy for the China business, and also addressed the link between the risk strategy and the business strategy. Also at that meeting, the Supervisory Board discussed in detail the progress of the different proceedings in connection with the AllianzGI Structured Alpha matter. In addition, the Board of Management gave its regular status report on the issue of cyber risk security. The Supervisory Board further addressed the Declaration of Conformity with the German Corporate Governance Code as well as the separate audit of the Remuneration Report, which is to be submitted to the Annual General Meeting for approval for the first time in the financial year 2022. The Supervisory Board also talked to the Board of Management about the possible impact of the current pandemic situation on the preparation and arrangements for the Annual General Meeting in 2022. The Supervisory Board discussed in depth the Board of Management remuneration system and the appropriateness of the Board of Management remuneration. The system of the Supervisory Board remuneration was also reviewed for appropriateness on the basis of an external benchmark analysis. Furthermore, the Supervisory Board set targets for the variable remuneration of the members of the Board of Management for 2022 and debated succession planning for the Board of Management and the allocation of responsibilities within the Board of Management. Finally, the meeting addressed the results of the self-evaluation of the Supervisory Board's activities (so-called efficiency review), which was conducted in 2021 with the help of an external consultant. The Supervisory Board then met again without the Board of Management and discussed the AllianzGI Structured Alpha matter, the efficiency review and the planning of the Supervisory Board's work in the financial year 2022 as well as the succession planning for the Board of Management and the Supervisory Board.

## Declaration of Conformity with the German Corporate Governance Code

On 16 December 2021, the Board of Management and the Supervisory Board issued the Declaration of Conformity in accordance with §161 of the German Stock Corporation Act ("Aktiengesetz"). The Declaration was posted on the company website, where it is available to shareholders at all times. Since the submission of the last Declaration of Conformity on 10 December 2020, Allianz SE has complied with all recommendations set out by the German Corporate Governance Code in the version of 16 December 2019, and will continue to comply with them in the future. Further explanations on corporate governance in the Allianz Group can be found in the [Statement on Corporate Management](#). More details on corporate governance are also provided on the Allianz website at <https://www.allianz.com/en/about-us/corporate-management/corporate-governance.html>.

## Committee activities

The Supervisory Board has formed various committees in order to perform its duties efficiently. The committees prepare the consultations in plenary sessions as well as the adoption of resolutions. They can also adopt their own resolutions. The composition of the committees can be found in the [Statement on Corporate Management](#).

The **Standing Committee** held six meetings in 2021 and adopted two written resolutions. This committee dealt with corporate governance issues as well as preparations for the establishment of a Sustainability Committee of the Supervisory Board, remuneration of the members of the Supervisory Board, the preparations for the AGM, the Supervisory Board self-evaluation as required by supervisory law and the associated development plan, and the efficiency review of the Supervisory Board, which was conducted in 2021 with the assistance of the external consultant Spencer Stuart. Collective and, if necessary, individual training sessions are continuously carried out as part of the implementation of the development plan. In addition, the Standing Committee has passed resolutions approving the granting of loans to senior executives. At an extraordinary meeting in March, the committee addressed in detail the planned acquisition of business activities from Aviva in Poland and Lithuania, which required the approval of the Standing Committee due to the transaction value. In May and August, the Standing Committee also gave its approval by written resolution to the exclusion of subscription rights in connection with the issue of certain financial instruments (Perpetual Fixed Rate Resettable Restricted Tier 1 bonds). The Board of Management only made use of the approval granted in August.

The **Personnel Committee** held five meetings in 2021 and adopted five written resolutions. At the meetings, the committee discussed in detail the succession planning in the Board of Management, mainly with regard to board appointments due to expire at the end of the financial year 2022. The committee also addressed the departure of Ms. Hunt from the Board of Management and preparations for Dr. Wimmer to be appointed as her successor, as well as the appointment of Ms. Boshnakova as an additional board member with effect from 1 January 2022. Other key topics included the preparatory review of the Board of Management remuneration system for presentation at the AGM, the annual review of the appropriateness of the Board of Management remuneration, target achievement of the Board of Management members for the financial year 2020 and the definition of the targets for the 2022 variable remuneration. The committee also looked at various mandate matters of individual board members and at further succession planning for the Board of Management.

The **Audit Committee** held five meetings in 2021. In the presence of the auditors, the committee discussed both Allianz SE's annual financial statements and the Allianz Group's consolidated financial statements, the management reports, the respective solvency statements and the auditor's reports, as well as the half-yearly financial report. These reviews revealed no reasons for objection. The Board of Management reported on the quarterly results and discussed them in detail with the Audit Committee together with the results of the auditor's review. One focus of the Audit Committee's activities was the regular review of the ongoing impact of the COVID-19 pandemic and the effect of natural disasters and weather events, which occurred on a large scale in the last financial year. Furthermore, the committee prepared the engagement of the external auditor and defined key audit areas for the financial year 2021, and conducted an assessment of the quality of the audit. The committee also discussed the awarding of non-audit services to the auditor and approved an updated positive list of pre-approved audit and non-audit services. In two written resolutions, the Audit Committee approved the engagement of the auditor for non-audit services, each of which exceeds a value limit set by the Committee.

In addition, the committee dealt extensively with the compliance system and the internal auditing system, as well as the accounting process and internal financial reporting control mechanisms. At several meetings, the Audit Committee discussed with the Board of Management the effects of the changeover to the new accounting standards IFRS 9 & 17 with its respective effects on Allianz's accounting from financial year 2023 onwards and the status of the implementation measures for a proper transition to the new standards. At all regular meetings, reports on legal and compliance issues in the Group, operational risks and the work of the Internal Audit department were presented and discussed in detail. Furthermore, the head of the actuarial function (Group Actuarial, Planning & Controlling) presented his annual report. In addition, the Audit Committee discussed the adjustments resulting from the Financial Market Integrity Strengthening Act (FISG), and the internal audit plan for 2022. The Audit Committee held in-depth discussions with the Board of Management on the progress of the civil as well as the administrative proceedings of the U.S. Securities and Exchange Commission (SEC) and the U.S. Department of Justice in the matter of the Structured Alpha Funds of AllianzGI U.S. A separate working group of the Audit Committee was additionally set up for this purpose; this group held four meetings in the reporting year, which were also attended by the lawyers engaged by the Supervisory Board.

The **Risk Committee** held two meetings in 2021. At both meetings, the committee discussed the current risk situation of the Allianz Group and Allianz SE with the Board of Management. In the March meeting, the risk report and other risk-related statements in the annual Allianz SE and consolidated financial statements as well as management and group management reports were reviewed with the auditor and approved. The appropriateness of the early risk recognition system at Allianz SE and Allianz Group and the result of further risk assessments by the auditor were also discussed. The Audit Committee was recommended to include the Risk Report, as presented and discussed, in the Annual Report. At both meetings, the Risk Committee examined the risk strategy in detail, including risk appetite, capital management and the external rating as well as the effectiveness of the risk management system for the Allianz Group and Allianz SE. The committee further looked in detail at the report on Allianz's own risk and solvency assessment and the changes to the internal Solvency II model, and held discussions with the Board of Management, in particular about transactions with portfolios in the life insurance sector to improve the return on equity and the solvency position. The Risk Committee also focused on the topic of inflation risk and, in this context, Allianz's exposure in the event of rising inflation rates and the consideration of inflation trends in pricing, as well as on the developments relating to "silent cyber", i.e., the unintended, implied coverage of cyber risks, especially in the area of commercial insurance. In addition, the consequences of the COVID-19 pandemic were again addressed with regard to the business development and risk situation, the management of reputational risks and accumulation risks as well as the management of non-financial risks. The Risk Committee also dealt extensively with the impact of the AllianzGI Structured Alpha matter on the risk situation at Allianz. In addition, special regulatory topics, such as the EIOPA review of Solvency II, as well as business policy topics were also on the agenda.

The **Technology Committee** held two meetings in the financial year 2021, at which it discussed in detail the reorganization of information technology in the Allianz Group, the IT strategy and, in particular, the strategic IT partners in cloud and IT applications, and in the comprehensive IT transformation. The focus was again on the implementation of the Business Master Platform (BMP) in the context of the Allianz Customer Model (ACM). Another focus of the committee's activities was dealing with the ever-growing cyber risks and the resulting increase in IT security requirements, as well as Allianz's use of disruptive technology innovations, e.g., the Internet of Things and Digital Twins.



The **Nomination Committee** held one meeting in 2021, at which it reviewed the objectives for the composition of the Supervisory Board and proposed changes to the Supervisory Board in order to adapt to new legal requirements and to expand the skills profile. In particular, it was proposed to amend adequate expertise with respect to technology to explicitly include adequate expertise in cybersecurity as well as to add adequate knowledge in the area of sustainability. The Supervisory Board implemented these proposals in its meeting on 24 June 2021. The committee also reviewed the actual composition of the Supervisory Board. Furthermore, detailed preparations were made for the Supervisory Board elections at the AGM 2022, taking into account the objectives for the composition. The Nomination Committee discussed the general succession planning for the Supervisory Board and proposed the formation of a so-called "Staggered Board", which has been strongly requested by investors. Beginning with the Annual General Meeting in 2022, the candidates standing for election as shareholder representatives will no longer be elected on the principle of block election with identical terms of office. In the case of new elections for retiring Supervisory Board members, new members shall then each be elected for the term of office stipulated in the Articles of Association, in order to also establish the Staggered Board for the following years. Furthermore, the Nomination Committee has intensively discussed potential candidates to succeed the members of the Supervisory Board who will retire in the coming years. For each retiring member of the Supervisory Board, outstandingly suitable candidates could be identified, each of whom has already declared their willingness to stand for election to the Supervisory Board at the Annual General Meetings in 2024 and 2025. Together with the Board of Management, the Nomination Committee has also agreed concrete measures to prepare the candidates at an early stage for the duties of a member of the Supervisory Board of Allianz SE as well as for the complex business of a globally operating and regulated financial services company. These measures include, for example, the preparation of candidates in the context of a mandate as a member of the supervisory board of a European subsidiary of Allianz SE or other appropriate measures, as well as the early identification of training measures based on the skill profile of the Supervisory Board. In addition, the Nomination Committee addressed the appointment of a further substitute candidate in the event that a Supervisory Board member had to be replaced at short notice.

The **Sustainability Committee**, which was newly established by the Supervisory Board in February 2021, held two meetings in the 2021 financial year. At its constitutive meeting, the committee first dealt with structuring its area of responsibility, which covers the topics of environment, social responsibility and corporate governance, as well as data ethics, the committee's mode of operation and its interfaces to other committees of the Supervisory Board, in particular the Personnel Committee and the Risk Committee. Key topics in the two meetings included sustainability reporting and the assessment of the Allianz Group by external providers of sustainability indices as well as the discussion of measures to improve the assessment, sustainability ambitions for the future and the implications arising from sustainability regulation. In addition, the committee dealt in detail with the strategy in the area of social responsibility and prepared the setting of sustainability targets for the Board of Management remuneration as well as the corresponding target achievement assessment for the financial year 2021 by the Personnel Committee and the Supervisory Board.

The Supervisory Board was informed regularly and comprehensively of the committees' work.

## Overview of the member participation in Supervisory Board and committee meetings for the fiscal year 2021

### Publication of details of members' participation in meetings

	Presence	%		Presence	%
<b>PLENARY SESSIONS OF THE SUPERVISORY BOARD</b>					
Michael Diekmann (Chairman)	9/9	100	Michael Diekmann	5/5	100
Gabriele Burkhardt-Berg (Vice Chairwoman)	9/9	100	Jean-Claude Le Goaër	5/5	100
Jim Hagemann Snabe (Vice Chairman)	9/9	100	Martina Grundler	5/5	100
Sophie Boissard	9/9	100	<b>RISK COMMITTEE</b>		
Christine Bosse	9/9	100	Michael Diekmann (Chairman)	2/2	100
Dr. Friedrich Eichiner	9/9	100	Christine Bosse	2/2	100
Jean-Claude Le Goaër	9/9	100	Dr. Friedrich Eichiner	2/2	100
Martina Grundler	9/9	100	Godfrey Hayward	2/2	100
Herbert Hainer	9/9	100	Frank Kirsch	2/2	100
Godfrey Hayward	9/9	100	<b>TECHNOLOGY COMMITTEE</b>		
Frank Kirsch	9/9	100	Jim Hagemann Snabe (Chairman)	2/2	100
Jürgen Lawrenz	9/9	100	Gabriele Burkhardt-Berg	2/2	100
<b>STANDING COMMITTEE</b>			Michael Diekmann	2/2	100
Michael Diekmann (Chairman)	6/6	100	Dr. Friedrich Eichiner	2/2	100
Jean-Claude Le Goaër	6/6	100	Jürgen Lawrenz	2/2	100
Herbert Hainer	6/6	100	<b>NOMINATION COMMITTEE</b>		
Jürgen Lawrenz	6/6	100	Michael Diekmann (Chairman)	1/1	100
Jim Hagemann Snabe	6/6	100	Christine Bosse	1/1	100
<b>PERSONNEL COMMITTEE</b>			Jim Hagemann Snabe	1/1	100
Michael Diekmann (Chairman)	5/5	100	<b>SUSTAINABILITY COMMITTEE</b>		
Gabriele Burkhardt-Berg	5/5	100	Christine Bosse (Chairwoman)	2/2	100
Herbert Hainer	5/5	100	Sophie Boissard	2/2	100
<b>AUDIT COMMITTEE</b>			Gabriele Burkhardt-Berg	2/2	100
Dr. Friedrich Eichiner (Chairman)	5/5	100	Michael Diekmann	2/2	100
Sophie Boissard	5/5	100	Frank Kirsch	2/2	100

### Audit of annual accounts and consolidated financial statements

Due to a special legal provision that is still applicable to insurance companies for the financial year 2021, the statutory auditor and the auditor for the review of the half-yearly financial report were appointed by the Supervisory Board of Allianz SE and not by the AGM. The Supervisory Board appointed PwC as statutory auditor for the annual Allianz SE and consolidated financial statements as well as for the review of the half-yearly financial report for the financial year 2021. PwC audited the financial statements of Allianz SE and the Allianz Group as well as the respective management reports. They issued an auditor's report without any reservations. The management reports also each contain the respective non-financial statement. The consolidated financial statements were prepared on the basis of the International Financial Reporting Standards (IFRS) as adopted in the European Union. The annual financial statements of Allianz SE were prepared in accordance with German law and accounting standards. PwC performed a review of the half-yearly financial report. In addition, PwC was also mandated to perform an audit of the market value balance sheet according to Solvency II as of 31 December 2021 for Allianz SE and the Allianz Group. Furthermore, PwC was commissioned to conduct a review with respect to the content of the non-financial statement.

All Supervisory Board members received the documentation relating to the annual financial statements and the auditor's reports from PwC on schedule. The preliminary financial statements and PwC's preliminary audit results were discussed in the Audit Committee on 16 February 2022, as well as in the Supervisory Board's plenary session on 17 February 2022. The finalized financial statements and PwC's audit reports (dated 21 February 2022) were reviewed by the Audit Committee on 2 March 2022, and in the Supervisory Board plenary session on 3 March 2022. The auditors participated in the discussions and presented key results from their audit. Particular emphasis was placed on the key audit matters described in the auditor's report and on the audit procedures performed as well as the treatment of the AllianzGI U.S. Structured Alpha matter. No material weaknesses in the internal financial reporting control process were discovered. There were no circumstances that might give cause for concern about the auditor's independence. In addition, the market value balance sheets dated 31 December 2021 for both Allianz SE and the Allianz Group as well as the respective PwC reports were reviewed by the Audit Committee and the Supervisory Board.

On the basis of its own reviews of the annual Allianz SE and consolidated financial statements, the management and group management reports, and the recommendation for the appropriation of earnings, the Supervisory Board has raised no objections and agreed with the results of the PwC audit. It has also approved the Allianz SE and consolidated financial statements prepared by the Board of Management. The financial statements have thus been formally adopted. The Supervisory Board agrees with the Board of Management's proposal on the appropriation of earnings.

The Supervisory Board would like to express its special thanks to all Allianz Group employees for their great personal commitment over the past fiscal year under the continuing difficult conditions caused by the pandemic.

### Members of the Supervisory Board and Board of Management

There were no changes in the composition of the Supervisory Board in the fiscal year 2021.

Dr. Barbara Karuth-Zelle and Mr. Christopher Townsend were appointed as new members of the Board of Management of Allianz SE with effect from 1 January 2021. They succeeded Dr. Christof Mascher and Mr. Niran Peiris, who left the Board of Management on 31 December 2020. Furthermore, Dr. Andreas Wimmer was appointed to the Board of Management of Allianz with effect from 1 October 2021. He succeeded Ms. Jacqueline Hunt, who resigned from office with effect from 30 September 2021. Ms. Sirma Boshnakova was also appointed as a new member of the Board of Management with effect from 1 January 2022.

Munich, 3 March 2022

For the Supervisory Board:



Michael Diekmann  
Chairman

# MANDATES OF THE MEMBERS OF THE SUPERVISORY BOARD

## Michael Diekmann

Chairman  
Member of various Supervisory Boards  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Fresenius Management SE  
Fresenius SE & Co. KGaA  
Siemens AG

## Jim Hagemann Snabe

Vice Chairman  
Member of various Supervisory Boards  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Siemens AG (Chairman)  
Membership in comparable<sup>1</sup> supervisory bodies  
A.P. Møller-Mærsk A/S (Chairman)  
C3.ai, Inc.  
since 1 March 2021

## Gabriele Burkhardt-Berg

Vice Chairwoman  
Chairwoman of the Group Works Council of Allianz SE  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Allianz Versicherungs-AG  
since 2 December 2021

## Sophie Boissard

Chairwoman of the Board of Management of Korian S.A.  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Korian Deutschland AG (Chairwoman)  
Korian Management AG (Chairwoman)  
Membership in comparable<sup>1</sup> supervisory bodies  
Korian Belgium (formerly Senior Living Group NV)  
Over SpA  
Segesta SpA (Korian Group company)

## Christine Bosse

Member of various Supervisory Boards  
Membership in comparable<sup>1</sup> supervisory bodies  
Coop Amba  
Tusass A/S (formerly TELE Greenland) (Chairwoman)

## Dr. Friedrich Eichiner

Member of various Supervisory Boards  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Festo Management SE (Chairman)  
Infineon Technologies AG

## Jean-Claude Le Goëer

Employee of Allianz Informatique G.I.E.  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz France S.A.

## Martina Grundler

National Representative Insurances, ver.di Berlin  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Allianz Lebensversicherungs-AG  
since 24 November 2021

## Herbert Hainer

Member of various Supervisory Boards  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
FC Bayern München AG (Chairman)  
Membership in comparable<sup>1</sup> supervisory bodies  
Accenture Plc  
until 19 June 2021

## Godfrey Robert Hayward

Employee of Allianz Insurance plc

## Frank Kirsch

Employee of Allianz Beratungs- und Vertriebs-AG  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Allianz Versorgungskasse VVaG

## Jürgen Lawrenz

Employee of Allianz Technology SE  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Technology SE  
Allianz Versorgungskasse VVaG

<sup>1</sup> Generally, we regard memberships in other supervisory bodies as comparable if the company is listed on a stock exchange or has more than 500 employees.

# MANDATES OF THE MEMBERS OF THE BOARD OF MANAGEMENT

## Oliver Bäte

Chairman of the Board of Management  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Deutschland AG  
(Chairman)

## Sergio Balbinot

Insurance Western & Southern Europe  
until 31 December 2021  
Asia Pacific  
Membership in comparable<sup>1</sup> supervisory bodies  
UniCredit S.p.A.  
until 15 April 2021  
Bajaj Allianz General Insurance Company Ltd.  
Bajaj Allianz Life Insurance Company Ltd.  
Membership in Group bodies  
Allianz (China) Insurance Holding Company Ltd.  
(Chairman)  
Allianz France S.A.  
Allianz Sigorta A.S.  
Allianz Yasam ve Emeklilik A.S.

## Sirma Boshnakova

since 1 January 2022  
Insurance Western & Southern Europe, Allianz Direct, Allianz Partners  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
AWP P&C S.A. (Chairwoman)  
AWP Health & Life S.A. (Chairwoman)

## Jacqueline Hunt

until 30 September 2021  
Asset Management, US Life Insurance  
Membership in comparable<sup>1</sup> supervisory boards  
Membership in Group bodies  
Allianz Life Insurance Company of North America  
(Chairwoman)

## Dr. Barbara Karuth-Zelle

Operations and IT  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Technology SE (Chairwoman)  
Euler Hermes AG  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz Partners S.A.S.

## Dr. Klaus-Peter Röhler

Insurance German Speaking Countries and Central & Eastern Europe  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
EUROKAI GmbH & Co. KGaA  
Membership in Group bodies  
Allianz Beratungs- und Vertriebs-AG (Chairman)  
Allianz Lebensversicherungs-AG (Chairman)  
Allianz Private Krankenversicherungs-AG (Chairman)  
Allianz Versicherungs-AG (Chairman)  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz Suisse Lebensversicherungs-Gesellschaft AG  
Allianz Suisse Versicherungs-Gesellschaft AG

## Ivan de la Sota

Business Transformation, Insurance Iberia & Latin America,  
Allianz Partners  
until 31 December 2021  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Volkswagen Autoversicherung AG  
Membership in Group bodies  
Allianz Deutschland AG  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz Compañía de Seguros y Reaseguros S.A., Spain  
Allianz Partners S.A.S. (Chairman)  
Allianz Seguros S.A., Brazil (Chairman)  
until 19 February 2021  
Companhia de Seguros Allianz Portugal S.A.

## Giulio Terzariol

Finance, Controlling, Risk  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Deutschland AG

## Dr. Günther Thallinger

Investment Management  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Deutschland AG  
Allianz Investment Management SE (Chairman)  
Allianz Lebensversicherungs-AG  
Allianz Private Krankenversicherungs-AG  
Allianz Versicherungs-AG

## Christopher Townsend

Global Insurance Lines & Anglo Markets, Reinsurance, Middle East, Africa  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Global Corporate & Specialty SE (Chairman)  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz Australia Ltd.  
since 1 January 2022  
Allianz Plc  
Euler Hermes Group S.A. (Chairman)  
since 1 July 2021

## Renate Wagner

Human Resources, Legal, Compliance, Mergers & Acquisitions  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Membership in Group bodies  
Allianz Lebensversicherungs-AG  
since 24 November 2021  
Membership in comparable<sup>1</sup> supervisory bodies  
UniCredit S.p.A.  
since 15 April 2021

## Dr. Andreas Wimmer

since 1 October 2021  
Asset Management, US Life Insurance  
Membership in other statutory supervisory boards and SE administrative boards in Germany  
Pensions-Sicherungs-Verein VVaG  
Membership in Group bodies  
Allianz Pensionskasse AG  
Membership in comparable<sup>1</sup> supervisory bodies  
Membership in Group bodies  
Allianz Life Insurance Company of North America  
(Chairman)  
since 1 January 2022

<sup>1</sup> Generally, we regard memberships in other supervisory bodies as comparable if the company is listed on a stock exchange or has more than 500 employees.

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# MANAGEMENT REPORT OF ALLIANZ SE

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B

# EXECUTIVE SUMMARY AND OUTLOOK

## Earnings summary

### Condensed income statement

€ mn

	2021	2020	Change
<b>Gross premiums written</b>	<b>12,151</b>	<b>12,228</b>	<b>(77)</b>
Premiums earned (net)	10,915	10,888	27
Claims (net)	(7,362)	(7,574)	211
Underwriting expenses (net)	(3,135)	(3,161)	26
Other technical reserves (net)	41	(13)	54
<b>Net underwriting result</b>	<b>458</b>	<b>140</b>	<b>318</b>
Change in claims equalization and similar reserves	(435)	(363)	(71)
<b>Net technical result</b>	<b>24</b>	<b>(223)</b>	<b>247</b>
Investment result	7,589	5,258	2,331
Allocated interest return	(34)	(23)	(11)
Other non-technical result	(2,423)	(891)	(1,532)
<b>Non-technical result</b>	<b>5,132</b>	<b>4,344</b>	<b>788</b>
<b>Net operating income</b>	<b>5,156</b>	<b>4,121</b>	<b>1,035</b>
Taxes	195	486	(291)
<b>Net income</b>	<b>5,351</b>	<b>4,608</b>	<b>743</b>

### Net underwriting result

**Gross premiums written** decreased slightly by 0.6% to € 12,151 mn (2020: € 12,228 mn). The decrease was mainly driven by a reduction in volume from the intra-group Property-Casualty reinsurance business amounting to € 226 mn. This was partially compensated by an increase in external motor business. In total, € 11,480 mn (2020: € 11,685 mn) of gross premiums were attributable to Property-Casualty reinsurance and € 671 mn (2020: € 543 mn) to Life/Health reinsurance.

Driven by reinstatement premiums relating to the retrocession of claims from European natural catastrophes, the net retention ratio decreased to 90.7% (2020: 91.8%). **Premiums earned (net)** increased to € 10,915 mn (2020: € 10,888 mn).

The accident year claims<sup>1</sup> ratio (net) in Property-Casualty reinsurance decreased to 71.1% (2020: 72.7%). This was mainly due to the adverse impact of COVID-19 losses in 2020. The natural catastrophe losses before retrocession of € 1,406 mn were above the prior year's amount (2020: € 220 mn)<sup>2</sup> with the floods and severe storms in Europe being the major events. Despite the recovery from retrocession of claims from natural catastrophes amounting to € 1,058 mn (2020: € 0 mn), the net losses were also above those from the previous year.

The run-off result (net) in Property-Casualty reinsurance amounted to € 439 mn (2020: € 400 mn) and was mainly influenced by liability reinsurance (€ 283 mn), credit and bond reinsurance (€ 89 mn) as well as fire and property reinsurance (€ 63 mn). Overall, the calendar year claims ratio (net) in Property-Casualty reinsurance decreased to 67.0% (2020: 69.0%).

The expense ratio (net) in Property-Casualty reinsurance decreased to 29.0% (2020: 29.5%), driven by both a lower commission ratio of 28.2% (2020: 28.6%) and a lower administrative expense ratio of 0.8% (2020: 1.0%).

In Life/Health reinsurance, the net underwriting result decreased to € 44 mn (2020: € 60 mn), mainly due to higher commissions for business with external cedents.

The total **net underwriting result** amounted to € 458 mn (2020: € 140 mn), mainly driven by the positive development of the calendar year loss ratio in Property-Casualty reinsurance in 2021.

### Net technical result

In 2021, the **change in claims equalization and similar reserves** amounted to € (435) mn (2020: € (363) mn). This was mainly driven by the claims development in the liability and motor reinsurance business.

After the increase of equalization and similar reserves, the **net technical result** amounted to € 24 mn (2020: € (223) mn).

### Non-technical result

#### Investment result

€ mn

	2021	2020	Change
<b>Investment income</b>			
Income from profit transfer agreements	2,295	2,373	(78)
Income from affiliated enterprises and participations	6,156	4,487	1,669
Income from other investments	486	525	(39)
Realized gains	274	302	(28)
Income from reversal of impairments	18	25	(7)
<b>Subtotal</b>	<b>9,230</b>	<b>7,712</b>	<b>1,518</b>
<b>Investment expenses</b>			
Expenses for the management of investments, interest, and other investment-related expenses	(933)	(1,022)	88
Depreciation and impairments of investments	(500)	(552)	51
Realized losses	(148)	(167)	19
Expenses for losses taken over	(58)	(714)	655
<b>Subtotal</b>	<b>(1,641)</b>	<b>(2,454)</b>	<b>813</b>
<b>Investment result</b>	<b>7,589</b>	<b>5,258</b>	<b>2,331</b>

The **investment result** significantly increased by € 2,331 mn to € 7,589 mn.

**Income from profit transfer agreements** declined by € 78 mn to € 2,295 mn. Despite several increases, primarily attributable to higher profit transfers from Allianz Deutschland AG and from Allianz Asset Management GmbH, which went up by € 185 mn to € 1,469 mn and by € 254 mn to € 650 mn respectively, as well as to a € 149 mn profit transfer from our service provider Allianz Technology SE (2020: € 163 mn loss taken over), the overall income from profit transfers decreased as our subsidiary Allianz Argos 14 GmbH merged with Allianz SE effective from 1 January 2021 (2020: profit transfer of € 671 mn).

**Income from affiliated enterprises and participations** grew by € 1,669 mn to € 6,156 mn, mainly due to higher dividend income from our subsidiary Allianz Europe B.V., which increased by € 950 mn to € 4,900 mn, and 2021 dividend payments from Allianz Holding France SAS amounting to € 604 mn. These were reflected in

1\_Accident year claims are claims that occurred during the current financial year.

2\_Based on Group definition for large losses from natural catastrophes.



Allianz SE's profit and loss in 2021 as a result of the merger of Allianz Argos 14 GmbH.

**Income from other investments** went down by € 39 mn to € 486 mn, and mainly consisted of income from bonds (€ 207 mn), funds held by others under reinsurance business assumed (€ 130 mn), and intra-group loans (€ 69 mn).

**Realized gains** declined by € 28 mn to € 274 mn, and were mainly related to the sale of bonds (€ 168 mn), real estate (€ 49 mn), and participations (€ 35 mn).

**Income from reversal of impairments** slightly decreased by € 7 mn to € 18 mn, fully stemming from write-ups related to our bond portfolio.

**Expenses for the management of investments, interest, and other investment-related expenses** fell by € 88 mn to € 933 mn. This reduction was driven by lower interest expenses (€ 103 mn) as a result of lower refinancing rates for the rollover of matured debt instruments. The overall decrease of this position was partly offset by higher investment-related expenses (€ 15 mn).

**Depreciation and impairments of investments** went down by € 51 mn to € 500 mn. The impairments in 2021 were particularly attributable to write-downs on bonds (€ 166 mn), participations (€ 141 mn) and shares in affiliated enterprises (€ 139 mn).

**Realized losses** declined by € 19 mn to € 148 mn and were predominantly attributable to the sale of bonds (€ 145 mn).

**Expenses for losses taken over** considerably decreased by € 655 mn to € 58 mn. This was primarily driven by a lower loss taken over from Allianz Global Corporate & Specialty SE, which declined by € 496 mn to € 22 mn, and the fact that no loss was taken over from our service provider Allianz Technology SE in 2021 (2020: € 163 mn).

## Other non-technical result

The **other non-technical result** deteriorated significantly by € 1,532 mn to € (2,423) mn. On the one hand, this development was driven by the foreign currency translation result, which deteriorated by € 714 mn and was mainly driven by foreign currency translation losses of liabilities denominated in USD. On the other hand, the increase in pension expenses by € 628 mn also negatively influenced the result: This was primarily caused by the increase of the pension trend parameter. For further information regarding other income and expenses, please refer to [note 24](#).

## Taxes and net income

As far as legally permissible, Allianz SE acts as the controlling company ("Organträger") of the German tax group that most German subsidiaries belong to. As the controlling company, Allianz SE is liable for the income taxes of this German tax group.

After being offset against tax losses, the current tax charge of Allianz SE amounted to € (352) mn (2020: € (250) mn). Moreover, Allianz SE received a tax allocation of € 543 mn (2020: € 732 mn) by Allianz SE tax group companies that recorded taxable income. Taking into account other taxes, the income from taxes amounted to € 195 mn (2020: € 486 mn).

**Net income** increased by € 743 mn to € 5,351 mn (2020: € 4,608 mn).

## Economic outlook<sup>1</sup>

The global economic recovery following the COVID-19 crisis is continuing in 2022. However, it is going to lose momentum overall and will also be distributed quite unevenly, not least due to differences in the pace of vaccination which cause the gap between industrialized and emerging countries to widen further. Overall, we expect the global economy to grow by 4.1% in 2022. While the United States and the eurozone are expected to achieve 3.9% and 4.1% respectively, growth in China will cool to 5.2%, the lowest rate in over 30 years (apart from the slump in the COVID-19 year 2020).

Supply bottlenecks and parts shortages are likely to continue to weigh on production and prices, with no improvement expected before the second half of 2022. In view of persistent inflation, central banks will probably withdraw more of their expansionary monetary policy measures; first interest rate hikes are expected in the United States, albeit not in the eurozone. Even if financing conditions remain generous overall, volatility in the stock markets is expected to increase in 2022. The same goes for the bond markets, where a slight rise in interest rates and a slight widening of spreads is to be expected. In addition, the different approaches of central banks are expected to influence international capital flows and exchange rates.

In this outlook, the downside risks predominate. First and foremost, the COVID-19 pandemic itself is by no means "defeated" yet: The lack of herd immunity, especially in poorer countries, may allow new variants to emerge at any time, leading to more waves of contagion. At the same time, economic policy faces the difficult challenge of managing the transition to a "post-pandemic" world – that is, the normalization of monetary policy and the scaling back of fiscal crisis support – smoothly, without causing any major market distortions. Add to this the fact that, after two years of the COVID-19 pandemic, its burdens are unevenly distributed among population groups, social peace appears increasingly fragile in many countries and, last but not least, geopolitical tensions have further increased across the board.

## Insurance industry outlook

The global insurance market is expected to develop positively overall in 2022. Essentially, the same drivers are still at work as in 2021: the continued economic recovery (especially in the industrialized countries), increased risk awareness among households and companies, and rising prices, especially in commercial lines. At the same time, the investment environment remains very challenging due to stronger market movements; although the expected slight rise in interest rates could be a first step out of the low-interest-rate trough and lead to an improvement in investment returns.

2022 will also be marked by accelerated digitization, with the aim of simplifying and scaling up processes, and offering customers simple, fast, easy-to-grasp solutions. In the context of sustainability, social aspects will play an increasingly important role, not least against the backdrop of growing inequality due to the COVID-19 crisis. This offers the insurance industry opportunities to position itself as a partner for strengthening social resilience. At the same time, it is important to pay more attention to the potential reputational risks arising from growing

social, political, and cultural demands on companies in general and on insurance companies in particular.

In the **non-life sector**, premium growth will probably continue slightly below the previous year's level. Commercial lines should continue to benefit from rising prices, albeit to a lesser extent; investment income could increase slightly, although financial market risks should not be underestimated. Also, the gradual return to normality will allow claims volumes to return to pre-crisis levels, especially in the motor business.

In the **life sector**, the recovery in premium income is also expected to continue in 2022, although it is unlikely that the previous year's growth levels will be reached again. As before, a key driver of this outlook is a greater awareness of the need for risk protection and increased savings in the wake of the COVID-19 crisis. The expected slight rise in interest rates could also stimulate the demand for savings products. Profitability should improve as well, considering the expected slight improvement in investment income as well as the decline in excess mortality that will follow the successful vaccination campaign.

## Business outlook

Our outlook assumes no significant deviations from our underlying assumptions – specifically:

- continuation of global economic recovery,
- interest rates to remain at the current level,
- no major disruptions in the capital markets,
- no disruptive fiscal or regulatory interference or major litigation,
- level of claims from natural catastrophes at expected average levels,
- an average U.S. dollar-to-euro exchange rate of 1.19.

Allianz SE provides a wide range of reinsurance coverage, primarily to Allianz Group's insurance entities (group-internal business), but also to third-party customers (external business). This includes Property-Casualty as well as Life/Health business on both a proportional and a non-proportional basis. Due to the broad spread of exposures underwritten by line of business and geography, Allianz SE's portfolio is diversified.

Allianz Group uses Allianz SE, in particular, as a vehicle for actively managing its overall exposure to catastrophes. Under a group-wide risk management framework, each operating entity is responsible for controlling its exposure to individual catastrophes and defining its local reinsurance requirements, based on its local risk appetite and capital position. The respective cover is then provided by Allianz SE or one of its subsidiaries. At the Group level, the Allianz SE's Board of Management reviews and approves the risk appetite. The reinsurance division is then responsible for designing and implementing Group catastrophe protection within given exposure limits. These covers take various forms and aim to protect the Group against excessive losses from major natural or man-made catastrophes. However, despite measures to limit or mitigate our risks, there is still the potential for an unexpected frequency and/or severity of catastrophic events that may materially impact the results of Allianz SE. The top five residual risk

<sup>1</sup>The information presented in the sections "Economic Outlook" and "Insurance Industry Outlook" is based on our own estimates.

exposures at the Group level are summarized in the paragraph “Premium Risk” in the [Risk and Opportunity Report](#).

Compared to the previous year’s plan for 2021, premiums earned (net) were lower than expected, mainly due to lower than planned quota share cessions from European Allianz entities. Higher than planned catastrophe losses, especially in Germany, were offset by improved profitability in liability and other Property-Casualty business. The combined ratio was lower than planned. Consequently, the net underwriting result before change in claims equalization and similar reserves was higher than expected.

After many years of low profitability in the industry, rates started moderately hardening in 2020 and 2021. Following pandemic related underwriting losses during the course of 2020, and global natural catastrophe events above the 10-year average level in both 2020 and 2021, the trend of price increases has continued with 2022 renewals.

Allianz SE’s technical result largely depends on group-internal cessions in the form of quota share agreements with European Allianz entities. Based on our estimates, we expect slightly higher premiums and a visible improvement of the net underwriting result before changes in claims equalization and similar reserves for the Property-Casualty reinsurance in 2022. It should be noted that the actual result may vary significantly as the reinsurance business is, by nature, volatile in terms of frequency and severity of losses.

Compared to our outlook, the net underwriting result and the investment result deviated positively for 2021, while our other non-technical result was below the planned result. This resulted in both net income as well as net earnings exceeding our expectations. For 2022, we predict a moderately increasing net income with almost stable net earnings. Based on our current expectations, increases in the underwriting result and the other non-technical result will only be partially offset by a lower investment result. We are not planning a specific foreign currency result, nor are we able to anticipate any net gains/losses from derivatives. These could, however, considerably impact the net income of Allianz SE. Given the susceptibility of our non-technical result to adverse capital market developments, we do not provide a precise outlook for the development of our net income. Nevertheless, we are ultimately planning and managing the Allianz SE net earnings in line with the Allianz Group’s dividend policy. To this end, we take advantage of the opportunity to make use of the dividends of our subsidiaries, in particular those of Allianz Europe B.V., in order to generate net earnings for Allianz SE that match the dividend policy of Allianz Group. For more detailed information on our dividend policy, see the Allianz Group’s Annual Report 2021 and [www.allianz.com/dividend](https://www.allianz.com/dividend).

## Management’s overall assessment of the current economic situation of Allianz SE

At the date of issuance of this Annual Report, and based on current information regarding natural catastrophes and capital market trends – in particular foreign currency, interest rates, and equities – the Board of Management has no indication that Allianz SE is facing any major adverse developments.

## Cautionary note regarding forward-looking statements

This document includes forward-looking statements, such as prospects or expectations, that are based on management’s current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz’s core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) adverse publicity, regulatory actions or litigation with respect to the Allianz Group, other well-known companies and the financial services industry generally, (iv) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses, (v) mortality and morbidity levels and trends, (vi) persistency levels, (vii) the extent of credit defaults, (viii) interest rate levels, (ix) currency exchange rates, most notably the EUR/USD exchange rate, (x) changes in laws and regulations, including tax regulations, (xi) the impact of acquisitions, including and related to integration issues and reorganization measures, and (xii) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

## No duty to update

Allianz assumes no obligation to update any information or forward-looking statement contained herein, save for any information we are required to disclose by law.

# OPERATIONS BY REINSURANCE LINES OF BUSINESS

**Gross premiums written** decreased slightly by 0.6% to € 12,151 mn (2020: € 12,228 mn). All in all, 86.8% (2020: 87.8%) of gross premiums written originated from the Allianz Group's internal business. In

addition, Allianz SE continued to write business from selected external partners in order to diversify the internal portfolio.

## Gross premiums written and net technical result by reinsurance lines of business

	Gross premiums written			Combined ratio Property-Casualty		Change in claims equalization and similar reserves		Net technical result	
	2021	2020	Change	2021	2020	2021	2020	2021	2020
	€ mn	€ mn	% <sup>1</sup>	%	%	€ mn	€ mn	€ mn	€ mn
Motor	4,779	4,823	(0.9)	101.0	94.4	(120)	(416)	(167)	(231)
Fire and property reinsurance	3,368	3,401	(1.0)	97.7	102.3	(32)	(74)	20	(148)
thereof:									
Household and homeowner	1,186	1,118	6.2	101.4	83.0	-	-	(19)	190
Fire	779	894	(12.9)	91.8	77.1	(32)	(74)	22	78
Engineering	422	420	0.4	101.3	91.6	-	-	(21)	34
Business interruption	230	255	(9.7)	73.6	234.2	-	-	58	(315)
Other property reinsurance	751	714	5.1	103.6	123.3	-	-	(19)	(135)
Liability	1,114	1,169	(4.7)	72.6	100.8	(243)	12	33	(8)
Life	478	375	27.5	-	-	-	-	39	58
Personal accident	416	416	(0.0)	87.9	84.3	(1)	2	50	68
Marine and aviation	339	382	(11.1)	90.1	76.3	(20)	(65)	15	10
Legal expenses	281	262	7.2	116.6	118.9	-	31	(46)	(18)
Credit and bond	242	198	22.2	69.1	87.8	(36)	135	25	164
Health	192	167	14.8	-	-	-	-	6	2
Other lines	941	1,034	(9.0)	96.2	114.5	17	11	49	(120)
<b>Total</b>	<b>12,151</b>	<b>12,228</b>	<b>(0.6)</b>	<b>96.0</b>	<b>98.5</b>	<b>(435)</b>	<b>(363)</b>	<b>24</b>	<b>(223)</b>

<sup>1</sup> For lines of business on the basis of the accurate, non-rounded amount.

Gross premiums written in **motor reinsurance** decreased by 0.9% to € 4,779 mn (2020: € 4,823 mn), mainly driven by internal reinsurance business. The combined ratio increased to 101.0% (2020: 94.4%), mainly due to a worsening of the accident year claims ratio to 75.8% (2020: 68.2%). The increase is the result of a higher claims frequency. A strengthening of the equalization reserve by € 120 mn (2020: € 416 mn) led to a net technical result of € (167) mn (2020: € (231) mn).

The **household and homeowner reinsurance** portfolio increased by 6.2% to gross premiums written of € 1,186 mn (2020: € 1,118 mn), mainly coming from business with Allianz IARD S.A. and Allianz Versicherungs-AG. The combined ratio grew to 101.4% (2020: 83.0%), driven by an increase in the accident year claims ratio to 74.0% (2020: 54.6%). The net technical result decreased to € (19) mn (2020: € 190 mn).

The decline of the **fire reinsurance** portfolio was mainly caused by lower internal business volume. The combined ratio rose to 91.8% (2020: 77.1%), driven by an increase of the calendar year claims ratio to 66.5% (2020: 54.5%) due to a lower run-off result of € 8 mn (2020: € 253 mn) as well as a higher expense ratio of 25.2% (2020: 22.7%). After a further strengthening of the equalization reserve by € 32 mn (2020: € 74 mn), the net technical result amounted to € 22 mn (2020: € 78 mn).

**Engineering reinsurance** gross premiums written were stable. The combined ratio was 101.3% (2020: 91.6%), and thus, was above the

previous year driven by a decrease of the run-off result by € 40 mn. The net technical result decreased to € (21) mn (2020: € 34 mn).

The written premiums in the **business interruption reinsurance** decreased by 9.7% to € 230 mn (2020: € 255 mn), mainly due to internal business volume. The combined ratio improved significantly to 73.6% (2020: 234.2%), mainly due to the decrease of the accident year claims ratio to 76.7% (2020: 199.6%), after the previous year's accident year claims ratio had been affected by the COVID-19 pandemic. The net technical result thus increased to € 58 mn (2020: € (315) mn).

**Other property reinsurance** includes extended coverage for fire and business interruption as well as hail, storm, water damage, livestock, burglary, and glass reinsurance. The premiums written increased by 5.1% due to a higher internal as well as a higher external business volume. In addition, the run-off result improved by € 47 mn (2020: negative run-off result of € 55 mn), resulting in an improved combined ratio of 103.6% (2020: 123.3%). The net technical result amounted to € (19) mn (2020: € (135) mn).

Premiums written for **liability reinsurance** declined by 4.7% to € 1,114 mn (2020: € 1,169 mn), mainly driven by cessions from Allianz Global Corporate & Specialty SE. The combined ratio improved to 72.6% (2020: 100.8%), mainly due to a positive run-off result of € 283 mn (2020: € 71 mn) and a decrease of the accident year claims ratio to 69.5% (2020: 76.1%). After a strengthening by the equalization

reserve of € 243 mn (2020: release of € 12 mn), the net technical result amounted to € 33 mn (2020: € (8) mn).

In **life reinsurance**, the premium revenue increased to € 478 mn (2020: € 375 mn); this was mainly driven by external business. The net technical result declined to € 39 mn (2020: € 58 mn), largely owed to an increase of the acquisition costs.

The premium revenue of **personal accident reinsurance** remained stable. The combined ratio worsened to 87.9% (2020: 84.3%), mainly driven by a higher accident year claims ratio. The net technical result thus decreased to € 50 mn (2020: € 68 mn).

The gross premium written in **marine and aviation reinsurance** decreased by 11.1% to € 339 mn (2020: € 382 mn). The combined ratio increased mainly due to a decline of the run-off result to € 9 mn (2020: € 55 mn). Despite a strengthening of the equalization reserve by € 20 mn (2020: € 65 mn), the net technical result was positive at € 15 mn (2020: € 10 mn).

The premium revenue of **legal expenses reinsurance** increased by 7.2% to € 281 mn (2020: € 262 mn), driven by Allianz Elementar Versicherungs-AG (€ 11 mn). In addition, the premium income with Allianz Versicherungs-AG increased by € 9 mn. The combined ratio improved to 116.6% (2020: 118.9%) due to a decrease in the calendar year claims ratio to 80.8% (2020: 82.8%), stemming from a lower accident year claims ratio. The equalization reserve remained stable during the financial year (2020: release of € 31 mn), while the net technical result decreased to € (46) mn (2020: € (18) mn).

Gross premiums written in **credit and bond reinsurance** increased by 22.2% to € 242 mn (2020: € 198 mn). The increase was mainly caused by the increase of the premium income amounting to € 52 mn with Euler Hermes Reinsurance AG. Driven by a lower calendar year claims ratio of 24.6% (2020: 36.2%), the combined ratio improved to 69.1% (2020: 87.8%). The net technical result amounted to € 25 mn (2020: € 164 mn) after a strengthening by the equalization reserve by € 36 mn (2020: release of € 135 mn).

In **health reinsurance** the premium revenue increased by 14.8% to € 192 mn (2020: € 167 mn), mainly driven by external business. The net technical result rose to € 6 mn (2020: € 2 mn).

Other reinsurance lines include:

- emergency assistance,
- fidelity & political risk,
- motor extended warranty,
- other property and casualty business.

# BALANCE SHEET REVIEW

## Condensed balance sheet

€ mn		
as of 31 December	2021	2020
<b>ASSETS</b>		
Intangible assets	7	22
Investments	122,975	121,110
Receivables	5,318	4,782
Other assets	924	396
Deferred charges and prepaid expenses	292	271
<b>Total assets</b>	<b>129,515</b>	<b>126,580</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	41,029	40,382
Subordinated liabilities	15,781	16,633
Insurance reserves	20,595	18,715
Other provisions	10,098	8,506
Funds held with reinsurance business ceded	2,848	3,121
Payables on reinsurance business	421	411
Other financial liabilities	38,732	38,806
Deferred income	11	7
<b>Total equity and liabilities</b>	<b>129,515</b>	<b>126,580</b>

## Investments

€ mn		
as of 31 December	2021	2020
Real estate	277	272
Investments in affiliated enterprises and participations	76,509	73,489
Other investments	32,269	34,220
Funds held by others under reinsurance business assumed	13,920	13,129
<b>Total investments</b>	<b>122,975</b>	<b>121,110</b>

The book value of **investments in affiliated enterprises and participations** rose by € 3.0 bn to € 76.5 bn, driven by an increase of shares in affiliated enterprises (€ 3.2 bn), which was partly offset by a lower book value of participations (€ 0.2 bn). More details regarding this position are explained in [note 5](#) to our financial statements.

**Other investments** declined from € 34.2 bn to € 32.3 bn, mainly reflecting decreases in debt securities (€ 1.5 bn) and loans (€ 0.5 bn).

As of 31 December 2021, € 27.0 bn of other investments were invested in debt securities, of which € 9.4 bn were government bonds. We reduced our overall government bond exposure by € 1.9 bn compared to 31 December 2020, thereby decreasing our investments in Spanish and Italian government bonds from € 0.9 bn to € 0.8 bn and from € 0.8 bn to € 0.7 bn respectively.

**Funds held by others under reinsurance business assumed** increased to € 13.9 bn (2020: € 13.1 bn). This increase was mainly due to a new reinsurance contract with Allianz Benelux S.A.

As of 31 December 2021, the fair value of investments amounted to € 144.4 bn (2020: € 148.6 bn), compared to a carrying amount of € 123.0 bn (2020: € 121.1 bn). The decrease of valuation reserves to € 21.4 bn (2020: € 27.5 bn) is primarily driven by lower net asset values of our shares in affiliated enterprises.

## Receivables

**Receivables** increased from € 4.8 bn to € 5.3 bn, driven by a growth of € 0.2 bn in other receivables and a growth of € 0.3 bn in receivables on reinsurance business. The increase in other receivables mainly resulted from higher cash pool receivables of € 0.3 bn.

## Shareholders' equity

As of 31 December 2021, our **shareholders' equity** amounted to € 41.0 bn (2020: € 40.4 bn). A buy-back of own shares at acquisition costs of € 0.7 bn led to a decrease. The shares were cancelled without reducing the issued capital. This decrease was more than offset by a rise of € 1.4 bn, due to net income being higher than the dividend paid. The net income rose by € 0.8 bn to € 5.4 bn (2020: € 4.6 bn). € 0.8 bn (2020: € 0.8 bn) were transferred from the net income to the revenue reserves.

The Board of Management proposes to use the net earnings of € 5,021 mn for dividend payments in the amount of € 4,409 mn.<sup>1</sup> The unappropriated earnings of € 613 mn will be carried forward.

Our disclosures concerning treasury shares as required in our financial statements in accordance with §160(1) No. 2 AktG can be found in [note 11](#).

1\_ The proposal reflects the number of shares entitled to the dividend as of 31 December 2021.

## Development of shareholders' equity and of issued shares

	Issued shares	Issued capital	Mathematical value of own shares	Additional paid-in capital	Revenue reserves	Net earnings	Total shareholder's equity
	Number	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou
as of 31 December 2020	412,293,128	1,169,920	(702)	28,031,707	6,805,274	4,375,717	40,381,915
Own shares: cancellation	(3,835,255)	-	-	-	(749,999)	-	(749,999)
Own shares	-	-	19	-	(1,648)	-	(1,630)
Own shares: realized gains	-	-	-	3,358	-	-	3,358
Dividend payment for 2020	-	-	-	-	-	(3,955,638)	(3,955,638)
Net income	-	-	-	-	750,000	4,601,221	5,351,221
<b>as of 31 December 2021</b>	<b>408,457,873</b>	<b>1,169,920</b>	<b>(684)</b>	<b>28,035,065</b>	<b>6,803,626</b>	<b>5,021,300</b>	<b>41,029,227</b>

## Insurance reserves and other provisions

For information on **insurance reserves** and **other provisions**, please refer to [notes 13 and 14](#) to our financial statements.

## Financial liabilities

As of 31 December 2021, Allianz SE had the following outstanding **financial liabilities**:

## Financial liabilities

€ mn

as of 31 December	2021	2020
Intra-group subordinated liabilities	-	2,481
Third-party subordinated liabilities	15,781	14,151
<b>Subordinated liabilities</b>	<b>15,781</b>	<b>16,633</b>
Bonds issued to Group companies	2,734	2,743
Liabilities to banks	-	-
Other intra-group financial liabilities	34,758	34,528
Other third-party financial liabilities	1,240	1,534
Other financial liabilities	38,732	38,806
<b>Total financial liabilities</b>	<b>54,513</b>	<b>55,438</b>

Of these financial liabilities, € 37.5 bn (2020: € 39.8 bn) were intra-group liabilities.

**Subordinated liabilities** decreased to € 15.8 bn (2020: € 16.6 bn).

Details regarding this position are explained in [note 12](#) to our financial statements.

**Other intra-group financial liabilities** slightly increased to € 34.8 bn (2020: € 34.5 bn) and were composed of the following positions:

## Other intra-group financial liabilities

€ mn

as of 31 December	2021	2020
Intra-group loans	21,867	23,482
Cash pool liabilities	12,218	9,751
Miscellaneous	673	1,295
<b>Other intra-group financial liabilities</b>	<b>34,758</b>	<b>34,528</b>

In 2021, **other third-party financial liabilities** amounted to € 1.2 bn (2020: € 1.5 bn). This decrease was mainly driven by lower margin payments received in connection with financial derivative transactions which went down by € 0.3 bn to € 0.1 bn.

# LIQUIDITY AND FUNDING RESOURCES

The main responsibility for managing the funding needs of Allianz Group as well as for maximizing access to liquidity sources and optimizing the trade off between borrowing costs, balancing the maturity profile, and the choice between senior and subordinated funding instruments lies with Allianz SE.

## Liquidity resources and uses

Allianz SE ensures adequate access to liquidity and capital for our operating entities. The main sources of liquidity available to Allianz SE are dividends received from subsidiaries as well as reinsurance premiums received, and external funding raised in the capital markets. Liquidity resources are defined as readily available assets – specifically cash, money market securities, and highly liquid fixed income securities. Funds are primarily used for paying interest expenses on our debt funding, claims arising from the reinsurance business, operating costs, internal and external growth investments, and dividends or share buy-backs to our shareholders.

## Funding sources

Allianz SE's access to external funds depends on various factors such as capital market conditions, access to credit facilities, credit ratings, and credit capacity. The financial resources available to Allianz SE are both equity and debt funding. Equity can be raised by issuing ordinary no-par value shares. The issuance of debt in various maturities as well as group-wide liquidity management are the main sources of our debt funding.

### Share capital

As of 31 December 2021, the share capital registered at the Commercial Register was € 1,169,920,000. This was divided into 408,457,873 no-par value shares. As of 31 December 2021, Allianz SE held 238,720 (2020: 247,489) own shares.

Allianz SE has the option to increase its share capital base according to authorizations provided by the AGM. The following table outlines Allianz SE's capital authorizations as of 31 December 2021:

### Capital authorizations of Allianz SE

Capital authorization	Nominal amount	Expiry date of the authorization
Authorized Capital 2018/1 <sup>1</sup>	€ 334,960,000	8 May 2023
Authorized Capital 2018/1 <sup>2</sup>	€ 15,000,000	8 May 2023
Conditional Capital 2010/2018 <sup>3</sup>	€ 250,000,000	8 May 2023

1. For issuance of shares against contribution in cash and/or in kind, with the authorization to exclude shareholders' subscription rights.

2. For issuance of shares to employees, with the exclusion of shareholders' subscription rights.

3. To cover convertible bonds, bonds with warrants, convertible participation rights, participation rights, and subordinated financial instruments, each with the authorization to exclude shareholders' subscription rights.

For further details on Allianz SE's authorized and conditional capital, please refer to [note 11](#) to our financial statements.

### Debt funding

The cost and availability of debt funding may be negatively affected by general market conditions or by matters specific to the financial services industry or to Allianz SE. Our main sources of debt funding are senior and subordinated bonds. Among others, money market securities, letter-of-credit facilities, and bank credit lines allow Allianz SE to fine-tune its capital structure.

In the first half-year of 2021, we called two subordinated bonds of € 0.8 bn and USD 1.0 bn each, and repurchased a € 0.5 bn convertible bond. Furthermore, in the second half-year of 2021, we called another € 1.1 bn subordinated bond and issued a dual tranche restricted tier 1 (RT1) bond (€ 1.25 bn and USD 1.25 bn). Overall, subordinated liabilities decreased to € 15.8 bn (2020: € 16.6 bn) at year-end.

Other financial liabilities remained almost unchanged compared to the previous year, at € 38.7 bn (2020: € 38.8 bn). Lower intra-group loans were offset by higher cash-pool liabilities. For further details on Allianz SE's financial liabilities, please refer to [note 12](#) and [note 15](#) to our financial statements.



# RISK AND OPPORTUNITY REPORT

## Target and strategy of risk management

Allianz SE aims to ensure that it is adequately capitalized at all times for the benefit of both shareholders and policyholders. This includes meeting the Solvency II regulatory capital requirements resulting from the internal model.

We closely monitor the capital position and risk concentrations of Allianz SE, and apply regular stress tests (including standardized, historical and reverse stress test scenarios). These analyses allow us to take appropriate measures to preserve our continued capital and solvency strength. For example, risk capital is allocated to reinsurance business segments and reflected as cost of capital in our pricing tools. Furthermore, we ensure a close alignment of the risk and business strategy by the fact that business decisions to achieve our set targets are taken within the determined risk appetite. Sound processes to steer the business and assess and manage associated risks ensure a continuous alignment between the risk and business strategy, and enable us to detect and address any potential deviations.

In addition, the liquidity risk management framework of Allianz SE ensures that our liquidity risks are managed and a sufficient liquidity position is maintained under both market and business conditions (expected as well as stressed).

## Risk governance system

### Risk management framework

As the holding company of the Allianz Group and as a global reinsurer, we consider risk management to be a core competency and an integral part of our business. Our risk management framework covers all operations and business units of Allianz SE in proportion to the inherent risks of the activities, ensuring that risks across Allianz SE are consistently identified, analyzed, assessed, and adequately managed. The key elements of our risk management framework are:

- Promotion of a strong risk management culture, supported by a robust risk governance structure.
- Consistent application of an integrated risk capital framework to protect our capital base and support effective capital management.
- Integration of risk considerations and capital needs into management and decision-making processes by attributing risk and allocating capital to the business units.

Our risk management system is based on the following four pillars:

**Risk identification, evaluation and underwriting:** A robust system of risk identification, evaluation, and underwriting forms the foundation for adequate risk and management decisions. Supporting activities include standards for underwriting, valuation methods, individual transaction approvals, emerging-/operational-/top-risk assessments, liquidity risk and scenario analyses, among others.

**Risk strategy and risk appetite:** Our risk strategy defines our risk appetite consistently with our business strategy. It ensures that rewards

are appropriate based on the risks taken and the required capital. It also ensures that delegated decision-making authorities are in line with our overall risk-bearing capacity and strategy.

**Risk reporting and monitoring:** Our comprehensive qualitative and quantitative risk monitoring and reporting framework provides management with the transparency needed to assess whether our risk profile remains within the approved limits, and to identify emerging issues and risks quickly. For example, risk dashboard and limit utilization reports as well as scenario analyses and stress tests are regularly prepared and communicated.

**Communication and transparency:** Transparent risk disclosure provides the basis for communicating our strategy and performance to internal and external stakeholders, ensuring a sustainable positive impact on valuation and financing. It also strengthens risk awareness and our risk culture throughout Allianz SE.

## Our strategy

Allianz SE's business strategy is aligned with and mainly driven by the strategy of the Allianz Group. Allianz SE's main tasks are the ownership of legal entities, in particular subsidiaries, the provision of central financing functions, and offering reinsurance services to mostly internal but also external counterparties.

### Allianz Group's business aspirations

The Board of Management of Allianz SE has defined the following objectives for the Allianz Group's medium-term strategy, building on the success of the efforts to simplify the company, in line with the motto "simplicity at scale":

- **Outperform:** We seek to move ahead of our competitors, both traditional businesses and disruptors, to drive profitable growth.
- **Transform:** We seek to become simpler and deeply digital, and to put – in addition to the customer – scalability at the heart of our actions.
- **Rebalance:** We seek to build leading positions in large, profitable and fast-growing geographies as well as in new areas of business. An increased focus will be placed on an organic rebalancing of the business mix.

These objectives have been translated into clear ambitions for the period 2022 to 2024. With regard to financial performance, we strive for a return on equity (excluding unrealized gains/losses on bonds) of more than 13%, while growing our earnings per share from € 21 (expected baseline full year 2021, as communicated in the Allianz Capital Markets Day 2021) to approximately € 25<sup>1</sup> by 2024 (reflecting a compound annual growth rate of 5% to 7%).

To ensure the sustainability of our performance, we have set ourselves non-financial targets that reflect strong underlying organizational health: For customer loyalty, our ambition is for more than 50% of the business segments of Allianz Group's entities to be or become rated by their customers as a "loyalty leader" in terms of the

<sup>1</sup>Midpoint of our EPS target range.

digital Net Promoter Score (dNPS). In terms of employee engagement, our ambition is to score above 75% on the Inclusive Meritocracy Index. At the same time, we have also set the target to become a clear leader in sustainability and diversity.

Allianz Group including Allianz SE faces an altered environment on insurance markets. Generally, reinsurance rates are rising as the market is characterized by an overall hardening due to large losses, mainly from natural catastrophes. Business areas such as cyber coverage are experiencing greater demand. Cover for pandemic risks is generally not in the risk appetite of the reinsurance division and is only granted after a strict review and with clear limits.

## Allianz Group's business strategy

To implement these strategic objectives, we continue to drive initiatives addressing the five dimensions of our Renewal Agenda: Customer Centricity, Digital by Default, Technical Excellence, Growth Engines and Inclusive Meritocracy. To realize our growth ambition and accelerate our value creation, we have defined five additional strategic areas of focus:

- **Transforming the Life/Health and Asset Management franchise:** Fully address protection & savings needs and accelerate transformation to a capital efficient model, both leveraging our strengths in Asset Management.
- **Expanding our Property & Casualty leadership position:** Beat the best players in each market building on productivity gains and scale; in retail motor and beyond.
- **Boosting growth through scalable platforms:** Scale our customer-facing platforms and build new operating platforms to grow our business volume and margin.
- **Deepening the global vertical integration and execution of agility:** Verticalize operating models across lines of business to unleash value from our skills and scale.
- **Reinforcing capital productivity and resilience:** Retain industry-leading financial strength and unlock further value creation potential through an improved risk/return profile and an active management and reduction of tail risk exposure. Our focus on capital resilience is matched with a focus on talent development and diversity that also strengthens our organizational resilience.

Allianz SE's Board of Management has also defined a strategy for the management of risks. This risk strategy places particular emphasis on insuring the integrity of the Allianz brand and reputation, remaining solvent even in the event of extremely adverse scenarios, maintaining sufficient liquidity to meet financial obligations, and providing resilient profitability.

## Opportunities

The Allianz Group's and Allianz SE's financial strength renders us resilient against market stress, and our ongoing transformation creates capabilities allowing us to profit from new opportunities in a fast-changing business environment.

Allianz SE's role – as laid out in our business strategy – includes providing central financing functions to Allianz Group companies, and acting as a reinsurer with predominantly Group-internal business. Opportunities management is principally a responsibility for the Allianz Group's primary insurance and asset management entities.

Allianz SE's activities in support of the Allianz Group's opportunity management mainly fall in the following areas:

- Supporting the companies' efforts to continuously harmonize and simplify products and processes across all business segments via development of centralized expertise in data analytics, product design, and distribution platforms.
- Supporting the Allianz Group's growth strategy via provision of financing for acquisition of M&A targets.
- Reinsurance pooling from Group companies and optimization via retrocessions as well as reinsurance solutions to optimize their capital needs.

For a detailed description of the Allianz Group's opportunities see the annual reports of our subsidiaries.

The pooling of internal reinsurance on the balance sheet of Allianz SE is an important strategic initiative which has been pursued for many years. As a Group reinsurer, the reinsurance division not only provides guidance and tools to Group companies to manage exposures as effectively as possible, but also provides most of the reinsurance covers to Group companies. The large and diversified portfolio at Allianz SE allows for acceptances of a wide range of reinsurance solutions, including proportional and non-proportional contracts. Furthermore, net quota shares as well as adverse development covers (ADC) contribute to a balanced portfolio at Allianz SE. Larger risk concentrations are actively managed via retrocessions on a per risk and per event basis in order to protect our capital and increase the return on equity.

Due to the deep expertise available at Allianz SE, important services to Group companies are provided, for example, via the Global Commercial unit for the MidCorp business segment with tools for pricing, accumulation management and loss control engineering services, or via the Global P&C and Global Life units for their respective business segments.

In 2021, Allianz SE also supported Group efforts for simplification and digitalization, among others, by building centralized expertise in product development, digital distribution platforms, and claims management.

For further details on opportunities envisaged by Allianz SE, please refer to the section "Business Outlook".

## Risk governance structure

### Supervisory Board and Board of Management

Allianz SE's approach to risk governance allows for an integrated risk steering and ensures that our risk profile remains consistent with both our risk strategy and our capacity to bear risks.

Within our risk governance system, Allianz SE's Supervisory Board and the Board of Management have both Allianz SE and Group-wide responsibilities. The Board of Management formulates business objectives and a corresponding risk strategy; the core elements of the risk framework are set out in the Allianz Group Risk Policy approved by the Board of Management, which together with the Allianz SE-specific appendix also serves as the master risk policy for Allianz SE. The Supervisory Board advises, challenges, and supervises the Board of Management in the execution of its management activities. The

following committees support the Board of Management and the Supervisory Board on risk issues.

### Supervisory Board Risk Committee

The Supervisory Board Risk Committee reports to the Supervisory Board, where the information and the findings are discussed with the Board of Management. It monitors the effectiveness of Allianz SE's risk management framework. Furthermore, it focuses on risk-related developments as well as the general risks and specific risk exposures, and ensures that the business strategy is aligned with the risk strategy.

For more information please refer to the paragraph "Risk Committee" in the [Supervisory Board Report](#).

### Group Finance and Risk Committee

The Group Finance and Risk Committee (GFRC) provides oversight of the Group's and Allianz SE's risk management framework, acting as a primary early-warning function by monitoring the Allianz Group's and Allianz SE's risk profiles as well as the availability of capital. The GFRC also ensures that an adequate relationship between return and risk is maintained. Additionally, the GFRC defines risk standards, is the limit-setting authority within the framework set by the Board of Management, and approves major financing, reinsurance and capital management transactions. Finally, the GFRC supports the Board of Management with recommendations regarding Allianz SE's capital structure, capital allocation, liquidity position, and investment strategy, including the sub-portfolio strategic asset allocations.

The Allianz Re Risk Committee supports the GFRC on issues relating to Allianz SE's reinsurance business.

### Overall risk organization and roles in risk management

A comprehensive system of risk governance is achieved by setting standards related to organizational structure, risk strategy and appetite, limit systems, documentation, and reporting. These standards ensure the accurate and timely flow of risk-related information and a disciplined approach towards decision-making and execution.

As a general principle, the responsibility for the "First Line of Defense" rests with business managers in the business units of Allianz SE. They are responsible for both the risks taken and the returns from their decisions. Our "Second Line of Defense" is made up of independent oversight functions including Risk, Actuarial, Compliance, and Legal, which support the Board of Management in defining the risk framework within which the business can operate. Audit forms the "Third Line of Defense"; independently and regularly reviewing Allianz SE's risk governance implementation, compliance with risk principles, performing quality reviews of risk processes, and testing adherence to business standards, including the internal control framework. Allianz SE has established dedicated responsibilities for the three lines of defense with its departments (including reinsurance).

### Risk management function

The function of the Chief Risk Officer for both the Allianz Group and Allianz SE is performed by the same person. Independent risk oversight for Allianz SE is performed by risk control units within Group Risk and within the reinsurance department of Allianz SE. The risk management function supports Allianz SE's Board of Management, including its committees, by performing various analyses, communicating risk-

management-related information, and in preparing and implementing committee decisions.

The risk management function also supports the Board of Management in developing the risk management framework – which covers risk governance, risk strategy, and appetite – and risk monitoring and reporting. The risk management function's operational responsibilities encompass assessing risks, and monitoring limits and accumulations of specific risks across business units and business lines, including natural and human-caused (regulatory terminology: man-made) disasters, and exposures to financial markets and counterparties.

### Other functions and bodies

In addition to the risk management function for Allianz SE, Allianz SE's legal, compliance, and actuarial functions constitute additional components of the "Second Line of Defense".

Allianz SE's legal and compliance functions seek to mitigate legal risks for Allianz SE with support from other departments. The objectives of both functions are to ensure that laws and regulations are observed, to react appropriately to all impending legislative changes or new court rulings, to attend to legal disputes and litigation affecting Allianz SE, and to provide legally appropriate solutions for transactions and business processes. In addition, Compliance – in conjunction with Legal and other experts involved – is responsible for integrity management, which aims to protect Allianz SE and employees from regulatory risks.

Allianz SE's actuarial function contributes towards assessing and managing risks in line with regulatory requirements, in particular for those risks whose management requires actuarial expertise. The range of tasks includes, among others, the calculation and monitoring of technical provisions, technical actuarial assistance in business planning, reporting and monitoring of the results, and supporting the effective implementation of the risk management system.

### Risk-based steering and risk management

Allianz SE is exposed to a variety of risks through its holding function and reinsurance activities, including market, credit, underwriting, business, operational, strategic, liquidity, and reputational risks.

Allianz SE considers diversification across different lines of business and regions to be an important element in managing our risks efficiently, as it limits the economic impact of any single event and contributes to relatively stable results. Our aim is to maintain a balanced risk profile without any disproportionately large risk concentrations and accumulations.

With Solvency II being the regulatory regime relevant for Allianz SE since 1 January 2016, our risk profile is measured and steered based on our approved Solvency II internal model. We have introduced a target solvency ratio in accordance with Solvency II, supplemented by ad hoc scenarios, historical and reverse stress tests, and sensitivity analyses. This allows for a consistent view on risk steering and capitalization in line with the Solvency II framework.

Allianz SE steers its portfolio taking a comprehensive view at risk and return, which is based on the internal model and is supported by scenario analyses. Risk and concentrations are actively restricted by limits based on our internal model or other considerations.

Furthermore, a comprehensive analysis of the Return on Risk Capital (RoRC) is regularly conducted and translated for the underwriting of the property and casualty reinsurance business. The RoRC is an indicator for new business and allows us to identify profitable lines of business on a sustainable basis, and thus is a key criterion for capital allocation decisions.

As a consequence, the internal model is fully integrated in business steering, and its application satisfies the so-called “use test” requirement under Solvency II.

## Market risk

As the holding company of the Allianz Group and as a global reinsurer, Allianz SE holds and uses a broad range of financial instruments, which are reflected on our balance sheet as both assets and liabilities.

For our holding activities (i.e., to hold participations, provide financing for Group companies, cover internal pension liabilities, invest cash pooled from subsidiaries, and as the lender of last resort within Allianz Group), Allianz SE predominantly invests in participations and fixed-income assets. In support of our China strategy, we also hold a sizeable minority stake in unlisted life insurer Taikang Insurance Group, Inc.

As an inherent part of our reinsurance operations, we collect premiums from our customers and invest them in a wide variety of assets. The resulting reinsurance investment portfolio backs the future claims and benefits to our cedents. In addition, we also invest shareholders’ capital, which is required to support the underwritten risks and the holding activities. Our market risk from liabilities primarily relates to fixed-income instruments held for financing as well as to internal pensions and reinsurance liabilities. Finally, we use derivatives for various purposes. A principal example would be the hedging of planned dividend income from non-euro subsidiaries against adverse currency market movements. In the case of high capital market volatility, or especially adverse market conditions, Allianz SE may also undertake hedge overlays to support the solvency of the Allianz Group. Generally, the use of derivatives at Allianz SE is for the purpose of risk reduction. Guidelines are in place regarding the use of derivatives, for which adherence is monitored by the risk management function of Allianz SE. Asset/liability management (ALM) decisions are taken based on the internal model, considering both risks and returns on the financial markets.

As the fair values of our assets and liabilities depend on changes in the financial markets, we are exposed to the risk of adverse financial market developments. Allianz SE’s most important market risk results from changes in the value of its participations in Group companies. The long-dated internal pension liabilities of German Group companies on Allianz SE’s balance sheet contribute to interest rate risk in particular, as they cannot be fully matched by available investments due to long maturities. In addition, we are also exposed to adverse changes in equity and real estate prices, credit spread levels, inflation, implied volatilities, and currency values, which might impact the value of our assets and liabilities.

To measure these market risks, real-world stochastic models<sup>1</sup> for the relevant risk factors are calibrated using historical time series to generate possible future market developments. After the scenarios for all risk factors are generated, the asset and liability positions are revalued under each scenario. The worst-case outcome of the portfolio

profit and loss distribution at a confidence level of 99.5% defines the market Value at Risk (VaR).

Market risk from Allianz SE’s material M&A transactions is evaluated by assessing risk capital implications.

Strategic asset allocation benchmarks are defined for several sub-portfolios of Allianz SE’s investment portfolio. Furthermore, we have risk limits in place, including financial VaR, stand-alone equity and interest rate sensitivity limits, and foreign-exchange exposure limits. Limits are closely monitored and, if a breach occurs, countermeasures are implemented which may include the escalation to certain decision-making bodies and/or the closing of positions.

Finally, guidelines are in place regarding certain investments, new investment products, and the use of derivatives.

## Equity risk

Allianz SE’s equity risk predominantly results from the performance of our strategic insurance participations. Other material risk exposures reflect listed and unlisted equities, equity derivatives, own shares, and management incentive plans.

Risks from changes in equity prices are normally associated with decreasing share prices and increasing equity price volatilities. As the performance of our participations might exceed expectations and stock values might also increase, opportunities may arise from participations and other equity investments.

In 2021, Allianz SE had profit and loss transfer agreements with fifteen German subsidiaries. These are listed in the appendix in the “Legal Obligations” section. Risks from these contracts are reflected in the risk capital calculation for participations.

## Interest rate risk

If the duration of our assets is shorter than our liabilities, we may suffer an economic loss in the event of falling interest rates as we reinvest maturing assets at lower rates prior to the maturity of liability contracts.

By contrast, opportunities may arise when interest rates increase. Interest rate risk is managed within our ALM process and controlled via an interest rate sensitivity limit.

## Credit spread risk

Fixed-income assets such as bonds may lose value if credit spreads widen. However, our risk appetite for credit spread risk considers the underlying economics of our reinsurance business model. As a liability-driven investor, we typically hold fixed-income assets covering reinsurance liabilities until maturity. This implies that we are economically less affected by short-term changes in market prices.

## Inflation risk

As the holding company of the Allianz Group and as a reinsurance company, we are exposed to changing inflation rates. Since inflation increases reinsurance claims and costs as well as internal pension obligations, higher inflation rates will lead to greater liabilities.

Inflation assumptions are considered in our reinsurance underwriting. However, unexpected rising rates of inflation will increase both future claims and expenses, leading to higher liabilities. Conversely, if future inflation rates were to be lower than assumed, liabilities would be lower than anticipated. The risk that inflation rates deviate from inflation assumptions is incorporated in our internal model. Potential

<sup>1</sup> Internal pensions are evaluated and modeled based on deterministic models, following IAS 19 principles.

severe structural breaks are monitored via historical and ad-hoc stress tests. This includes the identification of early warning signs and triggers for potential actions in order to address mitigating actions.

## Currency risk

The major part of Allianz SE's foreign currency risk results from our ownership of non-euro Group companies. In addition to this risk, Allianz SE's currency risk is driven by its non-euro reinsurance exposure, as well as by the use of foreign currency bonds as external financing instruments.

If the euro strengthens, the euro-equivalent net asset value of our foreign subsidiaries and the value of our non-euro financing instruments will decline from Allianz SE's perspective; at the same time, however, capital requirements in euro will decrease, partially mitigating the total impact on the capitalization of Allianz SE.

An additional important source of currency risk is the planned dividend income from non-euro subsidiaries.

Allianz SE's currency risk is monitored and managed based on our foreign exchange management limit framework.

## Credit risk

Credit risk is measured as the potential economic loss in the value of our portfolio that would result from either changes in the credit quality of our counterparties ("migration risk") or the inability or unwillingness of a counterparty to fulfill contractual obligations ("default risk").

Allianz SE's credit risk profile comes from three sources: our investment portfolio, guarantees, and retrocession.

**Investment portfolio:** Credit risk results from our investments in fixed-income bonds, loans, derivatives, cash positions, and receivables, whose value may decrease depending on the credit quality of the obligor.

**Guarantees:** Credit risk is caused by the potential default of Group companies on commitments from contracts with external stakeholders, which are backed by guarantees from Allianz SE.

**Retrocession:** Credit risk to external reinsurers arises when parts of Allianz SE's reinsurance business are retroceded to external reinsurance companies to mitigate risks. Credit risk arises from potential losses from non-recoverability of reinsurance receivables, or due to default on benefits under in-force reinsurance treaties. Our retrocession partners are carefully selected by a team of specialists. Besides focusing on companies with a strong credit rating, we may further require letters of credit, cash deposits, or other financial measures to further mitigate our exposure to credit risk.

The internal credit risk capital model considers the major drivers of credit risk for each instrument, including exposure at default, rating, seniority, collateral, and maturity. Additional parameters assigned to obligors are migration probabilities and obligor asset correlations reflecting dependencies within the portfolio. Ratings are assigned to single obligors using a clearly defined assignment process. Central components of this assignment process are long-term ratings from external rating agencies and internal rating models in case of specific internal investment strategies. If available, a dynamic adjustment using market-implied ratings and the most recent qualitative information available is applied. The loss profile of the portfolio is obtained using a Monte Carlo simulation, considering interdependencies and exposure concentrations per obligor segment.

To ensure effective credit risk management, a credit VaR limit is derived from our internal risk capital framework, and rating bucket benchmarks are used to define our risk appetite for exposures in the lower investment grade and non-investment grade area.

Our group-wide country and obligor group limit management framework (CRiP<sup>1</sup>) allows us to manage counterparty concentration risk, covering both credit and equity exposures at the levels of the Group and of Allianz SE. This limit framework forms the basis for discussions on credit actions. Clearly defined processes ensure that exposure concentrations and limit utilizations are appropriately monitored and managed.

## Underwriting risk

Allianz SE's underwriting risk consists mainly of premium risk and reserve risk in the Property-Casualty reinsurance business, biometric risk from the Life/Health reinsurance business, and from internal pensions obligations.

## Property-Casualty

Our Property-Casualty reinsurance business is exposed to premium risk related to adverse developments in the current year's new and renewed business as well as to reserve risk related to the business in force.

As part of our Property-Casualty reinsurance operations, we receive premiums from our customers and provide insurance protection in return. Premium risk is the risk that actual claims for the business in the current year develop adversely relative to expected claims ratios.

Premium risk is subdivided into three categories: natural catastrophe risk, terror risk, and non-catastrophe risk including man-made catastrophes.

Allianz SE actively manages premium risk from reinsurance business. The assessment of risks as part of the underwriting process is a key element of our risk management framework. There are clear underwriting guidelines, limits and restrictions in place, which are regularly monitored. Excessive risks are mitigated by external retrocession agreements. All these measures contribute to a limitation of risk accumulation. We also monitor concentrations and accumulation of non-market risks on a stand-alone basis (i.e., before diversification effects) within an Allianz Group global limit framework in order to avoid substantial losses from single events, such as natural catastrophes, and from man-made catastrophes, such as terror or large industrial risk accumulations.

Premium risk is estimated based on actuarial models that are used to derive claims distributions and consider the features of our reinsurance contracts (e.g., shares, limits, reinstatements and commissions). Non-catastrophe risks are modeled using attritional loss models for frequency losses as well as frequency and severity models for large losses. Natural disasters, such as earthquakes, storms and floods, represent a significant challenge for risk management due to their accumulation potential for higher return periods. For natural catastrophe risks, we use special modeling techniques which combine portfolio data (geographic location, characteristics of insured objects and their values) with simulated natural disaster scenarios to estimate the magnitude and frequency of potential losses. For significant exposures where such stochastic models do not exist, we use deterministic, scenario-based approaches to estimate potential losses. Similar

<sup>1</sup> Credit Risk Platform.

approaches are used to evaluate risk concentrations for terror and man-made catastrophes, including losses from cyber incidents and industrial concentrations.

These loss distributions are then used within the internal model to calculate potential losses with a predefined confidence level of 99.5%.

Reserve risk represents the risk of adverse developments in best-estimate reserves over a one-year time horizon, resulting from fluctuations in the timing and/or amount of claims settlement. Allianz SE estimates and holds reserves for claims resulting from past events that have not yet been settled. In case of unexpected negative developments, we would experience a financial loss.

Reserve risk can also be mitigated by retrocession. We constantly monitor the development of reserves for reinsurance claims on a line-of-business level, and changes are discussed quarterly in the reserve committee. In addition, Allianz SE subjects its provisions to annual reserve uncertainty analyses based on similar methods used for reserve risk calculations. The results of these analyses are provided to respective reinsurance experts on a regular basis. Where appropriate, the expertise and analysis of other Group entities is leveraged. The Allianz Group performs regular independent reviews of these analyses. Similar to premium risk, retrocession agreements from previous years have a risk mitigating effect.

Similar to premium risk, reserve risk is calculated based on actuarial models. The reserve distributions derived are then used within the internal model to calculate potential losses based on a predefined confidence level of 99.5%.

## Life/Health

Risks in Allianz SE's Life/Health segment include risks assumed from reinsurance transactions and from our internal pension obligations. The main exposures include mortality, disability, morbidity, and longevity risks. Mortality, disability and morbidity risks are associated with an unexpected increase in the occurrence of death, disability, or medical claims. Longevity risk is the risk that the reserves covering life annuities and internal pension contracts might not be sufficient due to longer life expectancies of the insured persons.

Life/Health underwriting risk arises from profitability being lower than expected. As profitability calculations are based on several parameters – such as historical loss information and assumptions on inflation, mortality or morbidity – parameters realized may differ from the ones used for the calculation of pension liabilities and for underwriting. For example, higher-than-expected inflation may lead to higher medical claims in the future. However, beneficial deviations are also possible: For example, a lower morbidity rate than expected will most likely result in lower claims.

We measure risks within our internal risk capital model, distinguishing, where appropriate, between risks affecting the absolute level and trend development of actuarial parameter assumptions on the one hand, and pandemic risk scenarios on the other.

## Operational risk

Operational risks represent losses resulting from inadequate or failed internal processes, human errors, system failures and external events, and can stem from a wide variety of sources, for example:

- The category “execution, delivery and process management” describes potential losses arising from transaction or process management failures. Examples include interest and penalties

from non-payment or underpayment of taxes. These losses tend to occur with little financial impact (although single large loss events can occur).

- The category “clients, products and business practices” includes potential losses due to a failure to meet the professional obligations, or from the design of transactions. Examples include anti-trust behavior, violations of data protection regulations, sanctions, and embargoes. These losses can have a high financial impact; however, they tend to occur rarely.
- “Other operational risks” include, for example, internal and external fraud, financial misstatement risk, and information security incidents causing business disruption or fines. Potential failures at our outsourcing partners can also cause a disruption to our working environment.

In view of Allianz SE's tasks as holding company for the Allianz Group and reinsurer, the operational risk capital of Allianz SE is dominated by the risk of potential losses within the areas of “execution, delivery and process management” and “clients, products and business practices”.

Operational risk capital is calculated using a scenario approach based on expert judgment as well as internal and external operational loss data. The estimates for frequency and severity of potential loss events for each material operational risk category are assessed and used as the basis for our internal model calibration.

Allianz SE has implemented a group-wide operational risk management framework that focuses on the early recognition and proactive management of material operational risks. The framework defines roles and responsibilities as well as management processes and methods. An important component of this framework is the Integrated Risk and Control System (IRCS), which ensures that effective controls or other risk mitigation activities are in place for all significant operational risks. Risk managers in the Allianz SE risk management function, in their capacity as the “Second Line of Defense”, identify and evaluate relevant operational risks and control deficiencies via a dialogue with the “First Line of Defense”, and in close interaction with both the other “Second Line of Defense” functions at Allianz SE and with the audit function.

In the IRCS approach, risk identification, assessment and controls vary between the different operational risk sources reporting, compliance and operations. For example, compliance risks are addressed via written policies. The risk of financial misstatement is mitigated by a system of internal controls covering financial reporting. Outsourcing risks are covered by an Outsourcing Policy, by Service Level Agreements and by Business Continuity and Crisis Management programs to protect critical business functions from these events. Cyber risks are mitigated through investments in cyber security, cyber insurance, which Allianz SE buys from third party insurers, and a variety of ongoing control activities.

Operational risk events are reported in a central database.

## Business risk

Business risk includes cost risk and policyholder behavior risk. These risks are mostly driven by the Life/Health business, and to a lesser extent by the Property-Casualty business.

Cost risks are associated with the risk that expenses incurred in administering policies are higher than expected, or that the new business volume decreases to a level that does not allow Allianz to cover its fixed costs.

For the Life/Health business, policyholder behavior risks are risks related to unpredictable, adverse behavior of policyholders in exercising their contractual options, such as, for instance, early termination of contracts, surrenders, partial withdrawals, renewals, and annuity take-up options.

Assumptions on policyholder behavior are set in line with accepted actuarial methods and are based on our own historical data, if and as available. If there is no historical data, assumptions are based on industry data or expert judgment. These are used as a basis to determine the economic impact of policyholder behavior under different scenarios within our internal model.

Considering the business model of Allianz SE as primarily a group-internal reinsurer, business risk is moderate and is only significant for large contracts with long durations.

### Other significant risks (not covered by the internal model)

There are certain risks which, due to their nature, cannot be adequately addressed or mitigated by additional capital, and are therefore not considered in the internal risk capital model. For the identification, analysis, assessment, monitoring, and management of these risks, we also use a systematic approach, with risk assessment generally based on qualitative criteria or scenario analyses. Strategic, liquidity and reputational risk are the most important of these other risks.

### Strategic risk

Strategic risk is the risk of a decrease in the company's value arising from adverse management decisions on business strategies and their implementation.

Strategic risks are identified and evaluated as part of the Allianz Group's and Allianz SE's Top Risk Assessment processes, and discussed in various Board of Management-level committees (e.g., the Group Finance and Risk Committee). We also monitor market and competitive conditions, capital market requirements, regulatory conditions, etc., to decide if strategic adjustments are necessary.

The most important strategic risks are directly addressed through Allianz's Renewal Agenda, which focuses on True Customer Centricity, Digital by Default, Technical Excellence, Growth Engines, and Inclusive Meritocracy. Progress on mitigating strategic risks and meeting the Renewal Agenda objectives is monitored and evaluated in the course of the Strategic and Planning Dialogue between Allianz SE's Board of Management and the operative functions of Allianz SE. To the extent that the topic of new growth areas leads to takeover and acquisition transactions and large single investments, it is of particular importance to Allianz SE. In addition, in reinsurance, the subject of technical excellence in particular was addressed through specific measures ("Allianz Reinsurance Transformation").

### Liquidity risk

Liquidity risk is defined as the risk that current or future payment obligations cannot be met or can only be met on the basis of adversely altered conditions. Liquidity risk can arise primarily if there are mismatches in the timing of cash in- and outflows.

The investment strategy of Allianz SE particularly focuses on the quality of investments, and ensures a significant portion of liquid assets in the portfolio (for example, high-rated government or covered bonds). We employ actuarial methods to estimate our liabilities arising from reinsurance and internal pension contracts. In our liquidity

planning process, we reconcile liquidity sources (such as dividends received from subsidiaries, cash from investments and premiums) and liquidity needs (including payments due to dividends to shareholders, reinsurance claims and expenses) under a best-estimate plan as well as under idiosyncratic and systemic adverse liquidity scenarios.

The main goal of planning and managing Allianz SE's liquidity position is to ensure that we are always in a position to meet payment obligations. To comply with this objective, the liquidity position of Allianz SE is monitored and forecasted on a daily basis.

Allianz SE's short-term liquidity is managed within Allianz SE's cash pool, which serves as a central tool also for investing the excess liquidity of other Group companies. The accumulated short-term liquidity forecast is updated daily. The cash position in this portfolio is subject to an absolute minimum liquidity threshold and an absolute target liquidity threshold. Both thresholds are defined for the Allianz SE cash pool in order to be protected against short-term liquidity crises.

As part of our liquidity stress testing framework, contingent liquidity requirements and sources of liquidity are considered to ensure that Allianz SE is able to meet any future payment obligations even under adverse conditions. Major contingent liquidity requirements include non-availability of external capital markets, combined market and catastrophe risk scenarios for subsidiaries as well as lower than expected profit transfers and dividends from subsidiaries.

In order to protect Allianz Group against the liquidity impact of adverse risk events beyond those covered by the capital and liquidity buffers at our subsidiaries, Allianz SE holds a strategic liquidity reserve for which the target level is reevaluated annually.

The strategic liquidity planning for Allianz SE, which covers the periods of one calendar year (more granular) and three calendar years, is regularly reported to the Board of Management.

### Reputational risk

Allianz SE's reputation as a well-regarded and socially aware holding and reinsurance company is influenced by our behavior in a range of areas, such as financial performance, quality of reinsurance underwriting and customer service, corporate governance, employee relations, intellectual capital, and corporate responsibility.

Reputational risk is the risk of an unexpected drop in the value of the Allianz share price, the value of the inforce business, or the value of the future business caused by a decline in our reputation in internal or external stakeholders' judgement.

The Allianz Group has defined sensitive business areas and corresponding risk guidelines that are binding for Allianz SE and the other affiliated companies of the Allianz Group. All affected Allianz SE functions cooperate in identifying reputational risk. Group Communications and Reputation (GCORE) assesses reputational risk for Allianz SE based on a group-wide methodology, covering all areas of reputational risk, including Environmental, Social and Governance (ESG) risks.

The identification and assessment of reputational risks is part of the annual Top Risk Assessment (TRA) process. As part of this process, senior management approves the risk management strategy for the most significant risks facing the company, including those with a potentially severe reputational impact. In addition, significant ESG and other reputational risks identified in the course of business (direct reputational risk) are managed on a case-by-case basis.

For further details on our key ESG integration processes, please refer to the “ESG Approach” and “Climate Change Strategy” sections of the [Non-Financial Statement](#).

## Climate change

Climate change has the potential to materially affect the global economy and the business of Allianz Group and Allianz SE, especially in the long run. Risks arising from climate change can already be seen today, and their relevance will increase over the mid- and long-term.

The most significant risks that have a material impact on our business, or we expect will have in the future, are:

- Physical risks: These can for instance be acute and chronic, such as rising temperatures, extreme weather events, rising sea levels, intensifying heatwaves and droughts, or a change in vector-borne diseases, with impacts on property, life or health.
- Transitional risks: These risks result from the cross-sectoral structural change stemming from the transition towards a low-carbon economy. Transitional risks include changes in climate policy, technology, or market sentiment, and the impact of this on the market value of financial assets as well as the impact from climate change litigation.

These risks impact the reinsurance business of Allianz SE in two key ways:

- firstly, through the exposure within reinsurance contracts, e.g., physical damages, prolonged business interruptions, and other losses and
- secondly, through changes in market sectors and business models.

Furthermore, the Allianz Group and Allianz SE are affected as large-scale institutional investors with significant stakes in various economies, companies, infrastructure, and real estate that might be affected by the physical impact of climate change and by the transition to a low-carbon economy. This can directly influence the ability of assets to generate long-term value.

We address immediate risks from climate change factors following the management approach for the primary underlying risks, (i.e., financial risks, premium or reserve risks, reputational risks, etc.), e.g., building on Allianz’s long-term expertise in the modeling of extreme weather events or analyzing emission profiles of our proprietary investments. For example, the carbon footprint of our investee companies reported in our climate disclosure serves as a starting point for an analysis of the exposure to emissions pricing. Our commitment to align our proprietary investment portfolio to 1.5°C climate scenarios is an effective means to address our transition risk exposure over the years. As another example, as part of our reputational risk management, we review and evaluate social and environmental effects, including climate change issues, arising from our business activities and business relations through the ESG business integration approach described above.

On a forward-looking basis, we consider risks from climate change factors under emerging risks, where we closely monitor the development of the risk landscape supported by selective analyses of our portfolios. In this regard, we are developing different approaches

towards scenario analysis to further educate our understanding of how climate change risks may unfold in the future.

Climate change also creates opportunities, be it in connection with financing a low-carbon and climate-resilient future (e.g., by investing in renewable energy, energy efficiency in real estate, and electric vehicle infrastructure), or by providing insurance solutions to protect against physical climate impacts and to support low-carbon business models.

## Internal risk capital framework

We define internal risk capital as the capital required to protect us against unexpected, extreme economic losses, and which forms the basis for determining our Solvency II regulatory capitalization. We calculate Allianz SE’s internal risk capital on a quarterly basis, both overall and for all contributing business units. We also project risk capital requirements regularly between reporting periods in times of financial market turbulence.

### General approach

We utilize an approach that reflects the Solvency II rules for the management of our risk profile and solvency position.

### Internal model

Our internal risk capital model is based on a Value at Risk (VaR) approach using a Monte Carlo simulation. Following this approach, we determine the maximum loss in portfolio value in scope of the model within a specified timeframe (“holding period”, set at one year) and probability of occurrence (“confidence level”, set at 99.5%). We simulate risk events from all risk categories modeled (“sources of risk”), and calculate the portfolio value based on the net fair value of assets minus liabilities, including risk-mitigating measures like retrocession or derivatives, under each scenario.

The required risk capital is defined as the difference between the current portfolio value and the portfolio value under adverse conditions at the 99.5% confidence level. As we simultaneously consider the impact of a negative or positive event on all covered businesses, diversification effects across products and regions are considered. The results of our Monte Carlo simulation allow us to analyze our exposure to each source of risk, both separately and in aggregate. We also analyze several predefined stress scenarios, representing historical events, reverse stress tests, and adverse scenarios relevant for our portfolio. Furthermore, we conduct ad hoc stress tests to reflect current political and financial developments, and to analyze specific non-financial risks more closely.

### Coverage of the risk capital calculations

Allianz SE’s internal risk capital model covers the activities of Allianz SE as the holding company for Allianz Group as well as its activities as a reinsurer.

Whereas the model treats most subsidiaries as participations, it applies a look-through rule for 32 subsidiaries and investment funds, which are ancillary to Allianz SE’s operations (mainly by holding assets), and reflects their risks – either in full or in part – on a granular level.

The risk capital model covers all relevant assets (including fixed-income instruments, equities, real estate, and derivatives) and



liabilities (including the run-off of all technical provisions as well as deposits, issued debt and other liabilities such as guarantees).

Therefore, Allianz SE's risk capital framework covers all material and quantifiable risks. Risks specifically not covered by our internal model include strategic, liquidity, and reputational risks.

## Assumptions and limitations

### Risk-free rate and volatility adjustment

When calculating the fair values of assets and liabilities (excluding pensions obligations), the assumptions regarding the underlying risk-free yield curve are crucial in determining and discounting future cash flows. For extrapolation of the risk-free interest rate curves beyond the last liquid tenor, we apply the methodology provided by the European Insurance and Occupational Pensions Authority (EIOPA) in its technical documentation (EIOPA BoS-20/109).<sup>1</sup>

In addition, we partially adjust the risk-free yield curves of the reinsurance portfolio using a volatility adjustment (VA) for most markets where a volatility adjustment is defined by EIOPA and approved by BaFin. This is done to better reflect the underlying economics of our business. The advantage of being a long-term investor is the opportunity to invest in bonds yielding spreads over the risk-free return, and earning this additional yield component over the duration of the bonds. Being a long-term investor mitigates much of the risk of the forced selling of debt instruments at a loss prior to maturity.

We take account of this by applying the volatility adjustment to mitigate the credit spread risk, which we consider to be less meaningful for long-term investors than the default risk. The Allianz Group also models the volatility adjustment dynamically within its approved internal model, which differs from the static EIOPA VA concept applied in the standard formula. For risk capital calculations, a dynamic movement of the volatility adjustment is assumed that is broadly consistent with the way the VA would react in practice; however, the movement is based on our own portfolio rather than the EIOPA portfolio. To account for this deviation, the Allianz Group applies a more conservative, reduced application ratio for the dynamic volatility adjustment.

### Diversification and correlation assumptions

Our internal model considers concentration, accumulation, and correlation effects when aggregating results for Allianz SE. The resulting diversification reflects the fact that all potential worst-case losses are not likely to materialize at the same time.

Diversification typically occurs when looking at combined risks that are not, or only partly, interdependent. Important diversification factors include regions (for example, windstorm risks), risk categories (for example, market risk versus underwriting risk), and subcategories within the same risk category (for example, equity risk versus interest rate risk). Ultimately, diversification is driven by the specific features of the investments or reinsurance transactions in question and their respective risk exposures. For example, an operational risk event at the Allianz SE branch in Singapore can be considered to be highly independent of a change in the credit spread for a French government bond held in Allianz SE's reinsurance investment portfolio in Munich.

Where possible, the Allianz Group derives correlation parameters for each pair of market risks through statistical analysis of historical market data, considering observations over more than a decade. In

cases where historical data or other portfolio-specific observations are insufficient or unavailable, correlations are set by the Allianz Group Correlation Setting Committee, which combines the expertise of risk and business experts in a well-defined and controlled process. In general, when using expert judgment, we set the correlation parameters to represent the joint movement of risks under adverse conditions. Based on these correlations, the Allianz Group uses an industry-standard approach, the Gaussian copula, to determine the dependency structure of quantifiable sources of risk within the applied Monte Carlo simulation.

### Actuarial assumptions

Our internal model also includes assumptions on claims trends, liability inflation, mortality, morbidity, longevity, policyholder behavior, expenses, etc. We use our own internal historical data for actuarial assumptions wherever possible, leverage expertise of other Allianz Group companies in the scope of the internal model, and also consider recommendations from the insurance industry, supervisory authorities, and actuarial associations. The derivation of our actuarial assumptions is based on generally accepted actuarial methods. Within our internal risk capital and financial reporting framework, comprehensive processes and controls exist for ensuring the reliability of these assumptions.

### Model limitations

As the internal model is based on a 99.5% confidence level, there is a low statistical probability of 0.5% that actual losses could exceed this threshold at the Allianz SE level in the course of one year.

We use model and scenario parameters derived from historical data, where available, to characterize future possible risk events. If future market conditions were to differ substantially from the past – for example, in an unprecedented crisis, or as a possible result of severe structural breaks resulting from climate change – our VaR approach might be too conservative or too liberal in ways that are difficult to predict. In order to mitigate reliance on historical data, we complement our VaR analysis with stress testing.

Furthermore, we validate the model and parameters through sensitivity analyses, independent internal peer reviews, and – where appropriate – independent external reviews, focusing on methods for selecting parameters and control processes. Overall, we believe that our validation efforts are effective, and that the model adequately assesses the risks to which we are exposed.

Since the internal model considers the change in the economic fair value of our assets and liabilities, it is crucial to estimate the market value of each item accurately. For some assets and liabilities, it may be difficult, if not impossible – notably in distressed financial markets – to either obtain a current market price or to apply a meaningful mark-to-market approach. For such assets, we apply a mark-to-model approach. For some of our liabilities, the accuracy of their values additionally depends on the quality of the actuarial cash flow estimates. Despite these limitations, we believe the estimated fair values are appropriately assessed.

While the aggregate risk capital is exactly modeled, the whole account stop loss construction<sup>2</sup> leads to the use of approximations when reporting contributory risk capital figures for the sub-categories

<sup>1</sup> Due to the late availability of the EIOPA publication, the risk-free interest rate term structure used might differ slightly from the one published by EIOPA.

<sup>2</sup> Whole account stop loss reinsurance contract between Allianz SE and Allianz Re Dublin dac.

of underwriting risk, as the individual contributions have to be approximated based on the underlying distributions.

## Model changes in 2021

In 2021, our internal model has been further enhanced based on regulatory developments, model validation results, and feedback received by Allianz Group in the course of consultations with the regulator.

Overall, the model changes implemented in 2021 decreased the Solvency II risk capital of Allianz SE by € 778 mn.

In the subsequent sections, the risk figures for 2020 after model changes will form the basis for the analysis of the changes in our risk profile in 2021.

### Allianz SE: Impact of model changes; allocated risk according to the risk profile

€ mn

as of 31 December	2020 <sup>1</sup>	2020 <sup>2</sup>
Market risk	34,989	35,876
Credit risk	636	636
Underwriting risk	3,710	3,709
Business risk	42	42
Operational risk	632	632
Diversification	(3,784)	(3,893)
<b>Total Allianz SE</b>	<b>36,224</b>	<b>37,003</b>

1\_2020 risk profile figures recalculated based on model changes in 2021.

2\_2020 risk profile figures as reported previously.

The changes to our internal model affected the risk categories and diversification as follows:

### Market, credit and underwriting risk

The implementation of several model changes decreased market risk by € 887 mn. This was mostly driven by the participation correlation model change decreasing equity risk and slightly compensated by pension model changes (e.g., inflation model change) increasing market risk. Model changes affecting credit and underwriting risk only had an immaterial impact, hence credit and underwriting risk remained mostly stable.

### Diversification

The participation correlation model change was the main driver for the reduction of diversification between risk categories by € 109 mn.

Business and operational risk were not affected by model changes and remained stable.

## Risk profile and management assessment

### Risk profile and market environment

The quantitative risk profile of Allianz SE is primarily dominated by market risk that results from its non-traded insurance participations when measured in a manner consistent with the treatment of participations under Solvency II (e.g., without looking through to the underlying risks behind the participations). In order to provide greater transparency, the Group risk figures as reflected in the Allianz Group

Annual Report can be interpreted as a “look-through” view at the consolidated risk profile represented by all of the Group’s participations as well as those risks unique to Allianz SE. The second largest risk for Allianz SE from an internal model perspective is the underwriting risk arising from its reinsurance business and from internal pension obligations. From a broad perspective, the overall risk profile of Allianz SE has remained and is expected to remain stable. “Stable” in this context means a relatively high exposure to market risk, in particular from participations equity generated by our holding of Allianz Group subsidiaries, a high exposure to underwriting risk, and moderate exposures to operational risk and credit risk (i.e., measured as a share of the Allianz SE’s Solvency II risk capital). Please refer to the section “Solvency II regulatory capitalization” for further details.

To support the development of a risk appetite and a risk management framework for these core risks, Allianz SE has elaborated the following risk management philosophy:

- **Financial risks:** Allianz SE’s objective is to support the Group strategy while ensuring that financial risk-taking is in line with its risk-bearing capacity. To manage financial risk effectively, it is essential to clearly identify, measure, monitor and control the risks inherent, especially in the investment portfolios, financing transactions, the reinsurance portfolio and the internal pension obligations.
- **Underwriting risks:** Exposures to these risks are accepted when acting as a reinsurer for predominantly group-internal business. Quality control mechanisms are applied to ensure adherence to the Allianz Group’s underwriting standards, and to monitor the quality of the portfolio, the underwriting and retrocession processes. These processes must support sustainable and profitable business decisions, and need to be aligned with the risk appetite of Allianz SE and the Allianz Group as well as to avoid undesired and/or excessive risks and accumulations. The full economic consequences of a pandemic event such as COVID-19 are uninsurable. The required capital for effective protection against such an accumulation of risks would require premium rates that are unattractive for the customers, if not unaffordable. In addition, a pandemic affects multiple lines of business, such as business interruption, travel, event cancellations, but also liability lines as well as increases in medical costs and mortality. On top of this, the impact on capital markets needs consideration.
- **Other non-financial risks:** These risks are inherent to Allianz SE as holding company and reinsurer for the Allianz Group, and need to be carefully managed via continuous improvements in risk identification, risk assessment and control environments. This occurs through elements of the risk management framework, such as the Top Risk Assessment (TRA), Integrated Risk and Control System (IRCS), Reputational Risk Management Framework, and Liquidity Risk Management.

### Potential risks in the financial markets and in the operating environment

Financial markets are characterized by historically low interest rates and low risk premiums, causing some investors to look for higher-yielding – and potentially higher-risk – investments. In addition to sustained low interest rates, there are several other factors that may lead to increasing market volatility. These include the challenges of

implementing long-term structural reforms in key eurozone countries; tensions in the relationship between the United Kingdom and the European Union following the exit of the United Kingdom from the union; the uncertainty about future monetary and fiscal policies; rising populism; amplified geopolitical tensions and economic nationalism amid the pandemic, including a deterioration of the U.S.-China relationship; and disruptions in global supply chains, which weigh on global trade with the potential of prompting long-term structural shifts in global supply chains. Another potential source of higher market volatility is the uncertainty around whether the currently observed higher rates of inflation are transitory, and the associated timing and extent of corresponding central bank policy measures.

The increasing reliance on digital technologies, which has been greatly accelerated by the COVID-19 pandemic – to ensure business continuity, and enhance efficiency and competitiveness – increases the risk of technology obsolescence, cyberattacks, data breaches, and system failures. There is also the risk of noncompliance with increasing regulation covering IT-related business processes.

The lasting uncertainty around the evolution of the COVID-19 pandemic remains a significant risk. Full economic recovery is not expected to occur until the health concerns are forcefully and credibly removed, i.e., highly effective medication is available or herd immunity is achieved. The timing and progress remain uncertain, and residual risks will remain, such as further virus mutations, length of immunity from vaccination, and a lasting refusal to take vaccines by too great a part of the population, as most authorities do not intend to make vaccination compulsory. Renewed or modified containment (lock-down) measures risk delaying economic recovery, with significant credit implications in some industries. The pace and timing of recovery, the overall economic cost, and credit implications will depend on an effective transition to post-COVID-19 policies, as less supportive fiscal packages could hurt employment and the solvency of small or more exposed businesses.

Therefore, we continue to closely monitor political and financial developments as well as the global trade situation in order to manage our overall risk profile to specific event risks.

## Regulatory developments

Our approved internal model has been applied since the beginning of the year 2016, when Solvency II became effective.

In addition, future Solvency II capital requirements are expected to change as a result of the review of the Solvency II framework. Concrete effects of the Solvency II review for Allianz SE can, however, only be assessed after final results are available and adopted in national legislation, which is expected to take place in 2025.

## Management assessment

Allianz SE's management feels comfortable with Allianz SE's overall risk profile, and is confident that the effectiveness of its risk management framework meets both the challenges of a rapidly changing environment and the day-to-day business needs. This confidence is based on several factors:

- Due to its effective capital management, Allianz SE is well capitalized. We have met our internal and regulatory solvency targets as of 31 December 2021.
- Allianz SE has a conservative investment profile and disciplined business practices in the reinsurance business, leading to sustainable operating earnings with a well-balanced risk-return profile.
- Allianz SE is well positioned to deal with potentially adverse future events such as the ongoing COVID-19 pandemic – due to our strong internal limit framework, stress testing, internal model, and risk management practices.

Based on the information available to us at the moment of report completion, we expect Allianz SE to continue to be sufficiently capitalized and compliant with both the regulatory Solvency Capital Requirement and the Minimum Capital Requirement. We also expect to maintain a robust liquidity buffer in case of short term market volatility. However, we are carefully monitoring the development of the COVID-19 pandemic and managing our investment portfolio to ensure that Allianz SE has sufficient resources to meet its solvency capital and liquidity needs.

## Solvency II regulatory capitalization

Allianz SE's own funds and capital requirements are based on the market value balance sheet approach consistent with the economic principles of Solvency II.<sup>1</sup> Our regulatory capitalization is shown in the following table:

### Allianz SE: Solvency II regulatory capitalization

as of 31 December		2021 <sup>1</sup>	2020 <sup>2</sup>
Own funds	€ bn	94.8	95.0
Capital requirement	€ bn	36.4	37.0
Capitalization ratio	%	260	257

<sup>1</sup> Excluding the application of transitional measures for the valuation of technical provisions at other Allianz Group companies.

<sup>2</sup> 2020 risk profile figures as reported previously.

As of 31 December 2021, the Solvency II capitalization of Allianz SE stands at 260%. The increase of 3 percentage points in 2021 was mainly caused by a € 0.6 bn decrease in solvency risk capital.

The Allianz Group companies Allianz Lebensversicherungs-AG and Allianz Private Krankenversicherungs-AG have been granted approval for the application of transitionals on technical provisions. The resulting change in participation values impacts Allianz SE's own funds and capital requirements. Including the application of transitional measures for technical provisions at these Allianz Group companies, Allianz SE's own funds and capital requirement amounted to € 107.2 bn and € 40.5 bn, leading to a Solvency II ratio of 265%. However, the general capital steering for both the Allianz Group and Allianz SE continues to focus on the previous approach, i.e., excluding the application of transitional measures for technical provisions at Allianz Group companies. Consequently, the figures in all subsequent sections exclude transitional measures applied at Allianz Group companies unless otherwise stated.

<sup>1</sup> Own funds and capital requirement are calculated under consideration of volatility adjustment and yield curve extension, as described in the section "Risk-free rate and volatility adjustment assumptions".

## Quantifiable risks and opportunities by risk category

This Risk and Opportunity Report outlines Allianz SE's risk figures, reflecting its risk profile based on pre-diversified risk figures and Allianz SE diversification effects.

The risk of Allianz SE is measured and steered based on an approved internal model, which quantifies the potential adverse developments of Own Funds. The results provide an overview of how our risk profile is distributed over different risk categories, and determine the regulatory capital requirements in accordance with Solvency II.

The pre-diversified risk figures reflect the diversification effects within each modeled risk category (i.e., within market, credit, underwriting, business, and operational risk), but do not include the diversification effects across risk categories. The Allianz SE diversified risk also captures the diversification effects across all risk categories.

The Allianz SE diversified risk is broken down as follows:

### Allianz SE: Allocated risk according to the risk profile

€ mn

as of 31 December	2021	2020 <sup>1</sup>
Market risk	35,169	34,989
Credit risk	581	636
Underwriting risk	3,931	3,710
Business risk	144	42
Operational risk	619	632
Diversification	(4,060)	(3,784)
<b>Total Allianz SE</b>	<b>36,384</b>	<b>36,224</b>

<sup>1</sup> 2020 risk profile figures adjusted based on the 2021 model changes.

As of 31 December 2021, Allianz SE's diversified risk capital amounted to € 36.4 bn (2020: € 36.2 bn). The increase in Solvency II capital requirements was mainly due to higher underwriting as well as market risk.

The following sections outline the evolution of the risk profile per modeled risk category. All risks are presented on a pre-diversified basis, and concentrations of single sources of risk are discussed accordingly.

## Market risk

The following table presents the market risk of Allianz SE related to the source of risk:

### Allianz SE: Risk profile – Market risk by source of risk pre-diversified, € mn

as of 31 December	2021	2020 <sup>1</sup>
Interest rate	(3)	28
Inflation	(425)	(242)
Credit spread	146	251
Equity	35,283	34,688
Real estate	128	123
Currency	39	141
<b>Total Allianz SE</b>	<b>35,169</b>	<b>34,989</b>

<sup>1</sup> 2020 risk profile figures adjusted based on the 2021 model changes.

For Allianz SE, the pre-diversified market risk as of year-end 2021 shows an increase of € 180 mn driven by higher equity risk.

## Interest rate risk

In 2021, the interest rate risk reduced the market risk of Allianz SE by € 3 mn. The change in comparison to the previous year (€ (31) mn) is mainly caused by diversification effects.

As of 31 December 2021, Allianz SE's interest-rate-sensitive assets amounting to a market value of € 46.1 bn would have gained € 2.7 bn or lost € 2.4 bn in value, in the event of interest rates changing by -100 and +100 basis points respectively.

## Inflation risk

The € 183 mn increase in the market risk relief that results from inflation risk in 2021 mainly results from diversification effects.

## Equity risk

In 2021, Allianz SE's equity risk increased by € 595 mn, reflecting an overall higher market value of participations in Allianz Group companies. This change includes a € 2.8 bn after-tax provision for the Allianz Global Investors U.S. LLC Structured Alpha matter.

As of 31 December 2021, those of our investment assets that are sensitive to changing equity markets would have lost € 527 mn in value, assuming equity markets declined by 30%.

## Credit spread risk

Allianz SE's credit spread risk is € 105 mn lower than in 2020, mainly due to lower bond investments.

## Real estate risk

The € 5 mn increase in 2021 is driven by the higher market value of the real estate portfolio.

## Currency risk

Allianz SE's € 39 mn currency risk at year-end 2021 results from net open positions in several currencies, dominated by the U.S. dollar. The € 101 mn decrease in the contribution to market risk is mainly caused by diversification effects.

## Credit risk

Allianz SE's credit risk decreased by € 54 mn, mainly due to lower bond investments. Within the bond portfolio, there was a reallocation from government bonds to corporate bonds without a significant impact on the portfolio's credit quality.

## Underwriting risk

The following table presents the pre-diversified risk calculated for underwriting risks stemming from our reinsurance business and internal pensions:<sup>1</sup>

**Allianz SE: Risk Profile – Underwriting risk by source of risk**  
pre-diversified, € mn

as of 31 December	2021	2020 <sup>1</sup>
Premium natural catastrophe	472	336
Premium non-catastrophe and terror	1,928	1,544
Reserve	1,443	1,655
Biometric	89	174
<b>Total Allianz SE</b>	<b>3,931</b>	<b>3,710</b>

1\_2020 risk profile figures adjusted based on the 2021 model changes.

For Allianz SE, the pre-diversified underwriting risk showed an increase of € 221 mn, driven by an increase in premium non-catastrophic risks.

## Property-Casualty

### Premium risk

In 2021, Allianz SE's natural catastrophe risk increased by € 136 mn due to the reinsurance of a newly acquired portfolio in Australia.

The top five scenarios contributing to Allianz SE's natural catastrophe risk as of 31 December 2021 were a windstorm in Europe, a flood in Germany, a tropical cyclone in Australia, an earthquake in Turkey, and an earthquake in Australia.

Allianz SE's non-catastrophe and terror premium risk increased by € 384 mn in 2021 due to a higher exposure from the stop loss contract with Allianz Re Dublin dac.

### Reserve risk

The reduction by € 212 mn in Allianz SE's reserve risk in 2021 considers aspects including the retrocession of losses from natural catastrophes into non-proportional protections.

## Life/Health

In 2021, Allianz SE's biometric risk was € 85 mn lower than in 2020. The main driver is a large life reinsurance contract from Canada which mainly covers mortality risks. Due to offsetting effects with the longevity risks of the Allianz SE pension portfolio, the overall impact of biometric risks has decreased.

## Business risk

In 2021, a large reinsurance contract with Canadian exposure was accepted. The transaction increased business risk by € 102 mn.

## Operational risk

The € 13 mn decrease in operational risk resulted primarily from multiple offsetting effects, including an € 8 mn reduction in the "Defective Products" risk category, due to a more stringent control environment.

## Liquidity risk

Detailed information regarding Allianz SE's liquidity risk exposure, liquidity, and funding – including changes in cash and cash equivalents – are provided in the chapter [Liquidity and Funding Resources](#). As inferred from the section on the management of liquidity risks, they are quantified and monitored through regular stress test reporting, and properly managed, but are not quantified for risk capital purposes.

1\_Impact of whole account stop loss reinsurance contract between Allianz SE and Allianz Re Dublin dac on pre-diversified insurance risks: Premium natural catastrophe risk decreased by € 87 mn (2020: increase

of € 74 mn), while premium non-catastrophe and terror risk increased by € 522 mn (2020: € 374 mn) due to this reallocation.

# INTEGRATED RISK AND CONTROL SYSTEM FOR FINANCIAL REPORTING

The following information is provided pursuant to §289(4) of the HGB.

In line with risk management and in accordance with legal requirements, we have developed a framework to identify and mitigate the risk of material errors in our financial statements (including controls for the market value balance sheet and risk capital). Allianz SE's Integrated Risk and Control System (IRCS) is regularly reviewed and updated. It differentiates between three areas: Financial Reporting, Compliance, and other operational risks (including IT risks). The IT controls are based on COBIT 5 and include, for example, controls for access rights management, and for IT project and change management. The IRCS also covers external service providers. Additionally, our Entity Level Control Assessment (ELCA) framework contains controls to monitor the effectiveness of the system of governance.

## Accounting processes

The accounting processes we use to produce financial statements are based on a group-wide IT solution and local general ledger. Access rights to accounting systems are managed according to strict authorization procedures.

Internal controls are embedded in the accounting processes to safeguard the accuracy, completeness, and consistency of the information provided in our financial statements.

## Integrated internal risk and control system approach

Our approach can be summarized as follows:

- We use a **centrally developed risk catalogue** that is linked to individual accounts. This risk catalogue is reviewed on a yearly basis and is the starting point for the definition of the Group's as well as Allianz SE's scope of financial reporting risks. The methodology is described in the IRCS guideline. During the scoping process, both materiality and susceptibility to a misstatement are considered simultaneously. In addition to the quantitative calculation, we also consider qualitative criteria.
- Based on the centrally provided risk catalogue, we **identify risks** that could lead to material financial misstatements.
- **Preventive and detective key controls** to address financial reporting risks have been put in place to reduce the likelihood and impact of financial misstatements. If a potential risk materializes, actions are taken to reduce the impact of the financial misstatement. Given the strong dependence of financial reporting processes on IT systems, we have also implemented IT controls.
- Last but not least, we ensure that controls are appropriately designed and effectively executed to mitigate risk. We conduct an annual **assessment** of our control system to maintain and continuously enhance its effectiveness. Internal audit ensures that the overall quality of our control system is subject to regular control testing, to assure reasonable design and operating effectiveness.

# STATEMENT ON CORPORATE MANAGEMENT

The Statements on Corporate Management according to §§ 289f and 315d of the German Commercial Code (“Handelsgesetzbuch – HGB”) form part of the Management Report and the Group Management Report, respectively. According to § 317(2) sentence 6 HGB, the audit of the disclosures is limited to whether the relevant disclosures have been made.

## Corporate Constitution of the European Company (SE)

As a European Company, Allianz SE is subject to special European SE regulations and the German SE Implementation Act (“SE-Ausführungsgesetz”), in addition to the German SE Employee Involvement Act (“SE-Beteiligungsgesetz”). Notwithstanding, the main features of a German stock corporation – in particular the two-tier board system (Board of Management and Supervisory Board) and the principle of equal employee representation on the Supervisory Board – have been maintained by Allianz SE. The Corporate Constitution of Allianz SE is laid down in its Statutes. The current version of the Statutes is available on our website at [www.allianz.com/statutes](http://www.allianz.com/statutes).

## Regulatory requirements

The regulatory requirements for corporate governance (system of governance) applicable for insurance companies, insurance groups, and financial conglomerates apply. Specifically, they include the establishment and further design of significant control functions (independent risk control function, actuarial function, compliance function, and internal audit) as well as general principles for a sound business organization. These regulatory requirements are applicable throughout the Group in accordance with the principle of proportionality. The implementation of the regulatory requirements is supported by written guidelines issued by the Board of Management of Allianz SE. Furthermore, Solvency II requires the publication of qualitative and quantitative information including a market value balance sheet. Details on the implementation of the regulatory requirements for corporate governance by Allianz SE and by the Allianz Group can be found in the Solvency and Financial Condition Report of Allianz SE and of the Allianz Group, which are published on our website at [www.allianz.com/sfcr](http://www.allianz.com/sfcr).

## Declaration of Conformity with the German Corporate Governance Code

Good corporate governance is essential for sustainable business performance. The Board of Management and the Supervisory Board of Allianz SE therefore attach great importance to complying with the recommendations of the German Corporate Governance Code (hereinafter referred to as the “Code”). On 16 December 2021, the Board of Management and the Supervisory Board issued the following Declaration of Conformity of Allianz SE with the Code:

### Declaration of Conformity in accordance with § 161 of the German Stock Corporation Act

Declaration of Conformity by the Management Board and the Supervisory Board of Allianz SE with the recommendations of the German Corporate Governance Code Commission in accordance with § 161 of the German Stock Corporation Act (AktG)

Since the last Declaration of Conformity as of December 10, 2020, Allianz SE has complied with all recommendations of the German Corporate Governance Code in the version of December 16, 2019 and will comply with them in the future.

Munich, December 16, 2021  
Allianz SE

For the Management Board:  
Signed Oliver Bäte

Signed Renate Wagner

For the Supervisory Board:  
Signed Michael Diekmann

In addition, Allianz SE follows all the suggestions of the Code in its 16 December 2019 version.

The Declaration of Conformity and further information on corporate governance at Allianz can be found on our website at [www.allianz.com/corporate-governance](http://www.allianz.com/corporate-governance).

## Function of the Board of Management and the composition and functions of committees

Since 1 January 2022, the Board of Management of Allianz SE has eleven members. Its members may not, in general, be older than 62 years of age.

The Board of Management is responsible for setting business objectives and the strategic direction, for coordinating and supervising the operating entities, and for implementing and overseeing an efficient risk management system. The Board of Management also prepares the annual financial statements of Allianz SE, the Allianz Group’s consolidated financial statements, the market value balance sheet, and the interim report.

The members of the Board of Management are jointly responsible for management and for complying with legal requirements.

Notwithstanding this overall responsibility, the individual members independently head the departments they have been assigned to. There are divisional responsibilities for business segments as well as functional responsibilities. The latter include the Finance, Risk Management and Controlling Functions, Investments, Operations and IT, Human Resources, Legal, Compliance, Internal Audit, or Mergers & Acquisitions. Business division responsibilities focus on geographical regions or Global Lines. Rules of procedure specify the structure and departmental responsibilities of the Board of Management in more detail.

Board of Management meetings are led by the Chairperson. Each member of the Board may request a meeting, providing notification of the proposed subject. The Board makes decisions by a simple majority of participating members. In the event of a tie, the Chairperson casts the deciding vote. The Chairperson can also veto decisions, but he/she cannot impose any decisions against the majority vote.

## Board of Management and Group committees

In the financial year 2021, the following Board of Management committees were in place:

### Board committees

Board committees	Responsibilities
<b>GROUP FINANCE AND RISK COMMITTEE</b> Giulio Terzariol (Chairman), Dr. Klaus-Peter Röhler, Dr. Günther Thallinger, Christopher Townsend.	Preparing the capital and liquidity planning for the Group and Allianz SE, implementing and overseeing the principles of group-wide capital and liquidity management as well as risk standards and preparing risk strategy. This includes, in particular, significant individual financing transactions and guidelines for derivatives, Group financing and internal Group capital management as well as establishing and overseeing a group-wide risk management and monitoring system including stress tests.
<b>GROUP IT COMMITTEE</b> Dr. Barbara Karuth-Zelle (Chairwoman), Dr. Klaus-Peter Röhler, Ivan de la Sota, Giulio Terzariol, Dr. Günther Thallinger, Christopher Townsend.	Developing and proposing a group-wide IT strategy, monitoring its implementation and, approving local and group-wide IT investments as well as reviewing and overseeing individual IT projects.
<b>GROUP MERGERS AND ACQUISITIONS COMMITTEE</b> Renate Wagner (Chairwoman), Oliver Bäte, Sergio Balbinot, Giulio Terzariol.	Managing and overseeing Group M&A transactions, including approval of individual transactions within certain thresholds.

As of 31 December 2021

In addition to Board committees, there are also Group committees. They are responsible for preparing decisions for the Board of Management of Allianz SE, submitting proposals for resolutions, and ensuring a smooth flow of information within the Group.

In the financial year 2021, the following Group committees were in place:

### Group committees

Group committees	Responsibilities
<b>GROUP COMPENSATION COMMITTEE</b> Board members of Allianz SE and executives below Allianz SE Board level.	Designing, monitoring, and improving group-wide compensation systems in line with regulatory requirements and submitting an annual report on the monitoring results, along with proposals for improvement.
<b>GROUP INVESTMENT COMMITTEE</b> Board members of Allianz SE and Allianz Group executives.	Specifying the strategic asset allocation for the Group to enable consistent implementation by the operating units, particularly in relation to alternative assets, monitoring of performance across all asset classes and ensuring consistent organization of the Investment Management function and Investment Governance across the Group.

As of 31 December 2021

The Allianz Group runs its operating entities and business segments via an integrated management and control process. First, the Holding and the operating entities define the business strategies and goals. On this basis, joint plans are then prepared for the Supervisory Board's consideration when setting targets for the performance-based remuneration of the members of the Board of Management. For details, please refer to the [Remuneration Report](#).

The Board of Management reports regularly and comprehensively to the Supervisory Board on business development, the company's financial position and earnings, planning and achievement of objectives, business strategy, and risk exposure. Details on the Board of Management's reporting to the Supervisory Board are laid down in the information rules issued by the Supervisory Board.

Important decisions of the Board of Management require approval by the Supervisory Board. These requirements are stipulated by law, by the Statutes, or in individual cases by decisions of the Annual General Meeting (AGM). Supervisory Board approval is required, for example, for certain capital transactions, intercompany agreements, and the launch of new business segments or the closure of existing ones. Approval is also required for acquisitions of companies and holdings in companies as well as for divestments of Group companies that exceed certain threshold levels. The Agreement concerning the Participation of Employees in Allianz SE, in the version dated June 2021 (hereinafter "SE Agreement"), requires the approval of the Supervisory Board for the appointment of the member of the Board of Management responsible for employment and social welfare.

The composition of the Board of Management is described in [Mandates of the Members of the Board of Management](#) or on our website at [www.allianz.com/management-board](https://www.allianz.com/management-board). A general description of the function of the Board of Management can also be found there.



## Diversity concept for the Board of Management and succession planning

In accordance with the legislation on the implementation of the European guidelines as regards the disclosure of non-financial and diversity information (CSR Directive), the diversity concept for the Board of Management, its objectives, implementation, and results achieved are to be reported.

The Supervisory Board adopted the following diversity concept for the Board of Management of Allianz SE:

“For the composition of the Management Board, the Supervisory Board aims for an adequate ‘Diversity of Minds’. This comprises broad diversity with regard to gender, internationality, and educational as well as professional background.

The Supervisory Board assesses the achievement of such target, inter alia, on the basis of the following specific indicators:

- adequate proportion of women on the Management Board: at least 30% by 31 December 2021;
- adequate share of members with an international background (e.g., based on origin or extensive professional experience abroad), ideally with a connection to the regions in which the Allianz Group is operating;
- adequate diversity with regard to educational and professional background, taking into account the limitations for the Supervisory Board by regulatory requirements (fitness).”

This diversity concept is implemented in the appointment procedure for members of the Board of Management by the Supervisory Board. For the purpose of long-term succession planning, a list of candidates is prepared and updated on an ongoing basis by the Chairperson of the Board of Management in consultation with the Chairperson of the Supervisory Board. It is ensured that lists of successors will comprise appropriate percentages of female candidates as well as of candidates with international experience. The Personnel Committee takes this into consideration especially in succession planning. The list of candidates includes internal and external candidates who generally meet the requirements for a mandate in the Board of Management. In the event of a vacancy on the Board of Management, the Personnel Committee, after a thorough examination, recommends a suitable candidate to the Supervisory Board plenary session and reports on the selection process and, if necessary, alternative candidates. Prior to an appointment to the Board of Management, all members of the Supervisory Board are given the opportunity to meet the candidate in person.

As a result of the increase in the size of the Board of Management to 11 members as of 1 January 2022, the three female members of the Board of Management account for 27.27% of the total, which is slightly below the target value of 30%. Since this shortfall is expected to be of a temporary nature only, the Supervisory Board considers it acceptable. Five members of the Management Board have international backgrounds. There is an adequate degree of variety as regards educational and professional backgrounds. The Board of Management of Allianz SE is thus, with the exception of the temporary shortfall of the

adequate proportion of women on the Management Board, composed in accordance with the diversity concept.

## Corporate governance practices

### Internal control system

The Allianz Group has an effective internal risk and control system for verifying and monitoring its operating activities and business processes, in particular financial reporting, as well as compliance with regulatory requirements. The requirements placed on the internal control system are essential, not only for the resilience and franchise value of the company, but also to maintain the confidence of the capital market, our customers, and the public. An assessment of the adequacy and effectiveness of the internal control system as part of the System of Governance is conducted regularly in the course of the review of the business organization. For further information on our risk organization and risk principles, please refer to the section “Risk governance system” in the [Risk and Opportunity Report](#). For further information on our [Integrated Risk and Control System for Financial Reporting](#), please refer to the respective chapter.

In addition, the quality of our internal control system is assessed by the Allianz Group’s Internal Audit function. This function conducts independent, objective assurance activities, analyzing the structure and efficiency of the internal control system as a whole. In addition, it also examines the potential for additional value and improvement of our organization’s operations. Fully compliant with all international auditing principles and standards, Internal Audit contributes to the evaluation and improvement of the effectiveness of the risk management, control, and governance processes. Therefore, internal audit activities are geared towards helping the company to mitigate risks, and further assist in strengthening its governance processes and structures.

### Compliance management system

Integrity is at the core of our compliance programs and the basis for the trust of our customers, shareholders, business partners, and employees. The Compliance function fosters a corporate culture of individual and collective responsibility for ethical conduct and adherence to the rules by:

- advising the Board of Management, managers, and employees on business conduct that is lawful and ethical;
- identifying and assessing material compliance risks and overseeing the implementation of adequate and effective internal controls to mitigate them;
- providing a speak-up facility that employees and third parties can use to confidentially report possible illegal or inappropriate behavior;
- communicating transparently and trustfully with supervisory authorities.

The global compliance programs coordinated by Allianz SE’s central Group Compliance function support our employees, managers, and executive board members to act responsibly and with integrity in all situations.

Moreover, Allianz SE's central Group Compliance function is responsible – in close cooperation with local compliance functions – for ensuring the effective implementation and monitoring of the compliance programs within the Allianz Group as well as for investigating potential compliance infringements. Furthermore, as a key function, the Compliance function carries out the advisory, risk identification and assessment, monitoring, and early warning tasks required under the Solvency II regime.

### Code of Conduct

Our Code of Conduct and the internal compliance policies and guidelines derived from it provide all employees, managers, and executive board members with clear and practical guidance, enabling them to act in line with the values of the Allianz Group. The rules of conduct established by the Code of Conduct are binding for all employees worldwide and build the basis for our compliance programs. The Code of Conduct is available on our website at [www.allianz.com/compliance](https://www.allianz.com/compliance).

### Speak up

A major component of the Allianz Group's compliance management system is a speak-up facility that allows employees and third parties to notify the relevant compliance department confidentially about potential illegal or inappropriate conduct. No employee voicing concerns about irregularities in good faith needs to fear retribution, even if the concerns later turn out to be unfounded. Third parties can contact the compliance department via an electronic mailbox on our website [www.allianz.com/complaint-system](https://www.allianz.com/complaint-system).

### Compliance programs

Allianz SE's central Group Compliance function has set up internal guidelines for the following identified compliance risk areas: financial crime, market integrity, customer protection, and compliance with legal requirements. For further information on the compliance risk areas, please refer to the Sustainability Report on our website at [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

### Compliance training

In order to convey the principles of the Code of Conduct and the compliance programs based on these principles, Allianz has implemented interactive training programs around the world. These provide practical guidance that enables employees to make their own decisions based on internal and external requirements as well as ethical principles. Training programs comprise in-person and e-learning training and are delivered in several languages.

Training courses to prevent corruption and money laundering are mandatory for all Allianz employees worldwide. The same is true for the antitrust training to exposed employees. Further training exist for the other compliance programs.

## Function of the Supervisory Board and the composition and functions of committees

The German Co-Determination Act ("Mitbestimmungsgesetz") does not apply to Allianz SE because it has the legal form of a European Company (SE). Instead, the size and composition of the Supervisory Board is determined by general European SE regulations. These regulations are implemented in the Statutes and via the SE Agreement.

The Supervisory Board comprises twelve members, including six shareholder representatives appointed by the AGM. The six employee representatives are appointed by the SE works council. The specific procedure for their appointment is laid down in the SE Agreement. This agreement stipulates that the six employee representatives must be allocated in proportion to the number of Allianz employees in the different countries. The Supervisory Board currently in office includes four employee representatives from Germany and one each from France and the United Kingdom. According to § 17(2) of the German SE Implementation Act ("SE-Ausführungsgesetz"), the Supervisory Board of Allianz SE shall be composed of at least 30% women and at least 30% men. For the future, the AGM on 5 May 2021 resolved to shorten the regular term of appointment for the Supervisory Board of Allianz SE to four years.

The Supervisory Board oversees and advises the Board of Management on managing the business. It is also responsible for appointing the members of the Board of Management, determining their overall remuneration, succession planning for the Board of Management, and reviewing Allianz SE's and the Allianz Group's annual financial statements. The Supervisory Board's activities in the financial year 2021, including an individualized disclosure of the meeting participation, are described in the [Supervisory Board Report](#).

The Supervisory Board takes all decisions based on a simple majority. The special requirements for appointing members to the Board of Management, as stipulated in the German Co-Determination Act, and the requirement to have a Conciliation Committee, do not apply to an SE. In the event of a tie, the casting vote lies with the Chairperson of the Supervisory Board, who at Allianz SE must be a shareholder representative. If the Chairperson is not present in the event of a tie, the casting vote lies with the vice chairperson from the shareholder side. A second vice chairperson is elected at the employee representatives' proposal.

The Supervisory Board regularly reviews the efficiency of its activities. The review is carried out either on the basis of a self-evaluation using a questionnaire or by consulting an external consultant. The entire Supervisory Board discusses recommendations for improvements and adopts appropriate measures on the basis of recommendations from the Standing Committee. In addition, the fitness and propriety of the individual members of the Supervisory Board are reviewed as part of an annual self-evaluation required by supervisory law, and a development plan for the Supervisory Board is drawn up on this basis.

## Supervisory Board committees

Part of the Supervisory Board's work is carried out by its committees. The Supervisory Board receives regular reports on the activities of its committees. The composition of committees and the tasks assigned to them are regulated by the Supervisory Board's Rules of Procedure, which can be found on our website at

🔗 [www.allianz.com/supervisory-board](http://www.allianz.com/supervisory-board).

## Supervisory Board committees

Supervisory Board committees	Responsibilities
<b>STANDING COMMITTEE</b> 5 members – <b>Chairperson:</b> Chairperson of the Supervisory Board (Michael Diekmann) – <b>Two further shareholder representatives</b> (Herbert Hainer, Jim Hagemann Snabe) – <b>Two employee representatives</b> (Jürgen Lawrenz, Jean-Claude Le Goaër)	– Approval of certain transactions which require the approval of the Supervisory Board, e.g., capital measures, acquisitions, and disposals of participations – Preparation of the Declaration of Conformity pursuant to § 161 "Aktiengesetz" (German Stock Corporation Act) and checks on corporate governance – Preparation of the efficiency review of the Supervisory Board
<b>AUDIT COMMITTEE</b> 5 members – <b>Chairperson:</b> appointed by the Supervisory Board (Dr. Friedrich Eichiner) – <b>Three shareholder representatives</b> (in addition to Dr. Friedrich Eichiner: Sophie Boissard, Michael Diekmann) – <b>Two employee representatives</b> (Jean-Claude Le Goaër, Martina Grundler)	– Initial review of the annual Allianz SE and consolidated financial statements, management reports (including Risk Report) and the dividend proposal, review of half-yearly reports or, where applicable, quarterly financial reports or statements – Monitoring of the financial reporting process, the effectiveness of the internal control and audit system and legal and compliance issues – Monitoring of the audit procedures, including the independence of the auditor and the services additionally rendered, awarding of the audit contract and determining the focal points of the audit
<b>RISK COMMITTEE</b> 5 members – <b>Chairperson:</b> appointed by the Supervisory Board (Michael Diekmann) – <b>Three shareholder representatives</b> (in addition to Michael Diekmann: Christine Bosse, Dr. Friedrich Eichiner) – <b>Two employee representatives</b> (Godfrey Hayward, Frank Kirsch)	– Monitoring of the general risk situation and special risk developments in the Allianz Group – Monitoring of the effectiveness of the risk management system – Initial review of the Risk Report and other risk-related statements in the annual financial statements and management reports of Allianz SE and the Allianz Group, informing the Audit Committee of the results of such reviews
<b>PERSONNEL COMMITTEE</b> 3 members – <b>Chairperson:</b> Chairperson of the Supervisory Board (Michael Diekmann) – <b>One further shareholder representative</b> (Herbert Hainer) – <b>One employee representative</b> (Gabriele Burkhardt-Berg)	– Preparation of the appointment of Board of Management members – Preparation of plenary session resolutions on the compensation system and the overall compensation of Board of Management members – Conclusion, amendment, and termination of service contracts of Board of Management members unless reserved for the plenary session – Long-term succession planning for the Board of Management – Approval of the assumption of other mandates by Board of Management members
<b>NOMINATION COMMITTEE</b> 3 members – <b>Chairperson:</b> Chairperson of the Supervisory Board (Michael Diekmann) – <b>Two further shareholder representatives</b> (Christine Bosse, Jim Hagemann Snabe)	– Setting of concrete objectives for the composition of the Supervisory Board – Establishment of selection criteria for shareholder representatives on the Supervisory Board in compliance with the Code's recommendations on the composition of the Supervisory Board – Selection of suitable candidates for election to the Supervisory Board as shareholder representatives
<b>TECHNOLOGY COMMITTEE</b> 5 members – <b>Chairperson:</b> appointed by the Supervisory Board (Jim Hagemann Snabe) – <b>Three shareholder representatives</b> (in addition to Jim Hagemann Snabe: Michael Diekmann, Dr. Friedrich Eichiner) – <b>Two employee representatives</b> (Gabriele Burkhardt-Berg, Jürgen Lawrenz)	– Regular exchange regarding technological developments – In-depth monitoring of the Board of Management's technology and innovation strategy – Support of the Supervisory Board in monitoring the implementation of the Board of Management's technology and innovation strategy
<b>SUSTAINABILITY COMMITTEE</b> 5 members – <b>Chairperson:</b> appointed by the Supervisory Board (Christine Bosse) – <b>Three shareholder representatives</b> (in addition to Christine Bosse: Sophie Boissard, Michael Diekmann) – <b>Two employee representatives</b> (Gabriele Burkhardt-Berg, Frank Kirsch)	– Regular exchange regarding sustainability-related issues (Environment, Social, Governance – ESG) – Close monitoring of the Management Board's sustainability strategy – Support of the Supervisory Board in the oversight of the execution of the sustainability strategy – Support of the Personnel Committee of the Supervisory Board in the preparation of the ESG-related target setting as well as the review of the set targets' fulfillment for the Management Board's remuneration

As of 31 December 2021

## Objectives of the Supervisory Board regarding its composition; diversity concept

The objectives for the composition of the Supervisory Board in the version of September 2021, as specified to implement legal requirements and a recommendation by the Code, are set out below. In addition to the skills profile for the overall Supervisory Board, the diversity concept

in accordance with the legislation on the implementation of the European guideline as regards the disclosure of non-financial and diversity information (CSR Directive) is also included. The objectives for the composition of the Supervisory Board can be found on our website at [www.allianz.com/supervisory-board](https://www.allianz.com/supervisory-board).

### Objectives of Allianz SE's Supervisory Board regarding its composition

"The aim of Allianz SE's Supervisory Board is to have members who are equipped with the necessary skills and competence to properly supervise and advise Allianz SE's management. Supervisory Board candidates should possess the professional expertise and experience, integrity, motivation and commitment, independence, and personality required to successfully carry out the responsibilities of a Supervisory Board member in a financial services institution with international operations.

These objectives take into account the regulatory requirements for the composition of the Supervisory Board as well as the relevant recommendations of the German Corporate Governance Code ("GCGC"). In addition to the requirements for each individual member, a profile of skills and expertise ("Kompetenzprofil") as well as a diversity concept are provided for the entire Supervisory Board.

#### I. Requirements relating to the individual members of the Supervisory Board

##### 1. Propriety

The members of the Supervisory Board must be proper as defined by the regulatory provisions. A person is assumed to be proper as long as no facts are to be known which may cause impropriety. Therefore, no personal circumstances shall exist which – according to general experience – lead to the assumption that the diligent and orderly exercise of the mandate may be affected (in particular, administrative offenses or violation of criminal law, especially in connection with commercial activity).

##### 2. Fitness

The members of the Supervisory Board must have the expertise and experience necessary for a diligent and autonomous exercise of the Allianz SE Supervisory Board mandate, in particular for exercising control of and giving advice to the Management Board as well as for the active support of the development of the company. This comprises in particular:

- adequate expertise in all business areas;
- adequate expertise in the insurance and finance sector or comparable relevant experience and expertise in other sectors;
- adequate expertise in the regulatory provisions material for Allianz SE (supervisory law, including Solvency II regulation, corporate and capital markets law, corporate governance);
- ability to assess the business risks;
- knowledge of accounting and risk management basics.

##### 3. Independence

The GCGC defines a person as independent who, in particular, does not have any business or personal relations with Allianz SE or its executive bodies, a controlling shareholder, or an enterprise associated with the latter, which may cause a substantial and not merely temporary conflict of interest.

The Supervisory Board of Allianz SE states the following with regard to the further specification of independence:

- former members of the Allianz SE Management Board shall not be deemed independent during the mandatory corporate law cooling-off period.
- members of the Supervisory Board of Allianz SE in office for more than 12 years shall not be deemed independent.
- regarding employee representatives, the mere fact of employee representation and the existence of a working relationship with the company shall not itself affect the independence of the employee representatives.

Applying such definition, at least eight members of the Supervisory Board shall be independent. In case shareholder representatives and employee representatives are viewed separately, at least four of each should be independent.

It has to be considered that the possible emergence of conflicts of interests in individual cases cannot generally be excluded. Potential conflicts of interest must be disclosed to the Chairperson of the Supervisory Board and will be resolved by appropriate measures.

##### 4. Time of availability

Each member of the Supervisory Board must ensure that he/she has sufficient time to dedicate to the proper fulfilment of the mandate of this Supervisory Board position.

In addition to the mandatory mandate limitations and the GCGC recommendation for active Management Board members of listed companies (max. two mandates), the common capital markets requirements shall be considered.

With regard to the Allianz SE mandate, the members shall take into account that:

- at least four, but as a rule six, ordinary Supervisory Board meetings are held each year, each of which requires adequate preparation;
- sufficient time must be set aside for the audit of the annual and consolidated financial statements;

Employee representation within Allianz SE, according to the Agreement concerning the Participation of Employees in Allianz SE, contributes to the diversity of work experience and cultural background. Pursuant to the provisions of the German SE Participation Act (SEBG), the number of women and men appointed as German employee representatives should be proportional to the number of women and men working in the German companies. However, the Supervisory Board does not have the right to select the employee representatives.

The following requirements and objectives apply to the composition of Allianz SE's Supervisory Board:

- attendance at the General Meeting is required;
- depending on possible membership in one or more of the Supervisory Board Committees, extra time planning is required for participation in these Committee meetings and to do the necessary preparation for these meetings; this applies in particular for the Audit and Risk Committees;
- attendance of extraordinary meetings of the Supervisory Board or of a Committee might be required to deal with special matters.

##### 5. Retirement age

The members of the Supervisory Board shall, as a rule, not be older than 70 years of age.

##### 6. Term of membership

The continuous period of membership for any member of the Supervisory Board should, as a rule, not exceed 12 years.

##### 7. Former Allianz SE Management Board members

Former Allianz SE Management Board members are subject to the mandatory corporate law cooling-off period of two years.

According to regulatory provisions, no more than two former Allianz SE Management Board members shall be members of the Supervisory Board.

#### II. Requirements for the entire Supervisory Board

##### 1. Profile of skills and expertise for the entire Supervisory Board

In addition to the expertise-related requirements for the individual members, the following shall apply with respect to the expertise and experience of the entire Supervisory Board:

- familiarity of members in their entirety with the insurance and financial services sector;
- adequate expertise of the entire Board with respect to regulatorily required areas of investment management, insurance actuarial practice, accounting;
- adequate expertise of the entire Board with respect to technology, including cybersecurity, employee engagement and sustainability (especially Environment, Social responsibility and Governance as well as data privacy);
- at least one member with considerable experience in the insurance and financial services fields;
- at least one member with comprehensive expertise in the field of accounting and at least one member with comprehensive expertise in the field of auditing;
- at least one member with comprehensive expertise in the field of digital transformation;
- specialist expertise or experience in other economic sectors;
- managerial or operational experience.

##### 2. Diversity concept

To promote an integrative cooperation among the Supervisory Board members, the Supervisory Board strives for an adequate diversity with respect to gender, internationality, different occupational backgrounds, professional expertise, and experience:

- the Supervisory Board shall be composed of at least 30% women and at least 30% men. The representation of women is generally considered to be the joint responsibility of the shareholder and employee representatives;
  - at least four of the members must, on the basis of their origin or function, represent regions or cultural areas in which Allianz SE conducts significant business.
- For Allianz SE as a Societas Europaea, the agreement concerning the Participation of Employees in Allianz SE provides that Allianz employees from different EU member states are considered in the allocation of employee representatives' Supervisory Board seats;
- in order to provide the Board with the most diverse sources of experience and specialist knowledge possible, the members of the Supervisory Board shall complement each other with respect to their background, professional experience, and specialist knowledge."

The Supervisory Board pursues these objectives, and thus also the diversity concept, when nominating candidates for shareholder representatives. As employee representatives are appointed according to different national provisions, there is only limited potential influence to the selection of employee representatives. The Supervisory Board of Allianz SE is currently composed in accordance with these objectives, including the diversity concept. According to the assessment by the Supervisory Board, all shareholder representatives, i.e., Ms. Boissard, Ms. Bosse as well as Mr. Diekmann, Dr. Eichiner, Mr. Hainer and

Mr. Snabe, are independent within the meaning of the objectives (see No. 1.3). With four female and eight male Supervisory Board members, the current legislation for equal participation of women and men in leadership positions (statutory gender quota of 30%) is being met. In addition, the Supervisory Board has five members with international backgrounds. The skills profile is also met by all current members of the Supervisory Board. Based on the objectives regarding its composition, the Supervisory Board of Allianz SE has developed the following skill matrix.

### Supervisory Board of Allianz SE: skill matrix

		Diekmann	Snabe	Boissard	Bosse	Eichiner	Hainer	Burkhardt-Berg	Le Goaër	Grundler	Hayward	Kirsch	Lawrenz
Tenure	Joined Board in	2017	2014	2017	2012	2016	2017	2012	2018	2016	2017	2018	2015
Personal appropriateness	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Independence <sup>1</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No Overboarding <sup>1</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity	Gender	male	male	female	female	male	male	female	male	female	male	male	male
	Nationality	German	Danish	French	Danish	German	German	German	French	German	British	German	German
Expertise	Accounting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Insurance Actuarial Practice	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Investment Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Technology	✓	✓	✓	✓	✓	-	✓	✓	✓	-	✓	✓
	Digital Transformation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employee Engagement	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓
	North America	✓	✓	-	-	✓	✓	-	-	-	-	-	-
	Growth Markets	✓	✓	-	-	✓	✓	-	-	-	-	-	-
Regional Expertise	Europe (EU)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

✓ Criteria met. Expertise criteria based on yearly self-assessment. Tick means at least "Good knowledge" and implies the capacity to understand the relevant matters well, and to take educated decisions. Good knowledge may result from existing qualifications and from the training measures regularly attended by all members of the Supervisory Board. On a scale from A-E this requires at least grade B.

<sup>1</sup> According to German Corporate Governance Code.

The current composition of the Supervisory Board can be found in the [Supervisory Board Report](#). In addition, the composition of the Supervisory Board as well as a general description of the functions of the Supervisory Board and its committees can be found on our website at [www.allianz.com/supervisory-board](https://www.allianz.com/supervisory-board). There you will also find the CVs of the members of the Supervisory Board.

## Directors' dealings

Members of the Board of Management and the Supervisory Board as well as persons closely associated with them, are obliged by the E.U. Market Abuse Directive to disclose to both Allianz SE and the German Federal Financial Supervisory Authority any transactions involving shares or debt securities of Allianz SE or financial derivatives or other instruments based on them, as soon as the value of the securities acquired or divested by the member amounts to twenty thousand euro or more within a calendar year. These disclosures are published on our website at [www.allianz.com/directorsdealings](https://www.allianz.com/directorsdealings).

## Annual General Meeting

Shareholders exercise their rights at the AGM. When adopting resolutions, each share carries one vote. Shareholders can follow the AGM's proceedings on the internet and be represented by proxies. These proxies exercise voting rights exclusively on the basis of instructions given by the shareholder. Shareholders are also able to cast their votes via the internet in the form of online voting. Allianz SE regularly promotes the use of online services.

The AGM elects the shareholder representatives of the Supervisory Board and approves the actions taken by the Board of Management and the Supervisory Board. It decides on the appropriation of net earnings, capital transactions, the approval of intercompany agreements, also on the approval of the remuneration system presented by the Supervisory Board for the members of the Board of Management and the remuneration of the Supervisory Board, as well as changes to the company's Statutes. Resolutions of the AGM shall be passed, unless mandatory legal provisions require otherwise, by a simple majority of the valid votes cast. In accordance with European regulations and the

Statutes, changes to the Statutes require a two-thirds majority of votes cast, which at the same time represents the majority of the capital stock represented at the time of the resolution, in case less than half of the share capital is represented in the AGM. Each year, an ordinary AGM takes place at which the Board of Management and the Supervisory Board give an account of the preceding financial year. For special decisions, the German Stock Corporation Act provides for the convening of an extraordinary AGM.

## Accounting and auditing

The Allianz Group prepares its accounts according to §315e of the German Commercial Code ("Handelsgesetzbuch – HGB") on the basis of the International Financial Reporting Standards (IFRS) adopted by the European Union. The annual financial statements of Allianz SE are prepared in accordance with German law and accounting rules.

In compliance with the special legal provisions that applied to insurance companies until fiscal year 2021, the auditor of the annual financial statements and of the half-yearly financial report have been appointed by the Supervisory Board, not the AGM. In the future, such appointment will be the responsibility of the AGM. The audit of the financial statements covers the individual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group.

We inform our shareholders, financial analysts, the media, and the general public about the company's situation on a regular basis and in a timely manner. The annual financial statements of Allianz SE, the Allianz Group's consolidated financial statements, and the respective management reports are publicly available within 90 days of the end of each financial year. Additional information is provided in the Allianz Group's half-yearly financial reports and quarterly statements. Information is also made available at the AGM, at telephone conferences for analysts and journalists, and on the Allianz Group's website. Our website also provides a financial calendar listing the dates of major publications and events, such as annual reports, half-yearly financial reports, and quarterly statements, AGMs, and analyst conference calls as well as financial press conferences.

You can find the 2022 financial calendar on our website at [www.allianz.com/financialcalendar](https://www.allianz.com/financialcalendar).

## Information in accordance with the German Act on Equal Participation of Women and Men in Executive Positions in the Private and the Public Sector

This section outlines the targets set for Allianz SE and the other companies of the Allianz Group in Germany that are subject to co-determination (the "subsidiaries concerned") for the Supervisory Board, the Board of Management, and the two management levels below the Board of Management.

Article 17(2) of the German SE Implementation Act stipulates that as of 1 January 2016, the share of women and men among the members of the Supervisory Board of Allianz SE must each total up to at least 30%. The Supervisory Board currently in office fulfills this requirement as it includes four women (33%) and eight men (67%).

In August 2017, the Supervisory Board set a target for the percentage of women on Allianz SE's Board of Management at 30% to be achieved by 31 December 2021. As of 31 December 2021, the percentage of women on Allianz SE's Board of Management decreased to 20% due to the resignation of Ms. Hunt from the Management Board. In light of the appointment of Ms. Boshnakova as member of the Board of Management as of 1 January 2022, and the resulting increase in the size of the Board of Management to 11 members, the percentage of women on the Board of Management increased to 27.27%.

As regards the proportion of women on the first and second management levels below the Board of Management, the Board of Management of Allianz SE has set a target of 20% and 30%, respectively, to be met by 31 December 2021. As of 31 December 2021, this target was met for the first management level, with a percentage of women of 29%, but could not be met on the second level with a percentage of 26%. The first two management levels below the Board of Management comprise a very small comparative group of executives. No suitable female candidates could be identified for the very few positions that became vacant in the period considered.

In the longer term, Allianz aims to place women in at least 30% of the positions at these two management levels throughout the Group.

With regard to the Supervisory Boards of the subsidiaries concerned, the target quotas for eight out of nine subsidiaries concerned were set at 30% and the target quota for the remaining subsidiary concerned was set at 33% for 31 December 2021. Seven of the nine subsidiaries reached this target as of 31 December 2021. The target quotas for the respective Board of Management of the subsidiaries concerned were between 20% and 30% (24% on average) for 31 December 2021 and were met by seven of the nine companies as of 31 December 2021. For the two management levels below the Board of Management, the respective Boards of Management of the subsidiaries concerned had set target quotas between 17% and 33% (23% on average) for 31 December 2021 for the first management level and target quotas between 20% and 33% (26% on average) for 31 December 2021 for the second management level below the Board of Management. As of 31 December 2021, the targets were met by seven of the nine subsidiaries concerned at the first management level, while six of the nine companies met the targets set for the second management level. Despite increased efforts to promote women in the Allianz Group and also at the individual subsidiaries, it was not possible to achieve the targets in these cases, as it was not always possible to identify suitable female candidates for all vacant positions. Allianz continues to work to achieve these targets.

# NON-FINANCIAL STATEMENT

## About the report

This section has been compiled in accordance with the Corporate Social Responsibility (CSR) Directive Implementation Act (E.U. Directive 2014/95/EU). It focuses on the concepts and key performance indicators (KPIs) that reflect our most material sustainability issues. The KPIs included are: Net Promoter Score (NPS); Inclusive Meritocracy Index (IMIX); environmental indicators – greenhouse gas (GHG) emissions per employee and percentage of renewable electricity; the carbon footprint of our proprietary investment portfolio for listed equities and corporate bonds; and the E.U. taxonomy eligibility indicators for our underwriting, proprietary investments and third-party assets. Emerging consumers is no longer considered to be one of the material topics and is not covered in this report.

The concepts contained in this report are in line with the content of our Group Sustainability Report 2021, which is compiled in accordance with the standards set out by the Global Reporting Initiative (GRI) and will be published on 29 April 2022.

This non-financial section of our 2021 Annual Report covers the entire Allianz Group and also includes the relevant non-financial information for Allianz SE. All measures, activities and key figures refer to the 2021 financial year (1 January 2021 to 31 December 2021). Where appropriate, we compare our targets set in the previous year with the achievements from this year and define our targets for next year. Unless otherwise stated, we use the control principle defined by the International Financial Reporting Standards when determining the scope of our reporting for the Allianz Group.

This non-financial statement is an integral part of the management report and, as such, is subject to the statutory audit of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

Any references to information published outside the Group Management Report and Allianz SE's Management Report are supplementary, do not form an integral part of this non-financial information, and are not subject to any assurance engagement (unless specified in the respective document).

## Company description

We provide property-casualty and life/health insurance as well as asset management products and services to our customers around the world. In our activities as a financial services provider, we take sustainability-related risks such as climate change into consideration and pursue opportunities from sustainability trends. We describe our management approach to these matters in this section.

For further information on our business model, see our [Business Operations](#) chapter in the Allianz Group's Annual Report 2021, and our Group Sustainability Report 2021, [↗](#) section 01.2 [↗](https://www.allianz.com/en/sustainability.html) <https://www.allianz.com/en/sustainability.html>.

## Corporate sustainability governance and strategy

We create sustainable economic value by pursuing a long-term approach to environmental stewardship, social responsibility and corporate governance. This is critical to our business success as we deliver on our promises to our stakeholders – in particular our customers, employees, investors and communities. We continually adapt our business strategy and sustainability approach to address evolving and emerging issues to deliver on our purpose **"We secure your future"**.

### Governance

As the Group's parent company, the ultimate responsibility for all matters relating to sustainability resides with the Board of Management of Allianz SE. To support the Board of Management in its respective decision-making process, Allianz SE has established a dedicated Group Sustainability Board (known until January 2022 as the Group ESG Board) as an advisor on all matters around sustainability. It is composed of members of the Board of Management of Allianz SE and Group Center heads, and meets at least quarterly. The core responsibilities of the Group Sustainability Board are: Preparing the overall framework for sustainability for the Allianz Group, aligning sustainability (ESG) integration into the Allianz Group's business processes with Allianz as an organization (operations and organization) and Allianz as a financial institution (investment, insurance, asset management) as well as related internal and external communication. Furthermore, it assumes responsibility for the oversight and steering of overarching sustainability matters, such as topics concerning the climate, society and governance.

The work of the Group Sustainability Board is also supported by corporate functions and operating entities, which implement sustainability matters in their activities.

As a further measure to strengthen sustainability matters within the Allianz Group, in 2021, the Supervisory Board of Allianz SE established its Sustainability Committee to oversee ESG issues, to advise the Board of Management on ethical standards concerning the usage of data (Data Ethics), and to monitor the Board of Management's sustainability strategy. It supports with sustainability-related target setting and performance reviews for Board of Management remuneration.

Other Board of Management committees play an important role in decision-making processes:

- The Group Finance and Risk Committee oversees risk management and monitoring, including sustainability risk.
- The Group Underwriting Committee monitors the underwriting business and related risk management, including sustainability-related matters.
- The Group Investment Committee focuses on fundamental investment-related topics, including sustainability-related matters

In 2021, the variable component of the board members’ remuneration (individual contribution factor) considered a range of sustainability-related targets:

- Decarbonization of Allianz operations: 14 percent reduction of greenhouse gas (GHG) emissions per employee by 2021 from a 2019 baseline.
- 70 percent of all electricity consumed in 2021 to be renewable.
- Develop operative implementation plan to reach minus 25 percent CO<sub>2</sub> emissions (Scope 1 & 2 of investee companies according to GHG Protocol), absolute reduction on public equity and listed corporate debt by year-end 2024 from a 2019 baseline.
- Strong sustainability positioning in three major sustainability ratings: DJSI/S&P Global, MSCI, Sustainalytics.

**Targets and achievements: sustainability ratings**

Rating	Targets 2021	Achievements 2021	Targets 2022
DJSI/S&P Global	Top 5	Top rank (2020: 98th percentile)	Top 5
MSCI <sup>1</sup>	AA - AAA	AAA (2020: AAA)	AA - AAA
Sustainalytics <sup>2</sup>	Top 5 diversified insurance sub-industry	#7 diversified insurance sub-industry (2020: #2 diversified sub-insurance industry)	Top 5 diversified insurance sub-industry

- On top of these specific sustainability-related targets, other non-financial factors, such as customer satisfaction (NPS) and employee engagement (IMIX), also contribute to board members’ remuneration.

For further details about the targets and achievements, please refer to the respective chapters. These KPIs are also used for steering local entities. For further details about the remuneration system, please refer to the “Variable Remuneration System” in the [Remuneration Report](#) of the Annual Report 2021.

In January 2021, responsibility for the sustainability agenda was assigned by the Board of Management of Allianz SE to the new Global Sustainability function. Global Sustainability leads, coordinates, supports, and/or orchestrates the Allianz’s Group Centers and operating entities to effectively integrate the Group’s strategic sustainability approach and policies into their business processes.

As of the reporting cycle 2021, responsibility for sustainability reporting shifted from Global Sustainability to Group Accounting and Reporting, which collaborates closely with Global Sustainability to produce this report. In June 2021, a Sustainable Operations function was established within Group Operations and IT. The new department will strengthen the sustainability approach of operating entities with a primary focus on IT infrastructure and applications, facility management, procurement, and business travel.

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**Materiality**

To make a positive impact on society, we must understand and respond to the changing context in which we operate. Our materiality assessment enables us to stay on top of trends, and to align our approach, reporting and strategy with the sustainability issues that are most important to our stakeholders and our businesses. We have recognized six relevant stakeholder groups: customers, employees, NGOs, media, rating agencies, and some of our peers performing the best in terms of their materiality assessments, according to one leading sustainability rating.

We consider the outcomes of the materiality assessment in our sustainability approach, strategy and reporting. This drives us to focus on the risks, opportunities, issues and impacts that matter most to our key stakeholders and which we have the ability to influence.

Our most recent assessment was carried out in 2021 in line with the GRI standard. Our improved approach used an increasing number of data sources as well as data points within these sources.

We identified 19 material issues which were prioritized as having either high or medium importance. Topics are ranked and presented in a materiality matrix according to German Commercial Code (“Handelsgesetzbuch – HGB”) requirements and based on stakeholder views on their importance to society and to our business. The highest rated topics for all stakeholders were:

- climate change,
- ethics and responsible business,
- cybersecurity.

For additional details on how the materiality analysis process was performed as well as how the most relevant topics are covered throughout our business activities, please refer to our Group Sustainability Report 2021, section 05.3 [Group Sustainability Report<sup>3</sup>](#).

**Sustainability approach**

Our 2025 ambition is to move Allianz from a leading company to a sustainability shaper of the financial services sector and beyond. Our sustainability strategy drives how we run our business with our employees, how we manage our portfolios, and how we target our activities to have a positive influence on our industry to create real world economic, social and environmental impact.

We deliver our ambition by fully integrating three main themes in our sustainability approach:

- Environmental (E) – low-carbon economy, climate change and decarbonization
- Social (S) – social impact
- Governance (G) – sustainability business integration

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3\_Group Sustainability Report will be available as of 29 April 2022 on [www.allianz.com/sustainability](http://www.allianz.com/sustainability).



We continued to make sustainability a priority in many dimensions of our business in 2021. Our new sustainability structure and governance also emphasizes our sustainability strategy and goals in our compensation structures and incentive systems for managers. [🔗](#) sections 01.3 and 05.5 [🔗](#) **Group Sustainability Report**.

## Risk management

We ground our strategy in proactive risk management to detect and address risks across the businesses. Group risk is responsible for this process. We have not identified any remaining principal risks resulting from our operations, business activities, and business relations that could have severe adverse effects on material non-financial matters. Any potential risks and impacts identified throughout our risk assessment have been addressed by the respective concepts we have in place, which we describe in this report.

As a global insurer, investor and asset manager, understanding sustainability issues allows us to reduce risks and capture opportunities in underwriting, claims, proprietary investment management, and asset management. For information on climate-related risks and opportunities, please refer to the [Risk and Opportunity Report](#). Our concepts for all other matters for which reporting is required will be addressed in subsequent chapters. The ESG approach provides part of the foundation for these concepts and is managed by Global Sustainability.

## ESG integration approach

The types of ESG risks Allianz considers to be material in its insurance and investment activities are summarized in the Allianz ESG Integration Framework. We published the fourth version of the Framework in 2021.

ESG risks can turn into legal risks, reputational risks, supply chain and business disruption risks, quality, operational, human-rights, financial, and/or investment risks for Allianz, its customers, and/or its invested companies. ESG topics are integrated in our insurance, investment, and asset management businesses through multiple instruments. They include internal standards, guidelines, and processes, such as [the Allianz Standard for Reputational Risk and Issue Management \(AS RRIM\)](#), [the Allianz Standards for P&C Underwriting \(ASU\)](#), and the [Allianz ESG Functional Rule for Investments \(EFRI\)](#).

An overview of the Group's key ESG integration processes is described below:

- ESG risks are managed through the ESG-sensitive business guidelines outlined in the AS RRIM, in underwriting, proprietary investments in non-listed asset classes and operations.
- For investments in listed asset classes, the Allianz ESG scoring approach (defined in EFRI) is applied to manage related risks.
- For proprietary investments, Allianz has excluded investments in companies involved in controversial weapons since 2011. Additionally, we do not provide insurance cover for activities related to such weapons.

- We have restricted proprietary investments in coal-based business models and related property-casualty insurance business. Our criteria for the exclusion of coal-based business models were further expanded in May 2021. Furthermore, we have also excluded oil sands-based business models since May 2021.<sup>1</sup>
- ESG integration in property-casualty insurance is carried out through the application of ESG guidelines and processes.
- Further ESG-related measures include our systematic engagement with investee companies as well as ESG considerations in our selection and management of asset managers.

In 2021, we continued our project to further strengthen ESG risk management by improving the way we identify ESG-related risks in transactions (Property-Casualty insurance, proprietary investments, procurement).

The data related to our ESG integration approach is included in our Group Sustainability Report 2021. An in-depth overview of our approach and processes to integrating ESG is published in the Allianz ESG Integration Framework at [🔗 www.allianz.com/esg-framework](https://www.allianz.com/esg-framework).

In our Asset Management business segment, AllianzGI and PIMCO have developed and implemented entity-specific processes to manage risks and capture opportunities from ESG issues. For proprietary assets that AllianzGI and PIMCO manage on behalf of other Allianz Group entities, group-level requirements are observed in combination with the asset management entities' specific approaches. [🔗](#) sections 02.3 [🔗](#) **Group Sustainability Report**.

## Environmental matters

This section describes the impact of environmental matters on our business activities and relationships as well as the impact of the Allianz's activities and relationships on the environment. Furthermore, we describe our concepts for managing these impacts and related achievements.

### Concepts

Within our global sustainability approach, the pillar "Low carbon economy, climate change and decarbonization" addresses climate change and environmental issues. Both were identified as top risks in our materiality analysis. As a company dealing with risk, managing impact on environmental matters – and their impact on us – is a key element of our business approach.

Not only is climate change a major risk for societies and economies, it also directly affects our business, from our insurance products to our proprietary and third-party investments, and to our company's operations. We are tackling climate change challenges by promoting the transition to a low carbon economy through our investments and insurance solutions. In addition, we actively manage emissions from our operations in line with the Target-Setting Protocol of the UN-convened Net-Zero Asset Owner Alliance (AOA).

<sup>1</sup>Please refer to the target and achievement table in the [Environmental Matters](#) section.

## Climate Change Strategy

The Allianz Group Climate Change Strategy encourages solutions for tomorrow's climate. Besides caring for our customers through our insurance products, we leverage our position as one of the world's largest insurers and institutional investors to help drive the transition to a low-carbon economy. We do this with our own activities, and we contribute to various public/private partnerships.

Climate protection is an integral part of our core business. By committing to net-zero GHG emissions by 2050, we have set long-term climate targets in line with the 1.5°C ambition of the Paris Climate Agreement for our proprietary investments, our insurance, and operations. The Allianz SE Board of Management's remuneration is tied to the attainment of climate-related targets, among other things, which include the successful execution of our Climate Change Strategy.

### Climate targets for proprietary investments

As a member of the AOA, we are committed to reducing the GHG emissions of our proprietary investments to net-zero by 2050. As an intermediary target, we aim to reduce our emissions in our listed equities and tradeable corporate bonds by 25 percent by year-end 2024 compared to 2019. For this purpose, we systematically measure the carbon footprint of our listed equity (2021: 2.26<sup>1</sup> mn t CO<sub>2</sub>e; 2020: unaudited 2.19<sup>2</sup> mn t CO<sub>2</sub>e) and tradeable corporate bonds (2021: 16.43<sup>1</sup> mn t CO<sub>2</sub>e; 2020: unaudited 19.95<sup>2</sup> mn t CO<sub>2</sub>e) portfolio, and disclose the absolute and relative (2021: unaudited -24.9<sup>1</sup>%; 2020: unaudited -15.4%)<sup>3</sup> portfolio carbon footprint values. Furthermore, our real estate portfolio's emissions will be aligned with science-based 1.5°C pathways by 2025. We have also set emissions reduction and engagement targets in line with 1.5-degree pathways for our infrastructure portfolio.

For further details on our targets and our carbon footprint, please refer to our Group Sustainability Report 2021, section 05.7.

To complement our portfolio climate targets for investments, we have set targets for two of the highest-emitting industries as well, namely utilities, and oil and gas.

### Utilities

Complementing our coal phase-out commitment by gradually increasing our investments in renewables and following at least the necessary annual growth rate of 5.85% as proposed by the International Renewable Energy Agency (IRENA) as a minimum.

### Oil and gas

Supporting the commitment set out by the industry-led Oil & Gas Climate Initiative (OGCI) to limit the emission intensity for Scope 1 and 2 emissions of oil and gas companies in their exploration and production business ("upstream") to less than 20 kg CO<sub>2</sub>e per barrel of oil, and aligning our oil and gas exposure on average-listed equity and corporate bonds portfolio to this intensity level.

We are engaging with oil and gas companies to encourage them to set net-zero emissions by 2050 targets for Scope 1 and 2 emissions.

By 2025, we aim for at least 50 percent of our assets under management in the oil and gas sector to have set these targets.

### Anticipating climate risks

Our Climate Change Strategy aims to anticipate the risks of a changing climate. We systematically consider climate and sustainability criteria in our insurance and investment business. In 2021, we reviewed our approach to identifying and managing climate change risks and opportunities. Using internal models and external tools, we perform sensitivity and scenario analyses with time horizons extending to 2050, and with global warming scenarios ranging from 1.5°C to 4°C.

For more details on climate scenario analyses, see section 04.4 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

In pursuing our investment business, we consider climate-related criteria such as carbon emissions, energy efficiency, vulnerability to climate change, and opportunities in clean tech as part of our ESG integration approach for listed and non-listed assets. We also systematically engage with investee companies exposed to high ESG risks, offering advice and encouraging them to define and pursue their own climate strategies in line with the latest scientific findings.

For further insights into the Allianz Group's ESG engagement approach, please refer to our Group Sustainability Report 2021, section 02.2.1 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

As part of our decarbonization strategy, we commit to fully withdrawing from coal-based business models across our proprietary investment and Property-Casualty portfolios by 2040 at the latest.

For further information on our coal policy, please refer to our "Statement on Coal-Based Business Models" [https://www.allianz.com/content/dam/onemarketing/azcom/Allianz\\_com/responsibility/documents/Allianz-Statement-coal-based-business-models.pdf](https://www.allianz.com/content/dam/onemarketing/azcom/Allianz_com/responsibility/documents/Allianz-Statement-coal-based-business-models.pdf).

For more information on our current state of progress, please see section 02.2.1 of our Group Sustainability Report 2021 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

### Caring for the climate-vulnerable

We support our customers to reduce climate-related risks and minimize damage, compensating those who have suffered losses and insuring low-carbon developments. We prioritize collaboration with our peers, governments and civil society to manage climate risks and to "close the protection gap" in the most vulnerable parts of society.

We are piloting new approaches that combine insurance offerings with resilience-strengthening measures. For instance, approaches to incentivizing risk reduction include dedicated training and advice as well as risk-differentiated premium structures. Key initiatives include the InsuResilience Global Partnership, Insurance Development Forum (IDF), the Munich Climate Insurance Initiative (MCII) and the Geneva Association Global Partnership. Since 2018, we have implemented disaster risk management and transfer projects through our strategic alliance with the German Development Agency (GIZ).

1\_2021 carbon footprint figures impacted by COVID-19 and strong equity market performance; normalization expected in 2022.

2\_Figures have been restated due to a change in methodology.

3\_Figures have been restated due to a change in methodology, resulting in a lower baseline.

## Enabling the net-zero economy

Promoting the transition to a low-carbon economy and playing our part in limiting global warming to 1.5°C are among our key concerns, while at the same time offering business opportunities as an investor but also as an insurer. We provide insurance solutions for renewable energy and energy-efficiency solutions. We also invest in low-carbon technologies such as renewables and energy efficiency.

We work with policymakers and regulators to support sustainable financing and achieve the goals laid down in the Paris Climate Agreement. We also promote transparency through climate-related disclosures by aligning our strategy and reporting with the recommendations of the G20 Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), and expecting the same from our investee companies and commercial clients.

For more details on the TCFD, please refer to our Group Sustainability Report 2021 section 04 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

## Targets and achievements: Climate Change Strategy

Topic	Targets 2021	Achievements 2021	Targets 2022 and beyond
Decarbonizing our investments	Set long-term and intermediary climate targets (by year-end 2024) for proprietary investments in line with 1.5°C, based on AOA framework for target setting.	We have set long-term and intermediary climate targets (see also Targets 2022 and beyond). We are working towards our first intermediate year-end 2024 target as part of our "net-zero by 2050" commitment for our proprietary investment portfolio. Unaudited 24.9 % <sup>1</sup> emission reduction (baseline 2019)	As an intermediary target, we aim to reduce our emissions in listed equities and tradeable corporate bonds by 25 % by year-end 2024, compared to the 2019 baseline. The fully owned real estate portfolio will be in line with scientifically based 1.5-degree pathways by 2025. We also set emission reduction and engagement targets for our infrastructure portfolio in line with 1.5-degree pathways.
Phase out of coal-based business models	<ul style="list-style-type: none"> <li>– Fully phase out coal-based business models across our proprietary investments and P&amp;C portfolios by 2040 at the latest, in line with the 1.5°C pathway.</li> <li>– Engage with companies in proprietary investment as well as P&amp;C portfolios to move away from coal.</li> </ul>	<p>In 2021, we tightened our coal approach in both proprietary investments and Property-Casualty underwriting by also restricting companies that plan new thermal coal assets or still have a major coal business in place (5 gigawatts of installed coal capacity or 10 million tons mined annually).</p> <p>For further insights into our divestments, please refer to our Group Sustainability Report 2021, section 04.</p>	<ul style="list-style-type: none"> <li>– Fully phase out coal-based business models across our proprietary investments and Property-Casualty portfolios by 2040 at the latest.</li> <li>– Reduce threshold for coal-based business models for P&amp;C insurance as well as investment portfolios from current 30 % to 25 % as of 31 December 2022.</li> </ul>
Net-Zero Asset Owner Alliance	<ul style="list-style-type: none"> <li>– Further increase the number of members and assets under management.</li> <li>– Develop inaugural Target-Setting Protocol.</li> <li>– Engage with policy-makers, regulators, sectors and companies.</li> </ul>	<p>Together with our partners at the AOA, we achieved the following:</p> <ul style="list-style-type: none"> <li>– Grew to 65 members across three continents with &gt; USD 10 tn AUM.</li> <li>– Developed 2<sup>nd</sup> version of the Target-Setting Protocol.</li> <li>– Conducted engagements with policy-makers, regulators, energy agencies, sectors and companies.</li> <li>– Published a number of position papers and statements.</li> <li>– Published first AOA progress report.</li> </ul>	<ul style="list-style-type: none"> <li>– Work across all dimensions of the Alliance commitment and Target-Setting Protocol</li> <li>– By 2023: Disclosure of quantitative joint AOA report.</li> </ul>
Net-Zero Insurance Alliance	We will actively contribute to the establishment of the UN-convened Net-Zero Underwriting Alliance alongside other insurance firms around the world.	Allianz co-founded the UN-convened Net-Zero Underwriting Alliance alongside other insurance firms around the world.	<ul style="list-style-type: none"> <li>– Transitioning all operational and attributable GHG emissions from its insurance and reinsurance underwriting portfolios to net-zero GHG emissions by 2050, consistent with a maximum temperature rise of 1.5°C above pre-industrial levels.</li> <li>– Launch of the NZIA Target-Setting Protocol is expected at the latest in January 2023. First individual intermediate targets for 2030 are expected to be released by mid-2023 at the latest.</li> </ul>

<sup>1</sup> 2021 carbon footprint figures impacted by COVID-19 and strong equity market performance; normalization expected in 2022. Figures have been restated due to a change in methodology, resulting in a lower baseline.

## Environmental management of our operations

We manage the most significant environmental impacts of our operations and aim to continuously improve our environmental performance. Allianz strives to be a role model in the insurance industry in delivering its own targets on environmental protection and climate change. For our operations, this means specifically:

- Reduce the amount and carbon intensity of the energy consumed by our operations, in particular through energy-efficient planning, construction and operation of buildings, sourcing green electricity, and using carbon-efficient vehicles,<sup>1</sup>
- Reduce the environmental impact of our business travel,
- Use resources – in particular paper and water – efficiently,

- Minimize the environmental impact of waste by avoiding, reducing, re-using, and recycling it as appropriate.

Further, we include environmental factors in our sourcing and procurement processes, seeking to raise suppliers' and contractors' awareness and action on climate change and the environment. In 2021, we made Energy Sourcing a strategic priority and established central governance and expertise within the Sustainable Operations office.

Our group-wide **environmental management system** (EMS) provides standards and controls, supports environmental data collection, and promotes transparent reporting on environmental impacts across our operations. It guides us in monitoring and managing our use of resources.

### Targets and achievements: environmental management of our operations

Topic	Targets 2021	Achievements 2021	Targets 2022 and beyond
GHG emissions per employee	Reduce carbon emissions by 30 % per employee by 2025, against a 2019 baseline.	<ul style="list-style-type: none"> <li>– Our carbon footprint per employee was 0.9 tons (2020: 1.4). This represents a 60 % reduction (2020: 42 %), against a 2019 baseline.</li> <li>– This reduction was mainly the result of increasing the share of renewable power in our energy mix, delivering a structured approach to energy management, and reduced business travel resulting from COVID-19. We expect to include GHG emissions from remote and hybrid working within the scope of our reporting to reflect upcoming infrastructure changes.</li> </ul>	Reduce carbon emissions by 30 % per employee by 2025, against a 2019 baseline.
Renewable electricity	Source 100 % renewable electricity for our operations by 2023.	The share of renewable electricity in total electricity used was 77 % (2020: 57 %). This was mainly achieved through a combination of strategic discussions with suppliers on "green tariffs", expanding the use of on-site renewable technologies and first-time use of "unbundled" <sup>2</sup> renewable Energy Attribute Certificates.	Source 100 % renewable electricity for our operations by 2023.

The scope of our environmental reporting includes all entities that, at the time of writing the reports, have been part of Allianz for at least a full reporting year. In 2021, we collected environmental data for entities corresponding to 96 % of our total employee base.<sup>2</sup>

This permits performance monitoring as well as the comparison and benchmarking of entities based on comparable system boundaries. GHG values reported refer to the sum of Scopes 1, 2, and 3 as defined in the Greenhouse Gas (GHG) Protocol. GHG emissions considered under Scope 3 include business travel, paper use, and energy-related emissions such as transmission and distribution losses. Scope 2 emissions are calculated applying market-based factors.

## Social matters

This section describes the impact of social matters on our business activities and relationships and the impact of the Allianz Group's activities and relationships on society. We describe the concepts and achievements related to the management of these impacts with a focus on social impact and responsible consumer/sales policies.

## Concepts

We believe business can only thrive as part of an equitable society. With our global footprint, Allianz has an opportunity to create positive impact using its expertise as an investor and insurer around the world. Our long-term approach as an investor and insurer is an opportunity to offer measures that can mitigate future risks and shape societies for generations, for example through pension systems, environmental and climate protection. As a global insurer, we uphold the principle of solidarity. Pooling risks is at the heart of our business model, and we have a keen interest in supporting stable communities. This also includes taxes, which are a meaningful contribution to the economic and social development of the countries in which we operate. We have a role to play in ensuring next generations can overcome the economic and social impacts of the pandemic and other systematic social risks.

Information on our Tax Strategy and our approach to taxes is provided to stakeholders through section 03.5 of the Group Sustainability Report 2021, and the Tax Transparency Report 2021.

For further insights into our concepts, see section 01.4 of our Group Sustainability Report 2021 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

<sup>1</sup>In locations where no direct renewable energy solution is available, we partly purchase Energy Attribute Certificates (EACs) issued to renewable electricity generators operating within the same market boundary as the claimant.

<sup>2</sup>The data is based on meter readings or invoice amounts (where available), and entities' own estimations. Wherever the necessary data cannot be determined in this way and with reasonable effort, it is extrapolated – either for entire entities or for part(s) of them – based on the relevant headcount.

## Social impact

Our Social Impact Strategy aligns with our company purpose “We Secure Your Future”, and we continued to evolve our Next Generation Strategy throughout 2021. We decided to prioritize United Nations Sustainable Development Goal 8 (Decent work and economic growth) for our group-wide corporate citizenship activities.

We are committed to strengthening our efforts for our two main beneficiary groups – next generations (children and youth) and people

with disabilities, in alignment with the Allianz Group’s global diversity and inclusion strategy.

In the first half of 2022, we aim to publish our renewed Social Impact Strategy and will set targets for 2022 and beyond. We are also in the process of developing detailed guidance and financial support for local entities to embed our global to local approach.

For more information on our Social Impact, please see section 03.1 of our Group Sustainability Report 2021

🔗 [www.allianz.com/sustainability](http://www.allianz.com/sustainability).

### Targets and achievements: societal impact

Topic	Targets 2021	Achievements 2021	Targets 2022
Social Impact Strategy	Continue with the implementation of the new strategy.	In 2021, we continued to evolve our Social Impact Strategy and approach. We published our Guidance on Corporate Citizenship Activities and Guidance on Social Impact Measurement for Corporate Citizenship Activities.	Continue with the implementation of the new strategy and roll out of the impact measurement framework.
Corporate citizenship activities	Continue to contribute to society through corporate giving and employee volunteering in alignment with our strategy.	In 2021, the Allianz Group contributed through Corporate Giving and employee volunteering as well as activities through its 12 corporate foundations. We had corporate citizenship activities benefiting communities worldwide. We launched the Allianz Social Impact Fund to foster OEs to carry out local activities in line with our strategy.	Continue to contribute to society through corporate giving and employee volunteering in alignment with our strategy. Identify and launch activities that would be supported through the Allianz Social Impact Fund.
Long-term global partnerships	Increase the resilience and equal opportunities of children and young people in 2021 by focusing specifically on Emergency Preparedness & Response and Youth Employability programs.	In 2021, our partnership with SOS CVI with a focus on Emergency Preparedness & Response and Youth Employability programs (e.g., YouthCan!) continued. As planned, the partnership came to an end after six years at the end of 2021.	Continued review of our global partnership and development of a partnership framework for local Corporate Citizenship activities.

## Responsible consumer / sales

Our strong reputation is built on customers’, shareholders’, employees’ and the general public’s trust in our integrity. This trust hinges on the quality of our products, the information and advice we provide to our customers, and the personal conduct and capabilities of our sales employees and representatives.

The Allianz Group Code of Conduct (CoC) is at the core of our corporate culture. The Code emphasizes that fairness towards customers and transparent communication about our products and services, including their limitations, maximizes our chances to earn customers’ long-standing trust. This is expressed through our **Global Sales Compliance Framework** program which specifies standardized processes and controls for communication, monitoring and review, and is regularly updated to reflect regulatory developments.

The **Allianz Standard for Sales Compliance** is our consolidated customer protection framework. In addition to providing ground rules for compliant and ethical sales practices across the Allianz Group, it lays down a set of key principles to ensure fairness, transparent information and value to customers – including distributors’ remuneration, product oversight and governance activities – and outlines the specific sales compliance risks our business segments face.

Since 2006, we have used the **Net Promoter Score** (NPS) as our key metric for measuring customer loyalty through customer willingness to recommend Allianz. As of 2022, we will switch to digital NPS tracking to measure customer loyalty continuously, eliminating seasonality and deepening our understanding of customers’ sentiment. Additionally, this new measurement will set higher standards (e.g., broader set of competitors), therefore we have adjusted our digital

NPS targets accordingly. Our Group ambition is to reach 50 percent of loyalty leaders by 2024.

Our **Voice of the Customer program** applies a holistic and standardized methodology to monitor and improve the customer journey by collecting real-time qualitative and quantitative feedback. After each point of contact a customer has with Allianz, they are invited to state their satisfaction on a five-star scale at predefined touchpoints along five customer journeys. We use insights from Voice of the Customer, NPS, and other customer feedback to improve our products, services and processes, both globally and locally. We analyze data to prioritize and implement structural improvements. As most complaints across customer journeys and markets are related to the speed of our processes, we are continuously working to improve this globally through the **Allianz Customer Model** (ACM).

The ACM is our end-to-end global business model, putting the customer at the center of our business and enabling Allianz to be simple, digital and scalable. Simplifying and harmonizing our business globally means transforming the whole value chain: products, sales, claims and operations. ACM was initially designed for Retail Property and Casualty lines, and then extended to Health, Life, B2B2C, Mid Corp, Large Corporate and Reinsurance. We are scaling ACM via the Business Master Platform (BMP) to digitalize the business requirements. ACM aims to give our customers, agents and partners the same experience when interacting with Allianz, wherever they are in the world.

For more information on our approach to customer responsibility and compliance, please see section 02.5 of our Group Sustainability Report 2021 🔗 [www.allianz.com/sustainability](http://www.allianz.com/sustainability).

### Targets and achievements: responsible consumer / sales

Topic	Targets 2021	Achievements 2021	Targets 2022-2024
Global NPS performance	For over 75 % of Allianz Group business segments to outperform their local market (meaning either above market or Loyalty Leader position).	<ul style="list-style-type: none"> <li>- 48 out of 57 measured segments have been either above local market or Loyalty Leaders, resulting in a share of 84 % (2020: 79 %).</li> <li>- 33 out of 57 measured segments have been Loyalty Leaders, resulting in a share of 58 % (2020: 60 %).</li> </ul>	<ul style="list-style-type: none"> <li>- Digital NPS tracking.</li> <li>- Our Group ambition is to reach 50 % loyalty leaders by 2024<sup>1</sup>.</li> </ul>

## Cybersecurity

This section describes the impact of cybersecurity on our business activities and relationships as well as the impact of the Allianz Group's activities and relationships with regard to IT topics as a whole. In addition, we describe the concepts and achievements related to the management of these impacts with a focus on information security, data privacy and data ethics.

### Information security

Information security is assessed and tracked as one of the top risks faced by Allianz, and is closely managed along eight key risk indicators across the Allianz Group. Performance against these indicators is reported quarterly to the Board of Management and Supervisory Board.

The **Allianz Information Security governance framework** is robust and comprises multiple layers of corporate rules and processes. An overall policy establishes core principles, roles and responsibilities as well as the organizational framework for information security within the Allianz Group. Measures to prevent cyber incidents are prioritized along the threat landscape. They are implemented at a global level and supplemented locally where required, together with the local Information Security Officers (ISOs) that exist in all Allianz operating entities. Specific measures to improve security controls are continuously evaluated and developed with priorities assigned on a global, regulatory and risk-based basis.

Measures focus on five key risk areas: reducing the likelihood of incidents; increasing detection likelihood; reducing damage from incidents; streamlining compliance; and training/educating the organization to further improve security awareness. All employees are required to participate in at least quarterly cyber-awareness training. Allianz also participates in governmental, industry and global/regional initiatives to support the security of the overall digital ecosystem.

### Data privacy

Protecting our customers' data and maintaining trust in our processes are top priorities. Our customers, employees and other stakeholders expect us to treat their data with the utmost care and we take this responsibility extremely seriously. We are committed to protecting customer privacy and we cooperate closely with other stakeholders involved in the update and modernization of European privacy legislation, including industry associations, members of parliament and authorities. Our group-wide privacy program ensures compliance with all relevant data privacy laws and regulations. All data privacy matters are overseen by Group Data Privacy.

The **Allianz Privacy Framework** (APS) is our global standard for data privacy. It defines rules and principles for collecting and processing personal data, and includes a global standard for data privacy, a privacy impact assessment and risk management process, integration with information security standards and practices, and dedicated training programs for employees. **Digital privacy guidelines** provide guidance on privacy-related topics that affect digital projects, both for privacy by design as part of new-product and service design processes, and for privacy by default - this means that wherever individuals are given choices on the use and sharing of their personal data, default settings restrict the disclosure.

As part of our **Privacy Risk Management**, we consider the identification and management of privacy risks as an integral part of our operational processes. Privacy risks are also included in our **Integrated Risk and Control System** (IRCS). For so-called high-exposure processes that use personal data, we carry out **Privacy Impact Assessments** (PIAs) to allow early identification of high-risk areas and ensure they are appropriately managed over the project lifecycle. Privacy champions have been appointed across Allianz Group companies and are now dedicating a portion of their time to deal with privacy related topics. In 2021, we developed a global privacy risk and controls "blueprint" to support local compliance efforts with the APS across the entire Allianz Group. The blueprint provides a tool for identifying data privacy risks in local business processes and addressing those risks by mapping them to standard controls.

We monitor privacy governance activities and processes across our operating entities through a robust process, which includes site visits, reviews of program documents, interviews and expert challenge calls. During the pandemic, site visits were replaced with virtual meetings without any loss in efficacy.

For more information on our commitment to data privacy, please see section 03.2.1 of our Group Sustainability Report 2021 [www.allianz.com/sustainability](https://www.allianz.com/sustainability).

### Data ethics

Allianz values data as a key asset and strives to position itself as a leading player in leveraging data in the most compliant and ethical way, both as an insurer and an investor. We set up the Allianz Data Ethics Project in response to the increasing regulatory initiatives and public debate on data ethics and AI worldwide, to strengthen the internal governance framework for AI, and to position Allianz in the regulatory field.

In 2021, we established a **Data Advisory Board** (DAB) which covers data ethics and selected data-related topics on a more

<sup>1</sup>Digital NPS tracking allows us to measure customer loyalty continuously and against a broader set of competitors. This new measurement will set higher standards therefore we have adjusted our digital NPS targets according

permanent basis. The DAB consists of representatives from operating entities and functions, including Data Analytics, Data Architecture, Privacy and Regulatory Affairs. Its objectives include elevating data ethics-related topics in governance and decision-making processes, and positioning Allianz as a leading insurer and investor in the Ethical and Effective usage of Data and Artificial Intelligence/Analytics.

In addition, newly developed [Allianz Practical Guidance for AI](#) was rolled out in various operating entities, accompanied by a dedicated communication and training program for relevant employees.

#### Targets and achievements: cybersecurity

Topic	Targets 2021	Achievements 2021	Targets 2022
Information security executive accountability	Define and include information security targets for all responsible board members, including local Operating Entities (OEs) to ensure appropriate focus on securing Allianz.	Target objectives for all OEs included key information security risk indicators in addition to targets for strategic programs related to information security. Additionally, a mechanism was devised to ensure a direct link between information security standing and reward.	Further upgrade targets and risk indicator monitoring, linking them to quantified risk exposure and roll-out of global cyber-risk management strategy.
Data privacy & data ethics	Privacy Champions will be appointed in all business units that process personal data across Allianz Group companies. Privacy Champions are employees who dedicate a portion of their time to dealing with privacy-related topics, including PIAs, records of processing activities, data incidents, and data access requests.	Privacy Champions were appointed across Allianz Group companies and are now dedicating a portion of their time to deal with privacy-related topics. We developed a global privacy risk and controls "blueprint" to support local compliance efforts with the APS across the entire Allianz Group. The blueprint provides a tool for identifying data privacy risks in local business processes and addressing those risks by mapping them to standard controls.	Deploying new data privacy controls for supplier management concerning the pre-selection, contracting, ongoing monitoring, and off-boarding of data processors. Deploying a rigorous new training program for privacy professionals and privacy champions. Rollout of the AI Practical Guidance to all EU Renewal Agenda Committee (RACO) Operating Entities.

[Privacy & Ethics Impact Assessments](#) were introduced to identify and address AI-specific risks. They were updated in 2021 and have been applied since 2022. With these measures, data scientists, business and control functions dealing with AI solutions are supported to embed "Ethics by Design" in our organization, and oversee challenges and risks in the area of AI.

## Human rights matters

Respect for human rights is a minimum standard for responsible business within and beyond our direct operations. This is an expectation that is reflected by expanding legislation and applied across our global operations. This section describes the impact of human rights issues on our business activities and relationships, and the impact of the Allianz Group’s activities and relationships on human rights issues. We also describe the concepts and achievements related to the management of those impacts. As we are a financial services provider, these concepts mainly relate to insurance transactions, proprietary investments, and our supply chain, and are managed by Global Sustainability.

### Concepts

We aim to identify, prevent and mitigate adverse human rights impacts linked to our business activities and operations including our supply chain. The **United Nations Universal Declaration of Human Rights** (UDHR) and the United Nations Guiding Principles on Business and Human Rights (UNGP) provide a framework for responsible business operations and activities. We are committed to respecting these standards and have been participating in the **U.N. Global Compact (UNGC)** since 2002, which, through its ten principles, covers human rights, labor standards, environmental protection and anti-corruption. We annually communicate our progress against these principles. Internally, Global Sustainability is the responsible function for overseeing human rights matters. However, implementation of certain processes and actions is taken up by various group functions, including procurement, risk management, HR and compliance, among others. See our latest [U.N. Global Compact](#) annual communication.

To manage our human rights impacts, we must look across each of our roles as an insurer and investor, as an employer, as a company, including our supply chain, and as a corporate citizen. For each of these roles,

we have embedded different processes to manage human rights risks and act on opportunities to drive positive change.

In 2021, we strengthened our approach by publishing a Human Rights Policy embedded in the Allianz Group ESG Integration Framework. We continue to apply ESG and Human Rights Guidelines across all business lines and core processes dealing with insurance, investment and procurement decisions. As a corporate insurer and investor, our human rights due diligence process forms part of our overall ESG approach, which is integrated into our broader risk management system. Please refer to our [ESG approach](#) for further details on the concepts.

We require all our vendors to meet fair labor requirements and practices to prevent modern slavery and ensure compliance with UDHR and the **Allianz Group Vendor Code of Conduct**. Vendors with a spend volume greater than € 250,000 undergo a vendor integrity screening that is based on the requirements laid down in the **Allianz Global Standard for Procurement**. In 2021, we revised the screening questionnaire with additional human rights questions. Screening data and information in compliance with the Code of Conduct forms part of our procurement KPI reporting.

Further details can be found in the [Allianz Group Vendor Code of Conduct](#).

We take an active stance against modern slavery and human trafficking, and pursue a risk-based approach across our business and supply chain. The **Allianz Group Modern Slavery Statement**, last published in June 2021, confirms that no incident of modern slavery, human trafficking, or child labor has been found involving any of the Allianz Group entities over the past year.

For further details on the Allianz Group’s referral process and our Human Rights Guideline, see the Allianz ESG Integration Framework <https://www.allianz.com/esg-framework>.

### Targets and achievements: human rights matters

Topic	Targets 2021	Achievements 2021	Targets 2022
Modern Slavery Act	Continue to report on human rights issues as defined in the Modern Slavery Act.	<ul style="list-style-type: none"> <li>No issues were raised in regard to human rights issues in accordance with the Modern Slavery Act in 2021.</li> <li>Allianz Group Modern Slavery Statement was updated in mid-2021.</li> </ul>	Continue to report on human rights issues as defined in the (UK) Modern Slavery Act.



## Employee matters

This section describes our employees' impact on our business activities and relationships, and vice versa. We describe the concepts, actions and achievements in managing these impacts. All employee matters are managed by the Group HR function.

### Concepts

Delivering our purpose **"We secure your future"** starts with 155,411<sup>1</sup> employees who are part of our diverse and global workforce. Our purpose anchors our Group strategy, employee value proposition, brand promise and customer experience principles, and it drives our decisions and actions. We held our second global Purpose & Strategy Day in autumn 2021 to engage our employees on our purpose.

A diverse workforce enables us to understand and fulfill the needs of our equally diverse customer base. Allianz fosters a culture and working environment where people and performance matter, and where everyone has a voice. We take a strong stance regarding employee engagement, diversity and inclusion, and gender equality. We focus on managing talent, rewarding personal achievements and promoting employee rights. The health, safety, and well-being as well as the training and development of our employees is of utmost importance.

### Our response to the COVID-19 pandemic

We continue to closely monitor the impact of COVID-19 on our global workforce. The pandemic cast a spotlight on the importance of health and mental well-being, and we introduced various measures to support employees and meet our business needs during the crisis. These have included help/advisory lines for physical and mental health issues, preventative health measures, and special support for working parents, such as additional leave to enable parents to take care of unexpected childcare needs.

Convinced that vaccination will help the return to more normality soon, Allianz has conducted vaccination campaigns in 2021. In addition, Allianz booster shot campaigns have started.

### New ways of working

In 2021, we have introduced more flexible, collaborative and agile ways of working that empower our employees, customers and organization. These new Ways of Working (WOW) aim to enhance employee engagement, productivity and innovation, resulting in simpler and prompter service offerings for our customers, resilience to protect us from future crises, and a faster and flatter organization and culture. COVID-19 required us to respond rapidly to unexpected situations and new priorities. The challenges increased the pace of change with respect to how we work together and engage with each other and our stakeholders.

The focus areas for our WOW standards are centered across five categories: 1. Flexible work & Reduced travel, 2. Digital tools, 3. Health & Well-being, 4. Learning, 5. Organization & Culture. For instance, employees across the globe have the opportunity to spend a minimum of 40 percent of their working hours working from home (depending on the position, e.g., mobile worker, office worker, etc.) and the opportunity to work up to 25 days a year abroad in accordance

with local regulations. We have also significantly reduced business travel compared to 2019.

## Business as usual

### Allianz Engagement Survey

The annual **Allianz Engagement Survey** (AES) is our formal employee platform for gathering employee feedback and promoting a high-performance culture. The results of the AES are directly linked to the performance targets for the Group's Board of Management. This year we achieved our second-best result in the Allianz Group's history.

One part of the AES is the **Inclusive Meritocracy Index** (IMIX). It measures our progress in building a culture where both people and performance matter, as we seek to enable employees to unlock their full potential. The IMIX score comprises 10 AES questions covering the areas of leadership, performance and corporate culture.

### Targets and achievements: employee matters

Topic	Targets 2021	Achievements 2021	Targets 2022-2024
IMIX	73 % plus	78 % (2020: 78 %)	75 % plus

### Diversity & Inclusion

In 2021, we rolled out two new policies that underpin the Allianz Code of Conduct: the **Allianz Diversity and Inclusion Policy** describes our rationale for diversity and inclusion (D&I) and how we foster diversity in all its forms, and the **Allianz Anti-Harassment Policy** outlines our global zero tolerance standard against sexual and other harassment and discrimination.

More than 20 CEOs and board members from Allianz entities around the globe are part of the Global Inclusion Council, which has been in place since 2007. It oversees the implementation of our D&I strategy built around three pillars: Employees, Customers, and Brand and Reputation.

We take a strong stance to increase the diversity of our leadership and management, and set new targets and ambitions for December 2024 that extend beyond gender representation and cover the dimensions of generations, nationality and ethnicity, LGBTQ+ and disability. For more information, please see section 02.4.1 of our Group Sustainability Report 2021 and our D&I website <https://www.allianz.com/en/about-us/strategy-values/diversity.html>.

We promote employee networks to raise awareness, support employees, advocate for change and help shape the D&I agenda. At the global level, three new global networks were established in 2021 bringing the total to five, each focused on a key priority for D&I:

- Allianz NEO – gender inclusion,
- Allianz Pride – LGBTQ+ inclusion,
- Allianz Engage – generations inclusion,
- Allianz GRACE – ethnicity and cultural inclusion,
- Allianz Beyond – disability inclusion.

### Strategic workforce planning

The purpose behind the strategic workforce planning initiative is to understand what the transition to a digital future means for Allianz and its people, and how we can equip our workforce with the skills they

<sup>1</sup>Total employees (core and non-core business).

need for the future. Our strategic workforce planning approach compares workforce supply by job profile against projected workforce demand over the next five years to prepare our people for the future. As of 2021, strategic workforce planning is now a structured annual process integrated within the annual planning process. As a result, major upskilling and reskilling initiatives are rolled-out to prepare our workforce for the future.

### Learning & development

Learning and development is a key differentiator in the financial services industry. We focus on promoting lifelong learning through our global #learn initiative, and offer our employees one hour each week dedicated to learning. We employ a wide range of learning and development approaches, including on-the-job learning, mentoring and coaching, classroom training, peer circles, and digital/mobile learning. We have targeted programs in place in key areas, including property and casualty, life and health, IT, strategy, finance, communications, market management and operations. In 2021, we continued #lead: a leadership development initiative for all Allianz people leaders around the globe. The program aims to set a minimum standard for all people leaders with an equal focus on hard and soft skills, in order to ensure the balance between the IQ (intelligence quotient) and EQ (emotional quotient) of our leaders.

### Employee health and well-being

Our goal is to maintain and improve employee health and well-being by providing a global framework with minimum requirements for all Allianz entities to support our new Ways of Working. Based on a pulse survey, we merged the Work Well Program into four Minimum Health Requirements to drive action. The **Minimum Health Requirements** for all operating entities are:

1. Access to professional psychological support for all employees worldwide,
2. Training people leaders to maintain health and well-being in their teams,
3. Touch points to collect employee feedback on their health and well-being,
4. Meeting Free Calendar Days @Allianz.

Health and well-being managers at each operating entity are responsible for driving activities to implement the Minimum Health Requirements. We also rolled out the Allianz health app – Well Together. The aim of this app is to combine the topics of health and sustainability under one holistic platform to motivate our employees to exercise more, live more healthily and – at the same time – protect the environment.

## Compliance/anti-corruption and bribery matters

This section describes the impact of ethics, responsible business and compliance matters on the Allianz Group's activities, and relationships and the impact of the Allianz Group's activities and relationships on compliance. The concepts and achievements related to the management of these impacts are described with a focus on the compliance management system, anti-corruption and bribery matters. All compliance matters are overseen by the Group Compliance team.

### Concept and programs

Our **Compliance Management System** (CMS) helps ensure compliance with internationally recognized laws, rules and regulations, and to promote a culture of integrity in order to safeguard the company's reputation. We take a proactive stance, working with organizations such as the German Institute for Compliance and the Global Insurance Chief Compliance Officers Forum (CCO Forum) to enhance our understanding of compliance issues and to share best practices.

Compliance risk is part of the operational risk category, as laid down in the Allianz **Integrated Risk and Control System** (IRCS). OEs in scope of IRCS are defined by Group Risk. They are required to conduct an annual compliance risk assessment based on Group-defined risk scenarios. Together with the Compliance Assurance of Risks and Effectiveness (CARE), they form the annual cycle of our **integrated compliance risk scoping and assessment activities**.

In 2021, the Compliance Function underwent a transformation in the way it assesses Group and local compliance departments. Review procedures have been expanded to confirm adequate compliance scope and skills, to confirm compliance with global programs and local specificities, and to reinforce a compliance-by-default and by-design mindset. This holistic approach was rolled out in the second half of 2021 through the CARE program, a self-assessment exercise reinforced with compliance reviews; completed and coordinated by Group Compliance.

Compliance Reviews are supplemented by Targeted Reviews which assess the implementation status and effectiveness of programs such as Antitrust, Customer Protection, etc. The benefit of this multi-faceted review and confirmation strategy is that operating entities are monitored more frequently and are engaged in more holistic assurance activities.

An online tool for compliance issues management provides an overview of issues detected in the course of the above activities. It requires reporting on mitigating activities as well as on follow-up procedures, including a review of actions undertaken and documented in the tool.

The information gathered through the issue management tool provides the primary basis of reports to the Group Board and the Allianz SE Supervisory Board's Audit Committee. An Integrity Committee, chaired by Group Compliance, reviews all activities and issues related to misconduct and/or violations of internal/external rules and regulations, and Code of Conduct infractions, including reports of actions to follow up on whistleblowing cases.

In 2021, the following key areas of compliance risk were identified and aligned with the Group's top-risk assessment procedures, coordinated by the Group's Risk Management function:

- regulatory change monitoring,
- customer protection,
- financial crime (money laundering and economic sanctions).

As part of our global compliance program, we follow international standards and applicable laws related to corruption and bribery, money laundering and terrorism financing, trade and financial sanctions, capital markets, data privacy, customer protection, antitrust, and other relevant compliance risk areas. We thoroughly investigate allegations of violations of laws as well as of breaches of Allianz-specific rules. The obligations laid down in our various compliance programs have been derived from the Allianz Group Code of Conduct and detailed in various Allianz standards – specifically, the Economics Sanctions, Anti-Money Laundering, Antitrust, Data Privacy, Capital Markets Compliance and Anti-Corruption Standards.

Allianz takes a zero-tolerance approach to fraud and corruption. We are committed to complying fully with local and international anticorruption and anti-bribery laws. Our aim is to go beyond complying with the minimum standards of the law, such as the **Allianz Anti-Corruption Program** which sets high standards for a comprehensive and consistent group-wide approach in every jurisdiction. The program requires that employees and certain third parties with whom Allianz does business are prohibited from offering, accepting, paying or authorizing any bribe or any other form of corruption, be it with the private sector or with government officials.

Anti-corruption training is compulsory for all employees, with online and classroom training delivered in multiple languages.

As a matter of course, the development in the ongoing proceedings in connection with the Allianz GI U.S. LLC Structured Alpha funds would also be monitored by the compliance function and considered as part of the regular reassessment of compliance risks. Any findings will also be reflected in the continuous improvement of our Compliance Management System and compliance processes.

#### Targets and achievements: compliance/anti-corruption and bribery matters

Topic	Target 2021	Achievements 2021	Targets 2022
Compliance	<p>Complete the cycle of the integrated compliance risk scoping and assessment activities as part of the company's IRCS process.</p> <p>Continue to enhance the effectiveness of local compliance organizations by enriching our compliance reviews, to bolster further the governance and processes of underlying compliance organizations across our OEs.</p>	<ul style="list-style-type: none"> <li>– Roll-out of CARE program.</li> <li>– Completed the 2021 integrated compliance risk scoping and assessment activities as part of the company's IRCS.</li> </ul>	<ul style="list-style-type: none"> <li>– Complete the cycle of the integrated compliance risk scoping and assessment activities as part of the company's IRCS process in 2022.</li> <li>– Continue to enhance the effectiveness of local compliance organizations by enriching our compliance reviews, to bolster further the governance and processes of underlying compliance organizations across our OEs.</li> </ul>

## E.U. Taxonomy Regulation

The E.U. Taxonomy Regulation (2020/852) is a "green" classification system that translates the E.U.'s climate and environmental objectives into criteria for specific economic activities for investment purposes. The regulation came into effect this year and Allianz is reporting against it for the first time.

### Regulatory background

E.U. Taxonomy recognizes as "green", or "environmentally sustainable", economic activities that make a substantial contribution to at least one of the E.U.'s climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum social safeguards. It is a transparency tool that will introduce mandatory disclosure obligations on some undertakings (namely, the ones in scope of the Non-Financial Reporting Directive (NFRD) and Corporate Sustainability Reporting Directive (CSRD) prospectively) and financial market participants. The disclosure of the proportion of taxonomy-aligned activities will allow for the comparison of companies and investment portfolios. In addition, it can guide market participants in their investment decisions. Nevertheless, the E.U. Taxonomy is not a mandatory list of economic activities for investors to invest in. Nor does it set mandatory requirements on environmental performance

for companies or for financial products. Investors are free to choose what to invest in.

Economic activities that are not recognized by the E.U. Taxonomy Delegated Acts as substantially contributing to one of the E.U.'s climate and environmental objectives are not necessarily environmentally harmful or unsustainable. And not all activities that could generally make a substantial contribution to the environmental objectives are already part of the E.U. Taxonomy Delegated Acts. Rather, the first Delegated Act (namely, the Climate Delegated Act) under the E.U. taxonomy sets criteria for economic activities in the sectors that are most relevant for achieving climate neutrality and delivering on climate change objectives. This includes sectors such as energy, forestry, manufacturing, transport and buildings.

At this stage, the regulation has only established "Technical Screening Criteria" for (a) climate change mitigation and (b) climate change adaptation, which are laid out in the Climate Delegated Act. Criteria for the four remaining environmental objectives will follow in a future Delegated Act, in line with the mandates outlined in the Taxonomy Regulation.

In addition, extensions of the Taxonomy Regulation with view to (a) economic activities that do not have a significant impact on environmental sustainability and economic activities that significantly harm environmental sustainability, as well as (b) regarding other sustainability objectives, such as social objectives, may follow at a later stage.

Furthermore, the Disclosures Delegated Act requires the E.U. Commission to review the application of this regulation by 30 June 2024, and to assess in particular the need for any further amendments with regard to the inclusion of (a) exposures to central governments and central banks in the numerator and denominator of key performance indicators of financial undertakings, and (b) exposures to undertakings that do not publish a non-financial statement pursuant to Articles 19a or 29a of Directive 2013/34/EU in the numerator of key performance indicators of financial undertakings.

Overall, this means that the Taxonomy Regulation will evolve further over the next years, translating into an extension of the expected screening and reporting scope alongside various dimensions.

### Taxonomy eligibility vs. taxonomy alignment

For a transitional period of two years, a simplified approach applies for the financial sector. In this context, only eligibility has to be reported. This means that we only report on (investments into) economic activities which are in scope of the Taxonomy Regulation, i.e., described in the Climate Delegated Act; irrespective of whether that economic activity meets any or all of the technical screening criteria laid down therein.

Thus, taxonomy eligibility of an economic activity implies that respective Technical Screening Criteria are available and the activity could generally make a substantial contribution to one of the environmental objectives of the taxonomy. Whether an activity is taxonomy-eligible, or not, provides no indication about how green or environmentally sustainable that activity is. This will only be possible with the future alignment KPI.

Taxonomy alignment of an activity goes beyond taxonomy eligibility. It implies that an activity complies with the requirements defined specifically for this particular activity in the Technical Screening Criteria of the taxonomy. For example, to be "taxonomy-aligned" under the current taxonomy, an activity has to fulfill the specific criteria that determine when an economic activity makes a substantial contribution to the climate objectives as outlined in the Climate Delegated Act. Going forward, an activity has to fulfill the Technical Screening Criteria, the "do no significant harm" criteria, and the minimum social safeguards linked to this activity to be taxonomy-aligned. Taxonomy alignment has to be reported by financial undertakings from the financial year 2023 onwards.

### Concept

The Disclosures Delegated Act specifies the disclosure obligations under Art. 8 of the Taxonomy Regulation.

In order to ensure comparability of the Taxonomy information with the Group's financial disclosure, we report for each of our material financial activities. Consequently, Allianz Group will report on the following activities:

- non-life insurance,
- proprietary investments, and
- third-party investments.

### Non-life insurance

Non-life insurance (and thereof eight Solvency II Lines of Business (LoBs)) is one economic activity in scope of the Taxonomy Regulation ("taxonomy-eligible"), as it is generally deemed as able to have a positive enabling function with a view to climate change adaptation.

In the non-life insurance business, the Allianz Group is active in all the eight LoBs that can generally be considered as eligible under the Taxonomy Regulation; the same applies for the Allianz Group's reinsurance business accepted from external counterparties. Namely reinsurance business of eligible insurance activities can be considered as Taxonomy-eligible. The extent to which individual contracts include protection against climate-related perils (e.g., flood events or hail storms) depends on the individual demand and the requirements of the customer's typical situation or unique risk exposure. Risk analysis and product advice is an integral part of our sales process and we are pursuing the objective to close insurance coverage gaps as far as possible.

We integrate climate protection into our core business. We embed the management of risks and opportunities resulting from climate change in our overall business strategy. Measures include developing and adjusting financial products and services, updating policies and processes, setting targets and limits, managing our operational climate footprint, and engaging with internal and external stakeholders. As a treaty reinsurer of external clients, we consider the climate-related strategies of these insurance companies as part of our underwriting process in order to determine our reinsurance business strategy.

The information about taxonomy eligibility in our underwriting portfolio is an indication of the scope of our activities that can generally be assessed against the specific technical screening criteria for taxonomy-alignment applying to (re-)insurers, and therefore have the potential to provide a substantial contribution to the environmental objective of climate change adaptation. An LoB must contain at least one policy with terms related to the treatment of climate perils to be considered as taxonomy-eligible. On the one hand, the Allianz Group offers policies in the LoBs of "other motor insurance", "marine, aviation and transport insurance" and "fire and damage to property insurance", where protection against climate perils is explicitly included. On the other hand, the Allianz Group offers policies that are based on a general protection approach, thus covering all risks, including (yet, not explicitly referring to) climate perils in the five remaining LoBs "medical expense insurance", "income protection insurance", "workers' compensation insurance", "motor vehicle liability insurance" and "assistance". Allianz generally considers both types of LoBs as eligible under the Taxonomy Regulation, as they all comprise policies that cover against climate perils. The most material eligible LoBs are "fire and other damage to property insurance", "motor vehicle liability insurance" and "other motor insurance".

Based on this assessment, in our non-life insurance and reinsurance business, 79% of the P&C gross written premiums are taxonomy-eligible and 21% of the P&C gross written premiums are taxonomy non-eligible for the financial year 2021.<sup>1</sup> Taxonomy eligibility does not give an indication of the degree to which the Allianz Group's non-life insurance activities can be considered as taxonomy-aligned, but reflects the structure of the Allianz Group's underlying business and

<sup>1</sup> Based on unconsolidated LoB information.

future screening scope with respect to a substantial contribution to climate change adaptation at a broad level.

### Proprietary investments & third-party assets

For investments, the Taxonomy Regulation currently limits the scope of which investments could generally be considered as “taxonomy-eligible” to exposures to undertakings that are obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU. This means that for taxonomy reporting as an investor, the Allianz Group can only consider economic activities of investees in scope of the NFRD that are, thus, obliged to disclose under Art. 8 of the Taxonomy Regulation. This includes activities of controlled subsidiaries, for which we can perform our own assessment of the underlying economic activities, given that the Allianz Group itself is in scope of the NFRD. On the other hand, several asset classes, which are material for Allianz Group, cannot be considered taxonomy-eligible as of now, such as sovereign bonds or non-E.U. investments. This applies for both proprietary and third-party assets.

For investments, a look-through approach applies. However investors’ reporting for the financial year 2021 could only be based on estimates due to the fact that investees have not yet disclosed taxonomy eligibility. According to the latest implementation guidance by the European Commission, such estimated values may only be reported on a voluntary basis and must not form part of the mandatory disclosures. Considering the limited reliability of estimated taxonomy eligibility information at this stage, the Allianz Group will not report voluntary data for the financial year 2021.

Taxonomy eligibility can at this stage only relate to climate change mitigation and climate change adaptation (or both).

As a result, the taxonomy eligibility share for the Allianz Group’s proprietary investments is only based on controlled listed or unlisted assets and debt instruments in scope, that are held by our (internal) asset

managers, or other subsidiaries (e.g., real estate investments or mortgages). Due to the limited information value of the Taxonomy information at this stage, we disclose additional information on the sustainability of our proprietary investments portfolio at Group-level based on the definition of “Sustainable Investments” as per the Sustainable Finance Disclosure Regulation (SFDR). For more information, please refer to our Group Sustainability Report 2021, section 02.2.

As to third-party assets, as the Allianz Group would in all cases need data from investees, no screening for and reporting on taxonomy eligibility is possible at this stage except with regard to our exposure to mortgages. However, the table below provides insights into the respective asset classes, where the exposure to undertakings, which are obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, represents the part for which a screening for taxonomy eligibility based on data reported by investees can take place going forward.

### Limitations of reported numbers

Taxonomy eligibility does not assess alignment of the Allianz Group’s underwriting or investment activities, i.e., it does not serve as a proxy of how sustainable our activities are. Numbers reported in the table below and in the section “Underwriting” above describe the structure of the Allianz Group’s non-life insurance and investment portfolio and define the scope of future Taxonomy alignment assessment applying Taxonomy Regulation as of the balance sheet date. Due to the limited number of economic activities in scope of the Taxonomy so far, and the focus on a subset of investees and asset classes, the eligibility figures for investment activities are rather small compared to the whole investment portfolio. The foreseen enrichment of the Technical Screening Criteria for further environmental objectives, potential extensions of the Taxonomy Regulation, and implementation of guidance might have a significant impact on Taxonomy eligibility classification in the future.

## Eligibility for proprietary investments &amp; third-party assets for financial year 2021

Allianz Group reporting under the Taxonomy Regulation	Taxonomy KPIs for insurance undertakings		Taxonomy KPIs for asset managers	
	Allianz Group proprietary investments		Allianz Group third-party investments	
€ bn	Ratios (relative to total B/S assets)	Monetary amounts (voluntary reporting)	Ratios (relative to total AuM)	Monetary amounts (voluntary reporting)
Total B/S Assets / Total AuM	n/a	1,139.4	n/a	1,966.4
Exposures to central governments, central banks and supranational issuers	18.1 %	206.1	26.3 %	517.6
Other B/S assets not covered by the KPI (reinsurance assets, DAC, deferred taxes, other assets, intangible assets)	13.2 %	149.9	n/a	n/a
<b>Total assets covered by the KPI (coverage ratio)</b>	<b>68.8 %</b>	<b>783.5</b>	<b>73.7 %</b>	<b>1,448.7</b>
<b>Non-eligible exposures (relative to coverage ratio)</b>				
1) Exposures not covered by the Taxonomy Regulation (screening for taxonomy eligibility not (yet) possible)				
Derivatives	1.5 %	11.5	0.3 %	3.9
Exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU <sup>4</sup>	45.7 %	358.1	62.8 %	909.9
Other exposures (e.g., cash, externally managed funds) <sup>5</sup>	31.0 %	243.0	4.4 %	63.4
2) Exposures covered by the Taxonomy Regulation (screening for taxonomy eligibility possible from financial year 2022)				
Exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU <sup>1</sup>	12.0 %	94.0	15.5 %	224.9
<b>Total non-eligible</b>	<b>90.2 %</b>	<b>706.6</b>	<b>83.0 %</b>	<b>1,202.1</b>
<b>Eligible exposures (relative to coverage ratio)</b>				
AZ Group own assets that are funding economic activities that are taxonomy-eligible (based on turnover) <sup>2</sup>	1.6 %	12.3	n/a <sup>3</sup>	n/a <sup>3</sup>
Other exposures (mortgages) <sup>2</sup>	8.2 %	64.6	17.0 %	246.7
<b>Total eligible</b>	<b>9.8 %</b>	<b>76.9</b>	<b>17.0 %</b>	<b>246.7</b>

1\_A part of these exposures is taxonomy-eligible, but no reported data on the amount is available at this stage; as from financial year 2022, this part will be assessed for taxonomy-eligibility based on reported data.

2\_As the screening for taxonomy eligibility can only be based on reported data, for financial year 2021, only investments where Allianz Group has direct control (e.g., real estate investments) could be assessed.

3\_As to third-party assets, as the Allianz Group would in all cases need data from investees, no screening for and reporting on Taxonomy eligibility is possible at this stage.

4\_Thereof not subject to NFRD for proprietary investments: € 258.0 bn and for third-party investments € 381.9 bn. Thereof investments where no data was available for proprietary investments: € 100.0 bn and for third-party investments € 528.0 bn.

5\_Not subject to NFRD or no final assessment possible. Thereof cash for proprietary investments: € 24.2 bn. Cash for third-party investments € 25.4 bn.

# OTHER INFORMATION

## Our steering

### Board of Management and organizational structure

Allianz SE has a divisional board structure based on functional and business responsibilities. Business-related divisions reflect our business segments Property-Casualty, Life/Health, Asset Management, and Corporate and Other. In 2021, they were overseen by five board members. The following divisions focus on Group functions and come with business-related responsibilities: Chairperson of the Board of Management; Finance, Controlling and Risk; Investment Management; Operations and Allianz Services; Human Resources, Legal, Compliance and M&A; and Business Transformation<sup>1</sup>.

For further information on Board of Management members and their responsibilities, please refer to [Mandates of the Members of the Board of Management](#).

### Target setting and monitoring

For Allianz SE the same key performance indicators and target values as for the Allianz Group apply. In particular the key financial performance indicators are based on IFRS.

The Allianz Group steers its operating entities and business segments via an integrated management and control process. It begins with the definition of a business-specific strategy and goals, which are discussed and agreed upon between the Holding and operating entities. Based on this strategy, our operating entities prepare three-year plans, which are then aggregated to form the financial plans for the business divisions and for the Allianz Group as a whole. This plan also forms the basis for our capital management. The Supervisory Board approves the plan and sets corresponding targets for the Board of Management. The performance-based remuneration of the Board of Management is linked to short-term and long-term targets to ensure effectiveness and emphasize sustainability. For further details about our remuneration structure, including target setting and performance assessment, please refer to the [Remuneration Report](#) (which no longer forms part of the Management Report).

We continuously monitor our business performance against these targets through monthly reviews – which cover key operational and financial metrics – to ensure we can move quickly and take appropriate measures in the event of negative developments. The Allianz Group uses operating profit and net income as key financial performance indicators across all its business segments. Other indicators include segment-specific figures, such as the combined ratio for Property-Casualty, return on equity<sup>2</sup> and new business margins for Life/Health, and the cost-income ratio for Asset Management.

Besides performance steering, we also have a risk-steering process in place, which is described in the [Risk and Opportunity Report](#).

Non-financial key performance indicators (KPIs) are used to assess the organizational health of Allianz and are reflected in the annual bonus of the Board of Management. In line with our strategy “simplicity at scale”, customer centricity and employee engagement are reflected in the Net Promoter Score (NPS<sup>3</sup>) and the Inclusive

Meritocracy Index. For further information on non-financial KPIs, as well as an overview of the development and expected development of these non-financial KPIs, please refer to the [Non-Financial Statement](#).

For an overview of the development and expected development of the most important financial KPIs, please refer to the [Outlook 2022](#) of the Allianz Group’s Annual Report 2021.

## Branches

In 2021, Allianz SE operated its business from Munich and from branch offices in Rome (Italy), Casablanca (Morocco), Singapore, Labuan (Malaysia), Wallisellen (Switzerland), Vienna (Austria), and Dublin (Ireland).

## Takeover-related Statements and Explanations

The following information is provided pursuant to §289a of the German Commercial Code (“Handelsgesetzbuch – HGB”) and §176(1) of the German Stock Company Act (“Aktiengesetz – AktG”).

### Composition of share capital

As of 31 December 2021, the share capital of Allianz SE was € 1,169,920,000. It was divided into 408,457,873 registered and fully paid-up shares with no par value. All shares carry the same rights and obligations. Each no-par value share carries one vote.

### Restrictions on voting rights and share transfers; exercise of voting rights in case of employee equity participations

Shares may only be transferred with the consent of the company. An approval duly applied for may only be withheld if it is deemed necessary in the company’s interest on exceptional grounds. The applicant will be informed of the reasons.

Shares acquired by employees of the Allianz Group as part of the employee stock purchase plan are generally subject to a three-year lock-up period. During the lock-up period, employees can exercise their voting rights.

### Interests in the share capital exceeding 10% of the voting rights

Allianz SE is not aware of any direct or indirect interests in the share capital that exceed 10% of the voting rights.

### Shares with special rights conferring powers of control

There are no shares with special rights conferring powers of control.

<sup>1</sup> This member of the Board of Management also oversees Insurance Iberia & Latin America and Allianz Partners.

<sup>2</sup> Excluding unrealized gains/losses on bonds net of shadow accounting.

<sup>3</sup> NPS is a measurement of customers’ willingness to recommend Allianz. Top-down NPS is measured regularly according to global cross-industry standards and allows benchmarking against competitors in the respective markets.

## Legal and statutory provisions applicable to the appointment and removal of members of the Board of Management and to amendments of the Statutes

The appointment and removal of members of Allianz SE's Board of Management is governed by Articles 9(1), 39(2) and 46 of the SE Regulation, §§84, 85 AktG, §24(3) and §47 No. 1 German Insurance Supervision Act ("Versicherungsaufsichtsgesetz – VAG"), and the Statutes. According to the Statutes, the Board of Management shall consist of at least two persons; the Supervisory Board determines the number of any additional members (§5(1) of the Statutes). The members of the Board of Management are appointed by the Supervisory Board for a term of up to five years; reappointment is permitted for a maximum of five years in each case (§5(3) of the Statutes). A simple majority of the votes cast in the Supervisory Board is required to appoint members of the Board of Management. In the case of a tie vote, the Chairperson of the Supervisory Board, who pursuant to Article 42 of the SE Regulation must be a shareholder representative, shall have the casting vote (§8(3) of the Statutes). If the Chairperson does not participate in the vote, the Vice Chairperson shall have the casting vote, provided he or she is a shareholder representative. A Vice Chairperson who is an employee representative has no casting vote (§8(3) of the Statutes).

Amendments to the Statutes are governed by Article 59 SE Regulation, §179 AktG, and the Statutes. §13(4) of the Statutes of Allianz SE stipulates that, unless mandatory law requires otherwise, changes to the Statutes require a two-thirds majority of the votes cast at a General Meeting or, if at least one half of the share capital is represented, a simple majority of the votes cast. Where the law requires a majority in capital for a shareholder resolution, a simple majority of the capital represented at the General Meeting is sufficient, provided this is in line with legal requirements. The Supervisory Board may alter the wording of the Statutes (§179(1) AktG and §10 of the Statutes).

## Authorization of the Board of Management to issue and repurchase shares

The Board of Management is authorized to issue shares as well as to acquire and use treasury shares as follows:

It may increase the company's share capital on or before 8 May 2023, with the approval of the Supervisory Board, by issuing new registered no-par value shares against contributions in cash and/or in kind, on one or more occasions:

- Up to a total of € 334,960,000 (Authorized Capital 2018/I): In case of a capital increase against cash contribution, the Board of Management may exclude the shareholders' subscription rights for these shares with the consent of the Supervisory Board (i) for fractional amounts, (ii) in order to safeguard the rights pertaining to holders of convertible bonds or bonds with warrants, including mandatory convertible bonds, and (iii) in the event of a capital increase of up to 10%, if the issue price of the new shares is not significantly below the stock market price. The Board of Management may furthermore exclude the shareholders' subscription rights with the consent of the Supervisory Board in the event of a capital increase against contributions in kind.
- Up to a total of € 15,000,000 (Authorized Capital 2018/II): The shareholders' subscription rights are excluded. New shares may

only be issued to employees of Allianz SE and its Group companies.

The company's share capital is conditionally increased by up to € 250,000,000 (Conditional Capital 2010/2018). This conditional capital increase will only be carried out to the extent that the holders of convertible bonds, bonds with warrants, convertible participation rights, participation rights, and subordinated financial instruments issued against cash by Allianz SE or its subsidiaries, based on the authorizations granted by the General Meeting on 5 May 2010 or 9 May 2018, exercise their conversion or option rights, or to the extent that conversion obligations from such bonds are fulfilled, and to such extent that treasury shares or shares from authorized capital are not used for such purpose.

Under an authorization by the General Meeting on 9 May 2018, the Board of Management may, until 8 May 2023, buy back Allianz shares corresponding to up to 10% of the lower of (i) the share capital at the moment of the shareholder resolution and (ii) the share capital at the moment of the buy-back, and to use those shares for other purposes (§71(1) No. 8 AktG). Together with other treasury shares that are held by Allianz SE, or which are attributable to it under §§71a et seq. AktG, such shares may not exceed 10% of the share capital at any time. The shares acquired pursuant to this authorization may be used, under exclusion of the shareholders' subscription rights, for any legally admissible purposes, in particular those specified in the authorization. Furthermore, the acquisition of treasury shares under this authorization may also be carried out using derivatives, provided such derivatives do not relate to more than 5% of the share capital.

Domestic or foreign banks that are majority-owned by Allianz SE may buy and sell Allianz shares for trading purposes (§71(1) No. 7 and (2) AktG) under an authorization of the General Meeting valid until 8 May 2023. The total number of shares acquired thereunder, together with treasury shares held by Allianz SE or attributable to it under §§71a et seq. AktG, shall at no time exceed 10% of the share capital of Allianz SE.

## Essential agreements of Allianz SE with change-of-control clauses and compensation agreements providing for takeover scenarios

The following essential agreements of the company are subject to a change-of-control condition following a takeover bid:

- Our reinsurance contracts, in principle, include a clause under which both parties to the contract have an extraordinary termination right, if and when the counterparty merges with another entity or its ownership or control situation changes materially. Agreements with brokers regarding services connected with the purchase of reinsurance cover also provide for termination rights in case of a change of control. Such clauses are standard market practice.
- Allianz SE is also party to various bancassurance distribution agreements for insurance products in various regions. These distribution agreements normally include a clause under which the parties have an extraordinary termination right in the event of a change of control of the other party's ultimate holding company.
- Shareholder agreements and joint ventures to which Allianz SE is a party often contain change-of-control clauses that provide, as the case may be, for the termination of the agreement, or for put



- or call rights that one party can exercise with regard to the joint venture or the target company, if there is a change of control of the other party.
- The framework agreements between Allianz SE and the subsidiaries of various car manufacturers relating to the distribution of car insurance by the respective car manufacturers each include a clause under which each party has an extraordinary termination right in case there is a change of control of the other party.
  - Bilateral credit agreements in some cases provide for termination rights in the event of a change of control, mostly defined as the acquisition of at least 30% of the voting rights within the meaning of §29(2) of the German Takeover Act (“Wertpapiererwerbs- und Übernahmegesetz – WpÜG”). Where such termination rights are exercised, the respective credit lines have to be replaced by new credit lines under conditions then applicable.
  - Under the Allianz Equity Incentive Program, Restricted Stock Units (RSUs) – i.e., virtual Allianz shares – are granted to senior management of the Allianz Group worldwide as a stock-based remuneration component. The conditions for these RSUs contain change-of-control clauses, which apply when a majority of the voting share capital in Allianz SE is directly or indirectly acquired by one or more third parties who do not belong to the Allianz Group, and which provide for an exception from the usual vesting and exercise periods. In line with the relevant general conditions, the company will release the RSUs to plan participants on the day of the change of control, without observing any vesting period that would otherwise apply. The cash amount payable per RSU must equal or exceed the average market value of the Allianz share and the price offered per Allianz share in a preceding tender offer. By providing for the non-application of the vesting period in the event of a change of control, the terms take into account the fact that the conditions influencing the share price are substantially different when there is a change of control.

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# FINANCIAL STATEMENTS OF ALLIANZ SE

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# FINANCIAL STATEMENTS

## BALANCE SHEET

€ thou

as of 31 December	Note	2021	2021	2020
<b>ASSETS</b>				
<b>A. Intangible assets</b>	<b>1, 2</b>			
I. Self-created industrial property rights, and similar rights and assets		6,539		21,321
II. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets		247		350
III. Advance payments made		-		85
			6,786	21,756
<b>B. Investments</b>	<b>1, 3 – 6</b>			
I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE		277,002		271,612
II. Investments in affiliated enterprises and participations		76,508,910		73,488,859
III. Other investments		32,269,137		34,220,402
IV. Funds held by others under reinsurance business assumed		13,919,954		13,128,990
			122,975,004	121,109,863
<b>C. Receivables</b>				
I. Accounts receivable on reinsurance business		1,092,571		776,520
thereof from affiliated enterprises: € 558756 thou (2020: € 237924 thou)				
thereof from participations <sup>1</sup> : € 1227 thou (2020: € 16381 thou)				
II. Other receivables	7	4,225,587		4,005,553
thereof from affiliated enterprises: € 3985134 thou (2020: € 3801735 thou)				
thereof from participations <sup>1</sup> : € 76 thou (2020: € 1777,000 thou)				
			5,318,158	4,782,073
<b>D. Other assets</b>				
I. Tangible fixed assets and inventories		15,871		13,332
II. Cash with banks, checks, and cash on hand		282,118		293,025
III. Miscellaneous assets	8	625,670		89,246
			923,659	395,603
<b>E. Deferred charges and prepaid expenses</b>	<b>9</b>			
I. Accrued interest and rent		184,424		206,171
II. Other deferred charges and prepaid expenses		107,191		64,829
			291,615	271,001
<b>Total assets</b>			<b>129,515,222</b>	<b>126,580,295</b>

<sup>1</sup> Companies in which we hold a participating interest.

€ thou

as of 31 December	Note	2021	2021	2021	2020
<b>EQUITY AND LIABILITIES</b>					
<b>A. Shareholders' equity</b>	<b>11</b>				
<b>I. Issued capital</b>		<b>1,169,920</b>			<b>1,169,920</b>
Less: mathematical value of own shares		684			702
			<b>1,169,236</b>		<b>1,169,218</b>
<b>II. Additional paid-in capital</b>			<b>28,035,065</b>		<b>28,031,707</b>
<b>III. Revenue reserves</b>					
1. Statutory reserve		1,229			1,229
2. Other revenue reserves		6,802,397			6,804,045
			<b>6,803,626</b>		<b>6,805,274</b>
<b>IV. Net earnings</b>			<b>5,021,300</b>		<b>4,375,717</b>
				<b>41,029,227</b>	<b>40,381,915</b>
<b>B. Subordinated liabilities</b>	<b>12, 15</b>			<b>15,780,844</b>	<b>16,632,819</b>
<b>C. Insurance reserves</b>	<b>13</b>				
<b>I. Unearned premiums</b>					
1. Gross		2,259,274			2,119,617
2. Less: amounts ceded		20,870			21,044
			<b>2,238,404</b>		<b>2,098,572</b>
<b>II. Aggregate policy reserves</b>					
1. Gross		2,005,106			2,308,453
2. Less: amounts ceded		1,510,103			1,772,015
			<b>495,003</b>		<b>536,438</b>
<b>III. Reserves for loss and loss adjustment expenses</b>					
1. Gross		18,184,772			15,786,832
2. Less: amounts ceded		3,431,905			2,389,638
			<b>14,752,867</b>		<b>13,397,194</b>
<b>IV. Reserves for premium refunds</b>					
1. Gross		42,685			23,681
2. Less: amounts ceded		8			8
			<b>42,677</b>		<b>23,673</b>
<b>V. Claims equalization and similar reserves</b>			<b>3,006,370</b>		<b>2,571,764</b>
<b>VI. Other insurance reserves</b>					
1. Gross		59,985			87,127
2. Less: amounts ceded		-			-
			<b>59,985</b>		<b>87,127</b>
				<b>20,595,306</b>	<b>18,714,769</b>
<b>D. Other provisions</b>	<b>14</b>			<b>10,097,804</b>	<b>8,506,049</b>
<b>E. Funds held with reinsurance business ceded</b>				<b>2,848,253</b>	<b>3,121,192</b>
<b>F. Other liabilities</b>					
<b>I. Accounts payable on reinsurance business</b>			<b>420,739</b>		<b>411,163</b>
thereof to affiliated enterprises: € 236844,000 thou (2020: € 254729,000 thou)					
thereof to participations <sup>1</sup> : € 5725,000 thou (2020: € 12 thou)					
<b>II. Bonds</b>	<b>15</b>		<b>2,734,133</b>		<b>2,743,109</b>
thereof to affiliated enterprises: € 2734133,000000 thou (2020: € 2743109,000000 thou)					
<b>III. Liabilities to banks</b>	<b>15</b>		<b>145</b>		<b>287</b>
<b>IV. Miscellaneous liabilities</b>	<b>15</b>		<b>35,998,203</b>		<b>36,062,254</b>
thereof for taxes: € 22320,000 thou (2020: € 14117,000 thou)					
thereof for social security: € 191 thou (2020: € 2144,000 thou)					
thereof to affiliated enterprises: € 34758016,000000 thou (2020: € 34527802,000000 thou)					
				<b>39,153,220</b>	<b>39,216,813</b>
<b>G. Deferred income</b>				<b>10,567</b>	<b>6,738</b>
<b>Total equity and liabilities</b>				<b>129,515,222</b>	<b>126,580,295</b>

<sup>1</sup> Companies in which we hold a participating interest.

# INCOME STATEMENT

€ thou

	Notes	2021	2021	2021	2020
<b>I. Technical account</b>					
<b>1. Premiums earned (net)</b>					
a) Gross premiums written	17	12,151,007			12,228,142
b) Ceded premiums written		(1,134,293)			(1,005,252)
			11,016,714		11,222,890
c) Change in gross unearned premiums		(100,743)			(316,496)
d) Change in ceded unearned premiums		(1,448)			(18,408)
			(102,191)		(334,905)
<b>Premiums earned (net)</b>				<b>10,914,523</b>	<b>10,887,985</b>
<b>2. Allocated interest return (net)</b>	18			<b>16,156</b>	<b>16,255</b>
<b>3. Other underwriting income (net)</b>				<b>(761)</b>	-
<b>4. Loss and loss adjustment expenses (net)</b>	19				
a) Claims paid					
aa) Gross		(7,072,006)			(7,651,758)
ab) Amounts ceded in reinsurance		874,263			441,663
			(6,197,743)		(7,210,095)
b) Change in reserve for loss and loss adjustment expenses (net)					
ba) Gross		(2,098,654)			(347,834)
bb) Amounts ceded in reinsurance		934,040			(15,701)
			(1,164,614)		(363,536)
<b>Loss and loss adjustment expenses (net)</b>				<b>(7,362,357)</b>	<b>(7,573,630)</b>
<b>5. Change in other insurance reserves (net)</b>	20			<b>68,271</b>	<b>(9,090)</b>
<b>6. Expenses for premium refunds (net)</b>				<b>(18,901)</b>	<b>3,474</b>
<b>7. Underwriting expenses (net)</b>	21			<b>(3,135,186)</b>	<b>(3,161,360)</b>
<b>8. Other underwriting expenses (net)</b>				<b>(23,315)</b>	<b>(23,319)</b>
<b>9. Subtotal (net underwriting result)</b>				<b>458,431</b>	<b>140,314</b>
<b>10. Change in claims equalization and similar reserves</b>				<b>(434,606)</b>	<b>(363,227)</b>
<b>11. Net technical result</b>				<b>23,826</b>	<b>(222,913)</b>
<b>II. Non-technical account</b>					
<b>1. Investment income</b>	22	9,229,975			7,712,099
<b>2. Investment expenses</b>	23	(1,640,778)			(2,454,138)
<b>3. Investment result</b>			7,589,197		5,257,961
<b>4. Allocated interest return</b>			(33,875)		(22,651)
				7,555,322	5,235,310
<b>5. Other income</b>			2,875,636		2,957,837
<b>6. Other expenses</b>			(5,298,616)		(3,848,947)
<b>7. Other non-technical result</b>	24			(2,422,980)	(891,111)
<b>8. Non-technical result</b>				5,132,342	4,344,199
<b>9. Net operating income</b>				<b>5,156,167</b>	<b>4,121,286</b>
<b>10. Income taxes</b>	25	(351,963)			(250,000)
Amounts charged to other Group companies		543,194			731,924
			191,231		481,924
<b>11. Other taxes</b>			3,823		4,521
<b>12. Taxes</b>				195,054	486,445
<b>13. Net income</b>				<b>5,351,221</b>	<b>4,607,731</b>
<b>14. Unappropriated earnings carried forward</b>				<b>420,079</b>	<b>527,986</b>
<b>15. Transfer to revenue reserves</b>					
To other revenue reserves			(750,000)		(760,000)
				(750,000)	(760,000)
<b>16. Net earnings</b>	26			<b>5,021,300</b>	<b>4,375,717</b>

# NOTES TO THE FINANCIAL STATEMENTS

## NATURE OF OPERATIONS AND BASIS OF PREPARATION

### Nature of operations

Allianz SE, the holding and reinsurance company of the Allianz Group, is located at Königinstraße 28, 80802 Munich, and registered in the Commercial Register of the municipal court in Munich under HRB 164232.

The annual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group are published digitally in the Federal Gazette ("Bundesanzeiger").

### Basis of preparation

Our financial statements and the management report have been prepared in accordance with the regulations of the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the Law on the Supervision of Insurance Enterprises (VAG), and the Government Order on the External Accounting Requirements of Insurance Enterprises (RechVersV).

All amounts in these financial statements are presented in thousands of euro (€ thou), unless otherwise stated.

## ACCOUNTING, VALUATION, AND CALCULATION METHODS

### Intangible assets

Intangible assets are recorded at acquisition or construction cost less depreciation. They are amortized on a straight-line basis over a useful life of generally three to five years. In case of a permanent impairment, an unscheduled write-down is recognized. Based on the capitalization option in accordance with § 248 (2) sentence 1 of the German Commercial Code, the internally generated intangible assets are capitalized.

### Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE

These items are recorded at acquisition or construction cost less depreciation in accordance with § 253(1) sentence 1 of the German Commercial Code in conjunction with § 341b(1) sentence 1 of the German Commercial Code. Depreciation is measured mainly using a straight-line method according to ordinary useful life. The useful life of newly acquired properties is based on the remaining useful life in the purchase report. For all other assets, we use tax depreciation tables. In case of a permanent impairment, the values of these items are adjusted through unscheduled write-downs.

### Investments in affiliated enterprises and participations

#### Shares in affiliated enterprises and participations

These are recorded at cost less impairments, in accordance with § 341b(1) of the German Commercial Code in conjunction with § 253(3) sentence 5 of the German Commercial Code.

Impairments are measured either as the difference between the acquisition cost and the respective value, in accordance with IDW RS HFA 10 in conjunction with IDW S1, or as the difference between the acquisition cost and the lower share price as of 31 December 2021, or in some cases as the difference between the acquisition cost and the net asset value.

Wherever the market value on the balance sheet date is higher than the previous year's valuation, the value is written up to no more than the historical acquisition cost.

#### Loans in affiliated enterprises and participations

These items are normally recorded at cost less impairments, in accordance with § 253(3) sentence 5 of the German Commercial Code. However, when converting foreign currency loans into euro at the reporting date, the strict lower of cost or market value principle is applied.

#### Other investments

#### Stocks, interests in funds, debt securities and other fixed and variable income securities, miscellaneous investments

These items are generally valued in accordance with § 341b (2) of the German Commercial Code in conjunction with § 253(1), (4), and (5) of the German Commercial Code, using either the acquisition cost or the stock exchange or market value on the balance sheet date, whichever is lower. We calculate the acquisition cost by averaging the different acquisition costs for securities of the same type.

#### Registered bonds, debentures, and loans

These items are recorded at cost less impairments in accordance with § 253(3) sentence 5 of the German Commercial Code. In accordance with § 341c of the German Commercial Code, amortized cost accounting is applied and the difference between acquisition cost and the redemption amount is amortized over the remaining period, based on the effective interest method.

#### Assets to meet liabilities resulting from retirement provision commitments

These assets are recorded at fair value in accordance with § 253(1) of the German Commercial Code, and offset against the liabilities in accordance with § 246(2) of the German Commercial Code. Group life insurance contracts are recorded at asset value.

If the liabilities exceed the fair value, the exceeding amount will be shown under other provisions. If the fair value of the assets exceeds the liabilities, the exceeding amount is shown as an excess of plan assets over pensions and similar obligations.

### Tangible fixed assets, inventories, and miscellaneous assets

These items are recorded at acquisition cost less depreciation on a straight-line basis. The expected useful life is based on the tax depreciation tables. Low-value assets worth up to € 250 are written off immediately. A compound item for tax purposes formed in accordance with §6(2a) of the German Income Tax Act (EStG) for assets from € 250 to € 1,000 is depreciated by one fifth each year.

### Deferred tax assets

When calculating deferred taxes, deferred tax assets and liabilities are offset.

Based on the capitalization option in accordance with §274(1) sentence 2 of the German Commercial Code, the surplus of deferred tax assets over deferred tax liabilities is not recognized.

### Remaining assets

These consist of the following:

- funds held by others under reinsurance business assumed,
- bank deposits,
- accounts receivable on reinsurance business,
- other receivables,
- cash with banks and cash on hand.

These items are recorded at face value less repayments and impairments.

### Insurance reserves

These consist of the following:

- unearned premiums,
- aggregate policy reserves,
- reserves for loss and loss adjustment expenses,
- reserves for premium refunds,
- claims equalization and similar reserves,
- other insurance reserves.

Insurance reserves are set up according to the German Commercial Code and the Government Order on the External Accounting Requirements of Insurance Enterprises (RechVersV) requirements. The primary goal is to ensure our ongoing ability to satisfy reinsurance contract liabilities in all cases. Generally, reinsurance reserves are booked according to the cedent's statements. For claims incurred but not yet reported, or not sufficiently reported, additional reserves are calculated using actuarial techniques.

Insurance reserves in the ceded reinsurance business are calculated according to the terms of the retrocession contracts.

Unearned premiums are accrued premiums already written for future risk periods. They are calculated in accordance with German accounting principles, partly on the basis of information received from the cedents and partly using nominal percentages. Where unearned

premiums are calculated using such percentages, these are based on many years of experience and the latest information available.

Aggregate policy reserves for Life/Health reinsurance are generally recorded according to the amounts in the cedent's statements.

Reserves for loss and loss adjustment expenses are established for the payment of losses and loss adjustment expenses on claims that have occurred but are not yet settled. Reserves for loss and loss adjustment expenses fall into two categories: case reserves for reported claims, and reserves for losses incurred but not reported yet, or not sufficiently reported.

Reserves for premium refunds are generally recorded according to the amounts in the cedent's statements.

For Property-Casualty reinsurance, the equalization reserve, the reserve for nuclear plants, the product liability reserve for major pharmaceutical risks, and reserves for risks relating to terrorist attacks are calculated according to §341h of the German Commercial Code in conjunction with §29 and §30 of the Government Order on the External Accounting Requirements of Insurance Enterprises. The reserves are set up to moderate substantial fluctuations in the claims of individual lines of business. In cases where above-average or below-average claims occur, changes in the reserves mitigate the technical result for the individual lines of business.

Other insurance reserves are generally recorded according to the amounts in the cedent's statements.

### Other provisions

Pension provisions are calculated applying actuarial principles. Other obligations, such as provisions for jubilee payments, birthday payments, early retirement payments, phased-in early retirement benefits and a long-term credit account, are also calculated in accordance with actuarial principles.

According to §253(2) sentence 1 of the German Commercial Code, the discount rate used for calculating the pension obligations has to be derived from a 10-year-average; for calculating other obligations, it has to be derived from a 7-year-average.

§253(6) sentence 2 of the German Commercial Code states that a positive difference resulting from the calculation of pension obligations with the discount rate of 7-year-average versus 10-year-average is subject to the restriction on dividend payout.

Apart from that, with respect to the discount rate, the simplification option set out in §253(2) sentence 2 of the German Commercial Code has still been applied (duration of fifteen years). The impact of the change in the discount rate is reported under other non-technical result.

For further information regarding the accounting for pensions and similar obligations, please refer to [note 14](#) to our financial statements.

Remaining other provisions are recognized at the settlement amount. Long-term provisions are discounted applying the net approach in accordance with IDW RS HFA 34.

### Remaining liabilities

These consist of the following:

- subordinated liabilities,
- funds held with reinsurance business ceded,
- other liabilities.



These items are valued at the settlement amount. Annuities are recorded at present value.

### Prepaid expenses and deferred income

Accrued interest and rent are valued at nominal amounts. Premiums and discounts carried forward as prepaid income and expenses are amortized over the remaining life of the related financial instruments.

### Currency translation

Transactions are generally recorded in the original currency and converted into euro at the relevant daily rate (middle forex spot rate).

Loans to affiliated enterprises denominated in foreign currencies are converted into euro using the middle forex spot rate as of the reporting date, and applying the strict lower of cost or market value principle.

The valuation of foreign currency shares in affiliated enterprises and participations, stocks, interests in funds, and other variable and fixed-income securities is performed by converting their value from the original currency into euro, using the middle forex spot rate as of the reporting date.

Comparing the acquisition cost in euro with the value in euro as described above, the moderate lower-value principle is applied for affiliated enterprises and participations. For other investments, the strict lower of cost or market value principle is applied.

As a result of this valuation method, currency gains and losses are not separately determined and shown as foreign-exchange gains/losses in the other non-technical result. Instead, the net effect of both changes (exchange rate and value in original currency) is reflected in the impairments/reversals of impairments and in the

realized gains/losses calculated for these asset classes and is disclosed in the investment result.

Issued debt securities and borrowings denominated in foreign currencies are converted into euro at the middle forex spot rate as of the reporting date. Unrealized losses are recognized immediately in the income statement, while unrealized gains are not.

All other monetary assets and liabilities with a remaining term of one year or less recorded in foreign currency are valued at the middle forex spot rate as of the reporting date. Both unrealized losses and gains resulting from the valuation of these foreign currency positions are reflected immediately in the other non-technical result, as neither §253(1) sentence 1 nor §252(1) number 4 clause 2 of the German Commercial Code are applicable.

### Valuation units

Allianz SE made use of the option of forming valuation units as defined in §254 of the German Commercial Code. This option is used for derivative contracts in which Allianz SE acts as an intra-group clearing agency. In this function, Allianz SE enters into derivative transactions with other Group companies and hedges the exposure resulting from these transactions by entering into mirror positions with the same term and structure but with different partners. Opposing positions whose performances completely offset each other have been combined into valuation units and form a perfect micro hedge.

When accounting for valuation units, we apply the “freezing” method, which means that mutually offsetting changes in value of opposing positions (i.e., within valuation units) are not recorded in the income statement. More details regarding derivative transactions combined into valuation units are explained in [note 16](#) to our financial statements.

## SUPPLEMENTARY INFORMATION ON ASSETS

### 1 \_ Change of assets A., B.I. through B.III.

	Values stated as of 1 January 2021	
	€ thou	%
<b>A. Intangible assets</b>		
1. Self-created industrial property rights, and similar rights and assets	21,321	
2. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets	350	
3. Advance payments made	85	
Subtotal A.	21,756	
<b>B.I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE</b>	<b>271,612</b>	
<b>B.II. Investments in affiliated enterprises and participations</b>		
1. Shares in affiliated enterprises	70,914,595	65.7
2. Loans to affiliated enterprises	1,215,718	1.1
3. Participations	1,357,046	1.3
4. Loans to participations	1,500	-
Subtotal B.II.	<b>73,488,859</b>	<b>68.1</b>
<b>B.III. Other investments</b>		
1. Stocks, interests in funds, and other variable-income securities	1,842,763	1.7
2. Debt securities and other fixed-income securities	28,477,295	26.4
3. Other loans		
a) Registered bonds	2,229,980	2.1
b) Loans and promissory notes	424,630	0.4
4. Bank deposits	1,245,734	1.2
Subtotal B.III.	<b>34,220,402</b>	<b>31.7</b>
Subtotal B.I. – B.III.	107,980,873	100.0
<b>Total</b>	<b>108,002,629</b>	

### 2 \_ Intangible assets

The book value of intangible assets totaled € 7 mn (2020: € 22 mn) and mainly consists of internally generated software. The decline was

primarily driven by an intra-group asset transfer of € 13 mn regarding internally generated software.

### 3 \_ Market value of investments

Fair values and carrying amounts of the investments, subdivided into individual asset categories, were as follows:

#### Book values and market values of investments

as of 31 December	Book value		Market value		Valuation reserve	
	2021	2020	2021	2020	2021	2020
Real estate	0.3	0.3	1.1	1.0	0.8	0.7
Equity securities	77.2	74.1	96.7	99.5	19.5	25.4
Debt securities	27.0	28.5	27.9	29.7	1.0	1.2
Loans	3.4	3.9	3.5	4.0	0.1	0.2
Bank deposits	1.2	1.2	1.2	1.2	-	-
Funds held by others under reinsurance business assumed	13.9	13.1	13.9	13.1	-	-
<b>Total</b>	<b>123.0</b>	<b>121.1</b>	<b>144.4</b>	<b>148.6</b>	<b>21.4</b>	<b>27.5</b>

Additions (+)	Transfers	Disposals (-)	Revaluation (+)	Depreciation (-)	Net additions (+) Net disposals (-)	Values stated as of 31 December 2021	
€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	%
3,112	-	13,899	-	3,995	(14,782)	6,539	
33	-	5	-	130	(103)	247	
-	-	85	-	-	(85)	-	
3,145	-	13,989	-	4,125	(14,970)	6,786	
<b>19,686</b>	-	<b>8,287</b>	-	<b>6,008</b>	<b>5,390</b>	<b>277,002</b>	<b>0.3</b>
8,531,142	-	5,214,919	-	139,496	3,176,727	74,091,322	67.9
502,633	-	500,000	-	-	2,633	1,218,351	1.1
14,475	-	34,290	-	141,147	(160,961)	1,196,084	1.1
1,653	-	-	-	-	1,653	3,153	-
<b>9,049,904</b>	-	<b>5,749,209</b>	-	<b>280,643</b>	<b>3,020,052</b>	<b>76,508,910</b>	<b>70.2</b>
208,636	-	53,989	-	47,516	107,130	1,949,893	1.8
29,538,833	-	30,913,375	17,780	166,284	(1,523,046)	26,954,249	24.7
1,154,116	-	1,387,991	-	-	(233,875)	1,996,105	1.8
78,301	-	304,627	-	-	(226,326)	198,304	0.2
-	-	75,148	-	-	(75,148)	1,170,586	1.1
<b>30,979,886</b>	-	<b>32,735,130</b>	<b>17,780</b>	<b>213,800</b>	<b>(1,951,265)</b>	<b>32,269,137</b>	<b>29.6</b>
40,049,475	-	38,492,626	17,780	500,452	1,074,177	109,055,050	100.0
<b>40,052,620</b>	-	<b>38,506,616</b>	<b>17,780</b>	<b>504,577</b>	<b>1,059,207</b>	<b>109,061,836</b>	

## Valuation methods used to determine the market value

### Real estate

Land and buildings are valued using the Discounted Cash Flow method, or at cost for new buildings. The fair value is determined during the financial year.

### Equity securities

Investments in companies quoted on the stock exchange are generally measured by the stock exchange price quoted on the last trading day of 2021. Non-quoted companies are generally valued at their net asset value, calculated using the German Association for Financial Analysis and Asset Management's (DVFA) method. The transaction prices are used for recent transactions. In individual cases, market-based valuation models based on market multiples of relevant peers or internal valuation models considering the individual conditions defined in shareholder agreements are applied.

### Debt securities

These items are measured at the stock exchange value quoted on the last trading day of 2021 or, if there is no active market, at the prices obtained from brokers or pricing services.

## Loans

Loans are valued using the Discounted Cash Flow method. Relevant discount rates are derived from observable market parameters and reflect the remaining life and credit risk of the instruments. In exceptional cases, the carrying amount is used as fair value.

### Bank deposits and funds held by others under reinsurance business assumed

There are no differences between the book value and the fair value of these items.

### Details in accordance with § 285 No. 18 of the German Commercial Code on investments where the book value exceeds the market value

We disregarded market value declines of € 0.6 mn for loans with a book value of € 62 mn. Based on the expected development of market conditions, the decline in market value is not expected to be of an enduring nature. We intend to hold loans until maturity in order to ensure a repayment at par value.

## 4 \_ Real estate, real estate rights and buildings

The book value of own property for own use amounted to € 147 mn (2020: € 161 mn).

## 5 \_ Investments in affiliated enterprises and participations

€ bn

as of 31 December	2021	2020	Change
Shares in affiliated enterprises	74.1	70.9	3.2
Loans to affiliated enterprises	1.2	1.2	0.0
Participations	1.2	1.4	(0.2)
<b>Total</b>	<b>76.5</b>	<b>73.5</b>	<b>3.0</b>

The book value of shares in affiliated enterprises went up by € 3.2 bn to € 74.1 bn (2020: € 70.9 bn). This increase resulted from the following:

- € 2.6 bn capital increase of our subsidiary Allianz Holding Eins GmbH for the purpose of funding the acquisition of Aviva Group's operations in Poland and Lithuania.
- Various further capital increases of Group companies raising the book value by net € 0.7 bn, partially offset by a € 0.1 bn book value decrease due to impairments.
- Merger of our investment holding company Allianz Argos 14 GmbH with Allianz SE with effective date 1 January 2021, resulting in a book value reduction of € 4.9 bn due to the divestiture of Allianz Argos 14 GmbH as well as book value increases of equally € 4.9 bn resulting from shares in affiliated enterprises assumed from the balance sheet of Allianz Argos 14 GmbH in the course of the merger. We did not adopt the book values disclosed in the merger balance sheet of Allianz Argos 14 GmbH when taking over the assets and liabilities to the balance sheet of Allianz SE. Instead, we made use of the option defined by §24 of the German Reorganization Tax Act to apply acquisition cost for these assets and liabilities equalling in total the book value of the disposed shares in Allianz Argos 14 GmbH.

Driven by impairments, the book value of participations went down by € 0.2 bn to € 1.2 bn (2020: € 1.4 bn).

## 6 \_ Interests in investment funds

Details on interests in investment funds in accordance with §285 (26) of the German Commercial Code:

€ thou

as of 31 December 2021	Book value	Fair value	Valuation reserve	Dividend distribution
<b>Bond funds</b>				
Allianz RE Asia Fund	1,227,246	1,248,868	21,622	12,699
Allianz SE - PD Fund	615,754	615,754	-	-
Allianz SE Ashmore Emerging Markets Corporates Fund	100,000	105,330	5,330	-
<b>Subtotal bond funds</b>	<b>1,943,000</b>	<b>1,969,952</b>	<b>26,952</b>	<b>12,699</b>
<b>Mixed funds</b>				
Allianz Voyager Asia	4,500	5,505	1,005	-
<b>Subtotal mixed funds</b>	<b>4,500</b>	<b>5,505</b>	<b>1,005</b>	<b>-</b>
<b>Total</b>	<b>1,947,500</b>	<b>1,975,457</b>	<b>27,957</b>	<b>12,699</b>

Allianz SE holds more than 10.0% of the respective shares of these investment funds. The fund shares can be redeemed each trading day.

## 7 \_ Other receivables

As of 31 December 2021, other receivables amounted to € 4,226 mn (2020: € 4,006 mn). They mainly comprise receivables from profit transfer agreements amounting to € 2,855 mn (2020: € 3,121 mn), receivables from cash pooling of € 853 mn (2020: € 570 mn), and tax receivables for current demands of € 218 mn (2020: € 173 mn).

## 8 \_ Miscellaneous assets

At the end of the financial year, this position mainly included variation margins paid in connection with financial derivative transactions (€ 606 mn).

## 9 \_ Deferred charges and prepaid expenses

This item includes accrued interest in the amount of € 184 mn (2020: € 206 mn), which mainly results from our investments in debt securities and loans as well as other deferred charges and prepaid expenses amounting to € 107 mn (2020: € 65 mn). The latter comprise the discount on borrowings from affiliated enterprises, issued bonds, and subordinated liabilities, and a lump-sum payment for advertising agreements.

## 10 \_ Collateral

Assets amounting to € 154 mn (2020: € 171 mn), of which € 49 mn (2020: € 44 mn) were in favor of affiliated enterprises, were pledged as collateral for liabilities.

# SUPPLEMENTARY INFORMATION ON EQUITY AND LIABILITIES

## 11 \_ Shareholders' equity

### Issued capital

Issued capital as of 31 December 2021 amounted to € 1,169,920,000, divided into 408,457,873 fully paid registered shares. The shares have no-par value but a mathematical per-share value as a proportion of the issued capital.<sup>1</sup>

### Authorized capital

As of 31 December 2021, Allianz SE had authorized capital with a notional amount of € 334,960,000 for the issuance of new shares until 8 May 2023 (Authorized Capital 2018/I). The shareholders' subscription rights can be excluded for capital increases against contribution in kind. For a capital increase against contributions in cash, the subscription rights can be excluded: (i) for fractional amounts, (ii) if the issue price is not significantly below the market price and the shares issued under exclusion of the subscription rights pursuant to § 186 (3) sentence 4 of the German Stock Corporation Act (Aktiengesetz) do not exceed 10% of the share capital, and (iii) to the extent necessary to grant a subscription right for new shares to the holders of bonds that carry conversion or option rights or provide for mandatory conversion. The subscription rights for new shares from the Authorized Capital 2018/I and the Conditional Capital 2010/2018 may only be excluded for the proportionate amount of the share capital of up to € 116,992,000 (corresponding to 10% of the share capital at year-end 2021).

In addition, Allianz SE has authorized capital (Authorized Capital 2018/II) for the issuance of new shares against contributions in cash until 8 May 2023. The shareholders' subscription rights are excluded. The new shares may only be offered to employees of Allianz SE and its Group companies. As of 31 December 2021, the Authorized Capital 2018/II amounted to € 15,000,000.

### Conditional capital

As of 31 December 2021, Allianz SE had conditional capital totaling € 250,000,000 (Conditional Capital 2010/2018). This conditional capital increase will only be carried out if conversion or option rights attached to convertible bonds, bonds with warrants, convertible participation rights, participation rights, and subordinated financial instruments, which Allianz SE or its Group companies have issued against cash payments according to the resolutions of the Annual General Meeting (AGM) on 5 May 2010 or 9 May 2018, are exercised or the conversion obligations under such bonds are fulfilled, and only to the extent that the conversion or option rights or conversion obligations are not serviced through treasury shares or through shares from authorized capital.

<sup>1</sup> Mathematical per-share value € 2.86 (rounded).

## Changes in the number of issued shares outstanding

### Number of issued shares outstanding

	2021	2020
Number of issued shares outstanding as of 1 January	412,045,639	416,577,182
Changes in number of treasury shares	8,769	348,188
Cancellation of issued shares	(3,835,255)	(4,879,731)
Number of issued shares outstanding as of 31 December	408,219,153	412,045,639
Treasury shares <sup>1</sup>	238,720	247,489
<b>Total number of issued shares</b>	<b>408,457,873</b>	<b>412,293,128</b>

<sup>1</sup> Thereof 238,720 (2020: 247,489) own shares held by Allianz SE.

### Proposal for appropriation of net earnings

The Board of Management and the Supervisory Board propose that the net earnings ("Bilanzgewinn") of Allianz SE of € 5,021,299,514.59 for the 2021 fiscal year shall be appropriated as follows:

- Distribution of a dividend of € 10.80 per no-par share entitled to a dividend: € 4,408,766,852.40
- Unappropriated earnings carried forward: € 612,532,662.19.

The proposal for appropriation of net earnings reflects the 238,720 treasury shares held directly and indirectly by the company as of 31 December 2021. Such treasury shares are not entitled to the dividend pursuant to § 71b of the German Stock Corporation Act (AktG). Should there be any change in the number of shares entitled to the dividend by the date of the Annual General Meeting, the above proposal will be amended accordingly and presented for resolution on the appropriation of net earnings at the Annual General Meeting, with an unchanged dividend of € 10.80 per each share entitled to dividend.

### Treasury shares

As of 31 December 2021, Allianz SE held 238,720 (2020: 247,489) treasury shares. Of these, 38,720 (2020: 47,489) were held for covering future subscriptions by employees in Germany and abroad in the context of Employee Stock Purchase Plans, whereas 200,000 (2020: 200,000) were held as a hedge for obligations from the Allianz Equity Incentive Program.

In 2021, 676,669 (2020: 748,482) treasury shares were transferred to employees of Allianz SE and its subsidiaries in Germany and abroad. There have been no grants for free shares. The 47,489 residual treasury shares earmarked for these purposes of Employee Stock Purchase Plans were fully consumed. In addition, 667,900 treasury shares were acquired from the market. As in the previous years, no capital increase for the purpose of Employee Stock Purchase Plans was carried out in 2021. Employees of the Allianz Group purchased approximately 75% of the shares of the purchase plan at a reference price of € 197.82 (2020: € 167.76) per share and were allocated one

additional share per three shares purchased, which is equivalent to a discount of approximately 25%. The shares were sold to employees at a mean price of € 148.37 (2020: € 125.82). As of 31 December 2021, the remaining treasury shares of Allianz SE held for covering subscriptions by employees in the context of the Employee Stock Purchase Plans of Allianz SE and its subsidiaries in Germany and abroad amounted to 38,720 shares.

In the year ending 31 December 2021, the total number of treasury shares of Allianz SE decreased by 8,769 (2020: a decrease of 348,188), which corresponds to € 25,116.49 (2020: € 988,015.75) or 0.002% (2020: 0.08%) of issued capital as of 31 December 2021.

The treasury shares of Allianz SE and its subsidiaries represented € 683,750.57 (2020: € 702,273.00) or 0.06% (2020: 0.06%) of the issued capital as of 31 December 2021.

### Share Buy-Back Program 2021

In its meeting on 5 August 2021, the Board of Management of Allianz SE resolved to carry out a share buy-back program in an

amount of up to € 750 mn within a period between August 2021 and 31 December 2021 (Share Buy-Back Program 2021) based on the authorization granted by the Annual General Meeting on 9 May 2018. In the period between 18 August 2021 and 22 October 2021, a total of 3,835,255 treasury shares with a market value of € 749,998,846.69 were acquired for an average price of € 195.55.

All of the treasury shares acquired within the Share Buy-Back Program 2021 have been redeemed according to the simplified procedure without reduction of the share capital.

#### Additional paid-in capital € thou

As of 31 December 2020	28,031,707
Own shares: realized gains	3,358
<b>As of 31 December 2021</b>	<b>28,035,065</b>

#### Revenue reserves

€ thou

as of 31 December	2020	Own shares exceeding mathematical value	Own shares: cancellation <sup>1</sup>	Transfer to revenue reserves	2021
1. Statutory reserve	1,229	-	-	-	1,229
2. Other revenue reserves <sup>2</sup>	6,804,045	(1,648)	(749,999)	750,000	6,802,397
<b>Total</b>	<b>6,805,274</b>	<b>(1,648)</b>	<b>(749,999)</b>	<b>750,000</b>	<b>6,803,626</b>

1\_Share Buy-Back Program 2021: acquisition costs for the repurchased and cancelled of Allianz SE shares.

2\_Thereof reserves for own shares € 684,000 thou (2020: € 702,000 thou).

### Restrictions on dividend payout

The unappropriated reserves plus the unappropriated earnings carried forward are not fully available for the distribution of a dividend due to legal restrictions.

The unappropriated reserves of Allianz SE correspond to the other revenue reserves.

Of the unappropriated reserves plus the unappropriated earnings carried forward, a total of € 777,748 thou (2020: € 891,432 thou) is exempt from dividend distribution. Of this amount, € 764,978 thou (2020: € 868,005 thou) are due to the legal requirement for discounting pension obligations according to §253 (2) sentence 1 in connection with §253 (6) of the German Commercial Code.

Another € 6,539 thou (2020: € 21,321 thou) account for internally generated intangible assets according to §268 (8) sentence 1 of the German Commercial Code, and € 5,547 thou (2020: € 1,404 thou) account for the surplus of the fair value of pension plan assets and phased-in early retirement plan assets compared to the acquisition costs according to §268 (8) sentence 3 of the German Commercial Code.

Another € 684 thou (2020: € 702 thou) correspond to the mathematical value of own shares deducted from issued capital according to §272 (1a) of the German Commercial Code.

## 12 \_ Subordinated liabilities

Subordinated liabilities decreased to € 15.8 bn in 2021 (2020: € 16.6 bn). These are exclusively attributable to external subordinated liabilities resulting from bonds directly issued by Allianz SE (2020: € 14.2 bn).

Previous year's intra-group subordinated liabilities of € 2.5 bn resulting from subordinated bonds issued by Allianz Finance II B.V. were fully redeemed in 2021. Allianz Finance II B.V. is an affiliated enterprise that usually transfers the proceeds from these issues to Allianz SE via intra-group loans. In 2021, Allianz Finance II B.V. repaid all outstanding subordinated bonds of € 1.1 bn and € 0.8 bn as well as a subordinated convertible bond of € 0.5 bn.

In return, external subordinated liabilities increased in 2021 as Allianz SE placed a dual tranche restricted tier 1 (RT1) bond comprising a USD tranche of USD 1.25 bn (equals € 1.1 bn) and a EUR tranche of € 1.25 bn. This increase was, however, partially offset by the repayment of a subordinated bond with a volume of USD 1.0 bn (equals € 0.8 bn).

## 13 \_ Insurance reserves

€ thou

as of 31 December 2021	Unearned premiums	Aggregate policy reserves	Reserves for loss and loss adjustment expenses	Reserves for premium refunds	Claims equalization and similar reserves	Other insurance reserves	Total
Motor	899,644	-	4,861,091	-	885,081	32,566	6,678,382
Fire and property reinsurance	601,869	-	2,833,243	20,200	768,532	11,628	4,235,472
Liability	227,783	-	4,312,933	2,897	487,759	4,449	5,035,821
Life	76,607	452,204	218,187	-	-	5,907	752,905
Personal accident	45,274	41,460	662,606	793	1,012	2,394	753,540
Marine and aviation	31,580	-	469,544	-	121,753	295	623,172
Legal expenses	50,528	-	466,774	-	-	531	517,833
Credit and bond	14,311	-	337,970	18,704	351,623	62	722,669
Health	866	1,340	9,500	-	-	(17)	11,689
Other lines	289,942	-	581,019	83	390,610	2,168	1,263,822
<b>Total</b>	<b>2,238,404</b>	<b>495,003</b>	<b>14,752,867</b>	<b>42,677</b>	<b>3,006,370</b>	<b>59,985</b>	<b>20,595,306</b>

The development of the insurance reserves was mainly driven by an increase of the reserves for loss and loss adjustment expenses as well as by the strengthened claims equalization and similar reserves.

### Aggregate policy reserves

Aggregate policy reserves declined by € 41 mn to € 495 mn, which was mainly attributable to the life reinsurance.

### Reserves for loss and loss adjustment expenses

Reserves for loss and loss adjustment expenses increased by 10.1% to € 14,753 mn, mainly driven by motor reinsurance.

### Claims equalization and similar reserves

In 2021, claims equalization and similar reserves increased by € 435 mn to € 3,006 mn. This was mainly driven by a lower claims frequency in the liability reinsurance, which resulted in an increase of the claims equalization and similar reserves by € 243 mn. Due to an increase in the accident year claims ratio from 68.2% to 75.8%, the allocation to the claims equalization and similar reserves decreased by € 296 mn to € 120 mn in motor reinsurance.

## 14 \_ Other provisions

### Development of other provisions

€ thou

	Provision	Use	Release <sup>1</sup>	Additions <sup>1</sup>	Reversal of discounting	Provision
	1 January 2021	(-)	(-)	(+)	(+)	31 December 2021
Provisions for pensions and similar liabilities	7,457,526 <sup>2</sup>	310,136	58	678,573	730,766	8,556,671
Tax provisions	417,061	12,151	8,731	243,802	-	639,982
Miscellaneous						
1. Anticipated losses	173,662	157,162	121	397,229	-	413,608
2. Remaining provisions	457,799 <sup>2</sup>	174,078	62,002	264,441	1,384	487,544
<b>Total</b>	<b>8,506,049</b>	<b>653,528</b>	<b>70,912</b>	<b>1,584,045</b>	<b>732,150</b>	<b>10,097,804</b>

<sup>1</sup> Including currency translation effects.

<sup>2</sup> Effective from 2021 onwards, obligations resulting from a long-term credit account are reported under the position "Remaining provisions" instead of "Provisions for pensions and similar liabilities". The previous year's figures have been adjusted accordingly.

The total of other provisions rose by € 1,592 mn. This growth resulted mainly from a net increase of pension liabilities by € 1,099 mn. The miscellaneous provisions also went up by € 270 mn. This increase was almost entirely driven by the higher provisions for anticipated losses (€ 240 mn), which resulted exclusively from derivative transactions. The tax provisions grew by € 223 mn.

Allianz SE has made pension promises for which pension provisions are recognized. Part of these pension obligations are secured by "Contractual Trust Arrangements" (Methusalem Trust e.V.). Nearly

all of these trust assets constitute offsettable plan assets, with the asset value/market value being used as the fair value.

In 1985, the pension provisions of the German subsidiaries were centralized by transferring the corresponding assets to Allianz SE. As a result, Allianz SE has a joint liability for a large part of these old pension promises. The German subsidiaries reimburse the costs, with Allianz SE assuming responsibility for settlement. Consequently, these pension provisions are reported by Allianz SE.

As of 1 January 2015, Allianz SE completely assumed the obligations resulting from the agents pension fund ("Vertreterversorgungswerk" – VVW) from Allianz Beratungs- und Vertriebs-AG. Effective from 1 January 2017, the German subsidiaries reimburse only the service costs for their employees. There is no longer any cost reimbursement for the risks arising from changes in interest rate, inflation, and mortality tables.

The following table shows a breakdown of pension provisions:

#### Settlement amount of the offset liabilities

€ thou		
as of 31 December	2021	2020
Old pension promises of the German subsidiaries	2,131,370	1,920,002
Pension promises of Allianz SE		
agents pension fund (VVW)	6,351,427	5,522,013
old pension promises to employees	271,834	231,523
contribution-based pension plans	332,225	284,216
deferred compensation	147,521	138,286
<b>Total</b>	<b>9,234,377</b>	<b>8,096,040</b>

The settlement amount is calculated on the basis of the projected unit credit method and/or reported as the present value of the entitlements acquired. In the case of security-linked pension plans, the fair value of the offset assets is shown.

On 30 April 2021, the Institut der Wirtschaftsprüfer in Deutschland e.V. [Institute of Public Auditors in Germany, Incorporated Association] (IDW) passed RH FAB 1.021 for the commercial valuation of provisions for pension obligations from reinsured direct commitments. Allianz SE has decided not to apply RH FAB 1.021 as of 31 December 2021.

Due to the fact that there is no employment relationship between the tied agents and Allianz SE, and since Allianz Beratungs- und Vertriebs-AG no longer reimburses any costs, the pension obligations resulting from the VVW are recorded at their full present value.

#### Actuarial parameters

%		
as of 31 December	2021	2020
Applied discount rate (10-year average)	1.87	2.30
Applied discount rate (7-year average)	1.35	1.60
Rate of assumed pension trend	2.00	1.30
Rate of assumed salary increase (including average career trend)	3.25	3.25

Contrary to the above rates, part of the pension promises are calculated using a guaranteed pension increase rate of 1.00% p.a. for these pension promises.

The mortality tables used are the Heubeck's RT2005G tables, which have been adjusted with respect to mortality, disability, and labor turnover to reflect company-specific circumstances. The adjustment was installed in 2010, and reviewed and revised in 2018. The retirement age applied is the contractual or legal retirement age.

#### Supplementary information

€ thou		
as of 31 December	2021	2020
Historical costs of the offset assets	675,051	637,348
Settlement amount of the offset liabilities	9,236,648	8,096,040
(-) Fair value of the offset assets	679,977	638,513
<b>Provisions for pensions and similar liabilities</b>	<b>8,556,671</b>	<b>7,457,526</b>

Allianz SE has obligations resulting from jubilee payments, birthday payments, early retirement, phased-in early retirement, and resulting from a long-term credit account, which are reported under remaining provisions. These obligations are basically calculated in the same way as pension obligations, using the same actuarial assumptions (except for the discount rate).

Offsettable plan assets are held at Methusalem Trust e.V. to secure the phased-in early retirement and long-term credit account obligations. The asset value/market value is used as the fair value.

The following table shows a breakdown of the offset assets and liabilities that result from phased-in early retirement and long-term credit account obligations.

#### Information on the offset assets and liabilities

€ thou		
as of 31 December	2021	2020
Historical costs of the offset assets	26,014	21,591
Settlement amount of the offset liabilities	26,618	21,530
Fair value of the offset assets	26,635	21,830



## 15 \_ Maturity of financial liabilities

The residual terms of subordinated liabilities, bonds issued, and miscellaneous liabilities are as follows:

### Maturity table as of 31 December 2021

€ thou

	Total	Term < 1 year	Term 1 – 5 years	Term > 5 years
<b>Subordinated liabilities (B.)</b>				
Intra-group transmission of proceeds from third-party financing	-	-	-	-
Subordinated bonds issued by Allianz SE	15,780,844	187,779	-	15,593,064
Subtotal subordinated liabilities (B.)	15,780,844	187,779	-	15,593,064
Bonds (intra-group – F.II.)	2,734,133	138,133	137,000	2,459,000
Liabilities to banks (F.III.)	145	145	-	-
<b>Miscellaneous liabilities (F.IV.)</b>				
Intra-group transmission of proceeds from third-party financing	8,452,337	1,809,055	3,000,000	3,643,283
Other intra-group liabilities <sup>1</sup>	26,305,679	19,543,315	200,000	6,562,364
<b>Subtotal intra-group miscellaneous liabilities</b>	<b>34,758,016</b>	<b>21,352,370</b>	<b>3,200,000</b>	<b>10,205,646</b>
<b>Liabilities to third parties</b>	<b>1,240,187</b>	<b>1,240,187</b>	-	-
Subtotal miscellaneous liabilities (F.IV.)	35,998,203	22,592,557	3,200,000	10,205,646
<b>Total</b>	<b>54,513,324</b>	<b>22,918,614</b>	<b>3,337,000</b>	<b>28,257,711</b>

<sup>1</sup>As of 31 December 2021, other intra-group liabilities due within one year amounted to € 19.5 bn. Thereof, cash pool and intra-group loans accounted for € 12.2 bn and € 6.8 bn respectively. Upon maturity, intra-group loans are rolled forward by Allianz SE on a regular basis.

### Maturity table as of 31 December 2020

€ thou

	Total	Term < 1 year	Term 1 – 5 years	Term > 5 years
<b>Subordinated liabilities (B.)</b>				
Intra-group transmission of proceeds from third-party financing	2,481,474	85,674	-	2,395,800
Subordinated bonds issued by Allianz SE	14,151,345	136,781	-	14,014,564
Subtotal subordinated liabilities (B.)	16,632,819	222,455	-	16,410,364
Bonds (intra-group – F.II.)	2,743,109	147,109	137,000	2,459,000
Liabilities to banks (F.III.)	287	287	-	-
<b>Miscellaneous liabilities (F.IV.)</b>				
Intra-group transmission of proceeds from third-party financing	6,906,831	292,427	2,750,000	3,864,404
Other intra-group liabilities <sup>1</sup>	27,620,972	13,944,608	7,014,000	6,662,364
<b>Subtotal intra-group miscellaneous liabilities</b>	<b>34,527,802</b>	<b>14,237,035</b>	<b>9,764,000</b>	<b>10,526,767</b>
<b>Liabilities to third parties</b>	<b>1,534,451</b>	<b>1,534,451</b>	-	-
Subtotal miscellaneous liabilities (F.IV.)	36,062,254	15,771,486	9,764,000	10,526,767
<b>Total</b>	<b>55,438,469</b>	<b>16,141,338</b>	<b>9,901,000</b>	<b>29,396,131</b>

<sup>1</sup>As of 31 December 2020, other intra-group liabilities due within one year amounted to € 13.9 bn. Thereof, cash pool and intra-group loans accounted for € 9.8 bn and € 3.1 bn respectively. Upon maturity, intra-group loans are rolled forward by Allianz SE on a regular basis.

## 16 \_ Information about derivative financial instruments

### Options dealing in shares and share indices as of 31 December 2021

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long call	45,741	16,358	4,903	Share index	Assets D.III.
Short call	45,741	(16,358)	4,903	Share index	Liabilities F.IV.
Long put	111,893	5,559	6,661	Share index	Assets D.III.
Short put	111,893	(5,559)	6,661	Share index	Liabilities F.IV.

The options on share indices are held in the context of hedging activities of Allianz companies with Allianz SE. Allianz SE hedged these positions by entering into countertrades at the market. Both intra-group and group-external positions were combined to valuation units ("Bewertungseinheiten"). The average remaining term of the call options is six years. The average remaining term of the put options is nine months.

European-type options are valued using the Black-Scholes model, and American-type options using the binomial model, both based on the closing price on the valuation date. Yield curves are derived from the swap rates prevailing on the valuation date. The future dividend yield is estimated on the basis of market information on the valuation date. Volatility is estimated based on currently traded implicit volatility, taking into account the residual term, and the ratio between the strike price and the prevailing share price.

### Forward contracts in shares, share indices, and hedge RSU as of 31 December 2021

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	468,102	5,859	5,287	Allianz SE share	Liabilities F.IV.
Long forward	242,556	85,047	-	UniCredit S.p.A. share	-
Short forward	242,556	(85,047)	-	UniCredit S.p.A. share	-
Hedge RSU	282,180	(343,945)	343,971	Allianz SE share	Liabilities F.IV.

Positions in long forwards on Allianz SE shares and in hedge RSU are held in the context of hedging the Allianz Equity Incentive Plans.

For the purpose of hedging the share price risk, our subsidiary Allianz Finance II Luxembourg S.à.r.l. entered into short forwards on UniCredit S.p.A. shares with Allianz SE. Allianz SE hedged these positions by entering into countertrades at the market. Both intra-group and group-external positions were combined to valuation units. The remaining term of these forwards is less than one year.

The fair value of a forward contract is determined as the difference between the underlying closing price on the valuation date

and the discounted forward price. The net present value of dividend payments due before maturity of the forward contract is also taken into account, unless the dividends are subject to a pass-through agreement. Liabilities from hedge RSU, which the Group companies acquire from Allianz SE in order to hedge their liabilities from the Group Equity Incentive programs, are valued on the basis of the Allianz closing price on the valuation date, minus the net present value of estimated future dividends due before maturity of the respective hedge RSU. Applicable discount rates are derived from interpolated swap rates.

### Forward contracts in bonds as of 31 December 2021

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	609,672	(96)	-	Bonds	-
Short forward	609,672	96	-	Bonds	-

For the purpose of hedging the interest rate risk of investments, Allianz Benelux N.V. entered into forward transactions on bonds with Allianz SE. Allianz SE hedged these positions by entering into countertrades at the market. Both intra-group and group-external positions were combined to valuation units. The average remaining term of these forwards is less than one year.

The fair value of a forward bond contract is determined as the difference between the market price of the underlying bond (including accrued interest) on the valuation date and the discounted forward price, taking into account the net present value of all interest payments occurring between the valuation date and the expiry date of the forward contract.

**Forward currency contracts as of 31 December 2021**

Class	Nominal € thou	Fair value € thou	Book value € thou	Underlying	Balance sheet position
Long forward	17,846,407	232,832	12,036	AED, AUD, BRL, CAD, CHF, CNY, COP, CZK, GBP, HKD, HUF, ILS, INR, JPY, KRW, NOK, PLN, RON, SEK, SGD, TRY, TWD, USD, ZAR	Liabilities D.
Short forward	24,630,962	(285,497)	250,441	AED, AUD, BRL, CAD, CHF, CNY, COP, CZK, DKK, GBP, HKD, HUF, INR, JPY, NOK, PLN, RON, SEK, SGD, TRY, TWD, USD, ZAR	Liabilities D.

Allianz SE holds long and short positions in various currencies in order to manage foreign exchange risk within Allianz SE and other entities of the Allianz Group.

The fair value of a forward currency contract is the difference between the discounted forward price and the spot rate in euro. The discounted forward price is calculated by applying the euro interest

rate as a discount rate and the foreign currency interest rate as a compound interest rate.

Long forwards and short forwards with a nominal value of € 11.8 bn, and a fair value of € 125.9 mn respectively, were aggregated to valuation units, each comprising intra-group positions offset by countertrades at the market. The average remaining term of the forwards in valuation units is less than one year.

**Interest rate swap contracts as of 31 December 2021**

Class	Nominal € thou	Fair value € thou	Book value € thou	Underlying	Balance sheet position
Receiver swap EUR	1,500,000	36,575	-	Long-term interest rate positions	-
Receiver swap EUR	2,000,000	(149,335)	145,844	Long-term interest rate positions	Liabilities D.

Allianz SE holds EUR receiver swaps for the purpose of managing duration and hedging interest rate risk arising from interest rate positions in the pension portfolio of Allianz SE.

The fair value of an interest rate swap is the aggregate net present value of all expected incoming and outgoing cash flows of the respective swap transaction.

Our financial participations include put and call options on company shares, which are linked to certain conditions. Due to the lack of quoted prices on active markets for these financial participations, and the uncertainty regarding the occurrence of the option conditions, the fair value of such options cannot be determined reliably. Wherever feasible, contractual arrangements including the option agreements

were taken into account when determining the fair value of the financial participation. However, no stand-alone valuation of the options as derivative financial instruments was performed.

Embedded in a retrocession agreement covering the retrocession of life business to an external reinsurance partner, Allianz SE has provided the retrocessionaire with credit protection related to the issuer risk associated with ceded future cash flows arising from a corporate bond. The agreement obliges Allianz SE to pay an amount of € 87 mn to the retrocessionaire as compensation for safeguarding the reinsurance partner against default risk arising from a bond. At the end of 2021, the fair value of this credit derivative amounted to € 6.6 mn.

## SUPPLEMENTARY INFORMATION ON THE INCOME STATEMENT

### 17 \_ Gross premiums written

€ thou	2021	2020
Property-Casualty reinsurance	11,480,478	11,685,402
Life/Health reinsurance	670,529	542,740
<b>Total</b>	<b>12,151,007</b>	<b>12,228,142</b>

Gross premiums written decreased by 0.6% to € 12,151 mn. The decline is attributable to the Property-Casualty reinsurance and particularly affects fire reinsurance and liability reinsurance. Life reinsurance developed in the opposite direction, recording an increase in gross premiums written of € 103 mn.

### 18 \_ Allocated interest return (net)

The allocated interest return (net) mainly corresponds to the agreed interest rate for deposited provisions and is therefore transferred from the non-technical section to the technical section. It amounts to € 16 mn (2020: € 16 mn).

### 19 \_ Run-off result

In 2021, the run-off result in Property-Casualty reinsurance amounted to € 439 mn (2020: € 400 mn) and was mainly influenced by liability reinsurance (€ 283 mn), credit and bond reinsurance (€ 89 mn) as well as fire and property reinsurance (€ 63 mn).

### 20 \_ Change in other insurance reserves (net)

€ thou	2021	2020
Change in aggregate policy reserves (net)	40,229	49,086
Other insurance reserves (net)	28,043	(58,176)
<b>Total</b>	<b>68,271</b>	<b>(9,090)</b>

The change in aggregate policy reserves (net) was mainly driven by life reinsurance.

The other insurance reserves (net) mostly include reserves for motor reinsurance.

### 21 \_ Underwriting expenses (net)

€ thou	2021	2020
Gross underwriting expenses	(3,240,647)	(3,445,229)
Less: commission received on retroceded business	105,461	283,869
<b>Net</b>	<b>(3,135,186)</b>	<b>(3,161,360)</b>

The decrease of underwriting expenses (net) mainly resulted from the premium development. The expense ratio (net) in Property-Casualty reinsurance decreased to 29.0% (2020: 29.5%), driven by a lower commission ratio of 28.2% (2020: 28.6%).

### 22 \_ Investment income

€ thou	2021	2020
a) Income from participations thereof from affiliated enterprises: € 6104422 thou (2020: € 4485589 thou)	6,156,356	4,487,046
b) Income from other investments thereof from affiliated enterprises: € 211457 thou (2020: € 249456 thou)		
aa) Income from real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE	16,697	13,717
bb) Income from other investments (see below)	469,784	511,685
c) Income from reversal of impairments	17,780	24,737
d) Realized gains	273,988	301,942
e) Income from profit transfer agreements	2,295,371	2,372,971
<b>Total</b>	<b>9,229,975</b>	<b>7,712,099</b>
	2021	2020
bb) Income from other investments		
Debt securities	206,656	224,697
Funds held by others under reinsurance business assumed	129,633	149,894
Loans to affiliated enterprises	68,570	101,001
Receivables from intra-group cash pooling	47,342	21,879
Interests in funds	12,814	12,398
Other	4,769	1,816
<b>Total</b>	<b>469,784</b>	<b>511,685</b>

## 23 \_ Investment expenses

€ thou	2021	2020
a) Expenses for the management of investments, interest, and other investment-related expenses		
aa) Interest expenses (see below)	(801,143)	(904,078)
ab) Other	(132,289)	(117,605)
b) Depreciation and impairments of investments	(500,452)	(551,839)
c) Realized losses	(148,456)	(166,997)
d) Expenses from losses taken over	(58,438)	(713,618)
<b>Total</b>	<b>(1,640,778)</b>	<b>(2,454,138)</b>
	2021	2020
aa) Interest expenses		
Subordinated bonds issued by Allianz SE	(487,510)	(429,834)
Liabilities from intra-group loans	(185,436)	(195,571)
Intra-group subordinated liabilities (intra-group transmission of proceeds from third-party financing)	(56,497)	(145,212)
Liabilities from intra-group bonds	(56,177)	(56,649)
Liabilities from intra-group cash pooling	(8,357)	(58,451)
Liabilities from commercial paper issues	-	(5,019)
Other	(7,166)	(13,342)
<b>Total</b>	<b>(801,143)</b>	<b>(904,078)</b>

Depreciation and impairments of investments include unscheduled write-downs of € 139 mn (2020: € 251 mn) on holdings in affiliated enterprises.

## 24 \_ Other non-technical result

€ thou	2021	2020
<b>Other income</b>		
Gains on derivatives	1,571,379	1,443,382
Currency gains	700,251	1,051,480
Other service revenues from Group companies	305,694	224,267
Income from the release of other provisions	55,904	185,910
Interest and similar income		
thereof from affiliated enterprises: € 2 thou (2020: € 0 thou)	53,195	2,901
Intercompany income	30,261	35,773
Service revenues from pensions charged to Group companies	8,511	10,046
Other	150,441	4,078
<b>Total other income</b>	<b>2,875,636</b>	<b>2,957,837</b>
<b>Other expenses</b>		
Expenses for derivatives	(1,379,613)	(1,431,569)
Currency losses	(1,071,349)	(708,129)
Interest and similar expenses		
thereof from reversal of discounting miscellaneous provisions: € (71) thou (2020: € (2912,000) thou)		
thereof from affiliated enterprises: € (2676,000) thou (2020: € (686) thou)	(815,742)	(703,928)
Pension expenses	(702,992)	(75,004)
Anticipated losses on derivatives	(397,229)	(119,240)
Other HR-related expenses	(364,221)	(306,359)
Other service expenses to Group companies	(305,694)	(224,267)
Other administrative expenses	(238,299)	(264,255)
Service expenses from pensions charged to Group companies	(8,511)	(10,046)
Other	(14,968)	(6,151)
<b>Total other expenses</b>	<b>(5,298,616)</b>	<b>(3,848,947)</b>
<b>Other non-technical result</b>	<b>(2,422,980)</b>	<b>(891,111)</b>

The other non-technical result amounted to € (2,423) mn after € (891) mn in 2020. This significant deterioration is primarily attributable to the result from foreign currency translation worsening by € 714 mn as well as to the increase of pension expenses by € 628 mn.

The result from foreign currency translation turned negative to € (371) mn after a € 343 mn gain in the previous year. This was largely owed to foreign currency translation losses of liabilities denominated in USD (€ (294) mn) and GBP (€ (93) mn) caused by a weaker euro in 2021, compared to gains in 2020 of € 305 mn and € 48 mn, respectively.

Allianz SE has a joint liability for a large part of the pension provisions of its German subsidiaries (see [note 14](#) for more details). Expenses incurred in this context are recognized as service expenses from pension plans charged to Group companies, as they are reimbursed by the German subsidiaries according to the cost allocation contract and result in corresponding service revenues.

The increase of the pension trend parameter from 1.3% p.a. to 2.0% p.a. resulted in a rise of pension expenses by € 545 mn in 2021.

Furthermore, other income/expenses include the following offset income and expenses:

€ thou	2021		2020	
	Pensions and similar obligations	Other obligations	Pensions and similar obligations	Other obligations
Actual return of the offset assets	(17,784)	(903)	(16,874)	(265)
Imputed interest cost for the settlement amount of the offset liabilities	189,495	922	208,769	291
Effect resulting from the change in the discount rate for the settlement amount	559,056	7	444,098	8
<b>Net amount of the offset income and expenses</b>	<b>730,767</b>	<b>26</b>	<b>635,993</b>	<b>34</b>

## Fees to the Auditor

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC GmbH) is the external auditing firm for the Allianz Group.

Audit services primarily relate to services rendered for the audit of the Allianz Group's consolidated financial statements, the audit of the statutory financial statements of Allianz SE and its subsidiaries, the audit of the Allianz Group's Solvency II market value balance sheet as well as those of Allianz SE and its subsidiaries. In addition, a review of the Allianz Group's consolidated interim financial statements was performed.

Tax services primarily refer to tax compliance services, other services mainly refer to consulting services.

Details of the fees to the auditor for services to Allianz SE, pursuant to §285(17) of the German Commercial Code, can be found in the notes to the Allianz Group's consolidated financial statements.

## 25 \_ Income taxes

In 2021, our tax income, most of which is net operating income, decreased to € 191 mn (2020: € 482 mn).

As the controlling company ("Organträger") of the tax group, Allianz SE files a consolidated tax return with most of its German affiliated enterprises. Together with the corporate income tax loss carried forward, the tax compensation payments of € 543 mn (2020: € 732 mn) received from members of the tax group result in a tax income.

The greatest differences between accounting and tax-based valuation concern the balance sheet items "pension accruals", "reserves for loss and loss adjustment expenses", and "provisions for anticipated losses" resulting in deferred tax assets.

In addition, the existing corporate tax loss increases the surplus of deferred tax assets.

The valuation of the domestic deferred taxes is based on the following tax rates:

- 31.0% differences in balance sheet items,
- 15.8% corporate tax losses,
- 15.2% trade tax losses.

## 26 \_ Net earnings

€ thou	2021	2020
Net income	5,351,221	4,607,731
Unappropriated earnings carried forward	420,079	527,986
Transfer to other revenue reserves	(750,000)	(760,000)
<b>Net earnings</b>	<b>5,021,300</b>	<b>4,375,717</b>

## OTHER INFORMATION

### Contingent liabilities, other financial commitments, and litigation

#### Contingent liabilities

##### Guarantees

The following guarantees have been provided by Allianz SE to Allianz Group companies as well as to third parties with regard to the liabilities of certain Allianz Group companies:

- senior bonds issued by Allianz Finance II B.V. for € 9.6 bn,
- commercial papers issued by Allianz Finance Corporation. As of 31 December 2021, USD 0.2 bn in commercial papers were issued as part of the program,
- letters of credit issued to various Allianz Group companies amounting to € 1.2 bn.

Guarantee declarations totaling € 0.8 bn have also been made for life policies signed by Allianz Compañía de Seguros y Reaseguros S.A.

Contingent liabilities exist because of indirect pension promises organized via pension funds (Allianz Versorgungskasse VVaG) and support funds (Allianz Pensionsverein e.V.). The adjustment obligation according to § 16 of the German Occupational Pensions Act (BetrAVG) is not funded in the APV old tariff. As a result of this, the plan assets of the support funds are less than the pension obligations. The resulting deficit as of 31 December 2021 amounts to € 45 mn (2020: € 20 mn). In addition, Allianz SE has a joint liability of € 562 mn for a part of the pension promises belonging to its German subsidiaries.

In the context of the sale of investments, guarantees were given in individual cases to cover counterparty exposure or the various bases used to determine purchase prices.

In addition, Allianz SE has issued guarantees to various Allianz Group companies totaling € 0.7 bn.

Allianz SE enters into contingent liabilities only after careful consideration of the risks involved. On the basis of a continuous evaluation of the risk situation of the contingent liabilities entered into, and taking into account the knowledge gained up to the preparation date, it can be assumed that the obligations underlying the contingent liabilities can be met by the respective principal debtors. As of today, and to the best of our knowledge, Allianz SE assesses the probability of a loss resulting from contingent liabilities to be extremely remote.

##### Legal obligations

Legal obligations to assume any losses arise on account of management control agreements and/or profit transfer agreements with the following companies:

- Allianz Africa Holding GmbH,
- Allianz Asset Management GmbH,
- Allianz Climate Solutions GmbH,
- Allianz Deutschland AG,
- Allianz Digital Health GmbH,
- Allianz Direct Versicherungs-AG,
- Allianz Finanzbeteiligungs GmbH,

- Allianz Global Corporate & Specialty SE,
- Allianz Global Health GmbH,
- Allianz Investment Management SE,
- Allianz Kunde und Markt GmbH,
- Allianz Technology SE,
- Allvest GmbH,
- AZ-Arges Vermögensverwaltungsgesellschaft mbH (until 31 December 2021),
- IDS GmbH-Analysis and Reporting Services.

##### Other financial commitments

There are financial obligations of € 475 mn, which result from advertising agreements (€ 455 mn), and payment obligations arising from investments (€ 20 mn).

##### Litigation

Allianz SE is involved in legal, regulatory, and arbitration proceedings in Germany and foreign jurisdictions, including the United States. Such proceedings arise in the ordinary course of business, including, amongst others, Allianz SE's activities as a reinsurance company, employer, investor and taxpayer. While it is not feasible to predict or determine the ultimate outcome of such proceedings, they may result in substantial damages or other payments or penalties, or result in adverse publicity and damage to Allianz SE's reputation. As a result, such proceedings could have an adverse effect on Allianz SE's business, financial condition, and results of operations. Apart from the proceedings discussed below, Allianz SE is not aware of any threatened or pending legal, regulatory or arbitration proceedings which may have, or have had in the recent past, significant effects on its financial position or profitability. Material proceedings in which Allianz SE is involved are in particular the following:

Since July 2020, multiple complaints have been filed in U.S. Federal Courts and also in certain U.S. State Courts against Allianz Global Investors U.S. LLC (AllianzGI U.S.) and in certain complaints, against certain of AllianzGI U.S.'s affiliates, including Allianz SE and Allianz Asset Management GmbH ("Affiliate Allianz Defendants"), in connection with losses suffered by investors in AllianzGI U.S.'s Structured Alpha funds (Funds) during the COVID-19 related market downturn. The actions brought to date have included institutional investor plaintiffs and individual plaintiffs, with certain plaintiffs asserting claims on behalf of putative classes. An investment consultant has also asserted third-party claims against AllianzGI U.S.. Plaintiffs in the currently pending 26 actions have alleged losses of approximately USD 6.3 bn. In addition to the complaints filed to date, other investors in the Funds, or other third parties, may bring similar actions. Plaintiffs in these actions have dismissed without prejudice all claims against Affiliate Allianz Defendants, including Allianz SE and Allianz Asset Management GmbH, with only one exception where Allianz Global Investors Distributors LLC is kept as a defendant next to AllianzGI U.S. AllianzGI U.S. continues to defend against the allegations contained in the complaints.

Upon request from the U.S. Securities and Exchange Commission (SEC), AllianzGI U.S. has provided substantial information to the SEC in

connection with an SEC investigation of the Funds, and Allianz is fully cooperating with the SEC's ongoing investigation.

In addition, the U.S. Department of Justice (DOJ) is continuing its investigation concerning the Funds, and AllianzGI U.S. is also fully cooperating with the DOJ in the investigation and is continuing its own review of the matter.

On 1 August 2021, in light of the DOJ investigation and based on information then available to Allianz, the Board of Management of Allianz SE reassessed the Structured Alpha matter and came to the conclusion, as also announced by ad-hoc disclosure, that there is a relevant risk that the matters relating to the Funds could materially impact future financial results of Allianz Group.

In light of the discussions with plaintiffs and U.S. Governmental Authorities concerning the Structured Alpha matter and in anticipation of settlements with major investors in the Funds, Allianz decided, as announced by ad-hoc disclosure on 17 February 2022, to recognize a provision of € 3.7 bn for the fourth quarter of 2021 within the Asset Management segment of the Allianz Group financial statements. The provision reflects the elements of the expected obligation in the Structured Alpha matter, for which, as of today, a reliable estimate could be determined. Final settlements with major investors were reached shortly thereafter and Allianz believes that these settlements represent a substantial majority of the Structured Alpha civil litigation exposure.

Discussions with remaining plaintiffs, the DOJ as well as the SEC are ongoing, and the timing and nature of any global or coordinated resolution of these matters is not certain. Therefore, as of today, the total financial impact of the Structured Alpha matter cannot be reliably estimated and it is expected that additional expenses will be incurred before these matters are finally resolved. Such additional expenses also cannot reliably be estimated and consequently are not included in the provision recognized in the Allianz Group financial statements. For Allianz SE the Structured Alpha matter has not led to any requirement for building a provision.

## Board members

The disclosures required in accordance with §285 No. 10 HGB for the Supervisory Board and Board of Management can be found in the chapters [Mandates of the Members of the Supervisory Board](#) and [Mandates of the Members of Board of Management](#).

## Board of Management remuneration<sup>1</sup>

As of 31 December 2021, the Board of Management was comprised of ten members. The following expenses reflect the full Board of Management active in the respective year.

The remuneration of the Board of Management includes fixed and variable components.

The variable remuneration consists of the annual bonus (short-term) and the share-based compensation (long-term). In 2021, the

share-based remuneration was comprised of 97,208<sup>2</sup> (2020: 81,561<sup>3</sup>) Restricted Stock Units (RSU).

### Board of Management remuneration

€ thou

	2021	2020
Base salary	(10,930)	(10,481)
Annual bonus	(9,629)	(7,341)
Perquisites	(274)	(287)
Subtotal base salary, annual bonus and perquisites	(20,832)	(18,109)
Fair value of RSU at grant date	(17,862)	(13,873)
Subtotal share-based compensation	(17,862)	(13,873)
<b>Total</b>	<b>(38,694)</b>	<b>(31,982)</b>

The total remuneration of the Board of Management of Allianz SE for 2021 amounted to € 38,694 thou (2020: € 31,982 thou).

### Share-based remuneration

The remuneration system as of 1 January 2019 only awards RSUs under the long-term incentive plan. For 2021, the fair value of the RSUs at the date of grant was € 17,862 thou (2020: € 13,873 thou).

### Benefits to retired members of the Board of Management

In 2021, remuneration and other benefits of € 10 mn (2020: € 8 mn) were paid to retired members of the Board of Management and to surviving dependents of deceased former members of the Board of Management.

The pension obligations for former members of the Board of Management and their surviving dependents are as follows:

€ thou

as of 31 December	2021	2020
Fair value of the offset assets	155,686	129,322
Settlement amount of the offset liabilities	176,995	138,815
Pension provisions	21,309	9,493

## Supervisory Board remuneration<sup>4</sup>

	2021		2020	
	€ thou	%	€ thou	%
Fixed remuneration	(1,750)	62.0	(1,750)	66.0
Committee remuneration	(1,038)	37.0	(850)	32.0
Attendance fees	(24)	1.0	(52)	2.0
<b>Total</b>	<b>(2,812)</b>	<b>100.0</b>	<b>(2,652)</b>	<b>100.0</b>

members of the Board of Management who left as of 31 December 2020. The value therefore differs from the value disclosed last year.

<sup>4</sup> For detailed information regarding the Supervisory Board remuneration, please refer to the [Remuneration Report](#).

<sup>1</sup> For detailed information regarding the Board of Management remuneration, please refer to the [Remuneration Report](#).

<sup>2</sup> The relevant share price to determine the final number of RSUs granted is only available after the sign-off by the external auditors, thus numbers are based on a best estimate.

<sup>3</sup> The disclosure in the Annual Report 2020 was based on a best estimate of the RSU grants. The figure shown here for 2020 now includes the actual fair value as of the grant date (5 March 2021), including the



## Average number of employees

Excluding members of the Board of Management, employees in the passive phase of early retirement and on early retirement, on maternity leave or voluntary military/federal voluntary service, trainees, and interns.

	2021	2020
Full-time staff	1,823	1,586
Part-time staff	260	223
<b>Total</b>	<b>2,083</b>	<b>1,809</b>

The increase in the number of employees by 274 was mainly due to the transfer of central functions of Allianz Deutschland AG to Allianz SE as part of the realignment of Allianz Deutschland AG.

## Staff expenses

Including members of the Board of Management, employees in the passive phase of early retirement and on early retirement, on maternity leave or voluntary military/federal voluntary service, trainees, and interns.

€ thou

	2021	2020
Wages and salaries	(391,404)	(331,934)
Statutory welfare contributions and expenses for optional support payments	(31,715)	(26,732)
Expenses for pensions and other post-retirement benefits	(24,619)	(26,489)
<b>Total expenses</b>	<b>(447,737)</b>	<b>(385,156)</b>

## Events after the balance sheet date

### Share Buy-Back Program 2022

In February 2022, Allianz SE has started a new share buy-back program with a volume of € 1.0 bn.

### Litigation

For further information on the Structured Alpha matter please refer to the section "Litigation" in "Contingent liabilities, other financial commitments, and litigation".

## Information pursuant to § 160(1) No. 8 AktG

The following major shareholdings exist and were reported pursuant to § 20(1) or (4) AktG, or pursuant to §§ 33, 34 WpHG:

By way of a letter dated 22 October 2021, BlackRock Inc., Wilmington, Delaware, United States of America, notified in the course of a voluntary group notification with triggered threshold on subsidiary level its voting rights pursuant to §§ 33, 34 WpHG as of 19 October 2021 amounted to 6.94% (representing 28,631,508 shares); its holdings in instruments pursuant to § 38(1) No. 1 WpHG as of 19 October 2021 amounted to 0.03% (representing 138,367 voting rights absolute); and its holdings in instruments pursuant to § 38(1) No. 2 WpHG as of 19 October 2021 amounted to 0.01% (representing 44,728 voting rights absolute). The total position as notified on 22 October 2021 amounted to 6.99%.

By way of a letter dated 22 December 2021, DWS Investment GmbH, Frankfurt am Main, Germany, notified that its voting rights pursuant to §§ 33, 34 WpHG have fallen below 3% as of 17 December 2021 and amounted to 2.99% (representing 12,226,551 shares). As of 17 December 2021 its holdings in instruments pursuant to § 38(1) No. 1 WpHG amounted to 0% (representing 0 voting rights absolute), and its holdings in instruments pursuant to § 38(1) No. 2 WpHG amounted to 0.01% (representing 33,400 voting rights absolute). The total position notified on 22 December 2021 amounted to 3.00%.

## Declaration of Conformity with the German Corporate Governance Code

On 16 December 2021, the Board of Management and the Supervisory Board of Allianz SE issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 AktG, and made it permanently available on the company's website at [www.allianz.com/corporate-governance](https://www.allianz.com/corporate-governance).

# LIST OF PARTICIPATIONS OF ALLIANZ SE, MUNICH AS OF 31 DECEMBER 2021 ACCORDING TO § 285 NO. 11 AND 11B HGB IN CONJUNCTION WITH § 286 (3) NO. 1 HGB

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
<b>GERMAN ENTITIES</b>							
<b>Affiliates</b>							
ACP Vermögensverwaltung GmbH & Co. KG Nr. 4a, Munich	100.0	5,647	(28)	Allianz Technology SE, Munich	100.0 <sup>2,3</sup>	338,218	-
ADAC Autoversicherung AG, Munich	51.0	142,636	9,872	Allianz Versicherungs-Aktiengesellschaft, Munich	100.0	887,569	-
ADEUS Aktienregister-Service-GmbH, Munich	80.0	6,640	1,823	Allianz X GmbH, Munich	100.0	7,488	(176)
AGCS Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	33,500	-	Allvest GmbH, Munich	100.0 <sup>3</sup>	5,305	-
AGCS-Argos 76 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2,3</sup>	66,088	-	APK Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	36,247	-
AGCS-Argos 86 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	92,555	-	APK-Argos 75 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	84,526	-
ALIDA Grundstücksgesellschaft mbH & Co. KG, Hamburg	95.0 <sup>3</sup>	389,261	12,232	APK-Argos 85 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	180,148	-
Allianz Africa Holding GmbH, Munich	100.0 <sup>2,3</sup>	207,042	-	APK-Argos 95 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	16,123	-
Allianz Asset Management GmbH, Munich	100.0 <sup>2,3</sup>	3,469,597	-	APKV Direkt Infrastruktur GmbH, Munich	100.0 <sup>2</sup>	32,788	-
Allianz AZL Vermögensverwaltung GmbH & Co. KG, Munich	100.0	409,243	(33)	APKV Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	295,693	-
Allianz Beratungs- und Vertriebs-AG, Munich	100.0	10,194	1,588	APKV Private Equity Fonds GmbH, Munich	100.0 <sup>2</sup>	798,213	-
Allianz Capital Partners GmbH, Munich	100.0 <sup>2</sup>	27,388	-	APKV-Argos 74 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	228,347	-
Allianz Capital Partners Verwaltungs GmbH, Munich	100.0	55,582	(317)	APKV-Argos 84 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	755,886	-
Allianz Climate Solutions GmbH, Munich	100.0 <sup>2</sup>	70,066	-	ARE Funds APKV GmbH, Munich	100.0 <sup>2,3</sup>	547,026	-
Allianz Deutschland AG, Munich	100.0	7,426,862	-	ARE Funds AZL GmbH, Munich	100.0 <sup>2,3</sup>	4,762,793	-
Allianz Digital Health GmbH, Munich	100.0 <sup>2,3</sup>	14,466	-	ARE Funds AZV GmbH, Munich	100.0 <sup>2,3</sup>	17,357	-
Allianz Direct Versicherungs-AG, Munich	100.0	67,331	-	atpacvc Fund GmbH & Co. KG, Munich	100.0	50,901	(1,085)
Allianz Finanzbeteiligungs GmbH, Munich	100.0 <sup>2</sup>	916,527	-	Atropos Vermögensverwaltungsgesellschaft mbH, Munich	100.0	494,738	9,258
Allianz Focus Teleport Beteiligungs-GmbH & Co. KG, Stuttgart	100.0 <sup>3</sup>	9,682	(318)	AZ ATLAS GmbH & Co. KG, Stuttgart	95.0 <sup>3</sup>	112,854	5,868
Allianz Global Corporate & Specialty SE, Munich	100.0 <sup>2,3</sup>	1,144,237	-	AZ ATLAS Immo GmbH, Stuttgart	100.0 <sup>2,3</sup>	145,624	-
Allianz Global Investors GmbH, Frankfurt am Main	100.0 <sup>2,3</sup>	307,838	-	AZ Northside GmbH & Co. KG, Stuttgart	94.0 <sup>3</sup>	18,267	230
Allianz Global Investors Holdings GmbH, Frankfurt am Main	100.0 <sup>2,3</sup>	25,439	-	AZ-Arges Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2,3</sup>	172,158	-
Allianz Handwerker Services GmbH, Aschheim	100.0 <sup>3</sup>	45,705	5,314	AZ-Argos 71 Vermögensverwaltungsgesellschaft mbH & Co. KG, Munich	100.0	29,406	1,873
Allianz Hirschgarten GmbH & Co. KG, Stuttgart	100.0 <sup>3</sup>	245,692	(112)	AZ-Argos 88 Vermögensverwaltungsgesellschaft mbH, Munich	100.0	70,025	(338)
Allianz Investment Management SE, Munich	100.0 <sup>2</sup>	6,331	-	AZL-Argos 73 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	1,655,653	-
Allianz Leben Direkt Infrastruktur GmbH, Munich	100.0 <sup>2</sup>	120,811	-	AZL-Argos 83 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	5,892,487	-
Allianz Leben Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	2,316,494	-	AZL-Argos 89 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	28,021	-
Allianz Leben Private Equity Fonds 2001 GmbH, Munich	100.0 <sup>2</sup>	7,482,979	-	AZL-Private Finance GmbH, Stuttgart	100.0 <sup>2</sup>	257,229	-
Allianz Leben Private Equity Fonds Plus GmbH, Munich	100.0 <sup>2</sup>	16,778	-	AZ-SGD Classic Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	18,414	-
Allianz Lebensversicherungs-Aktiengesellschaft, Stuttgart	100.0 <sup>3</sup>	2,991,344	-	AZ-SGD Direkt Infrastruktur GmbH, Munich	100.0 <sup>2</sup>	30,277	-
Allianz NM 28 GmbH & Co. KG, Stuttgart	93.0 <sup>3</sup>	222,817	758	AZ-SGD Infrastrukturfonds GmbH, Munich	100.0 <sup>2</sup>	196,249	-
Allianz of Asia-Pacific and Africa GmbH, Munich	100.0	847,578	42,076	AZ-SGD Private Equity Fonds 2 GmbH, Munich	100.0 <sup>2</sup>	16,786	-
Allianz Partners Deutschland GmbH, Aschheim	100.0 <sup>3</sup>	5,177	(5,694)	AZ-SGD Private Equity Fonds GmbH, Munich	100.0 <sup>2</sup>	676,631	-
Allianz Pensionsfonds Aktiengesellschaft, Stuttgart	100.0 <sup>3</sup>	60,536	447	AZV-Argos 72 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	77,474	-
Allianz Pensionskasse Aktiengesellschaft, Stuttgart	100.0 <sup>3</sup>	315,192	17,698	AZV-Argos 77 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	44,075	-
Allianz Private Equity GmbH, Munich	100.0 <sup>2</sup>	30,650	-	AZV-Argos 82 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	264,925	-
Allianz Private Krankenversicherungs-Aktiengesellschaft, Munich	100.0 <sup>2,3</sup>	335,210	-	AZV-Argos 87 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 <sup>2</sup>	166,750	-
Allianz Real Estate GmbH, Munich	100.0 <sup>2,3</sup>	21,237	-	BrahmsQ Objekt GmbH & Co. KG, Stuttgart	95.0 <sup>3</sup>	78,597	637
Allianz Renewable Energy Subholding GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	8,846	(1,784)	ControlExpert GmbH, Langenfeld	100.0 <sup>3</sup>	12,783	12,483
Allianz Taunusanlage GbR, Stuttgart	100.0 <sup>3</sup>	169,043	6,315	ControlExpert Holding GmbH, Langenfeld	100.0 <sup>3</sup>	116,082	(1,643)

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Deutsche Lebensversicherungs-Aktiengesellschaft, Berlin	100.0 <sup>2,3</sup>	44,991	-	GDV Dienstleistungs-GmbH, Hamburg	9.0 <sup>3</sup>	28,671	(270)
EASTSIDE Joint Venture GmbH & Co. KG, Frankfurt am Main	50.0 <sup>3</sup>	65,900	634	La Familia Fonds I GmbH & Co. KG, Munich	6.0 <sup>3</sup>	25,878	(963)
Euler Hermes Aktiengesellschaft, Hamburg	100.0 <sup>3</sup>	96,756	8,975	MLP AG, Wiesloch	10.0 <sup>3</sup>	454,019	43,241
finanzen.de Vermittlungsgesellschaft für Verbraucherverträge GmbH, Berlin	100.0 <sup>3</sup>	31,883	-	N26 GmbH, Berlin	5.0 <sup>3</sup>	405,532	(119,945)
IconicFinance GmbH, Munich	100.0 <sup>3</sup>	9,432	(5,670)	Protektor Lebensversicherungs-AG, Berlin	10.0 <sup>3</sup>	7,853	2
manroland AG, Offenbach am Main	100.0 <sup>4,5</sup>	148,289	(179,129)	Sana Kliniken AG, Ismaning	15.0 <sup>3</sup>	1,127,640	59,839
manroland Vertrieb und Service GmbH, Mülheim am Main	100.0 <sup>4,5</sup>	5,155	-	Simpleurance GmbH, Berlin	14.0 <sup>3</sup>	10,789	(6,930)
MAWISTA GmbH, Wendlingen am Neckar	100.0 <sup>3</sup>	9,120	3,191	STEMMER IMAGING AG, Puchheim	6.0 <sup>3</sup>	64,079	7,214
Mercato Leadmanagement Investments Holdings GmbH, Berlin	100.0 <sup>3</sup>	111,019	2,327				
PIMCO Europe GmbH, Munich	100.0 <sup>2</sup>	56,268	-	<b>FOREIGN ENTITIES</b>			
Projekt Hirschgarten MK8 GmbH & Co. KG, Stuttgart	95.0 <sup>3</sup>	177,473	748	<b>Affiliates</b>			
REC Frankfurt Objekt GmbH & Co. KG, Hamburg	80.0 <sup>3</sup>	276,333	9,267	1800 M Street Owner LP, Wilmington, DE	100.0 <sup>3</sup>	372,871	7,599
Seine GmbH, Munich	100.0	312,956	36,901	1800 M Street REIT LP, Wilmington, DE	100.0 <sup>3</sup>	378,079	7,606
Seine II GmbH, Munich	100.0	74,728	1,573	1800 M Street Venture LP, Wilmington, DE	45.0 <sup>3</sup>	341,425	6,511
Spherion Objekt GmbH & Co. KG, Stuttgart	90.0 <sup>3</sup>	66,732	3,625	490 Lower Unit LP, Wilmington, DE	100.0 <sup>3</sup>	102,409	(10,611)
Volkswagen Autoversicherung AG, Braunschweig	100.0 <sup>2</sup>	139,561	-	ACRE Hinoki Pte. Ltd., Singapore	100.0 <sup>3</sup>	31,696	(286)
Volkswagen Autoversicherung Holding GmbH, Braunschweig	49.0	172,799	29,450	Aero-Fonte S.r.l., Misterbianco	100.0 <sup>3</sup>	14,951	(2,250)
Windpark Aller-Leine-Tal GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	17,848	846	AGA Service Company Corp., Richmond, VA	100.0 <sup>3</sup>	22,852	16,298
Windpark Berge-Kleeste GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	6,919	1,284	AGCS International Holding B.V., Amsterdam	100.0 <sup>3</sup>	1,127,558	(63,620)
Windpark Büttel GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	18,622	166	AGCS Marine Insurance Company, Chicago, IL	100.0 <sup>3</sup>	132,587	2,755
Windpark Calau GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	38,277	2,054	Allianz - Slovenská DSS a.s., Bratislava	100.0 <sup>3</sup>	53,069	9,386
Windpark Cottbuser See GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	7,154	1,505	Allianz (UK) Limited, Guildford	100.0 <sup>3</sup>	1,800,446	130,289
Windpark Dahme GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	14,872	3,393	Allianz Africa SAS, Paris la Défense	100.0 <sup>3</sup>	44,574	2,486
Windpark Eckolstädt GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	28,916	2,358	Allianz Alapkezelő Zrt., Budapest	100.0 <sup>3</sup>	5,458	2,524
Windpark Freyenstein-Halenbeck GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	15,281	2,373	Allianz Argentina Compañía de Seguros Generales S.A., Buenos Aires	100.0 <sup>3</sup>	115,064	51,542
Windpark Kesfeld-Heckhuscheid GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	16,997	760	Allianz Asia Holding Pte. Ltd., Singapore	100.0 <sup>3</sup>	53,629	(13)
Windpark Kittlitz GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	6,227	473	Allianz Asset Management of America L.P., Dover, DE	100.0 <sup>3</sup>	555,041	1,468,630
Windpark Pröttin GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	12,314	1,452	Allianz Asset Management of America LLC, Dover, DE	100.0 <sup>3</sup>	5,729,143	1,839,187
Windpark Quitzow GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	12,057	1,618	Allianz Asset Management U.S. Holding II LLC, Dover, DE	100.0 <sup>3</sup>	228,162	79,267
Windpark Redekin-Genthin GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	20,634	1,155	Allianz Australia General Insurance Limited, Sydney	100.0 <sup>3</sup>	91,527	(37,382)
Windpark Schönwalde GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	13,579	935	Allianz Australia General Insurance Services Limited, Sydney	100.0 <sup>3</sup>	35,990	29,458
Windpark Waltersdorf GmbH & Co. KG Renditefonds, Sehestedt	100.0 <sup>3</sup>	7,891	697	Allianz Australia Insurance Limited, Sydney	100.0 <sup>3</sup>	1,766,590	(21,667)
Windpark Werder Zinndorf GmbH & Co. KG, Sehestedt	100.0 <sup>3</sup>	20,395	2,689	Allianz Australia Life Insurance Holdings Limited, Sydney	100.0 <sup>3</sup>	105,757	(15,555)
				Allianz Australia Life Insurance Limited, Sydney	100.0 <sup>3</sup>	105,757	(15,555)
				Allianz Australia Limited, Sydney	100.0 <sup>3</sup>	1,760,169	(6,857)
				Allianz Ayudhya Assurance Public Company Limited, Bangkok	83.0 <sup>3</sup>	790,392	91,943
<b>Joint ventures</b>				Allianz Ayudhya Capital Public Company Limited, Bangkok	49.0 <sup>3</sup>	341,635	11,908
AQ Focus Teleport GmbH & Co. KG, Hamburg	50.0 <sup>3</sup>	14,153	(4,314)	Allianz Ayudhya General Insurance Public Company Limited, Bangkok	100.0 <sup>3</sup>	63,114	(7,283)
Dealis Fund Operations GmbH, Frankfurt am Main	50.0 <sup>3</sup>	32,818	(35)	Allianz Bank Bulgaria AD, Sofia	100.0 <sup>3</sup>	125,150	4,213
UGG TopCo GmbH & Co. KG, Ismaning	42.0 <sup>3</sup>	9,922	77	Allianz Bank Financial Advisors S.p.A., Milan	100.0	287,411	24,212
VGP Park München GmbH, Vaterstetten-Baldham	49.0 <sup>3</sup>	105,971	252	Allianz Banque S.A., Puteaux	100.0 <sup>3</sup>	119,819	3,406
				Allianz Benelux S.A., Brussels	100.0 <sup>3</sup>	1,034,397	153,025
<b>Associates</b>				Allianz Brasil Seguradora S.A., Rio de Janeiro	100.0 <sup>3</sup>	191,285	9,950
Arabesque S-Ray GmbH, Frankfurt am Main	11.0 <sup>3</sup>	10,783	(6,963)	Allianz Bulgaria Holding AD, Sofia	66.0 <sup>3</sup>	64,299	10,602
Autobahn Tank & Rast Gruppe GmbH & Co. KG, Bonn	25.0 <sup>3</sup>	11,537	(183,284)	Allianz Cameroun Assurances SA, Douala	75.0 <sup>3</sup>	13,194	1,532
AV Packaging GmbH, Munich	100.0	16,140	(346)	Allianz Carbon Investments B.V., Amsterdam	100.0 <sup>3</sup>	10,858	(582)
DCSO Deutsche Cyber-Sicherheitsorganisation GmbH, Berlin	25.0 <sup>3</sup>	5,883	(1,633)	Allianz Cash SAS, Paris la Défense	100.0 <sup>3</sup>	6,183	218
T&R Real Estate GmbH, Bonn	25.0 <sup>3</sup>	140,869	(30)	Allianz Chicago Private Reit LP, Wilmington, DE	100.0 <sup>3</sup>	165,594	(60)
Verimi GmbH, Berlin	19.0 <sup>3</sup>	15,307	(19,253)	Allianz China Insurance Holding Limited, Shanghai	100.0 <sup>3</sup>	527,528	747
				Allianz China Life Insurance Co. Ltd., Shanghai	100.0 <sup>3</sup>	336,129	67,019
<b>Other participations below 20% voting rights</b>				Allianz Colombia S.A., Bogotá D.C.	100.0 <sup>3</sup>	103,551	10,903
EXTREMUS Versicherungs-Aktiengesellschaft, Cologne	16.0 <sup>3</sup>	64,219	119	Allianz Compañía de Seguros y Reaseguros S.A., Madrid	100.0 <sup>3</sup>	814,264	42,950
FC Bayern München AG, Munich	8.0 <sup>3</sup>	472,849	5,923	Allianz Côte d'Ivoire Assurances SA, Abidjan	74.0 <sup>3</sup>	10,280	5,366

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Allianz Côte d'Ivoire Assurances Vie SA, Abidjan	71.0 <sup>3</sup>	9,764	3,199	Allianz IARD S.A., Paris la Défense	100.0 <sup>3</sup>	1,733,289	205,552
Allianz Digital Services Pte. Ltd., Singapore	100.0 <sup>3</sup>	5,261	(4,986)	Allianz Individual Insurance Group LLC, Minneapolis, MN	100.0 <sup>3</sup>	182,218	1,161
Allianz Direct S.p.A., Milan	100.0 <sup>3</sup>	482,112	63,293	Allianz Infrastructure Holding I Pte. Ltd., Singapore	100.0 <sup>3</sup>	1,339,385	(13,079)
Allianz do Brasil Participações Ltda., São Paulo	100.0 <sup>3</sup>	777,002	(3,113)	Allianz Infrastructure Luxembourg Holdco I S.A., Luxembourg	100.0 <sup>3</sup>	2,676,689	28,755
Allianz Eiffel Square Kft., Budapest	100.0 <sup>3</sup>	97,706	1,945	Allianz Infrastructure Luxembourg Holdco II S.A., Luxembourg	100.0 <sup>3</sup>	559,173	5,977
Allianz Elementar Lebensversicherungs-Aktiengesellschaft, Vienna	100.0	77,269	4,979	Allianz Infrastructure Luxembourg Holdco III S.A., Luxembourg	100.0 <sup>3</sup>	958,071	6,074
Allianz Elementar Versicherungs-Aktiengesellschaft, Vienna	100.0 <sup>3</sup>	513,148	156,718	Allianz Infrastructure Luxembourg Holdco IV S.A., Luxembourg	100.0 <sup>3</sup>	236,558	1,481
Allianz Engineering Inspection Services Limited, Guildford	100.0 <sup>3</sup>	6,310	7,307	Allianz Infrastructure Luxembourg I S.à r.l., Luxembourg	100.0 <sup>3</sup>	3,785,787	130,038
Allianz Equity Investments Ltd., Guildford	100.0 <sup>3</sup>	147,645	(29,560)	Allianz Infrastructure Luxembourg II S.à r.l., Luxembourg	100.0 <sup>3</sup>	1,186,603	1,811
Allianz Europe B.V., Amsterdam	100.0 <sup>3</sup>	45,305,516	4,223,896	Allianz Infrastructure Norway Holdco I S.à r.l., Luxembourg	100.0 <sup>3</sup>	33,781	(9,619)
Allianz Europe Ltd., Amsterdam	100.0 <sup>3</sup>	3,980,496	77,134	Allianz Infrastructure Spain Holdco I S.à r.l., Luxembourg	100.0 <sup>3</sup>	32,973	8,759
Allianz Finance Corporation, Wilmington, DE	100.0 <sup>3</sup>	178,362	4	Allianz Infrastructure Spain Holdco II S.à r.l., Luxembourg	100.0 <sup>3</sup>	373,767	(90,442)
Allianz Finance II B.V., Amsterdam	100.0 <sup>3</sup>	6,645	1,897	Allianz Insurance Company - Egypt S.A.E., New Cairo	95.0 <sup>3</sup>	25,369	7,693
Allianz Finance II Luxembourg S.à r.l., Luxembourg	100.0 <sup>3</sup>	4,401,094	58,139	Allianz Insurance Company of Kenya Limited, Nairobi	100.0 <sup>3</sup>	5,250	(2,472)
Allianz Finance IX Luxembourg S.A., Luxembourg	100.0 <sup>3</sup>	2,064,529	(1,950)	Allianz Insurance Lanka Limited, Colombo	100.0 <sup>3</sup>	50,998	8,190
Allianz Finance VII Luxembourg S.A., Luxembourg	100.0 <sup>3</sup>	3,267,583	62,949	Allianz Insurance plc, Guildford	100.0 <sup>3</sup>	1,065,691	(11,580)
Allianz Finance VIII Luxembourg S.A., Luxembourg	100.0 <sup>3</sup>	984,766	15,209	Allianz Inversiones S.A., Bogotá D.C.	100.0 <sup>3</sup>	5,508	(104)
Allianz Fire and Marine Insurance Japan Ltd., Tokyo	100.0 <sup>3</sup>	23,601	6,051	Allianz Invest Kapitalanlagegesellschaft mbH, Vienna	100.0 <sup>3</sup>	8,775	3,226
Allianz France Investissement OPC, Paris la Défense	100.0 <sup>3</sup>	132,748	5,493	Allianz Investment Management LLC, St. Paul, MN	100.0 <sup>3</sup>	7,673	43,568
Allianz France Real Estate Invest SPPICAV, Paris la Défense	100.0 <sup>3</sup>	1,288,228	10,797	Allianz Investments III Luxembourg S.A., Luxembourg	100.0 <sup>3</sup>	1,638,415	(97,670)
Allianz France Richelieu 1 S.A.S., Paris la Défense	100.0 <sup>3</sup>	407,332	54,811	Allianz Jingdong General Insurance Company Ltd., Guangzhou	50.0 <sup>3</sup>	161,357	4,897
Allianz France S.A., Paris la Défense	100.0 <sup>3</sup>	6,156,860	734,177	Allianz Leasing Bulgaria AD, Sofia	100.0 <sup>3</sup>	5,311	691
Allianz France US REIT LP, Wilmington, DE	100.0 <sup>3</sup>	107,276	(1,467)	Allianz Leben Real Estate Holding I S.à r.l., Luxembourg	100.0 <sup>3</sup>	885,486	(17)
Allianz Fund Investments Inc., Wilmington, DE	100.0 <sup>3</sup>	254,571	9,867	Allianz Leben Real Estate Holding II S.à r.l., Luxembourg	100.0 <sup>3</sup>	4,151,265	40,392
Allianz General Insurance Company (Malaysia) Berhad, Kuala Lumpur	100.0 <sup>3</sup>	456,514	67,180	Allianz Life Assurance Company - Egypt S.A.E., New Cairo	100.0 <sup>3</sup>	86,794	14,794
Allianz General Insurance Public Co. Ltd., Bangkok	100.0 <sup>3</sup>	23,127	(19)	Allianz Life Financial Services LLC, Minneapolis, MN	100.0 <sup>3</sup>	31,715	(16,790)
Allianz General Laos Co. Ltd., Vientiane	51.0	6,588	1,590	Allianz Life Insurance Company Ltd., Moscow	100.0 <sup>3</sup>	85,520	20,097
Allianz Global Corporate & Specialty do Brasil Participações Ltda., Rio de Janeiro	100.0 <sup>3</sup>	42,297	367	Allianz Life Insurance Company of Missouri, Clayton, MO	100.0 <sup>3</sup>	309,179	5,381
Allianz Global Corporate & Specialty of Africa (Proprietary) Ltd., Johannesburg	100.0 <sup>3</sup>	6,864	-	Allianz Life Insurance Company of New York, New York, NY	100.0 <sup>3</sup>	184,566	(19,509)
Allianz Global Corporate & Specialty Resseguros Brasil S.A., São Paulo	100.0 <sup>3</sup>	42,123	404	Allianz Life Insurance Company of North America, Minneapolis, MN	100.0 <sup>3</sup>	13,299,049	788,164
Allianz Global Corporate & Specialty South Africa Ltd., Johannesburg	100.0 <sup>3</sup>	11,270	758	Allianz Life Insurance Lanka Ltd., Colombo	100.0 <sup>3</sup>	9,173	369
Allianz Global Investors (Schweiz) AG, Zurich	100.0 <sup>3</sup>	6,133	3,410	Allianz Life Insurance Malaysia Berhad, Kuala Lumpur	100.0 <sup>3</sup>	294,391	41,189
Allianz Global Investors Asia Pacific Ltd., Hong Kong	100.0 <sup>3</sup>	49,015	26,893	Allianz Life Luxembourg S.A., Luxembourg	100.0 <sup>3</sup>	122,455	12,666
Allianz Global Investors Distributors LLC, Dover, DE	100.0 <sup>3</sup>	29,839	2,916	Allianz Life Malaysia Berhad, Kuala Lumpur	75.0 <sup>3</sup>	215,068	57,239
Allianz Global Investors Japan Co. Ltd., Tokyo	100.0 <sup>3</sup>	21,002	3,104	Allianz Marine (UK) Ltd., London	100.0 <sup>3</sup>	10,820	56
Allianz Global Investors Singapore Ltd., Singapore	100.0 <sup>3</sup>	22,507	4,166	Allianz Maroc S.A., Casablanca	99.0 <sup>3</sup>	71,165	(3,541)
Allianz Global Investors Taiwan Ltd., Taipei	100.0 <sup>3</sup>	39,867	22,290	Allianz MENA Holding (Bermuda) Ltd., Hamilton	100.0 <sup>3</sup>	102,020	1,308
Allianz Global Investors U.S. Holdings LLC, Dover, DE	100.0 <sup>3</sup>	72,317	26,078	Allianz México S.A. Compañía de Seguros, Mexico City	100.0 <sup>3</sup>	194,736	38,274
Allianz Global Investors U.S. LLC, Dover, DE	100.0 <sup>3</sup>	13,973	(36,335)	Allianz Nederland Groep N.V., Rotterdam	100.0 <sup>3</sup>	1,998,127	64,869
Allianz Global Life dac, Dublin	100.0 <sup>3</sup>	153,386	9,441	Allianz New Zealand Limited, Auckland	100.0 <sup>3</sup>	38,465	2,100
Allianz Global Risks US Insurance Company Corp., Chicago, IL	100.0 <sup>3</sup>	1,512,676	(130,578)	Allianz Nigeria Insurance Limited, Lagos	100.0 <sup>3</sup>	21,771	(9,259)
Allianz Hayat ve Emeklilik A.S., Istanbul	89.0 <sup>3</sup>	14,429	242	Allianz of America Inc., Wilmington, DE	100.0	13,682,273	2,509,094
Allianz Hellas Single Member Insurance S.A., Athens	100.0 <sup>3</sup>	175,436	7,887	Allianz p.l.c., Dublin	100.0 <sup>3</sup>	449,773	12,312
Allianz Hold Co Real Estate S.à r.l., Luxembourg	100.0 <sup>3</sup>	298,747	(51)	Allianz Partners S.A.S., Saint-Ouen	100.0 <sup>3</sup>	821,121	(1,630)
Allianz Holding eins GmbH, Vienna	100.0	5,108,631	99,140	Allianz PCREL US Debt S.A., Luxembourg	100.0 <sup>3</sup>	83,017	(442)
Allianz Holding France SAS, Paris la Défense	100.0 <sup>3</sup>	9,003,625	540,792	Allianz Pensionskasse Aktiengesellschaft, Vienna	100.0 <sup>3</sup>	12,703	227
Allianz Holdings p.l.c., Dublin	100.0 <sup>3</sup>	61,518	-	Allianz penzijní společnost a.s., Prague	100.0 <sup>3</sup>	46,629	4,915
Allianz Holdings plc, Guildford	100.0 <sup>3</sup>	2,649,872	177,627				
Allianz Hrvatska d.d., Zagreb	83.0 <sup>3</sup>	159,897	7,205				
Allianz Hungária Biztosító Zrt., Budapest	100.0 <sup>3</sup>	137,294	60,241				
Allianz HY Investor LP, Wilmington, DE	100.0 <sup>3</sup>	321,259	(7,876)				

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Allianz Perfekta 71 S.A., Luxembourg	95.0 <sup>3</sup>	6,844	(1,746)	Allianz Tiriac Asigurari SA, Bucharest	52.0 <sup>3</sup>	201,852	24,555
Allianz PNB Life Insurance Inc., Makati City	51.0 <sup>3</sup>	29,723	3,339	Allianz Tiriac Pensii Private Societate de administrare a fondurilor de pensii private S.A., Bucharest	100.0 <sup>3</sup>	27,571	744
Allianz pojistovna a.s., Prague	100.0 <sup>3</sup>	303,623	45,943	Allianz Underwriters Insurance Company Corp., Chicago, IL	100.0 <sup>3</sup>	50,667	1,380
Allianz Polska Services Sp. z o.o., Warsaw	100.0 <sup>3</sup>	13,885	316	Allianz US Debt Holding S.A., Luxembourg	100.0 <sup>3</sup>	21,825	(7)
Allianz Presse Infra S.C.S., Luxembourg	92.0 <sup>3</sup>	88,376	(3,514)	Allianz US Investment LP, Wilmington, DE	100.0 <sup>3</sup>	3,229,019	(35,694)
Allianz Presse US REIT LP, Wilmington, DE	92.0 <sup>3</sup>	69,780	(609)	Allianz US Private REIT LP, Wilmington, DE	100.0 <sup>3</sup>	3,077,036	(27,106)
Allianz Properties Limited, Guildford	100.0 <sup>3</sup>	202,070	(6,371)	Allianz Vermogen B.V., Rotterdam	100.0 <sup>3</sup>	13,357	3,695
Allianz Re Argentina S.A., Buenos Aires	100.0 <sup>3</sup>	16,294	5,345	Allianz Vie S.A., Paris la Défense	100.0 <sup>3</sup>	3,035,999	340,835
Allianz Re Dublin dac, Dublin	100.0 <sup>3</sup>	3,842,581	12,699	Allianz Viva S.p.A., Milan	100.0 <sup>3</sup>	159,174	42,915
Allianz Real Estate Asia Pacific Pte. Ltd., Singapore	100.0 <sup>3</sup>	7,089	179	Allianz Vorsorgekasse AG, Vienna	100.0	45,616	9,463
Allianz Real Estate Investment S.A., Luxembourg	100.0 <sup>3</sup>	446,199	24,078	Allianz X Euler Hermes Co-Investments S.à r.L., Luxembourg	100.0 <sup>3</sup>	42,374	(138)
Allianz Real Estate of America LLC, Wilmington, DE	100.0 <sup>3</sup>	6,760	2,241	Allianz Yasam ve Emeklilik A.S., Istanbul	80.0 <sup>3</sup>	119,479	55,735
Allianz Reinsurance America Inc., Petaluma, CA	100.0 <sup>3</sup>	383,577	14,835	Allianz ZB d.o.o. Mandatory and Voluntary Pension Funds Management Company, Zagreb	51.0	21,375	7,396
Allianz Renewable Energy Partners I LP, London	100.0 <sup>3</sup>	128,705	10,919	Allianz-Slovenská poisťovňa a.s., Bratislava	100.0	371,785	91,726
Allianz Renewable Energy Partners II Limited, London	100.0	98,151	2,925	American Automobile Insurance Company Corp., Earth City, MO	100.0 <sup>3</sup>	67,865	1,139
Allianz Renewable Energy Partners III LP, London	99.0 <sup>3</sup>	111,336	5,759	APK US Investment LP, Wilmington, DE	100.0 <sup>3</sup>	96,963	(2,632)
Allianz Renewable Energy Partners IV Limited, London	99.0 <sup>3</sup>	624,622	(18,544)	APKV US Private REIT LP, Wilmington, DE	100.0 <sup>3</sup>	443,328	(3,516)
Allianz Renewable Energy Partners Luxembourg II S.A., Luxembourg	100.0 <sup>3</sup>	99,998	209	Appia Investments S.r.l., Milan	58.0	735,914	(536)
Allianz Renewable Energy Partners Luxembourg IV S.A., Luxembourg	99.0 <sup>3</sup>	716,116	1,070	Arges Investments I N.V., Amsterdam	100.0 <sup>3</sup>	52,151	387
Allianz Renewable Energy Partners Luxembourg VI S.A., Luxembourg	100.0 <sup>3</sup>	798,207	610	Asit Services S.R.L., Bucharest	100.0 <sup>3</sup>	30,815	1,639
Allianz Renewable Energy Partners of America 2 LLC, Wilmington, DE	100.0 <sup>3</sup>	286,253	20,421	Assistance, Courtage d'Assurance et de Réassurance S.A., Paris la Défense	100.0 <sup>3</sup>	5,648	4,993
Allianz Renewable Energy Partners of America LLC, Wilmington, DE	100.0 <sup>3</sup>	723,379	47,057	Associated Indemnity Corporation, Los Angeles, CA	100.0 <sup>3</sup>	78,047	1,349
Allianz Renewable Energy Partners V Limited, London	100.0	52,057	17,108	Assurances Médicales SA, Metz	100.0 <sup>3</sup>	5,695	2,194
Allianz Renewable Energy Partners VI Limited, London	100.0	397,141	19,827	Aviva Investors Poland TFI S.A., Warsaw	100.0 <sup>3</sup>	9,076	4,699
Allianz Retraite S.A., Paris la Défense	100.0 <sup>3</sup>	322,423	22,024	Aviva PTE Aviva Santander S.A., Warsaw	100.0 <sup>3</sup>	94,136	19,968
Allianz Risk Transfer (Bermuda) Ltd., Hamilton	100.0 <sup>3</sup>	101,411	23,378	Aviva Sp. z o.o., Warsaw	100.0 <sup>3</sup>	7,353	2,211
Allianz Risk Transfer AG, Schaan	100.0 <sup>3</sup>	546,037	72,528	Aviva TU na Zycie S.A., Warsaw	100.0 <sup>3</sup>	391,881	117,057
Allianz Risk Transfer Inc., New York, NY	100.0 <sup>3</sup>	8,331	452	Aviva TU Ogolnych S.A., Warsaw	100.0 <sup>3</sup>	58,446	10,568
Allianz S.p.A., Milan	100.0 <sup>3</sup>	1,952,068	443,863	AWP Assistance UK Ltd., London	100.0 <sup>3</sup>	7,196	(7,410)
Allianz Sakura Multifamily 1 Pte. Ltd., Singapore	100.0 <sup>3</sup>	291,007	(815)	AWP Australia Holdings Pty Ltd., Brisbane	100.0 <sup>3</sup>	17,659	-
Allianz Sakura Multifamily 2 Pte. Ltd., Singapore	100.0 <sup>3</sup>	258,150	(333)	AWP Australia Pty Ltd., Brisbane	100.0 <sup>3</sup>	8,046	(8,949)
Allianz Sakura Multifamily Lux SCSp, Luxembourg	100.0 <sup>3</sup>	317,077	6,700	AWP Business Services Co. Ltd., Beijing	100.0 <sup>3</sup>	28,906	14,571
Allianz Saúde S.A., São Paulo	100.0 <sup>3</sup>	29,184	2,388	AWP France SAS, Saint-Ouen	95.0 <sup>3</sup>	45,404	28,789
Allianz Saudi Fransi Cooperative Insurance Company, Riyadh	51.0 <sup>3</sup>	155,706	(6,384)	AWP Health & Life S.A., Saint-Ouen	100.0 <sup>3</sup>	421,255	44,084
Allianz Seguros de Vida S.A., Bogotá D.C.	100.0 <sup>3</sup>	59,206	9,276	AWP MEA Holdings Co. W.L.L., Manama	100.0 <sup>3</sup>	8,000	9,684
Allianz Seguros S.A., Bogotá D.C.	100.0 <sup>3</sup>	47,029	6,694	AWP P&C S.A., Saint-Ouen	100.0 <sup>3</sup>	371,899	(11,158)
Allianz Seguros S.A., São Paulo	100.0 <sup>3</sup>	768,636	(3,474)	AWP Service Brasil Ltda., São Bernardo do Campo	100.0 <sup>3</sup>	20,649	(34)
Allianz Services Private Ltd., Thiruvananthapuram	100.0 <sup>3</sup>	23,643	7,577	AWP USA Inc., Richmond, VA	100.0 <sup>3</sup>	289,638	(1,271)
Allianz Servizi S.p.A., Milan	100.0 <sup>3</sup>	16,256	(453)	AZ Euro Investments II S.à r.L., Luxembourg	100.0 <sup>3</sup>	476,894	23,987
Allianz Sigorta A.S., Istanbul	96.0 <sup>3</sup>	409,298	114,177	AZ Euro Investments S.A., Luxembourg	100.0 <sup>3</sup>	3,186,760	1,436
Allianz SNA s.a.l., Beirut	100.0 <sup>3</sup>	23,280	(8,985)	AZ Jupiter 10 B.V., Amsterdam	100.0 <sup>3</sup>	407,897	9,015
Allianz Société Financière S.à r.L., Luxembourg	100.0 <sup>3</sup>	1,184,867	5,617	AZ Jupiter 11 B.V., Amsterdam	98.0 <sup>3</sup>	344,625	2,832
Allianz South America Holding B.V., Amsterdam	100.0 <sup>3</sup>	1,095,724	49,325	AZ Jupiter 8 B.V., Amsterdam	100.0 <sup>3</sup>	3,304,500	(4,433)
Allianz Strategic Investments S.à r.L., Luxembourg	100.0 <sup>3</sup>	689,716	(57,918)	AZ Jupiter 9 B.V., Amsterdam	100.0 <sup>3</sup>	135,656	1,886
Allianz Suisse Immobilien AG, Wallisellen	100.0 <sup>3</sup>	5,251	3,399	AZ Vers US Private REIT LP, Wilmington, DE	100.0 <sup>3</sup>	143,680	(1,023)
Allianz Suisse Lebensversicherungs-Gesellschaft AG, Wallisellen	100.0 <sup>3</sup>	832,336	131,488	AZ-CR Seed Investor LP, Wilmington, DE	100.0 <sup>3</sup>	49,275	(184)
Allianz Suisse Versicherungs-Gesellschaft AG, Wallisellen	100.0 <sup>3</sup>	764,258	284,706	AZGA Service Canada Inc., Kitchener, ON	55.0 <sup>3</sup>	9,571	4,622
Allianz Taiwan Life Insurance Co. Ltd., Taipei	100.0	652,938	54,812	AZL PF Investments Inc., Minneapolis, MN	100.0 <sup>3</sup>	500,569	-
Allianz Technology (Thailand) Co. Ltd., Bangkok	100.0 <sup>3</sup>	9,117	1,286	BBVA Allianz Seguros y Reaseguros S.A., Madrid	50.0 <sup>3</sup>	548,301	892
Allianz Technology AG, Wallisellen	100.0 <sup>3</sup>	11,784	3,742	BCP-AZ Investment L.P., Wilmington, DE	98.0 <sup>3</sup>	39,180	(4,993)
Allianz Technology GmbH, Vienna	100.0	23,861	221	Beleggingsmaatschappij Willemsbruggen B.V., Rotterdam	100.0 <sup>3</sup>	95,708	2,446
Allianz Technology S.L., Barcelona	100.0 <sup>3</sup>	65,891	1,695	Beykoz Gayrimenkul Yatirim Insaat Turizm Sanayi ve Ticaret A.S., Ankara	100.0 <sup>3</sup>	104,047	9,683
Allianz Technology SAS, Saint-Ouen	100.0 <sup>3</sup>	48,638	1,409	BN Infrastruktur GmbH, St. Pölten	75.0 <sup>3</sup>	41,408	(9)
				Calobra Investments Sp. z o.o., Warsaw	100.0 <sup>3</sup>	133,073	7,484

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Candid Insurance Services Ltd., Bristol	100.0 <sup>3</sup>	5,841	2,497	Euler Hermes Sigorta A.S., Istanbul	100.0 <sup>3</sup>	5,730	1,004
CAP, Rechtsschutz-Versicherungsgesellschaft AG, Wallisellen	100.0 <sup>3</sup>	30,888	6,597	Euler Hermes Singapore Services Pte. Ltd., Singapore	100.0 <sup>3</sup>	6,879	658
Caroline Berlin S.C.S., Luxembourg	93.0 <sup>3</sup>	170,871	10,959	Euler Hermes South Express S.A., Ixelles	100.0 <sup>3</sup>	29,257	633
Castle Field Limited, Hong Kong	100.0 <sup>3</sup>	9,122	1,461	Eurl 20-22 Rue Le Peletier, Paris la Défense	100.0 <sup>3</sup>	50,277	1,541
CELUHO S.à r.l., Luxembourg	100.0 <sup>3</sup>	323,684	(45)	Eurosol Invest S.r.l., Udine	100.0 <sup>3</sup>	10,301	934
Central Shopping Center a.s., Bratislava	100.0 <sup>3</sup>	52,474	(1,030)	Expander Advisors Sp. z o.o., Warsaw	100.0 <sup>3</sup>	28,650	2,839
CEPE de la Forterre S.à r.l., Versailles	100.0 <sup>3</sup>	11,214	1,224	Fairmead Insurance Limited, Guildford	100.0 <sup>3</sup>	175,351	(47,313)
CEPE de Langres Sud S.à r.l., Versailles	100.0 <sup>3</sup>	25,983	5,244	Fénix Directo Compañía de Seguros y Reaseguros S.A., Madrid	100.0 <sup>3</sup>	35,458	(7,219)
CEPE de Mont Gimont S.à r.l., Versailles	100.0 <sup>3</sup>	23,692	5,077	FinOS Technology Holding Pte. Ltd., Singapore	100.0 <sup>3</sup>	16,845	(2,109)
CEPE de Sambres S.à r.l., Versailles	100.0 <sup>3</sup>	9,672	(3,314)	Fireman's Fund Indemnity Corporation, Liberty Corner, NJ	100.0 <sup>3</sup>	12,967	293
CEPE de Vieille Carrière S.à r.l., Versailles	100.0 <sup>3</sup>	5,967	(667)	Fireman's Fund Insurance Company Corp., Los Angeles, CA	100.0 <sup>3</sup>	1,073,451	20,592
CEPE des Portes de la Côte d'Or S.à r.l., Versailles	100.0 <sup>3</sup>	10,756	(156)	Flying Desire Limited, Hong Kong	100.0 <sup>3</sup>	65,315	(7)
CEPE du Bois de la Serre S.à r.l., Versailles	100.0 <sup>3</sup>	5,372	(773)	Foshan Geluo Storage Services Co. Ltd., Foshan	100.0 <sup>3</sup>	30,456	1,927
Chicago Insurance Company Corp., Chicago, IL	100.0 <sup>3</sup>	55,053	336	Fragonard Assurance S.A., Paris	100.0 <sup>3</sup>	105,777	28,605
CIC Allianz Insurance Ltd., Sydney	100.0 <sup>3</sup>	27,018	120	Franklin S.C.S., Luxembourg	95.0 <sup>3</sup>	82,934	4,444
Climmolux Holding SA, Luxembourg	100.0 <sup>3</sup>	71,980	2,494	Galore Expert Limited, Hong Kong	100.0 <sup>3</sup>	28,034	8,413
Columbia REIT - 221 Main Street LP, Wilmington, DE	100.0 <sup>3</sup>	328,851	3,141	Generation Vie S.A., Paris la Défense	53.0 <sup>3</sup>	90,750	6,551
Columbia REIT - 333 Market Street LP, Wilmington, DE	45.0 <sup>3</sup>	393,494	13,956	Global Azawaki S.L., Madrid	100.0 <sup>3</sup>	135,553	(5,440)
Columbia REIT - University Circle LP, Wilmington, DE	100.0 <sup>3</sup>	428,669	15,985	Global Carena S.L., Madrid	100.0 <sup>3</sup>	169,507	(6,563)
Companhia de Seguros Allianz Portugal S.A., Lisbon	65.0 <sup>3</sup>	222,210	36,571	Global Transport & Automotive Insurance Solutions Pty Limited, Sydney	100.0 <sup>3</sup>	15,831	9,595
ControlExpert Colombia SAS, Bogotá D.C.	90.0 <sup>3</sup>	171,488	56,282	Grupo Multiasistencia S.A., Madrid	100.0 <sup>3</sup>	22,382	6,834
ControlExpert Holding B.V., Amsterdam	90.0 <sup>3</sup>	190,175	(21)	Gurtin Fixed Income Management LLC, Dover, DE	100.0 <sup>3</sup>	5,342	4,026
Corn Investment Ltd., London	100.0	57,383	(37,361)	Harro Development Praha s.r.o., Prague	100.0 <sup>3</sup>	60,547	731
Cova Beijing Zpark Investment Pte. Ltd., Singapore	98.0 <sup>3</sup>	5,540	2,282	Highway Insurance Company Limited, Guildford	100.0 <sup>3</sup>	279,749	(1,758)
CPRN Thailand Ltd., Bangkok	100.0 <sup>3</sup>	101,927	15,007	Highway Insurance Group Limited, Guildford	100.0 <sup>3</sup>	217,033	(112,813)
CreditRas Assicurazioni S.p.A., Milan	50.0 <sup>3</sup>	127,510	27,740	Home & Legacy Insurance Services Limited, Guildford	100.0 <sup>3</sup>	7,852	1,248
CreditRas Vita S.p.A., Milan	50.0 <sup>3</sup>	700,648	87,172	Humble Bright Limited, Hong Kong	100.0 <sup>3</sup>	64,698	(6)
Darta Saving Life Assurance dac, Dublin	100.0 <sup>3</sup>	464,990	79,501	ICON Immobilien GmbH & Co. KG, Vienna	100.0 <sup>3</sup>	258,907	4,884
Delta Technical Services Ltd., London	100.0 <sup>3</sup>	49,433	2,540	ICON Inter GmbH & Co. KG, Vienna	100.0 <sup>3</sup>	24,387	279
Diamond Point a.s., Prague	100.0 <sup>3</sup>	10,900	556	Immovalor Gestion S.A., Paris la Défense	100.0 <sup>3</sup>	11,914	6,567
Dresdner Kleinwort Pfandbriefe Investments II Inc., Minneapolis, MN	100.0 <sup>3</sup>	625,646	10,060	ImWind PDV GmbH & Co. KG, Pottenbrunn	100.0 <sup>3</sup>	11,113	1,679
Elite Prize Limited, Hong Kong	100.0 <sup>3</sup>	20,627	5,682	ImWind PL GmbH & Co. KG, Pottenbrunn	100.0 <sup>3</sup>	8,245	1,080
Elix Vintage Residencial SOCIMI S.A., Madrid	100.0 <sup>3</sup>	80,704	(2,942)	Insurance CJSC "Medexpress", Saint Petersburg	100.0 <sup>3</sup>	10,691	729
Enertrag-Dunowo Sp. z o.o., Szczecin	100.0 <sup>3</sup>	130,150	(1,242)	Interstate Fire & Casualty Company, Chicago, IL	100.0 <sup>3</sup>	60,742	3,569
Eolica Erchie S.r.l., Lecce	100.0 <sup>3</sup>	9,565	1,293	Investitori SGR S.p.A., Milan	100.0 <sup>3</sup>	14,029	2,706
Euler Hermes Acmar SA, Casablanca	55.0 <sup>3</sup>	6,666	2,038	Järvsö Sörby Vindkraft AB, Danderyd	100.0 <sup>3</sup>	100,828	(4,754)
Euler Hermes Collections North America Company, Owings Mills, MD	100.0 <sup>3</sup>	7,247	1,561	Jefferson Insurance Company Corp., New York, NY	100.0 <sup>3</sup>	334,084	(19,764)
Euler Hermes Collections Sp. z o.o., Warsaw	100.0 <sup>3</sup>	14,383	692	Joukhaiselän Tuulipuisto Oy, Oulu	100.0 <sup>3</sup>	10,051	934
Euler Hermes Crédit France S.A.S., Paris la Défense	100.0 <sup>3</sup>	116,985	4,139	Jouttikallio Wind Oy, Kotka	100.0 <sup>3</sup>	9,120	(58)
Euler Hermes Group SAS, Paris la Défense	100.0 <sup>3</sup>	1,467,062	2,446,547	JSC Insurance Company Allianz, Moscow	100.0 <sup>3</sup>	149,408	11,693
Euler Hermes Luxembourg Holding S.à r.l., Luxembourg	100.0 <sup>3</sup>	102,941	(20)	Jubilee Allianz General Insurance (K) Limited, Nairobi	66.0 <sup>3</sup>	16,520	(1,153)
Euler Hermes North America Holding Inc., Owings Mills, MD	100.0 <sup>3</sup>	163,222	25,738	KAIGO Hi-Tech Development (Beijing) Co. Ltd., Beijing	100.0 <sup>3</sup>	17,938	4,133
Euler Hermes North America Insurance Company Inc., Owings Mills, MD	100.0 <sup>3</sup>	176,348	(26,766)	KaiLong Greater China Real Estate Fund II S.C.Sp., Luxembourg	100.0 <sup>3</sup>	106,275	18,880
Euler Hermes Patrimonia SA, Brussels	100.0 <sup>3</sup>	123,903	(41,910)	Keyeast Pte. Ltd., Singapore	100.0 <sup>3</sup>	65,074	(18)
Euler Hermes Ré SA, Luxembourg	100.0 <sup>3</sup>	61,055	-	Kiinteistöasakeyhtiö Eteläesplanadi 2 Oy, Helsinki	100.0 <sup>3</sup>	31,373	1,965
Euler Hermes Real Estate SPPICAV, Paris la Défense	60.0 <sup>3</sup>	258,785	6,638	Kohlenberg & Ruppert Premium Properties S.à r.l., Luxembourg	100.0 <sup>3</sup>	108,912	6,273
Euler Hermes Recouvrement France S.A.S., Paris la Défense	100.0 <sup>3</sup>	7,541	10,936	Kuolavaara-Keulakoppään Tuulipuisto Oy, Oulu	100.0 <sup>3</sup>	20,627	1,165
Euler Hermes Reinsurance AG, Wallisellen	100.0 <sup>3</sup>	930,644	83,844	La Rurale SA, Paris la Défense	100.0 <sup>3</sup>	5,849	3,221
Euler Hermes S.A., Brussels	100.0 <sup>3</sup>	790,470	70,198	Lincoln Infrastructure USA Inc., Wilmington, DE	100.0	116,179	337
Euler Hermes Service AB, Stockholm	100.0 <sup>3</sup>	40,450	16,637	Liverpool Victoria General Insurance Group Limited, Guildford	100.0 <sup>3</sup>	1,073,811	127,925
Euler Hermes Services Italia S.r.l., Rome	100.0 <sup>3</sup>	11,975	10,216	Liverpool Victoria Insurance Company Limited, Guildford	100.0 <sup>3</sup>	747,875	48,190
Euler Hermes Services North America LLC, Owings Mills, MD	100.0 <sup>3</sup>	13,196	3,034	LLC "IC Euler Hermes Ru", Moscow	100.0 <sup>3</sup>	17,061	2,465
Euler Hermes Serviços de Gestão de Riscos Ltda., São Paulo	100.0 <sup>3</sup>	5,765	1,551	Maevaara Vind 2 AB, Stockholm	100.0 <sup>3</sup>	28,490	(4,115)
				Maevaara Vind AB, Stockholm	100.0 <sup>3</sup>	56,367	(16,935)

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Mombiyasen Wind Farm AB, Halmstad	100.0 <sup>3</sup>	36,293	1,512	SAS Madeleine Opéra, Paris la Défense	100.0 <sup>3</sup>	711,149	93,330
Morningchapter S.A., Grandaços	100.0 <sup>3</sup>	8,573	(4,107)	SAS Passage des princes, Paris la Défense	100.0 <sup>3</sup>	190,075	616
National Surety Corporation, Chicago, IL	100.0 <sup>3</sup>	64,117	1,167	Sättravallen Wind Power AB, Strömstad	100.0 <sup>3</sup>	46,383	(4,756)
Niederösterreichische Glasfaserinfrastrukturgesellschaft mbH, St. Pölten	100.0 <sup>3</sup>	26,707	(5,765)	SC Tour Michelet, Paris la Défense	100.0 <sup>3</sup>	55,113	1,431
öGIG GmbH, St. Pölten	90.0 <sup>3</sup>	19,526	(1,929)	SCI 46 Desmoulins, Paris la Défense	100.0 <sup>3</sup>	115,904	4,426
OPCI Allianz France Angel, Paris la Défense	100.0 <sup>3</sup>	103,510	879	SCI Allianz Arc de Seine, Paris la Défense	100.0 <sup>3</sup>	218,252	7,532
Orione PV S.r.l., Lecce	100.0 <sup>3</sup>	9,438	571	SCI Allianz Citylights, Paris la Défense	100.0 <sup>3</sup>	497,058	(501,061)
Orsa Maggiore PV S.r.l., Lecce	100.0 <sup>3</sup>	21,048	2,235	SCI Allianz Immobilier Durable 18, Paris la Défense	100.0 <sup>3</sup>	63,106	1,006
Pacific Investment Management Company LLC, Dover, DE	93.0 <sup>3</sup>	1,055,342	2,052,864	SCI Allianz Invest Pierre, Paris la Défense	100.0 <sup>3</sup>	755,546	2,275
Parc Eolien de Chaourse SAS, Versailles	100.0 <sup>3</sup>	8,211	376	SCI Allianz Messine, Paris la Défense	100.0 <sup>3</sup>	220,914	8,506
Parc Eolien de Chateau Garnier SAS, Versailles	100.0 <sup>3</sup>	5,918	(452)	SCI Allianz Value Pierre, Paris la Défense	100.0 <sup>3</sup>	135,256	(1,416)
Parc Eolien de Dyé SAS, Versailles	100.0 <sup>3</sup>	5,445	(646)	SCI ESQ, Paris la Défense	100.0 <sup>3</sup>	85,088	(18,177)
Parc Eolien de Fontfroide SAS, Versailles	100.0 <sup>3</sup>	8,328	1,038	SCI Onnaing Escout Logistics, Paris la Défense	100.0 <sup>3</sup>	28,487	1,733
Parc Eolien de la Sole du Bois SAS, Versailles	100.0 <sup>3</sup>	6,626	1,228	SCI Pont D'Ain Septembre Logistics, Paris la Défense	100.0 <sup>3</sup>	69,161	140
Parc Eolien des Barbes d'Or SAS, Versailles	100.0 <sup>3</sup>	5,784	1,319	SCI Réau Papin Logistics, Paris la Défense	100.0 <sup>3</sup>	77,365	616
Pet Plan Ltd., Guildford	100.0 <sup>3</sup>	16,933	182	SCI Via Pierre 1, Paris la Défense	100.0 <sup>3</sup>	260,220	9,410
PFP Holdings Inc., Dover, DE	100.0 <sup>3</sup>	1,262,559	7,463	Servicios Compartidos Multiasistencia S.L., Madrid	100.0 <sup>3</sup>	155,254	11,781
PGA Global Services LLC, Dover, DE	100.0 <sup>3</sup>	5,179	2,847	Sigma Reparaciones S.L., Madrid	100.0 <sup>3</sup>	7,555	7,299
PIMCO (Schweiz) GmbH, Zurich	100.0 <sup>3</sup>	28,966	9,071	Silex Gas Norway AS, Oslo	100.0 <sup>3</sup>	175,830	(37,098)
PIMCO Asia Ltd., Hong Kong	100.0 <sup>3</sup>	27,852	1,554	Sirius S.A., Luxembourg	95.0 <sup>3</sup>	334,241	5,279
PIMCO Asia Pte Ltd., Singapore	100.0 <sup>3</sup>	20,681	14,995	Società Agricola San Felice S.p.A., Milan	100.0 <sup>3</sup>	44,383	(827)
PIMCO Australia Management Limited, Sydney	100.0 <sup>3</sup>	6,067	583	Société d'Energie Eolienne de Cambon SAS, Versailles	100.0 <sup>3</sup>	9,293	1,509
PIMCO Australia Pty Ltd., Sydney	100.0 <sup>3</sup>	31,760	24,592	Société Foncière Européenne B.V., Amsterdam	100.0 <sup>3</sup>	212,220	(935)
PIMCO Canada Corp., Toronto, ON	100.0 <sup>3</sup>	25,065	24,561	Sofiholding S.A., Brussels	100.0 <sup>3</sup>	19,281	429
PIMCO Europe Ltd., London	100.0 <sup>3</sup>	148,987	168,531	South City Office Broodthaers SA, Brussels	100.0 <sup>3</sup>	52,651	1,747
PIMCO Global Advisors (Ireland) Ltd., Dublin	100.0 <sup>3</sup>	30,406	16,801	Stam Fem Gängaren 11 AB, Stockholm	100.0 <sup>3</sup>	79,240	1,830
PIMCO Global Advisors LLC, Dover, DE	100.0 <sup>3</sup>	397,064	278,018	TFI Allianz Polska S.A., Warsaw	100.0 <sup>3</sup>	9,627	1,476
PIMCO Global Holdings LLC, Dover, DE	100.0 <sup>3</sup>	35,878	26,426	The American Insurance Company Corp., Chicago, IL	100.0 <sup>3</sup>	58,651	1,377
PIMCO Investments LLC, Dover, DE	100.0 <sup>3</sup>	99,945	300,197	The Jubilee Insurance Company of Uganda Limited, Kampala	66.0 <sup>3</sup>	17,692	3,114
PIMCO Japan Ltd., Road Town	100.0 <sup>3</sup>	60,459	34,397	Top Versicherungsservice GmbH, Vienna	100.0 <sup>3</sup>	17,843	(1,633)
PIMCO Taiwan Ltd., Taipei	100.0 <sup>3</sup>	6,437	(3,804)	Toplmmo A GmbH & Co. KG, Vienna	100.0	6,091	794
POD Allianz Bulgaria AD, Sofia	66.0 <sup>3</sup>	35,517	10,859	Toplmmo Besitzgesellschaft B GmbH & Co. KG, Vienna	100.0	9,035	1,178
Primacy Underwriting Management Pty Ltd., Sydney	100.0 <sup>3</sup>	5,822	1,495	Trafalgar Insurance Limited, Guildford	100.0 <sup>3</sup>	8,815	494
Protexia France S.A., Paris la Défense	100.0 <sup>3</sup>	53,440	13,547	TruChoice Financial Group LLC, Minneapolis, MN	100.0 <sup>3</sup>	156,400	(11,736)
PT Asuransi Allianz Life Indonesia, Jakarta	100.0	415,392	30,499	TU Allianz Zycie Polska S.A., Warsaw	100.0 <sup>3</sup>	126,168	21,580
PT Asuransi Allianz Utama Indonesia, Jakarta	98.0 <sup>3</sup>	52,297	(3,238)	TU Euler Hermes S.A., Warsaw	100.0 <sup>3</sup>	24,070	2,060
PTE Allianz Polska S.A., Warsaw	100.0 <sup>3</sup>	43,849	3,470	TUIR Allianz Polska S.A., Warsaw	100.0 <sup>3</sup>	338,342	45,787
Q207 S.C.S., Luxembourg	94.0 <sup>3</sup>	84,956	722	UAGDPB "Aviva Lietuva", Vilnius	100.0 <sup>3</sup>	24,748	9,550
Quality 1 AG, Bubikon	100.0 <sup>3</sup>	5,442	2,878	UK Logistics PropCo I S.à r.l., Luxembourg	100.0 <sup>3</sup>	53,288	-
Real Faubourg Haussmann SAS, Paris la Défense	100.0 <sup>3</sup>	1,324,827	1,827	UK Logistics PropCo II S.à r.l., Luxembourg	100.0 <sup>3</sup>	48,001	146
Real FR Haussmann SAS, Paris la Défense	100.0 <sup>3</sup>	63,545	3,234	UK Logistics PropCo III S.à r.l., Luxembourg	100.0 <sup>3</sup>	42,204	-
Redoma 2 S.A., Luxembourg	100.0 <sup>3</sup>	9,061	(10)	UK Logistics S.C.Sp., Luxembourg	100.0 <sup>3</sup>	151,632	(2)
Rokko Development Praha s.r.o., Prague	100.0 <sup>3</sup>	29,110	(1,087)	Vailog Hong Kong DC17 Limited, Hong Kong	100.0 <sup>3</sup>	20,713	5,334
SA Carène Assurance, Paris	100.0 <sup>3</sup>	16,843	365	Vailog Hong Kong DC19 Limited, Hong Kong	100.0 <sup>3</sup>	8,904	2,972
SA Vignobles de Larose, Saint-Laurent-Médoc	100.0 <sup>3</sup>	52,745	1,326	Valderrama S.A., Luxembourg	100.0 <sup>3</sup>	185,803	(4,123)
Saarenkylä Tuulipuisto Oy, Oulu	100.0 <sup>3</sup>	8,985	1,274	VertBois S.à r.l., Luxembourg	100.0 <sup>3</sup>	14,797	960
Santander Aviva TU na Zycie S.A., Warsaw	51.0 <sup>3</sup>	57,298	24,713	Vintage Rents S.L., Madrid	100.0 <sup>3</sup>	9,185	(97)
Santander Aviva TU S.A., Warsaw	51.0 <sup>3</sup>	64,247	14,902	Viveole SAS, Versailles	100.0 <sup>3</sup>	15,015	2,193
SAS 20 pompidou, Paris la Défense	100.0 <sup>3</sup>	112,759	4,858	Vordere Zollamtsstraße 13 GmbH, Vienna	100.0 <sup>3</sup>	70,255	1,847
SAS Allianz Etoile, Paris la Défense	100.0 <sup>3</sup>	104,226	(254)	Weihong (Shanghai) Storage Services Co. Ltd., Shanghai	100.0 <sup>3</sup>	25,388	975
SAS Allianz Forum Seine, Paris la Défense	100.0 <sup>3</sup>	240,105	8,046	Weilong (Hubei) Storage Services Co. Ltd., Ezhou	100.0 <sup>3</sup>	9,106	150
SAS Allianz Logistique, Paris la Défense	100.0 <sup>3</sup>	840,938	14,636	Weilong (Jiaxing) Storage Services Co. Ltd., Jiaxing	100.0 <sup>3</sup>	17,682	1,538
SAS Allianz Platine, Paris la Défense	100.0 <sup>3</sup>	245,305	(16,588)	Weiyi (Shenyang) Storage Services Co. Ltd., Shenyang	100.0 <sup>3</sup>	16,239	426
SAS Allianz Prony, Paris la Défense	100.0 <sup>3</sup>	78,531	27,675	Windpark AO GmbH, Pottenbrunn	100.0 <sup>3</sup>	11,714	(52)
SAS Allianz Rivoli, Paris la Défense	100.0 <sup>3</sup>	99,295	2,073	Windpark EDM GmbH & Co. KG, Pottenbrunn	100.0 <sup>3</sup>	11,545	1,763
SAS Allianz Serbie, Paris la Défense	100.0 <sup>3</sup>	234,929	2,524	Windpark EDM GmbH, Pottenbrunn	100.0 <sup>3</sup>	10,835	(715)
SAS Angel Shopping Centre, Paris la Défense	100.0 <sup>3</sup>	273,512	(165)	Windpark GHW GmbH, Pottenbrunn	100.0 <sup>3</sup>	7,850	80
SAS Chaponnay Mérieux Logistics, Paris la Défense	100.0 <sup>3</sup>	5,244	308	Windpark Ladendorf GmbH, Pottenbrunn	100.0 <sup>3</sup>	7,373	193

	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Windpark Les Cent Jalois SAS, Versailles	100.0 <sup>3</sup>	7,963	1,179	Porterbrook Holdings I Limited, Derby	30.0 <sup>3</sup>	1,178,856	34,534
Windpark LOI GmbH, Pottenbrunn	100.0 <sup>3</sup>	12,858	523	Queenspoint S.L., Madrid	50.0 <sup>3</sup>	97,992	37,606
Windpark PDV GmbH, Pottenbrunn	100.0 <sup>3</sup>	9,594	(647)	RMPA Holdings Limited, Colchester	56.0 <sup>3</sup>	10,547	15,666
Windpark PL GmbH, Pottenbrunn	100.0 <sup>3</sup>	5,976	(389)	SC Holding SAS, Paris	50.0 <sup>3</sup>	13,579	(3)
Windpark Zistersdorf GmbH, Pottenbrunn	100.0 <sup>3</sup>	6,461	(118)	Scape Investment Operating Company No. 3 Pty Ltd., Sydney	36.0 <sup>3</sup>	19,036	(23,874)
YAO NEWREP Investments S.A., Luxembourg	94.0 <sup>3</sup>	235,395	2,312	SCI Docks V2, Paris la Défense	50.0 <sup>3</sup>	27,310	(291)
Yorktown Financial Companies Inc., Minneapolis, MN	100.0 <sup>3</sup>	136,494	1	SCI Docks V3, Paris la Défense	50.0 <sup>3</sup>	90,055	(735)
ZAD Allianz Bulgaria AD, Sofia	87.0 <sup>3</sup>	62,012	11,128	SES Shopping Center AT 1 GmbH, Salzburg	50.0 <sup>3</sup>	138,880	(81,217)
ZAD Allianz Bulgaria Life AD, Sofia	99.0 <sup>3</sup>	57,040	3,157	SES Shopping Center FP 1 GmbH, Salzburg	50.0 <sup>3</sup>	82,846	(19,073)
ZAD Energy AD, Sofia	51.0 <sup>3</sup>	15,610	4,978	Sirius MF TMK, Tokyo	50.0 <sup>3</sup>	50,516	(579)
<b>Joint ventures</b>				Solunio Compañía Internacional de Seguros y Reaseguros SA, Madrid	50.0 <sup>3</sup>	118,388	6,952
114 Venture LP, Wilmington, DE	50.0 <sup>3</sup>	143,721	(10,630)	Spanish Gas Distribution Investments S.à r.l., Luxembourg	40.0 <sup>3</sup>	1,220,155	107,406
1515 Broadway Realty LP, Dover, DE	50.0 <sup>3</sup>	872,634	11,743	SPREF II Pte. Ltd., Singapore	50.0 <sup>3</sup>	285,519	28,968
30 HY WM REIT Owner LP, Wilmington, DE	49.0 <sup>3</sup>	348,275	272	Terminal Venture LP, Wilmington, DE	31.0 <sup>3</sup>	310,698	(21,360)
53 State JV L.P., Wilmington, DE	49.0 <sup>3</sup>	301,072	5,607	The FIZZ Student Housing Fund S.C.S., Luxembourg	50.0 <sup>3</sup>	182,104	10,977
A&A Centri Commerciali S.r.l., Bolzano	50.0 <sup>3</sup>	150,062	2,796	The State-Whitehall Company LP, Dover, DE	50.0 <sup>3</sup>	29,802	6,032
AA Ronsin Investment Holding Limited, Hong Kong	62.0 <sup>3</sup>	357,868	(30,458)	TopTorony Ingatlanhasznosító Zrt., Budapest	50.0 <sup>3</sup>	23,756	460
Allee-Center Kft., Budapest	50.0 <sup>3</sup>	113,828	9,365	VGP European Logistics 2 S.à r.l., Senningerberg	50.0 <sup>3</sup>	128,005	(2,257)
Altair MF TMK, Tokyo	50.0 <sup>3</sup>	63,113	(468)	VGP European Logistics S.à r.l., Senningerberg	50.0 <sup>3</sup>	405,806	8,014
AMLi-Allianz Investment LP, Wilmington, DE	75.0 <sup>3</sup>	78,268	2,452	VISION (III) Pte Ltd., Singapore	30.0 <sup>3</sup>	77,573	(17,662)
AREAP Core I LP, Singapore	50.0 <sup>3</sup>	153,927	(1,833)	Waterford Blue Lagoon LP, Wilmington, DE	49.0 <sup>3</sup>	323,192	3,655
AS Gasinfrastruktur Beteiligung GmbH, Vienna	56.0 <sup>3</sup>	338,888	22,907	<b>Associates</b>			
Austin West Campus Student Housing LP, Wilmington, DE	45.0 <sup>3</sup>	322,633	(41,068)	ABT SAS, Paris	25.0 <sup>3</sup>	63,061	(9,568)
AZ/JH Co-Investment Venture (DC) LP, Wilmington, DE	80.0 <sup>3</sup>	255,493	(28,995)	AEON Allianz Life Insurance Co. Ltd., Tokyo	40.0 <sup>3</sup>	69,183	(9,409)
AZ/JH Co-Investment Venture (IL) LP, Wilmington, DE	80.0 <sup>3</sup>	208,929	(21,042)	Archstone Multifamily Partners AC JV LP, Wilmington, DE	40.0 <sup>3</sup>	39,892	(1,953)
BCal Houston JV L.P., Wilmington, DE	40.0 <sup>3</sup>	115,657	(11,733)	Archstone Multifamily Partners AC LP, Wilmington, DE	29.0 <sup>3</sup>	55,627	(21,190)
Chapter Master Limited Partnership, New York, NY	46.0 <sup>3</sup>	988,285	(895)	Areim Fastigheter 2 AB, Stockholm	23.0 <sup>3</sup>	54,112	6,091
CHP-AZ Seeded Industrial L.P., Wilmington, DE	49.0 <sup>3</sup>	97,186	(696)	Areim Fastigheter 3 AB, Stockholm	32.0 <sup>3</sup>	181,311	1,592
Companhia de Seguro de Créditos S.A., Lisbon	50.0 <sup>3</sup>	52,074	2,373	Bojaj Allianz General Insurance Company Ltd., Pune	26.0 <sup>3</sup>	824,146	160,873
CPIC Fund Management Co. Ltd., Shanghai	49.0 <sup>3</sup>	70,980	8,774	Bojaj Allianz Life Insurance Company Ltd., Pune	26.0 <sup>3</sup>	1,531,192	65,850
CPPIC Euler Hermes Insurance Sales Co. Ltd., Shanghai	49.0 <sup>3</sup>	5,895	2,617	Bazolgette Equity Ltd., London	34.0 <sup>3</sup>	569,434	-
Daiwater Investment Limited, Hatfield	37.0 <sup>3</sup>	584,991	81,830	Best Regain Limited, Hong Kong	16.0 <sup>3</sup>	29,056	11,343
Dundrum Car Park Limited Partnership, Dublin	50.0 <sup>3</sup>	35,043	311	Blue Vista Student Housing Select Strategies Fund L.P., Dover, DE	25.0 <sup>3</sup>	168,062	480
Dundrum Retail Limited Partnership, Dublin	50.0 <sup>3</sup>	738,140	(256,368)	Delgaz Grid S.A., Târgu Mures	30.0 <sup>3</sup>	638,780	(11,405)
Elton Investments S.à r.l., Luxembourg	33.0 <sup>3</sup>	512,883	(16,794)	Delong Limited, Hong Kong	16.0 <sup>3</sup>	7,263	(9,032)
Enhanced Reinsurance Ltd., Hamilton	25.0 <sup>3</sup>	753,122	441,061	Douglas Emmett Partnership X LP, Wilmington, DE	28.0 <sup>3</sup>	17,096	2,493
ESR India Logistics Fund Pte. Ltd., Singapore	50.0 <sup>3</sup>	119,723	19,569	Four Oaks Place LP, Wilmington, DE	49.0 <sup>3</sup>	426,656	11,804
Euromarkt Center d.o.o., Ljubljana	50.0 <sup>3</sup>	56,284	5,482	Global Stream Limited, Hong Kong	16.0 <sup>3</sup>	30,532	13,930
Fiumaranuova S.r.l., Milan	50.0 <sup>3</sup>	211,070	4,309	Glory Basic Limited, Hong Kong	16.0 <sup>3</sup>	13,969	999
Galp Gás Natural Distribuição S.A., Lisbon	46.0 <sup>3</sup>	151,882	20,700	IndInfravit Trust, Chennai	23.0 <sup>3</sup>	717,411	8,204
GBTC I LP, Singapore	50.0 <sup>3</sup>	192,625	61,204	Jumble Succeed Limited, Hong Kong	16.0 <sup>3</sup>	24,294	923
Helios SCC Sp. z o.o., Katowice	45.0 <sup>3</sup>	128,870	(37,028)	Lennar Multifamily Venture LP, Wilmington, DE	11.0 <sup>3</sup>	1,911,771	76,533
Hudson One Ferry JV L.P., Wilmington, DE	45.0 <sup>3</sup>	111,364	(10,188)	Long Coast Limited, Hong Kong	16.0 <sup>3</sup>	16,426	86
Israel Credit Insurance Company Ltd., Tel Aviv	50.0 <sup>3</sup>	53,570	5,685	Luxury Gain Limited, Hong Kong	16.0 <sup>3</sup>	17,312	394
Italian Shopping Centre Investment S.r.l., Milan	50.0 <sup>3</sup>	28,468	24,546	Medgulf Takaful B.S.C.(c), Manama	25.0 <sup>3</sup>	13,147	906
LBA IV-PPI Venture LLC, Dover, DE	45.0 <sup>3</sup>	307,392	2,390	MFM Holding Ltd., London	37.0 <sup>3</sup>	106,190	(518)
LBA IV-PPH-Office Venture LLC, Dover, DE	45.0 <sup>3</sup>	26,074	2,288	Milvik AB, Stockholm	36.0 <sup>3</sup>	21,173	(19,875)
LBA IV-PPH-Retail Venture LLC, Dover, DE	45.0 <sup>3</sup>	35,200	(2,282)	MTech Capital Fund (EU) SCSP, Luxembourg	27.0 <sup>3</sup>	26,358	(1,339)
LPC Logistics Venture One LP, Wilmington, DE	32.0 <sup>3</sup>	387,740	74,290	National Insurance Company Berhad Ltd., Bandar Seri Begawan	25.0 <sup>3</sup>	11,820	2,212
NET4GAS Holdings s.r.o., Prague	50.0 <sup>3</sup>	486,885	124,221	New Try Limited, Hong Kong	16.0 <sup>3</sup>	17,492	9,573
NRF (Finland) AB, Västerås	50.0 <sup>3</sup>	115,803	(82,987)	Ocean Properties LLP, Singapore	20.0 <sup>3</sup>	1,404,729	14,943
NRP Nordic Logistics Fund AS, Oslo	50.0 <sup>3</sup>	482,062	23,141	OeKB EH Beteiligungs- und Management AG, Vienna	49.0 <sup>3</sup>	120,570	8,046
Ophir-Rochor Commercial Pte. Ltd., Singapore	60.0 <sup>3</sup>	424,583	28,724	Praise Creator Limited, Hong Kong	16.0 <sup>3</sup>	8,870	(1,912)
Orion MF TMK, Tokyo	50.0 <sup>3</sup>	460,904	(21,385)	Prime Space Limited, Hong Kong	16.0 <sup>3</sup>	30,166	4,794
Piaf Bidco B.V., Amsterdam	24.0 <sup>3</sup>	1,640,030	(77,011)				
Podium Fund HY REIT Owner LP, Wilmington, DE	44.0 <sup>3</sup>	693,189	(6,778)				



	Owned <sup>1</sup>	Equity	Net Earnings		Owned <sup>1</sup>	Equity	Net Earnings
	%	€ thou	€ thou		%	€ thou	€ thou
Quadgas Holdings Topco Limited, Saint Helier	13.0 <sup>3</sup>	4,525,751	554,243	Société Générale de Banques en Côte d'Ivoire S.A., Abidjan	6.0 <sup>3</sup>	38,136	73,839
Residenze CYL S.p.A., Milan	33.0 <sup>3</sup>	64,616	(229)	SOFIDY Pierre Europe SPPICAV, Évry	6.0 <sup>3</sup>	122,593	3,065
SAS Alta Gramont, Paris	49.0 <sup>3</sup>	244,912	15	SONACO SA, Abidjan	12.0 <sup>3</sup>	12,400	1,579
SCI Bercy Village, Paris	49.0 <sup>3</sup>	37,378	5,688	Tecnologías de la Información y Redes para las Entidades Aseguradoras S.A., Las Rozas de Madrid	6.0 <sup>3</sup>	44,848	3,709
Sierra European Retail Real Estate Assets Holdings B.V., Amsterdam	25.0 <sup>3</sup>	1,037,514	(11,607)	UniCredit S.p.A., Milan	3.0 <sup>3</sup>	59,507,000	(2,785,000)
Sino Phil Limited, Hong Kong	16.0 <sup>3</sup>	22,025	346	Urgent.ly Inc., Wilmington, DE	7.0 <sup>3</sup>	5,208	(19,761)
SNC Alta CRP Gennevilliers, Paris	49.0 <sup>3</sup>	27,269	1,520	Wayhome Ltd., London	20.0 <sup>3</sup>	5,485	(3,530)
SNC Alta CRP La Valette, Paris	49.0 <sup>3</sup>	12,664	2,693	Wealthsimple Financial Corporation, Toronto, ON	9.0 <sup>3</sup>	107,136	(25,404)
SNC Société d'aménagement de la Gare de l'Est, Paris	49.0 <sup>3</sup>	11,364	2,840	Zagrebacka banka d.d., Zagreb	12.0 <sup>3</sup>	2,256,359	97,493
Summer Blaze Limited, Hong Kong	16.0 <sup>3</sup>	13,630	26				
Supreme Cosmo Limited, Hong Kong	16.0 <sup>3</sup>	13,587	2,059				
Sure Rainbow Limited, Hong Kong	16.0 <sup>3</sup>	7,721	(763)				
Tikehaul Real Estate III SPPICAV, Paris	12.0 <sup>3</sup>	236,491	19,157				
UK Outlet Mall Partnership LP, Edinburgh	20.0 <sup>3</sup>	441,764	37,629				
Wildlife Works Carbon LLC, San Francisco, CA	10.0 <sup>3</sup>	7,493	1,669				
<b>Other participations below 20% voting rights</b>							
1QB Information Technologies Inc., Vancouver, BC	5.0 <sup>3</sup>	7,700	(8,688)				
Agrupación Española de Entidades Aseguradoras de los Seguros Agrarios Combinados S.A., Madrid	7.0 <sup>3</sup>	13,511	975				
AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	16.0 <sup>3</sup>	81,354	6,572				
AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	6.0 <sup>3</sup>	140,839	11,127				
Al-Nisr Al-Arabi Insurance Company, Amman	18.0 <sup>3</sup>	26,182	3,783				
ALTRO Invest S.C.A., Weiswampach	20.0 <sup>3</sup>	5,306	(18)				
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	6.0 <sup>3</sup>	98,135	7,577				
American Well Corporation, Wilmington, DE	5.0 <sup>3</sup>	1,018,509	(200,252)				
Autostrade per l'Italia S.p.A., Rome	7.0 <sup>3</sup>	1,842,451	(408,658)				
B3i Services AG, Zurich	10.0 <sup>3</sup>	15,625	(8,960)				
Blackstone Property Partners Asia (Lux) SCSp, Luxembourg	9.0 <sup>3</sup>	1,635,573	147,581				
Bualuang Office Leasehold Real Estate Investment Trust, Bangkok	8.0 <sup>3</sup>	105,006	8,733				
CapsAuto SA, Chatou	15.0 <sup>3</sup>	6,982	2,680				
CLF Fund I LP, Singapore	14.0 <sup>3</sup>	1,951,047	300,927				
Commercial Bank of Cameroon LC, Douala	10.0 <sup>3</sup>	25,846	4,663				
Czech Gas Networks S.á r.l., Luxembourg	19.0 <sup>3</sup>	907,928	(80,897)				
Formula E Holdings Limited, Hong Kong	4.0 <sup>3</sup>	25,303	3,583				
Fundbox Ltd., Tel Aviv	3.0 <sup>3</sup>	248,815	(22,140)				
Golden Ventures Leasehold Real Estate Investment Trust, Bangkok	7.0 <sup>3</sup>	243,593	20,202				
IDI SCA, Paris	5.0 <sup>3</sup>	191,246	(20,298)				
Italo - Nuovo Trasporto Viaggiatori S.p.A., Rome	10.0 <sup>3</sup>	1,793,918	31,867				
Meiji Yasuda Asset Management Company Ltd., Tokyo	7.0 <sup>3</sup>	74,361	4,965				
Nauto Inc., Dover, DE	3.0 <sup>3</sup>	22,179	(33,323)				
Oddo et Cie SCA, Paris	2.0 <sup>3</sup>	857,094	62,008				
PERILS AG, Zurich	10.0 <sup>3</sup>	10,271	277				
Pollen Inc., Wilmington, DE	5.0 <sup>3</sup>	42,690	(50,358)				
Pool-ul de Asigurare Impotriva Dezastrelor Naturale SA, Bucharest	15.0 <sup>3</sup>	38,571	7,266				
Portima SCRL, Brussels	11.0 <sup>3</sup>	11,089	1,319				
PT Aplikasi Karya Anak Bangsa, Jakarta	0.0 <sup>3</sup>	1,209,908	(1,008,397)				
PT Asuransi Andika Rahaaja Putera, Jakarta	8.0 <sup>3</sup>	13,404	1,780				
PT Polinas Iddea Investama, Jakarta	2.0 <sup>3</sup>	21,458	(23,575)				
Rothschild & Co SCA, Paris	3.0 <sup>3</sup>	2,040,189	84,497				
Société Africaine de Réassurance Limited, Lagos	8.0 <sup>3</sup>	831,275	48,795				
Société Générale de Banque au Cameroun LC, Douala	16.0 <sup>3</sup>	149,007	22,672				

1. Percentage includes equity participations held by dependent entities in full, even if the Allianz Group's share in the dependent entity is below 100%.

2. Profit and loss transfer agreement.

3. As per annual financial statement 2020.

4. Insolvent. Dependent entities are shown in a way, which reflects the state as of the date of filing for insolvency.

5. As per annual financial statement 2010. This is only applicable for manroland AG and their subsidiaries.

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# FURTHER INFORMATION

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## RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Allianz SE give a true and fair view of the assets, liabilities, financial position, and profit or loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Munich, 21 February 2022

Allianz SE  
The Board of Management



Oliver Bäte



Sergio Balbinot



Sirma Boshnakova



Dr. Barbara Karuth-Zelle



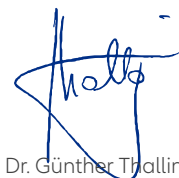
Dr. Klaus-Peter Röhler



Ivan de la Sota



Giulio Terzariol



Dr. Günther Thallinger



Christopher Townsend



Renate Wagner



Dr. Andreas Wimmer

# INDEPENDENT AUDITOR'S REPORT

To Allianz SE, Munich

## Report on the Audit of the Annual Financial Statements and of the Management Report

### Audit opinions

We have audited the annual financial statements of Allianz SE, Munich, which comprise the balance sheet as at 31 December 2021, and the income statement for the financial year from 1 January to 31 December 2021, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Allianz SE – which comprise the content included to comply with the German legal requirements as well as the non-financial statement pursuant to §289b (1) HGB [Handelsgesetzbuch: German Commercial Code] included in section “Non-Financial Statement” of the management report – for the financial year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to §289f HGB.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the financial year from 1 January to 31 December 2021 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to §322(3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

### Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with §317 HGB and the EU Audit Regulation (number 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW). Our responsibilities under those requirements and principles are further described in the “Auditor's Responsibilities for the Audit of the

Annual Financial Statements and of the Management Report” section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10(2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

### Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

- Measurement of reserves for loss and loss adjustment expenses

Our presentation of this key audit matter has been structured as follows:

- Matter and issue
- Audit approach and findings
- Reference to further information

Hereinafter, we present the key audit matter:

### Measurement of reserves for loss and loss adjustment expenses

#### Matter and issue

In the annual financial statements of the Company, technical provisions (so called “claims provisions”) amounting to € 14,753 mn (11.4% of total assets) are reported under the “Reserves for loss and loss adjustment expenses” balance sheet item.

Insurance companies are required to recognize technical provisions to the extent necessary in accordance with reasonable business judgment to ensure that they can meet their obligations from insurance contracts on a continuous basis. Defining assumptions for the purpose of measuring the technical provisions requires the Company's executive directors, in addition to complying with the requirements of commercial and regulatory law, to make estimations of future events and to apply appropriate measurement methods. The gross provision is generally determined on the basis of the cedents' information or, in the case of outstanding settlements, on the basis of an estimate. The Company reviews the appropriateness of the cedents' information and, if necessary, makes appropriate increases to the amounts.

The methods used to determine the amount of the claims provisions and the calculation parameters are based on judgments and

assumptions made by the executive directors. In particular, the lines of products with long claims settlement periods, low loss frequency or high individual losses are usually subject to increased estimation uncertainties and usually require a high degree of judgment by the Company's executive directors.

Minor changes to those assumptions and to the methods used may have a material impact on the measurement of the claims provisions. Due to the material significance of the amounts of these provisions in relation to the assets, liabilities and financial performance of the Company as well as the considerable scope for judgment on the part of the executive directors and the associated uncertainties in the estimations made, the measurement of the claims provisions was of particular significance in the context of our audit.

### Audit approach and findings

As part of our audit, we evaluated the appropriateness of selected controls established by the Company for the purpose of selecting actuarial methods, determining assumptions and making estimates for the measurement of provisions for unsettled claims in property-casualty insurance.

With the support of our property-casualty insurance valuation specialists, we have compared the respective actuarial methods applied and the material assumptions with generally recognized actuarial practices and industry standards and examined to what extent these are appropriate for the valuation. Our audit also included an evaluation of the plausibility and integrity of the data and assumptions used in the valuation and an analysis of the claims settlement processes and the reconciliation of the information provided by the cedents. Furthermore, we recalculated the amount of the provisions for selected lines of products, in particular lines of products with large reserves or increased estimation uncertainties. For these lines of products we compared the recalculated provisions with the provisions calculated by the Company and evaluated any differences.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are appropriate overall for measuring the technical provisions in property-casualty insurance.

### Reference to further information

The Company's disclosures on the measurement of provisions for unsettled claims are contained in section [Accounting, Valuation, and Calculation Methods](#) in the notes to the financial statements.

### Other information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to §289f HGB as an unaudited part of the management report.

The other information comprises further

- the remuneration report pursuant to §162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited annual financial statements, the audited management report and our auditor's report.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

### Responsibilities of the executive directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

### Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the

annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with §317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

### Report on the assurance on the electronic rendering of the annual financial statements and the management report prepared for publication purposes in accordance with §317 (3a) HGB

#### Assurance opinion

We have performed assurance work in accordance with §317 (3a) HGB to obtain reasonable assurance as to whether the rendering of the annual financial statement and the management report (hereinafter the "ESEF documents") contained in the electronic file Allianz\_SE\_AG\_JA+LB\_ESEF-2022-02-21.zip and prepared for publication purposes complies in all material respects with the requirements of §328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within this renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of §328 (1) HGB for the electronic

reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statement and the accompanying management report for the financial year from 1 January to 31 December 2021 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on any other information contained in the electronic file identified above.

### Basis for the assurance opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with §317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in accordance with §317 (3a) HGB (IDW AsS 410 (10.2021)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

### Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the rendering of the ESEF documents including the electronic reproduction of the annual financial statements and the management report in accordance with §328 (1) sentence 4 number 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of §328 (1) HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

### Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of §328 (1) HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance engagement. We also:

- Identify and assess the risks of material non-compliance with the requirements of §328 (1) HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as at the balance sheet date on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide a XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

### Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the supervisory board on 4 March 2021. We were engaged by the supervisory board on 11 May 2021. We have been the auditor of the Allianz SE, Munich, without interruption since the financial year 2018.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

### Reference to an other matter – use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with §317 (3a) HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

## German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Frank Trauschke.

Munich, 21 February 2022

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Richard Burger

Wirtschaftsprüfer  
(German Public Auditor)

Frank Trauschke

Wirtschaftsprüfer  
(German Public Auditor)



# REMUNERATION REPORT

The Remuneration Report describes the structure and arrangements of the remuneration system for the Board of Management and the Supervisory Board of Allianz SE. It explains the application of the remuneration system in the financial year 2021, using detailed and individualized specifications on the remuneration of current and former members of the Board of Management and the Supervisory Board.

The report was created jointly by the Board of Management and the Supervisory Board, and takes into consideration the requirements of § 162 of the German Stock Corporation Act (AktG), and the recommendations of the German Corporate Governance Code in its currently valid version.

It was also decided to allow the auditor to carry out a comprehensive, content audit of the Remuneration Report above and beyond the legal requirements of § 162(3) AktG.

## Review of the financial year

### 2021 Annual General Meeting

The Supervisory Board had resolved minor adjustments to the remuneration system for members of the Board of Management with effect from 1 January 2021. These comprise primarily the introduction of requirements or recommendations of the German Stock Corporation Act and the German Corporate Governance Code. The details of these adjustments are described in the section "Other Remuneration Principles", "Deviation From The Remuneration System" and "Remuneration Adjustments".

The Supervisory Board also resolved to adjust the target remuneration and the maximum remuneration of the Chairperson of the Board of Management, to ensure the appropriateness of the remuneration.

The remuneration system adjusted on this basis was presented to the Annual General Meeting under agenda item 5 for approval on 5 May 2021. The Annual General Meeting approved the system for the remuneration of the members of the Board of Management with a majority of 87.14%. The remuneration system applies to all members of the Board of Management who were active in the financial year 2021.

### Changes to the composition of the Board of Management

Barbara Karuth-Zelle and Christopher Townsend have been members of the Board of Management since 1 January 2021. They assumed departmental responsibility from Dr. Christof Mascher and Niran Peiris, both of whom retired from the Board of Management as of 31 December 2020.

Effective 1 October 2021, Dr. Andreas Wimmer was appointed to the Board of Management. He assumed responsibility for the Asset Management division and Allianz Life in the U.S. from Jacqueline Hunt, who is acting as strategic advisor to the Chairperson of the Board of Management as of this date. Remuneration for the new members of the Board of Management was set at the same level as the other ordinary members of the Board of Management.

### Key remuneration issues in the financial year

In addition to the situation and impact of the global COVID-19 pandemic on overall economic conditions, as well as on the insurance industry and Allianz employees, other key issues included the risk strategy and the Board of Management's planning for both the financial year 2022 and the three-year period from 2022 to 2024. Cyber risk security and the impact of rising inflation rates on the insurance business were also regularly discussed. Furthermore, the Supervisory Board dealt in depth with personnel matters relating to the Board of Management as well as succession planning for the Board of Management and Supervisory Board, especially in the context of the upcoming elections to the Supervisory Board in 2022. The Supervisory Board and various committees also discussed appropriate consideration of non-financial targets in the target-setting process for the Board of Management remuneration.

The Personnel Committee of the Supervisory Board has closely followed the business development from the viewpoint of potential target achievement at Group level and individual remuneration targets for the first half of the year and at year-end. Another focal point was the ongoing discussion of the lawsuit and official proceedings in connection with the AllianzGI U.S. Structured Alpha Funds, particularly in the second half of 2021 and with regards to the target achievement for the financial year. Besides the quantitative targets for the financial year 2022, the non-financial targets and appropriateness of the remuneration of the Board of Management were discussed. Changes in the Board of Management were also prepared and implemented.

## Remuneration of the Allianz SE Board of Management

### Key principles of the board remuneration

Remuneration is designed to be appropriate compared to peers, given the Allianz Group's range of business activities, operating environment, and business results achieved. The aim is to ensure and promote sustainable and value-oriented management of the company that is in line with our corporate strategy. The key principles are as follows:

- **Support of the Group's strategy:** The design of variable compensation, and in particular of performance targets, reflects the business strategy and sustainable long-term development of the Allianz Group.
- **Alignment of pay and performance:** The performance-based variable component of the board members' remuneration forms a significant portion of the overall remuneration, corresponding to 70% of the target compensation.
- **Sustainability of performance and alignment with shareholder interests:** A major part of the variable remuneration reflects longer-term performance, with deferred payout (64%), and is linked to the absolute and relative performance of the Allianz share.

### Determination of the remuneration system

The Board of Management's remuneration is decided upon by the entire Supervisory Board, based on proposals prepared by the Supervisory Board's Personnel Committee. If required, the Supervisory Board may seek outside advice from independent external consultants. The Personnel Committee and the Supervisory Board consult with the Chairperson of the Board of Management in assessing the performance and remuneration of Board of Management members. The Chairperson of the Board of Management is generally not involved in the discussion about their own remuneration. The Supervisory Board designs the remuneration system for the members of the Board of Management in accordance with the requirements of the German Stock Corporation Act (AktG) in its currently valid version as well as with regulatory requirements and the recommendations of the German Corporate Governance Code, while ensuring clarity and comprehensibility. Feedback from investors is also considered.

### Determination of and adequacy of the Board of Management remuneration

Based on the remuneration system, the Supervisory Board determines the target total compensation, and regularly reviews the appropriateness of the remuneration. This is based on both a horizontal comparison (i.e., with peer companies) and a vertical comparison (in relation to Allianz employees). Again, the Supervisory Board's Personnel Committee develops respective recommendations, if necessary with the assistance of external consultants.

The structure, weighting, and level of each remuneration component should be adequate and appropriate.

### Horizontal appropriateness

The Supervisory Board regularly benchmarks the remuneration of the Board of Management of Allianz SE against other DAX companies and selected international companies (including, for example, the top positions in the STOXX Europe 600 Insurance), taking into account the company's position, as well as the Allianz Group's long-term performance, relative size, complexity, and internationality.

The benchmarking against the DAX companies in December already took into account the extension of the peer group from 30 to 40 companies. The outcome of the horizontal comparison is that Allianz SE is well above 75<sup>th</sup> percentile relative to size (revenue, number of employees, and market capitalization) compared to the DAX companies. Accordingly, the total remuneration of the members of the Board of Management is orientated on the upper quartile of the remuneration of the peer companies.

### Vertical appropriateness

This comparison is based on the total direct compensation of a member of the Board of Management and the average direct compensation of an employee of the German Allianz companies. The Supervisory Board's decision in December is based on the factor resulting from this comparison for the previous financial year. For the financial year 2020, the factor for the Chairperson of Board of Management to employee was "66", and the factor for a regular board member to employee was "36". For the financial year 2021, the respective factor for the Chairperson of Board of Management to employee is "70" and the factor regular board member to employee is "41".

## Overview of the remuneration system of Allianz SE

The following diagram provides an overview of the structure and amount of the target remuneration of the members of the Board of Management in the financial year 2021.

	% of target compensation	Target compensation in € thou	Modifier for target level	Other characteristics
30 % fix	<b>30 %</b> Base salary	CEO*: 1,911 RBM*: 975	• Fix	<b>Shareholding requirement</b> • CEO: 2 x base salary • RBM: 1 x base salary
36 % cash	<b>25 %</b> Annual bonus	CEO: 1,593 RBM: 813	Group result <input checked="" type="checkbox"/> Individual contribution factor 0 - 150%	• Malus (up to 100 %) • Clawback (up to 3 years)
	<b>45 %</b> Long-term incentive (LTI) <sup>1</sup>	CEO: 2,867 RBM: 1,463	Annual bonus target achievement factor <input checked="" type="checkbox"/> 4-year share price performance <input checked="" type="checkbox"/> 4-year relative performance (peer index) <input checked="" type="checkbox"/> 0 - 272% <sup>2</sup> <input checked="" type="checkbox"/> Sustainability check (100 % down to 0)	
70 % variable	<b>100 %</b>	CEO: 6,371 RBM: 3,251	• Severance payment ≤ 2 x target compensation	<b>Total stock exposure<sup>3</sup></b> • CEO: 800 % of base salary • RBM: 700 % of base salary
64 % deferred	<b>+ Pension contribution</b>	CEO: 956 RBM: 488	• 15 % of target compensation (50 % of base salary)	
	<b>Total compensation</b>	CEO: 7,327 RBM: 3,739	• Cap incl. pension contribution: CEO: 11,750, RBM: 6,000	

\* CEO = Chief Executive Officer, RBM = regular board member.

<sup>1</sup>For simplicity reasons, the LTI percentage as well as the LTI target amount are based on target allocation values.

<sup>2</sup>The overall compensation cap of € 11,750 thou | € 6,000 thou including pension contributions limits the effective payout of the LTI to a maximum of 272 %

<sup>3</sup>Shareholding requirement plus LTI at full run-rate.

## Components of the Board of Management remuneration and their relation to strategy

### Fixed remuneration

The fixed remuneration components comprise the base salary, perquisites, and pension contributions. They serve to provide a competitive remuneration to attract and retain Board of Management members, whose experience and skills enable them to develop and successfully implement the Allianz Group's strategy. They secure a reasonable level of income in line with market conditions, and promote a management of the company that is commensurate with risk.

#### Base salary

The base salary, which is not performance-related, is paid in twelve equal monthly installments.

#### Perquisites

Perquisites mainly consist of contributions to accident and liability insurances, tax consultant fees and the provision of a company car and further individual perquisites if applicable. Perquisites are not linked to performance. Each member of the Board of Management is responsible for paying the income tax due on these perquisites. The Supervisory Board regularly reviews the level of perquisites; a contractual

annual cap applies. If an appointment to the Board of Management requires a change of residence, relocation expenses are reimbursed to an appropriate extent.

#### Pension contribution

To provide competitive and cost-effective retirement and disability benefits, company contributions to the defined-contribution pension plan "My Allianz Pension" are invested with a guarantee for the contributions paid, but no further interest guarantee.

Each year, the Supervisory Board decides whether a budget is provided and, if so, to what extent. The current pension contribution generally represents 15% of the target compensation of the board members.

Apart from cases of occupational or general disability for medical reasons, the earliest age a pension can be drawn is 62. Should board membership cease before the retirement age is reached, accrued pension rights are maintained if vesting requirements are met.

Members of the Board of Management may have additional pension entitlements under former pension plans based on previous positions in the Allianz Group or due to membership of the Board of Management prior to 2015. Payments of social insurance contributions abroad required by Allianz in individual cases may also give rise to additional pension entitlements.

## Performance-based remuneration

The performance-based variable remuneration includes the short-term annual bonus and long-term share-based remuneration. The composition aims to balance short-term performance, longer-term success and sustained value creation. The Supervisory Board ensures that the targets for the variable remuneration are challenging, sustainable and ambitious.

### Annual bonus

The annual bonus provides incentives for profitable growth and further developing the operating business by successfully implementing the business objectives for the respective financial year. In doing so, the overall responsibility for reaching the Group targets as well as the individual performance with regard to the operational responsibilities of the individual members of the Board of Management are taken into consideration.

The annual bonus is derived by multiplying the target achievement factor by the target amount for the annual bonus, and is paid out in cash after the end of the relevant financial year, with payment limited to a maximum of 150% of the target amount.

### Long-term incentive – LTI

The long-term, share-based compensation is oriented mainly towards the sustainable increase in the enterprise value. Taking the share price performance in absolute and relative terms as a basis, it encourages combining the interests of the shareholders with those of the members of the Board of Management.

Other stakeholder aspects are taken into consideration by setting strategic sustainability targets, whose achievement forms the basis for the final assessment at the end of the four-year contractual vesting period.

Almost two thirds (64%) of the variable remuneration is share-based, so as to adequately reflect the long-term performance of the company in the Board of Management remuneration.

## Additional remuneration principles

### Shareholding obligation and shareholding exposure

The members of the Board of Management are obliged to build up the following degree of share ownership within three years:

- **Chairperson of the Board of Management:** two times base salary, i.e., € 3,822 thou,
- **Regular Board of Management member:** one time base salary, i.e., € 975 thou.

Holding is required for the entire term of service on the Board of Management. Shares will be acquired through mandatory pay component conversion. In case of a base salary increase, the shareholding obligation increases accordingly. The holding obligation ceases with the end of the mandate.

In combination with the virtual shares (RSU) accumulated over four years through the LTI plan, the Allianz SE Board of Management has significant economic exposure to the Allianz stock: It amounts to approx. 800% of base salary for the Chairperson and approx. 700% of base salary for a regular board member.

### Malus/clawback

Variable remuneration components may not be paid, or payment may be restricted, in the case of a significant breach of the Allianz Code of Conduct or regulatory Solvency II policies or standards, including risk limits.

In the same way, variable remuneration components already paid may be subject to a clawback for three years after payout. Additionally, a reduction or cancellation of variable remuneration may occur if the supervisory authority (BaFin) requires this in accordance with its statutory powers.

### Payout cap

In accordance with §87a (1) sentence 2 (1) AktG and the recommendations of the German Corporate Governance Code, the Supervisory Board has determined a remuneration cap.

Thus, the actual payout for the underlying financial year, comprising the base salary, variable remuneration and pension service cost, will be capped at maximum € 11,750 thou for the Chairperson of the Board of Management, and at € 6,000 thou for a regular member of the Board of Management. If the remuneration for the financial year exceeds this amount, compliance with the maximum limit will be ensured by reducing the payout of the long-term variable remuneration accordingly.

This payout cap principle was introduced for the first time for the financial year 2019. Given that the actual amount of the paid out long-term variable remuneration cannot be determined until after vesting and the final sustainability assessment, compliance with the payout cap will be reported on for the first time in the Remuneration Report for the financial year 2024.

### Deviation from the remuneration system

The Supervisory Board can deviate temporarily from the remuneration system in exceptional circumstances in accordance with the statutory requirements (§87a (2) AktG), if this is necessary in the interests of the long-term welfare of the company. The assessment may take into account both macroeconomic and company-related exceptional circumstances, such as impairment of the long-term viability and profitability of the company. The deviation requires a prior proposal by the Personnel Committee.

The components of the remuneration system from which deviations may be made in exceptional cases include in particular the base salary, the annual bonus and the long-term incentive (LTI), including their relationship to each other, their respective assessment bases where applicable, the target setting and target achievement assessment principles, and the determination of any payout and payment dates. The duration of the deviation shall be determined by the Supervisory Board at its due discretion, but should not exceed a period of four years. In a crisis situation, for example, this principle is intended to allow the appointment of a new board member, e.g., with crisis management expertise, with a remuneration structure that temporarily deviates from the remuneration structure.

In the financial year 2021, the Supervisory Board did not make use of the option to deviate from the remuneration system.

### Remuneration adjustment

The Supervisory Board is also entitled to take appropriate account of extraordinary unforeseeable developments when determining the amount of the variable remuneration components. This rule takes up a recommendation of the German Corporate Governance Code and allows for the adjustment of the remuneration in rare unforeseeable exceptional cases.

Conceivable cases of application include, for example, significant changes in accounting rules, or in the tax or regulatory framework, as well as catastrophic events not yet known at the time of target setting. The application of this rule may also lead to a reduction in the variable remuneration.

The Supervisory Board may also adjust the target remuneration of the members of the Board of Management, insofar as this is appropriate to ensure that the remuneration of the Chairperson of the Board of Management or a regular member of the Board of Management is appropriate with regard to their duties and performance. In doing so, it shall take into account the comparison of the Board of Management remuneration horizontally and vertically. The aim of this rule is to moderately adjust Board of Management remuneration on the basis of horizontal and vertical salary trends, and thus to avoid major salary increases.

It does not constitute an automatic adjustment, but requires a justified decision by the Supervisory Board in each case. Such a moderate adjustment of the target remuneration does not in itself represent a significant change to the remuneration system. These adjustments or deviations must be justified in detail in the respective remuneration report for the financial year. The remuneration report is prepared in accordance with ARUG II and submitted to the Annual General Meeting for approval.

In the financial year 2021, the Supervisory Board did not make use of the option to adjust the remuneration.

### Termination of service

Board of Management contracts are limited to a period of five years. For new appointments, a shorter period of up to three years is provided based on the recommendation by the German Corporate Governance Code.

### Severance payment cap

Payments for early termination to board members with a remaining term of contract of more than two years are capped at twice the annual compensation, consisting of the last financial year's base salary and 100% of the variable target compensation. If the remaining term of contract is less than two years, the payment is pro-rated for the remaining term of the contract. Contracts do not contain provisions for any other cases of early termination of Board of Management service.

In the event of a contractually agreed non-compete clause, a severance payment is offset against compensation resulting from the non-compete clause in case of premature termination of service.

### Transition payment

Board members appointed before 1 January 2010 are eligible for a transition payment after leaving the Board of Management. The transition payment comprises an amount corresponding to the most recent base salary (paid for a period of six months), plus a one-time payment of 25% of the target variable remuneration at notice date. Where an Allianz pension is due at the same time, such pension is deducted from the monthly transition payments. In the event of a contractually agreed non-compete clause, the remittance of the transitional payment will be offset against the payment resulting from the non-compete clause.

## Miscellaneous

### Internal and external board appointments

When a member of the Board of Management simultaneously holds an appointment at another company within the Allianz Group or their joint ventures with outside partners, the full amount of the respective remuneration is transferred to Allianz SE.

In recognition of related benefits to the organization, and subject to prior approval by the Supervisory Board of Allianz SE, board members are also allowed to accept a limited number of non-executive supervisory roles at appropriate external organizations. In these cases, 50% of the remuneration received is paid to Allianz SE.

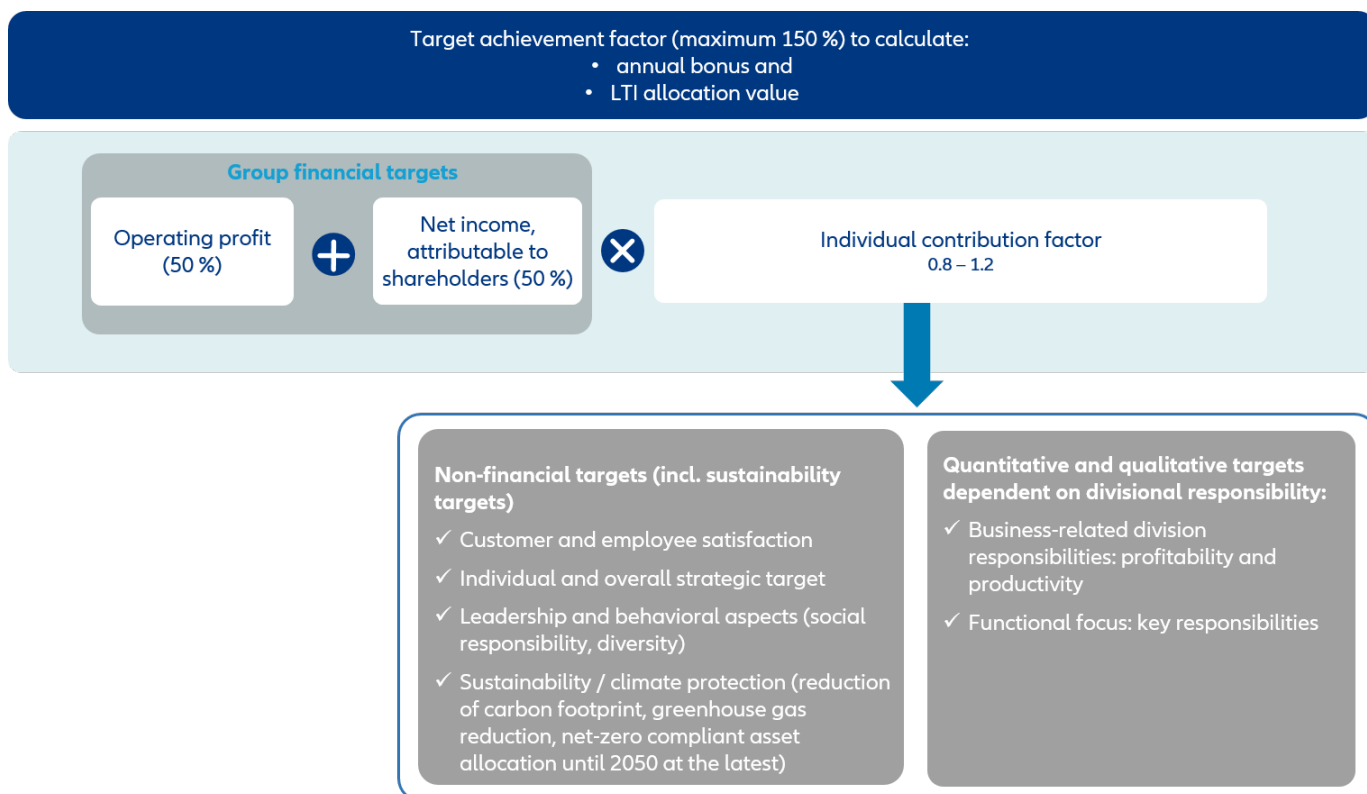
The respective board member will retain the full remuneration for that position only if the Allianz SE Supervisory Board classifies the appointment as a personal one (*ad personam*). Any remuneration paid by external organizations will be itemized in those organizations' annual reports; its level will be determined by the governing body of the relevant organization.

## Variable remuneration system

### Target achievement factor to determine the variable remuneration

In line with the overarching strategic objective “simplicity wins”, the calculation of variable remuneration follows a simple system. The annual bonus and LTI allocation are based on only two Group financial targets

for the relevant financial year: operating profit and net income attributable to shareholders, each at 50%. The resulting target achievement is adjusted by an individual contribution factor (ICF) in the range of 0.8 to 1.2, which reflects both the results of the business division and the performance of the individual board member. If targets are not met, the variable compensation can be reduced to zero. If targets are significantly exceeded, the target achievement is limited to 150%.



### Group financial targets

The Group financial targets are based on equally weighted targets for Group operating profit and Group net income attributable to shareholders. Adjustments are only applied to acquisitions and disposals that account for more than 10% of the Group’s operating profit or net income attributable to shareholders, or that have a value-adding effect from a risk management perspective (e.g., portfolio transfers) and were not yet known at the time the plan was prepared. This regulation is intended to prevent meaningful transactions from having a negative impact on the remuneration of the Management Board.

Operating profit highlights the underlying performance of ongoing core operations.

Net income attributable to shareholders is the profit after tax and non-controlling interests (minorities). Furthermore, the net income forms the basis for the dividend payout and for the return on equity calculation. Both key performance indicators (KPIs) are important steering parameters for the Allianz Group and therefore reflect the level of implementation of the Group’s strategy.

The Group’s financial target achievement is limited to a maximum of 150% and can drop to zero.

The minimum, target, and maximum values for the Group financial targets are set annually by the Supervisory Board. These are documented for the respective next financial year and published ex-post in the remuneration report.

### Individual performance indicators

The Group financial target achievement is multiplied by the ICF for each board member. The ICF is based on an assessment by the Allianz SE Supervisory Board, resting upon KPIs reflecting the respective board member’s area of responsibility and their personal contribution.

- **Business division targets:** For board members with business-related division responsibilities, the contribution to the financial performance considers various indicators of profitability (e.g., operating profit and net income) and productivity (e.g., expense ratio) for the respective business division. For board members with a functional focus, division-specific performance targets are determined based on their key responsibilities, and qualitatively assessed.
- **Non-financial targets (incl. sustainability targets):** Customer satisfaction (for example, Net Promoter Score (NPS)) and employee satisfaction (for example, Allianz Engagement Survey) are taken into account in the non-financial targets. The management qualities, including strategic properties, are also assessed. The review of the individual management qualities assesses behavioral aspects, such as customer orientation, personnel management, corporate behavior, and credibility (for example, social responsibility, integrity, diversity). The following elements were taken into account in 2021 with regard to sustainability/climate protection:

- Decarbonizing the Allianz Group's business operations and increasing the share of renewable energy in order to reduce carbon emissions by 30% by 2025, against a 2019 baseline.
- Decarbonizing the investment portfolio in line with the Asset Owner Alliance (AOA) with the interim target of reducing emissions in listed equities and corporate bonds asset classes by 25% by year-end 2024 (baseline year 2019).
- Securing the strong sustainability position in three leading sustainability indices.

Additional information can be found in the [Non-Financial Statement](#) for the Allianz Group and Allianz SE.

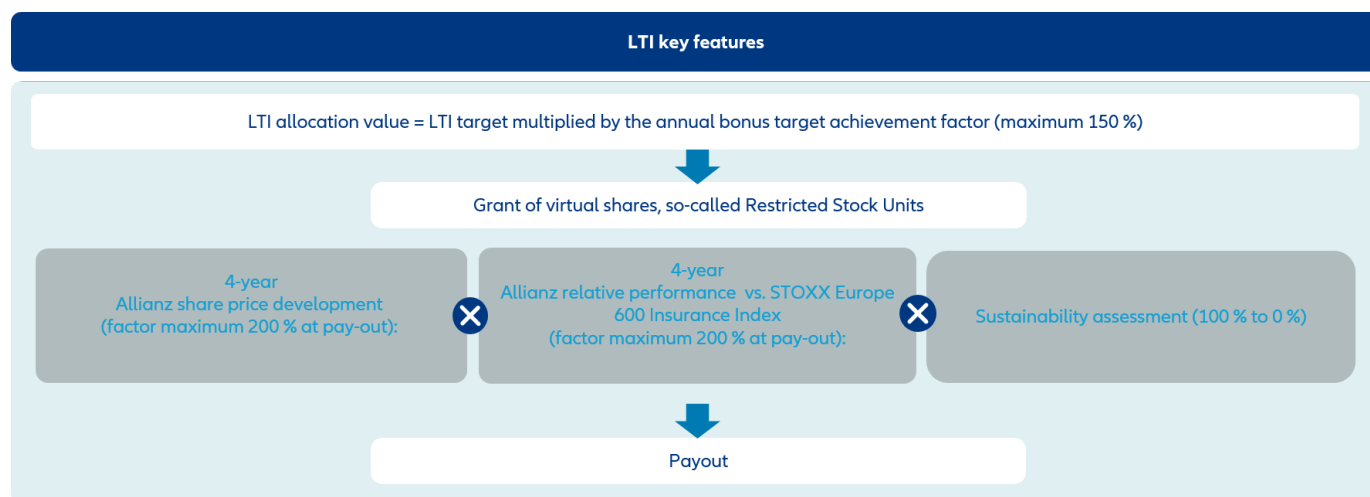
### Determining the individual contribution factor (ICF)

The Supervisory Board determines the ICF for each member of the Board of Management based on the fulfillment of the individual performance indicators. Most of the performance indicators are provided with quantitative criteria, and therefore offer a sufficiently concrete basis for the combined assessment.

The individual indicators are not weighted on a percentage basis, so that the ICF is not determined on the basis of a formulaic calculation. This allows the Supervisory Board to take appropriate consideration of the individual criteria and to react appropriately to changes in priorities during the year. Since the performance is determined without a specified weighting, the ICF covers a narrow range of 0.8 to 1.2.

### Long-term incentive (LTI) design

The long-term, share-based compensation component makes up the largest portion of variable compensation. It promotes alignment with shareholders and reflects the sustainable implementation of the company's long-term strategy. The LTI is based on the performance in absolute and relative terms (i.e., versus competitors) of the Allianz share. Furthermore, the long-term development of KPIs is reflected in the deferred sustainability assessment following the four-year contractual vesting period.



- **Grant and contractual vesting period:** The LTI is granted annually in the form of virtual Allianz shares, so-called restricted stock units (RSUs). The number of RSUs to be granted corresponds to the LTI allocation amount, divided by the allocation value of an RSU at grant:
  - The LTI allocation amount is derived by multiplying the LTI target amount by the annual bonus achievement factor, and capped at maximum 150% of the target level.
  - The RSU allocation value is based on the ten-day-average Xetra closing price of the Allianz stock following the annual financial media conference<sup>1</sup>. As RSUs are virtual stock without dividend payments, the relevant share price is reduced by the net present value of the expected future dividend payments during the four-year contractual vesting period.

The LTI grant is followed by a contractual vesting period of four years. After that period, the LTI amount to be paid is determined based on

the relative performance of the Allianz share, the relevant share price, and the results of the sustainability assessment.

- **Relative performance versus peers:** Besides the absolute share-price development, the LTI payout takes the relative performance of the Allianz share into account. The total shareholder return (TSR) of the Allianz share is benchmarked against the TSR of the STOXX Europe 600 insurance index by reflecting the relation of the total performance of the Allianz share ("Allianz TSR") and the total performance of the STOXX Europe 600 insurance index ("Index TSR") between the start and end of the four-year contractual vesting period. The payout is based on the TSR performance factor, which is calculated as follows:
  - At the end of the contractual vesting period, the difference between the Allianz TSR and the Index TSR is determined in percentage points; the result is multiplied by "2": As the comparison with competitors and the market is of outstanding

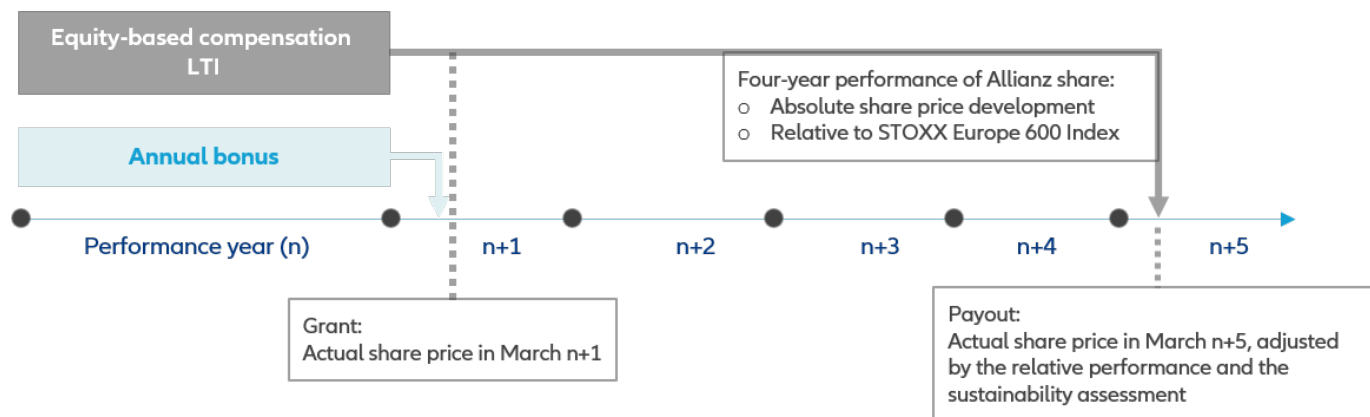
<sup>1</sup> For accounting purposes, the determination of the fair value of RSUs is based on an option pricing model taking into account additional input parameters, including the term structure of interest rates and the expected relative performance of the Allianz share price compared to the peer index. For the latter, simulation techniques are applied at the valuation date to determine the volatility of the Allianz stock, the

volatility of the peer index, their correlation, and the expected dividends. The value of the RSUs used for the board members' compensation may deviate from this IFRS value, as a simplified calculation method was applied to increase transparency and traceability.

importance, the outperformance/underperformance is weighted twofold.

- To determine the factor, 100 percentage points are added to the result. Example: 1 percentage point outperformance results in a relative performance factor of 102%; 1 percentage point underperformance results in a relative performance factor of 98%.

In order to avoid incentivizing excessive risk-taking, the relative TSR performance factor is limited: it can vary between zero (for underperformance of the index by -50 percentage points or lower) and 200% (for outperformance of the index by minimum +50 percentage points or higher).



- **Sustainability assessment:** Prior to the payout of each LTI tranche, the Supervisory Board determines, following a preliminary assessment by the Personnel Committee and the external auditor, whether there are any sustainability-related concerns regarding a full payout. If so, payment of the tranche may be canceled in full or in part.

Subject of the sustainability assessment are:

- compliance breaches,
- balance sheet issues, such as reserve strength, solvency, indebtedness, and ratings,
- KPIs entailed in the individual board members' targets, such as NPS, employee satisfaction, and climate targets.

The assessment is made applying a comparable basis; i.e., any regulatory changes, changes in accounting regulations, or changes in calculation methods for the KPIs in question are taken into account.

- **Allianz share performance, payout, and cap:** Following the end of the four-year contractual vesting period, the granted RSUs are settled in cash, based on the ten-day average Xetra closing price of the Allianz SE share following the annual financial media conference in the year the respective RSU plan vests, multiplied by the relative TSR performance factor, and adjusted by the sustainability assessment, if necessary. The relevant share price is capped at 200% of the grant price. Likewise, the relative TSR performance factor is capped at a maximum of 200%. Taking into account the overall compensation cap (€ 6,000 thou for a regular board member and € 11,750 thou for the Chairperson of the Board of Management), the LTI payout in relation to the LTI target – which deviates from the individual LTI component caps – is limited to 272%.

Outstanding RSU holdings are forfeited should a board member leave at their own request or be terminated for important cause.



## Illustrative examples:

### LTI payout: performance exceeds expectation (scenario 1)

Illustrative example for RBM	%	Number RSUs	€ thou
<b>Initial grant based on:</b>			
LTI target			1,463
LTI allocation amount: annual bonus achievement factor applied to LTI target	110		1,609
RSU grant (listed share price: € 240, share price relevant to the calculation of the allocation: € 190 (= reduced by the net present value of estimated future dividends of € 50))		8,470	
<b>LTI payout at vesting based on:</b>			
RSUs x share price at vesting (€ 298)			2,524
TSR relative performance factor: 2 x (TSR Allianz: 45 % – TSR Stoxx Europe 600 Insurance: 40 %) + 100 %	110		
<b>Payout</b>			<b>2,776</b>

### LTI payout: performance remains below expectation (scenario 2)

Illustrative example for RBM	%	Number RSUs	€ thou
<b>Initial grant based on:</b>			
LTI target			1,463
LTI allocation amount: annual bonus achievement factor applied to LTI target	90		1,317
RSU grant (listed share price: € 240, share price relevant to the calculation of the allocation: € 190 (= reduced by the net present value of estimated future dividends of € 50))		6,930	
<b>LTI payout at vesting based on:</b>			
RSUs x share price at vesting (€ 226)			1,566
TSR relative performance factor: 2 x (TSR Allianz: 15 % – TSR Stoxx Europe 600 Insurance: 40 %) + 100 %	50		
<b>Payout</b>			<b>783</b>

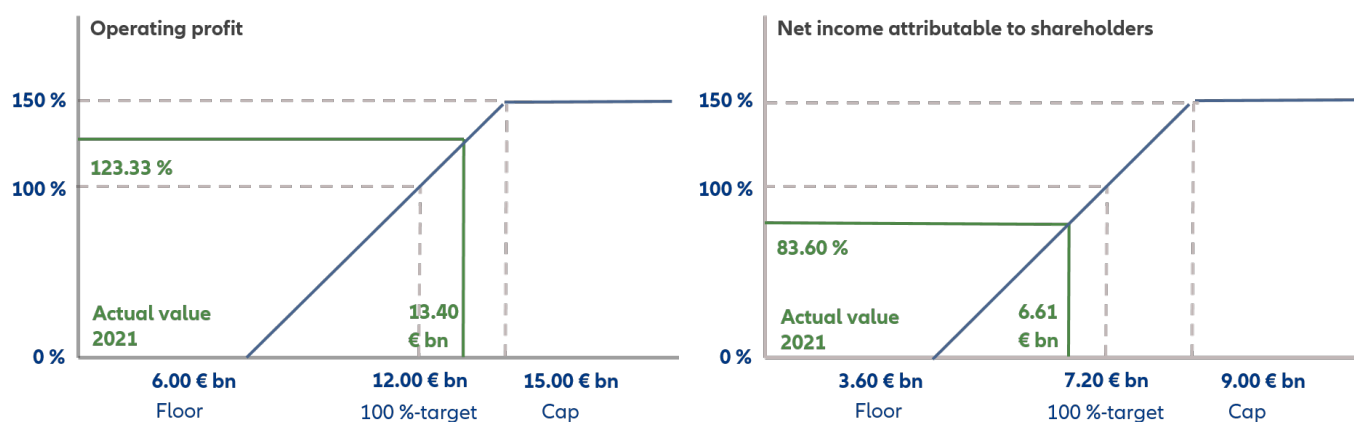
## Application of the remuneration system in the financial year

### Variable remuneration for the financial year

#### Financial Group targets and target achievement

The degree of target achievement for the Group's financial targets is calculated as the simple average of the target achievement of the operating profit for the year and the net income for the year attributable to shareholders. At € 13.4 bn, the operating profit target of € 12.0 bn was exceeded as all business units achieved strong growth, resulting in a target achievement of 123.33% for operating profit.

#### Group financial target achievement level 2021



#### Group financial target achievement 2019-2021

Group financial target achievement	Operating profit			Net income			Achievement level combined in %		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Bonus curve</b>									
0 % - Floor in € bn	5.80	6.00	6.00	3.80	4.00	3.60			
100 % - Target in € bn	11.50	12.00	12.00	7.50	7.90	7.20			
150 % - Max in € bn	14.35	15.00	15.00	9.35	9.85	9.00			
<b>Target achievement</b>							108.72	75.58	103.47
Achievement level in € bn	11.86	10.75	13.40	7.91	6.81	6.61			
Achievement level in %	106.24	79.19	123.33	111.19	71.97	83.60			
Weight in %	50.00	50.00	50.00	50.00	50.00	50.00			

#### Individual performance indicators and application of the individual contribution factor

In order to calculate the annual bonus, the target achievement level of the Group's financial targets is multiplied by the individual contribution factor (ICF), which is determined for each board member by the Supervisory Board in line with the target achievement of the individual agreement on the financial and non-financial targets.

The financial performance of the Board of Management, based on the operating business, has to be rated as very strong for the financial year 2021. The solvency stabilized at a good level. Almost all business divisions made a positive contribution and some have significantly exceeded the target level.

The Iberia & Latin America region and the non-operating business of the Asset Management are the exception. Consequently, the

The provision recorded in Q4 2021 for proceedings relating to the Structured Alpha Funds significantly reduced net income attributable to shareholders and thus also the target achievement of the net income attributable to shareholders. With net income attributable to shareholders of € 6.61 bn, the target of € 7.20 bn was not reached, resulting in a target achievement of 83.60%. Without the very strong operating performance and the positive effect from the Allianz Life reinsurance agreement in the USA, the target achievement for net income attributable to shareholders would have been even lower.

Overall, this results in an achievement rate for the Group's financial targets of 103.47%. The Supervisory Board did not exercise any discretion in determining the Group's financial target achievement.

Group's target achievement level is negatively impacted almost exclusively by these divisions.

The strong performance overall was achieved on a sustainable basis. As in the financial year 2020, both customers and employees once again awarded the Board of Management a very good rating in the financial year 2021, as revealed by the indicators such as Net Promoter Score, Inclusive Meritocracy Index, and Work Well Index Plus. The environmental target set for reducing CO<sub>2</sub> emissions was also clearly exceeded. As a result, the overall determination of the individual contribution factor (ICF) for the Board of Management was 1. Compared to the previous year, this includes a flat-rate discount of around 10 percentage points, which was agreed with each individual member of the Board of Management as a result of the Structured Alpha proceedings.

As CFO, Giulio Terzariol was responsible for a considerable share of the strong operating profit of over € 13 bn. He worked consistently on the Allianz Group's S&P rating, the solvency ratio, and liquidity, which he reinforced through very good capital management, such as successful transactions with closed life insurance policies. Mr. Terzariol was also convincing in his communication of the new financial targets on the Capital Markets Day and of the preparations for the introduction of IFRS 9/17.

The Supervisory Board expects further progress to be made in 2022 on accumulation control, the management of potential reputational risks, and in monitoring and managing the transformation and IT activities.

Dr. Günther Thallinger achieved a performance that exceeded expectations in investment management, for which he was responsible. Capital efficiency was significantly increased in the Life/Health business segment through a series of capital measures. In 2021 the return on equity in this segment was 13.0%. Dr. Thallinger also played a significant role in further structuring and implementing the Allianz Group's sustainability ambitions with regard to environmental, social and governance (ESG) issues, whereby it achieved the leading position among the insurance companies in the Dow Jones Sustainability Index Ranking 2021. The Group Center for sustainability was set up successfully and pro-actively supported the work of the newly-established Sustainability Committee of the Supervisory Board.

The Supervisory Board expects to make further efforts in consistently realizing potential in the area of health insurance, especially through new cross-border digital initiatives as well as strengthening the competitive position as an investor in global capital markets, especially in non-listed assets.

Dr. Barbara Karuth-Zelle has very quickly lived up to her new role as member of the Board of Management, already making a positive and important contribution in her first year. Under her leadership, the Allianz Group has made considerable progress in further harmonizing and centralizing its IT operations. Productivity, for example, once again increased. Despite the numerous group-wide transformation initiatives, IT costs remained in line with expectations. The IT stability was maintained at a high level and the IT security of the Allianz Group was improved further. The very positive development of employee satisfaction in her area of responsibility is also worth mentioning.

The Supervisory Board expects further progress, especially in synchronizing the global and local measures taken to implement the Business Master Platform, and the consistent alignment of personnel development to the new requirements. The topic of cybersecurity must always be at the forefront in a dynamic environment.

With a strong contribution to earnings by the operating entities in Western Europe, Sergio Balbinot once again made a material contribution to the Group's very good operating result. Thanks to the acquisition of the Italian property-casualty insurance entity from the Aviva Group, he further reinforced Allianz's strong position in Italy. In addition to Allianz's leadership among the Asian insurance units, the authorization it was granted to establish an insurance asset management company is another very positive issue. Allianz is therefore the first company in China to be able to establish a fully foreign-owned insurance asset management enterprise on the Chinese market. From a Group perspective, the approval from the China Banking and Insurance Regulatory Commission (CBIRC) to acquire the shareholdings in Allianz China Life Insurance from joint venture Partner Citic Trust is of great importance. Allianz is now the sole owner of this company.

For the financial year 2022, the Supervisory Board expects internal and external growth potential, where appropriate, to be realized in the Asia region, as well as further optimization of the business operations.

Renate Wagner made a positive contribution to earnings with the functional units she leads – Human Resources, Legal, Compliance, Privacy & Data Protection, and M&A. It is particularly worth mentioning the second-highest result in the history of the group-wide employee survey "Allianz Engagement Survey", which reflects the high level of employee satisfaction with the management of the still persistent pandemic in 2021. Contrary to the market trend, employee satisfaction remained at a high level in 2021. Another positive factor is the implementation of acquisitions despite adverse conditions, for example in Italy and Poland, and groundbreaking transactions with various closed life insurance portfolios as well as the good collaboration with the U.S. authorities in resolving the events surrounding the AllianzGI U.S. Structured Alpha Funds.

The Supervisory Board expects that, aside from economies of scale, M&A transactions will also contribute to the new technological challenges. The HR division has to focus strongly on developing and supporting talent within the Group, with regard to the changing requirements.

Dr. Klaus-Peter Röhler successfully steered the Allianz Deutschland AG companies through a challenging year with a steady hand. The implementation of the reorganization of Allianz in Germany, together with the very good results of the employee survey at the same time, is positive. Despite the severe natural disasters of summer 2021, Allianz Deutschland AG achieved very solid results. In addition to the strong contributions to earnings from Switzerland and the region Central and Eastern Europe, the acquisition of Aviva's life and property-casualty business, as well as Aviva Poland's pension and asset management businesses, further expanded the strong position of the Allianz companies in the region. Dr. Röhler had a material impact on the group-wide improvement in the Group's property insurance performance indicators in the retail business.

The Supervisory Board continues to expect strong growth above the market trend in the region Central and Eastern Europe. It also expects consistent development of the digitalization process in the German companies in particular as well as timely improvements in customer satisfaction in property insurance, in order to become the market leader here too.

Dr. Andreas Wimmer quickly familiarized himself with the business division he assumed on 1 October 2021, while also continuing to successfully manage Allianz Lebensversicherungs-AG. In addition to his commitment to processing the Structured Alpha proceedings and his contribution to the life insurance portfolio transaction in the United States, his convincing presentation of Allianz's future life insurance strategy at the Capital Markets Day in December was a positive factor.

Besides processing the potential measures arising from the Structured Alpha proceedings, the Supervisory Board expects Dr. Wimmer to take further steps in implementing the life insurance strategy and continuing the strategy in asset management.

Christopher Townsend has integrated into the management team and the broader Allianz community fast and with positive impact. Under his leadership and via Global Commercial, the Group's Commercial business, incl. AGCS, benefited from reduced volatility. Global Commercial installed a segment-focus steering approach across the Group to address the significant market potential in Mid-Corp. The

AGCS turnaround shows substantial progress, delivering an underwriting profit, and Euler Hermes successfully exited the State Support Schemes and was able to increase profits in 2021. Australia delivered on the re-platforming of the new Business Master Platform with positive results. The strong indices of the annual employee engagement survey within the units under Christopher Townsend's responsibility were encouraging.

The Supervisory Board expects further improvement in the Mid-Corp business, and tangible progress in the transformation of the companies in the UK and Australia.

The quantitative performance of the companies in the Iberia & Latin America region led by Iván de la Sota fell short of expectations. The Supervisory Board expects a visible improvement here, in terms of profitability and technical excellence. It is worth mentioning the promising start of the joint venture with Banco Bilbao Vizcaya Argentaria (BBVA) in Spain, the integration of the SulAmérica business in Brazil, and the successful transactions of the Allianz X unit in promising FinTech companies. The Supervisory Board assesses as very positive the further successful steps taken towards developing and implementing a uniform, cross-border product and IT platform strategy as well as in the claims processing of Allianz Group.

Allianz Life Insurance Company of North America (Allianz Life) as well as AllianzGI and PIMCO showed a strong operating performance during the time Jacqueline Hunt was responsible until 30 September 2021. Also positive was the successful completion of the reinsurance agreement for a USD 35 bn fixed index annuity portfolio by Allianz Life, which significantly improved the Allianz Group's return on equity and strengthened the Allianz Group's regulatory capital position. In the case of AllianzGI and PIMCO, in particular, the record inflows of assets under management had a positive impact.

The non-financial targets also showed a good performance of Ms. Hunt and her contribution went beyond her divisional responsibilities.

Ms. Hunt has been an excellent member of the Board of Management and there is no evidence of any wrongdoing by her in connection with Structured Alpha. However, the net income impact of the provision for Structured Alpha has been reflected in her ICF of 0.8.

Overall, Oliver Bäte acted prudently and with confidence, providing his Board of Management team with the right impetus in what was once again a difficult environment, so that the Allianz Group could consistently meet its operating targets beyond expectations. Mr. Bäte presented the Allianz Group's new strategy and ambition for 2022 - 2024 with great conviction at the Capital Markets Day and the Supervisory Board now expects consistent implementation of this strategy. Mr. Bäte convinced analysts and investors alike with the new dividend strategy and the announcement of AZ Life's groundbreaking transactions in the United States. He was once again a great role model to the entire Allianz management in 2021.

## Potential impact of the legal disputes in the USA on Board of Management remuneration

The legal disputes in the USA will, in addition to the negative impact on net income attributable to shareholders of the Asset Management division and the Group as a whole, because of failure of this element to meet the financial targets for the 2021 financial year, and through the agreement to a 10 percentage point discount on the individual contribution factor of all board members, also have negative implications for the bonus of the entire Board of Management. The distribution of the LTI in 2022 will be reduced, as well as the bonus payment.

Furthermore, the legal disputes in the USA could also potentially have a clearly negative effect on the Board of Management's long-term incentive. The long-term incentive is based on Allianz SE's share price performance in absolute and relative terms. Following publication of the ad hoc announcement on 1 August 2021, the Allianz share fell by 8% and at year-end 2021 traded only +3.5% higher than at the start of the year. In the relative development (including dividends), the STOXX Europe 600 Insurance rose by +21% compared to the +8% performance of the Allianz share in 2021. The 12% points underperformance is reflected with a factor of 2 in the Board of Management's long-term incentive and could potentially reduce the payout by up to -25%.

Each long-term incentive plan has a four-year term. The relative performance achieved before 1 January 2021 or the future relative performance until the payment date are not taken into account in this exemplary analysis as at the reporting date of 31 December 2021. The relative performance in the reporting year impacts the long-term incentive from the 2020 and 2021 plans.<sup>1</sup>

The Supervisory Board and the Board of Management have initiated reviews in conjunction with the Structured Alpha subject as well as commissioning independent advisors to conduct external investigations. The various examinations were not yet concluded at the time of preparing this Remuneration Report. There are no findings so far of possible breaches of duty by the Board of Management.

According to the remuneration system for members of the Board of Management, the Supervisory Board may wholly or partially reduce the annual bonus and/or LTI allocation amount or payout (malus) in the case of a significant breach of the Allianz Code of Conduct or other compliance provisions.

If a breach of compliance is committed and/or infringed prior to payment of the annual bonus or the long-term incentive but is not identified until after payout, the Supervisory Board may wholly or partially reclaim the annual bonus or long-term incentive paid out (claw-back).

The Supervisory Board makes its decision on the basis of its professional judgment. In particular, the severity and impact of the breach, degree of culpability and any financial loss or reputational damage to the company that has occurred or is impending must be taken into account.

<sup>1</sup>The relative performance is only reflected since the system conversion in performance year 2019.

## Overview target achievement and variable remuneration for the financial year.

The following table shows the amounts for annual payout and LTI-allocation resulting from the target achievement of the financial year as

well as the target, minimum and maximum amount of the variable compensation components.

### Target achievement and variable remuneration of the members of the Board of Management for the financial year

€ thou (total might not sum up due to rounding)

Board member		Target achievement			Annual bonus				LTI allocation <sup>1</sup>			
		Group financial performance	ICF	Target achievement factor	Target	Min	Max	Payout	Target	Min	Max	Allocation
Active board members in 2021		%	0.8-1.2	%	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou
<b>Oliver Bäte</b>	2021	103.47	1.06	109.68	1,593	-	2,390	1,748	2,867	-	4,301	3,145
Appointed: 01/2008; CEO since 05/2015	2020	75.58	1.17	88.43	1,422	-	2,133	1,257	2,559	-	3,839	2,263
	2019	108.72	1.13	122.85	1,422	-	2,133	1,747	2,559	-	3,839	3,144
<b>Sergio Balbinot</b>	2021	103.47	1.06	109.68	813	-	1,220	892	1,463	-	2,195	1,605
Appointed: 01/2015	2020	75.58	1.16	87.67	813	-	1,220	713	1,463	-	2,195	1,283
	2019	108.72	1.11	120.68	813	-	1,220	981	1,463	-	2,195	1,766
<b>Jacqueline Hunt</b>	2021	103.47	0.80	82.78	813	-	1,220	673	1,463	-	2,195	1,211
07/2016 until 09/2021	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
	2019	108.72	1.10	119.59	813	-	1,220	972	1,463	-	2,195	1,750
<b>Dr. Barbara Karuth-Zelle</b>	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-	-	-	-	-
<b>Dr. Klaus-Peter Röhler</b>	2021	103.47	1.05	108.64	813	-	1,220	883	1,463	-	2,195	1,589
Appointed: 04/2020	2020	75.58	1.15	86.92	611	-	917	531	1,100	-	1,650	956
	2019	-	-	-	-	-	-	-	-	-	-	-
<b>Ivan de la Sota</b>	2021	103.47	0.98	101.40	813	-	1,220	824	1,463	-	2,195	1,483
Appointed: 04/2018	2020	75.58	1.11	83.89	813	-	1,220	682	1,463	-	2,195	1,227
	2019	108.72	0.95	103.28	813	-	1,220	840	1,463	-	2,195	1,511
<b>Giulio Terzaroli</b>	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
Appointed: 01/2018	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
	2019	108.72	1.07	116.33	813	-	1,220	946	1,463	-	2,195	1,702
<b>Dr. Günther Thallinger</b>	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
Appointed: 01/2017	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
	2019	108.72	1.07	116.33	813	-	1,220	946	1,463	-	2,195	1,702
<b>Christopher Townsend</b>	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-	-	-	-	-
<b>Renate Wagner</b>	2021	103.47	1.05	108.64	813	-	1,220	883	1,463	-	2,195	1,589
Appointed: 01/2020	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
	2019	-	-	-	-	-	-	-	-	-	-	-
<b>Dr. Andreas Wimmer<sup>2</sup></b>	2021	103.47	1.00	103.47	205	-	308	226	369	-	554	407
Appointed: 10/2021	2020	-	-	-	-	-	-	-	-	-	-	-
	2019	-	-	-	-	-	-	-	-	-	-	-

1\_Derived by multiplying the LTI target amount by the total target achievement factor.

2\_Annual bonus and LTI allocation pro rata for three months. Payout determined using the weighted average of the target achievement of Allianz Lebensversicherungs-AG (126.5 %: 110 % company target achievement and 1.15 ICF) with a weighting of 30 % and the Allianz SE target achievement with a weighting of 70 %.

## Share-based remuneration

The following table shows the development of the RSU portfolios of the members of the Board of Management in the financial year. The number of RSUs granted under the former Allianz Equity Incentive (AEI – until and including the allocation for financial year 2018) and under

the current Long Term Incentive (LTI – from financial year 2019) are displayed separately.

The reported RSU portfolios can include RSUs which have been granted prior to the appointment as member of the Board of Management of Allianz SE. The decisive price of the Allianz share at the time of payout was € 203.13.

### RSU portfolio development in financial year

Board member	RSU plan	Number of RSUs on 1.1.2021	Development in financial year			Number of RSUs on 31.12.2021
			Number of RSUs allocated in March 2021	Number of RSUs settled in March 2021	Number of RSUs forfeited in 2021	
Oliver Bäte	LTI/ RSU	19,588	13,972	-	-	33,560
	AEI/RSU	30,347	-	11,038	-	19,309
Sergio Balbinot	LTI/ RSU	11,001	7,919	-	-	18,920
	AEI/RSU	19,360	-	7,359	-	12,001
Jacqueline Hunt (until 09/2021)	LTI/ RSU	10,902	7,783	-	-	18,685
	AEI/RSU	15,175	-	3,417	-	11,758
Dr. Barbara Karuth-Zelle	LTI/ RSU	-	-	-	-	-
	AEI/RSU	8,018	2,945	2,278	-	8,685
Dr. Klaus-Peter Röhler	LTI/ RSU	-	5,900	-	-	5,900
	AEI/RSU	18,394	1,809	4,017	-	16,186
Ivan de la Sota	LTI/ RSU	9,415	7,578	-	-	16,993
	AEI/RSU	12,177	-	3,200	-	8,977
Giulio Terzariol	LTI/ RSU	10,604	7,783	-	-	18,387
	AEI/RSU	10,445	-	2,599	-	7,846
Dr. Günther Thallinger	LTI/ RSU	10,604	7,783	-	-	18,387
	AEI/RSU	14,163	-	2,826	-	11,337
Christopher Townsend	LTI/ RSU	-	-	-	-	-
	AEI/RSU	-	-	-	-	-
Renate Wagner	LTI/ RSU	-	7,783	-	-	7,783
	AEI/RSU	5,159	-	1,341	-	3,818
Dr. Andreas Wimmer (since 10/2021)	LTI/ RSU	-	-	-	-	-
	AEI/RSU	4,808	4,250	1,452	-	7,606

## Shareholding requirements

Under the shareholding requirements, members of the Board of Management must build share ownership within three years. The following

table shows the values of the share ownership and RSU portfolios, and their proportion of base salary.

### Shareholding exposure as of 31 December 2021

in € thou	Share-ownership portfolio <sup>1</sup>	RSU portfolio <sup>2</sup>	Total portfolio	Proportion of total portfolio value of base salary in %
Board members active in financial year				
Oliver Bäte	3,802	9,734	13,536	708
Sergio Balbinot	1,086	5,760	6,846	702
Jacqueline Hunt	-	5,671	5,671	582
Dr. Barbara Karuth-Zelle	-	1,644	1,644	169
Dr. Klaus-Peter Röhler	314	4,131	4,445	456
Ivan de la Sota	1,086	4,799	5,885	604
Giulio Terzaroli	1,086	4,806	5,892	604
Dr. Günther Thallinger	1,806	5,530	6,616	679
Christopher Townsend	-	-	-	-
Renate Wagner	471	2,073	2,544	261
Dr. Andreas Wimmer	-	1,400	1,400	144

1\_Based on the XETRA closing price of the Allianz share as of 30 December 2021. Shareholdings as of 31 December 2021: Oliver Bäte: 18,309 shares; Sergio Balbinot, Iván de la Sota, Giulio Terzaroli and Dr. Günther Thallinger: 5,230 shares each. Renate Wagner: 2,270 shares, Dr. Klaus-Peter Röhler: 1,513 shares. As part of the share ownership guideline, the first acquisition for Dr. Barbara Karuth-Zelle and Christopher Townsend will take place in 2022, and for Dr. Andreas Wimmer in 2023.

2\_Based on fair value of RSU portfolio as of 31 December 2021 shown in the table reporting the share-based compensation. The determination of the LTI fair values is based on an option pricing model taking into account additional input parameters, including the term structure of interest rates and the expected relative performance of the Allianz share price compared to the peer index. For the latter, simulation techniques are applied at the valuation date to determine the volatility of the Allianz stock, the volatility of the peer index and their correlation.

## Pensions

Company contributions to the current pension plan "My Allianz Pension" are generally 15% of total target direct compensation, reduced by an amount covering the death and occupational or general disability risk. They are invested in a fund with a guarantee on the contributions paid, but no further interest guarantee.

For members with pension rights under the now frozen defined benefit plan, the above contribution rates are reduced by 19% of the expected annual pension from that frozen plan.

In 2021, the Allianz Group paid € 5 mn (2020: € 6 mn) to increase reserves for pensions and similar benefits for active members of the Board of Management. As of 31 December 2021, reserves for pensions and similar benefits for active members of the Board of Management amounted to € 33 mn (2020: € 35 mn).

Reserves for current pension obligations and accrued pension rights for former members of the Board of Management totaled € 201 mn (2020: € 171 mn).

### Individual pensions: 2021 and 2020

€ thou (total might not sum up due to rounding)

Board members		Current pension plan		Previous pension plans <sup>1</sup>		Total	
		SC <sup>2</sup>	DBO <sup>3</sup>	SC <sup>2</sup>	DBO <sup>3</sup>	SC <sup>2</sup>	DBO <sup>3</sup>
Oliver Bäte	2021	878	4,830	172	5,494	1,050	10,324
	2020	812	3,765	229	5,638	1,041	9,403
Sergio Balbinot	2021	465	2,885	2	45	467	2,930
	2020	464	2,354	8	46	472	2,400
Jacqueline Hunt <sup>4</sup>	2021	344	-	-	-	344	-
	2020	458	1,720	-	-	458	1,720
Dr. Barbara Karuth-Zelle	2021	353	1,115	45	1,091	398	2,206
	2020	-	-	-	-	-	-
Dr. Klaus-Peter Röhler	2021	461	1,826	79	2,466	540	4,292
	2020	346	1,302	44	2,519	390	3,821
Ivan de la Sota	2021	462	1,708	73	635	535	2,343
	2020	462	1,197	98	617	560	1,814
Giulio Terzariol	2021	461	1,950	104	1,481	565	3,431
	2020	462	1,427	94	1,464	556	2,891
Dr. Günther Thallinger	2021	465	2,484	83	1,779	548	4,263
	2020	464	1,927	71	1,933	535	3,860
Christopher Townsend	2021	412	417	-	-	412	417
	2020	-	-	-	-	-	-
Renate Wagner	2021	464	1,182	63	247	527	1,429
	2020	464	683	13	265	477	948
Dr. Andreas Wimmer	2021	42	836	9	289	51	1,125
	2020	-	-	-	-	-	-

1\_Previos closed and frozen plans, including transition payment for Oliver Bäte.

2\_SC = service cost. Service costs are calculatory costs for the DBO related to the business year reported.

3\_DBO = Defined Benefit Obligation, end of year. The figures show the obligation for Allianz resulting from defined benefit plans, taking into account realistic assumptions with regard to interest rate, dynamics and biometric probabilities.

4\_As Jacqueline Hunt's service as a member of the Board of Management ended 30 September 2021, her employer-financed DBO of € 2,215 thou as of 31 December 2021 is taken into account under the former board members.



## Remuneration of the members of the Board of Management

The following tables show the individual remuneration of the members of the Board of Management who were active in the reporting year, for the 2021 and 2020 financial years.

The table "Remuneration In The Financial Year" features the remuneration awarded and due in accordance with § 162 (1) sentence 1 AktG. It includes the payments made in the financial year for base salary, perquisites, and other remuneration. For the variable remuneration, the components for performance fully rendered in the financial year are reported. This requirement is met in case the applicable performance criteria are fulfilled and conditions subsequent and suspensive have been met or have ceased to exist. For the financial year 2021, this is the annual bonus that refers to the 2021 performance period and is paid out in March 2022. For the share-based remuneration, the payout of the RSU allocation of the Allianz Equity Incentive (AEI) for the financial year 2016, which vested in the financial year 2021, is reported.

This interpretation of the awarding concept corresponds to the definition of the payout in the remuneration reports of previous years. The information in the table "Remuneration In The Financial Year" is therefore consistent with the details in the column "Payout" in previous remuneration reports.

The additional table "Remuneration For The Financial Year" goes above and beyond the requirements of § 162 AktG. It includes the contributions to base salary and perquisites made in the respective

financial year as well as the annual bonus for the respective financial year and the allocation amount of the share-based remuneration for the financial year.

The amounts for the annual bonus and LTI allocation reported here result from the achievement of the targets for the financial year. The information therefore directly depicts the correlation between remuneration and business development.

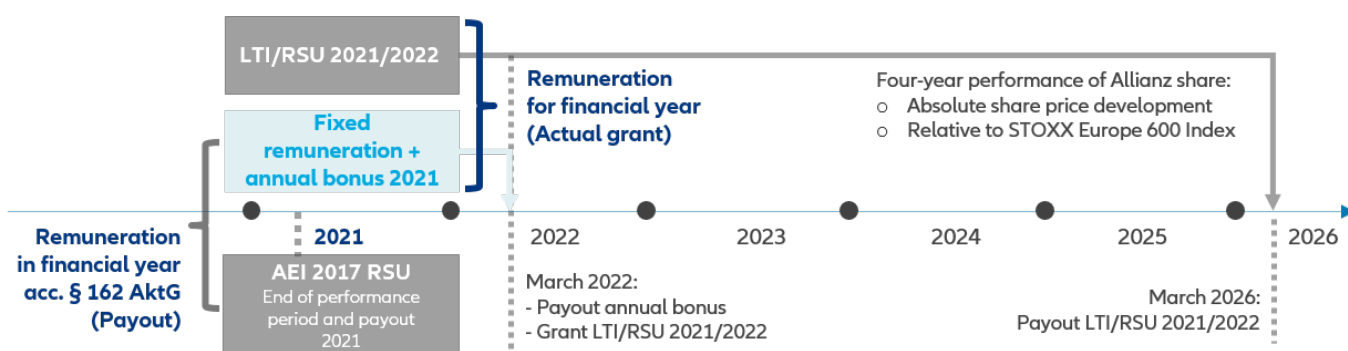
These compensation components correspond with the components in the column "Actual Grant" in previous remuneration reports.

Furthermore, the remuneration for the financial year is decisive for reviewing the retention of the general payout cap of € 11,750 thou for the Chairperson of the Board of Management and € 6,000 thou for a regular member. It is reviewed prior to the payout in 2026 and 2025 of the LTI tranches allocated for the financial year 2021 and 2020, and reported in the remuneration report for the respective financial year.

Furthermore, the pension expenses in the financial year are listed in both tables, even if these are not regarded as remuneration awarded and due in accordance with § 162 AktG. Finally, in addition to the absolute amounts, the share of the individual remuneration components relative to the total remuneration is stated.

The information provided for by the Stock Corporation Act on remuneration awarded and due to former members of the Board of Management is shown in a separate table for the sake of clarity.

The following diagram presents the allocation of the remuneration components in the two tables, using the financial year 2021 as an example:



## Remuneration in the financial year

The following table shows the remuneration awarded and due in accordance with § 162 AktG. It includes the payments made in the financial year for base salary and perquisites, the annual bonus that refers to the performance period of the financial year and the payout amount of the share-based remuneration, that vested in the financial year.

Furthermore, the pension expenses in the financial year are listed, even if these are not regarded as remuneration awarded and due in accordance with § 162 AktG.

### Individual remuneration: 2021 and 2020

€ thou (total might not sum up due to rounding)

Board members		Fixed compensation				Variable short-term		Variable long-term		Other compensation		Total compensation acc. § 162 AktG	Pension service cost	Total
		Base salary		Perquisites		Annual bonus		Share-based compensation		€ thou	in % of TC			
Board members active in financial year		€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	€ thou	€ thou
<b>Oliver Bäte</b>	2021	1,911	32	11	-	1,748	30	2,242	38	-	-	5,912	1,050	6,961
Appointed: 01/2008; CEO since 05/2015	2020	1,706	32	11	-	1,257	23	2,375	44	-	-	5,350	1,041	6,391
<b>Sergio Balbinot</b>	2021	975	28	91	3	892	26	1,495	43	-	-	3,453	467	3,920
Appointed: 01/2015	2020	975	27	74	2	713	20	1,883	52	-	-	3,644	472	4,116
<b>Jacqueline Hunt<sup>1</sup></b>	2021	975	41	14	1	673	29	694	29	-	-	2,357	344	2,700
Appointed: 07/2016; end of service 09/2021	2020	975	57	23	1	700	41	-	-	-	-	1,699	458	2,156
<b>Dr. Barbara Karuth-Zelle</b>	2021	975	52	11	1	875	47	-	-	-	-	1,861	398	2,258
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Dr. Klaus-Peter Röhler</b>	2021	975	52	30	2	883	47	-	-	-	-	1,888	540	2,428
Appointed: 04/2020	2020	731	57	23	2	531	41	-	-	-	-	1,285	390	1,675
<b>Ivan de la Sota</b>	2021	975	54	15	1	824	45	-	-	-	-	1,814	535	2,349
Appointed: 04/2018	2020	975	57	60	3	682	40	-	-	-	-	1,717	560	2,277
<b>Giulio Terzariol</b>	2021	975	52	20	1	875	47	-	-	-	-	1,870	565	2,435
Appointed: 01/2018	2020	975	58	18	1	700	41	-	-	-	-	1,694	556	2,250
<b>Dr. Günther Thallinger</b>	2021	975	53	2	-	875	47	-	-	-	-	1,852	548	2,400
Appointed: 01/2017	2020	975	58	2	-	700	42	-	-	-	-	1,678	535	2,212
<b>Christopher Townsend</b>	2021	975	51	53	3	875	46	-	-	-	-	1,903	412	2,315
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Renate Wagner</b>	2021	975	52	25	1	883	47	-	-	-	-	1,883	527	2,410
Appointed: 01/2020	2020	975	57	32	2	700	41	-	-	-	-	1,708	477	2,185
<b>Dr. Andreas Wimmer</b>	2021	244	52	2	-	226	48	-	-	-	-	472	51	522
Appointed: 10/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-

<sup>1</sup> For reasons of clarity, Jacqueline Hunt's complete remuneration in the financial year is reported here. Her pro-rated base salary for the period from 1 January to 30 September 2021 is € 731 thou. The pro-rated annual bonus amount for this time period is € 503 thou.

### Compliance with the maximum remuneration principles on payouts for share-based remuneration in the financial year 2021

In the financial year 2021, the RSU tranches for the financial year 2016, allocated in March 2017, were paid out to Oliver Bäte, Sergio Balbinot and Jacqueline Hunt. According to the remuneration system applicable at the time of the allocation, the RSU payout is capped at 200% above the grant price. During the term of the AEI/RSU 2017 tranche, the decisive price of the Allianz share rose from € 165.55 to € 203.13. The increase, and therefore the payout, remained significantly below this cap.

## Remuneration for the financial year

The following table shows the remuneration for the financial year. It contains the variable remuneration amounts resulting directly from the

target achievement of the financial year: the payout amount of the annual bonus and the allocation amount of the LTI grant for the financial year.

### Individual remuneration: 2021 and 2020

€ thou (total might not sum up due to rounding)

Board members		Fixed compensation				Variable short-term		Variable long-term		Other compensation		Total compensation	Pension service cost	Total
		Base salary		Perquisites		Annual bonus		Share-based compensation						
Board members active in financial year		€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	€ thou	€ thou
Oliver Bäte	2021	1,911	28	11	-	1,748	26	3,145	46	-	-	6,815	1,050	7,864
Appointed: 01/2008; CEO since 05/2015	2020	1,706	32	11	-	1,257	24	2,348	44	-	-	5,323	1,041	6,364
Sergio Balbinot	2021	975	27	91	3	892	25	1,605	45	-	-	3,563	467	4,030
Appointed: 01/2015	2020	975	31	74	2	713	23	1,345	43	-	-	3,107	472	3,578
Jacqueline Hunt	2021	975	34	14	1	673	23	1,211	42	-	-	2,874	344	3,217
Appointed: 07/2016; end of service 09/2021	2020	975	32	23	1	700	23	1,324	44	-	-	3,023	458	3,481
Dr. Barbara Karuth-Zelle	2021	975	28	11	-	875	25	1,574	46	-	-	3,435	398	3,833
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Klaus-Peter Röhler	2021	975	28	30	1	883	25	1,589	46	-	-	3,478	540	4,018
Appointed: 04/2020	2020	731	32	23	1	531	23	1,017	44	-	-	2,302	390	2,692
Ivan de la Sota	2021	975	30	15	-	824	25	1,483	45	-	-	3,298	535	3,832
Appointed: 04/2018	2020	975	32	60	2	682	23	1,290	43	-	-	3,007	560	3,567
Giulio Terzariol	2021	975	28	20	1	875	25	1,574	46	-	-	3,444	565	4,009
Appointed: 01/2018	2020	975	32	18	1	700	23	1,322	44	-	-	3,016	556	3,572
Dr. Günther Thallinger	2021	975	28	2	-	875	26	1,574	46	-	-	3,426	548	3,974
Appointed: 01/2017	2020	975	33	2	-	700	23	1,322	44	-	-	3,000	535	3,535
Christopher Townsend	2021	975	28	53	2	875	25	1,574	45	-	-	3,477	412	3,889
Appointed: 01/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Renate Wagner	2021	975	28	25	1	883	25	1,589	46	-	-	3,472	527	4,000
Appointed: 01/2020	2020	975	32	32	1	700	23	1,324	44	-	-	3,032	477	3,508
Dr. Andreas Wimmer	2021	244	28	2	-	226	26	407	46	-	-	879	51	929
Appointed: 10/2021	2020	-	-	-	-	-	-	-	-	-	-	-	-	-

## Members who retired from the Board of Management in the reporting year

Jacqueline Hunt resigned from her office as member of the Board of Management with effect from 1 October 2021. The remuneration principles of the employment contract remain unchanged until

the end of the employment contract as at 31 December 2022. For the sake of clarity, the amounts are therefore reported for the full financial year 2021 in the tables above.

## Remuneration awarded and due in the financial year 2021 for former members of the Board of Management

The following table shows the components awarded and due to former members of the Board of Management in accordance with §162 AktG in the financial year 2021, and their relative share of

total remuneration. According to §162 (5) AktG, the reporting is at individual employee level for up to 10 years after the end of the financial year in which the board member in question has ended their activity. Remuneration awarded and due totaling € 4 mn were awarded in the financial year 2021 to 13 members of the Board of Management that had left before this period.

### Individual remuneration: 2021

€ thou (total might not sum up due to rounding)

	Share-based compensation		Pensions		Other compensation		Total
	€ thou	in % of total	€ thou	in % of total	€ thou	in % of total	
Former members of the Board of Management							
Dr. Christof Mascher (until 12/2020)	1,324	91	128	9	-	-	1,452
Dr. Axel Theis (until 03/2020)	1,481	84	292	16	-	-	1,773
Dr. Helga Jung (until 12/2019)	1,352	100	-	-	2	-	1,354
Dr. Dieter Wemmer (until 12/2017)	1,452	94	92	6	-	-	1,544
Dr. Werner Zedelius (until 12/2017)	1,452	76	467	24	-	-	1,919
Dr. Maximilian Zimmerer (until 12/2016)	1,495	64	858	36	-	-	2,353
Manuel Bauer (08/2015)	-	-	132	100	-	-	132
Michael Diekmann (04/2015)	-	-	658	100	-	-	658
Clement Booth (12/2014)	-	-	147	100	-	-	147
Dr. Paul Achleitner (05/2012)	-	-	337	100	-	-	337

## Comparative presentation

The following overview compares the annual development of the remuneration of the members of the Board of Management, the average remuneration of the employees, and selected earnings parameters over the last five financial years.

The remuneration of the members of the Board of Management presented in the table corresponds to the total remuneration rewarded and due in the respective financial year. The earnings development is shown using the two key performance indicators for the Group's financial target achievement – operating profit and net income, as well as net income as reported in the individual financial statements of Allianz SE. The workforce of the German companies of the Allianz Group is used to present the average employee remuneration on the basis of full-time equivalents.

It must be noted with regard to the Board of Management remuneration from 2017 to 2018 that the payout for the mid-term bonus (MTB) for 2016 - 2018 is reported in the financial year 2018.

The year-on-year change in Sergio Balbinot's remuneration in 2020 is largely attributable to the fact that he received a payout from the share-based compensation for the first time in this year.

Jacqueline Hunt received the share-based compensation for the first time in the financial year 2021. The significant change from 2020 to 2021 in Dr. Klaus-Peter Röhler's remuneration is explained by the fact that he joined the Board of Management during the year, so the remuneration reported for 2020 is pro rata only.

Remuneration awarded and due to former members of the Board of Management for the financial years following their departure comprises mainly pension payments, share-based compensation payouts and other remuneration.

### Comparative presentation

Financial year	Development of Board of Management compensation, profit and average compensation of employees								
	2017	Change 2017 to 2018 in %	2018	Change 2018 to 2019 in %	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021
<b>Board of management compensation in € thou</b>									
<i>Board members active in financial year</i>									
Oliver Bäte	4,361	121	9,634	(47)	5,058	6	5,350	11	5,912
Sergio Balbinot	1,704	181	4,793	(58)	2,030	80	3,644	(5)	3,453
Jacqueline Hunt (end of service 09/2021)	1,691	145	4,135	(52)	1,967	(14)	1,699	39	2,357
Dr. Barbara Karuth-Zelle	-	-	-	-	-	-	-	-	1,861
Dr. Klaus-Peter Röhler	-	-	-	-	-	-	1,285	47	1,888
Ivan de la Sota	-	-	1,967	(7)	1,833	(6)	1,717	6	1,814
Giulio Terzariol	-	-	2,622	(26)	1,946	(13)	1,694	10	1,870
Dr. Günther Thallinger	1,609	122	3,568	(46)	1,926	(13)	1,678	10	1,852
Christopher Townsend	-	-	-	-	-	-	-	-	1,903
Renate Wagner	-	-	-	-	-	-	1,708	10	1,883
Dr. Andreas Wimmer (appointed: 10/2021)	-	-	-	-	-	-	-	-	472
<i>Former members</i>									
Dr. Christof Mascher (end of service 12/2020)	3,854	55	5,989	(44)	3,356	(2)	3,285	(56)	1,452
Niran Peiris (end of service 12/2020)	-	-	2,662	(35)	1,730	(13)	1,507	-	-
Dr. Axel Theis (end of service 03/2020)	1,662	185	4,729	(58)	1,988	21	2,405	(26)	1,773
Dr. Helga Jung (end of service 12/2019)	3,279	93	6,313	(50)	3,135	(54)	1,428	(5)	1,354
Dr. Dieter Wemmer (end of service 12/2017)	3,505	6	3,724	(56)	1,655	15	1,902	(19)	1,544
Dr. Werner Zedelius (end of service 12/2017)	3,337	22	4,083	(35)	2,640	(14)	2,268	(15)	1,919
<b>Profit development in € billion</b>									
Operating profit	11.10	4	11.51	3	11.86	(9)	10.75	25	13.40
Net income attributable to shareholders	6.80	10	7.46	6	7.91	(14)	6.81	(3)	6.61
Net income acc. AZ SE financial statement	3.67	46	5.36	(14)	4.60	-	4.61	16	5.35
<b>Average employee compensation in € thou</b>									
Average compensation based on full-time equivalent	85	(2)	83	4	86	(6)	81	4	84

## Outlook for 2022

### New board members

Effective 1 January 2022, Sirma Boshnakova was appointed to the Board of Management. Her remuneration has been set at the same level as the other regular members of the Board of Management.

### Individual contribution factor (ICF) structure

In determining the targets for 2022, even greater account was taken of the increased importance of sustainability issues. In addition to group-wide sustainability targets, individual environmental, social and governance targets were set for each member of the Board of Management for their respective areas of responsibility.

In order to take better account of this when assessing the target achievement, the individual contribution factor was also restructured with effect from 1 January 2022.

In the future, the ICF will comprise three categories, namely the Group's financial targets, the strategic priorities, and the sustainability targets, which are described in detail. The new structure of the individual contribution factor will be explained in detail in the remuneration report for the financial year 2022.

## Remuneration of the Allianz SE Supervisory Board

The remuneration of the Supervisory Board is governed by the Statutes of Allianz SE and the German Stock Corporation Act (AktG). The structure of the Supervisory Board's remuneration is regularly reviewed with regard to its compliance with German, European, and international corporate governance recommendations and regulations.

### Remuneration principles

- The set total remuneration reflects the scale and scope of the duties of the members of the Board of Management, and is appropriate to the company's activities, and business and financial situation. The contribution to the long-term development of the company by the monitoring activity of the Supervisory Board is also reflected.
- The remuneration structure takes into account the individual functions and responsibilities of Supervisory Board members, such as chair, vice chair, or committee mandates.
- The remuneration structure allows proper oversight of business as well as independent decisions on executive personnel and remuneration.
- In view of the size, complexity and the Allianz Group's long-term performance, the level of the remuneration for the Supervisory Board is based on the upper quartile of the Supervisory Board remuneration of the companies reported in the DAX.

### Remuneration structure and components

The remuneration for the Supervisory Board of Allianz SE provides for a fixed remuneration. Supervisory Board members who had only served on the Supervisory Board during part of the financial year receive one twelfth of the remuneration for each month of service commenced. This shall apply accordingly for membership of Supervisory Board committees.

The Supervisory Board's Remuneration System was presented to the Annual General Meeting of Allianz SE on 5 May 2021 for approval. The inclusion of remuneration for members of the Nomination Committee was also proposed. The remuneration is set at € 25 thou for the Chairperson and € 12.5 thou for a regular member, which is half of the usual committee remuneration. This remuneration takes into account the increased tasks in the selection of suitable candidates for the election of shareholder representatives on the Supervisory Board as well as the increased selection frequency due to the proposed shortening of the term of office of shareholder representatives on the Supervisory Board from five to four years.

In the financial year 2021, the Supervisory Board also set up a Sustainability Committee, to closely monitor the sustainability strategy of the Board of Management, in particular. The remuneration was proposed at the usual committee remuneration level of € 50 thou for the Chairperson and € 25 thou for a regular member.

The Annual General Meeting approved these proposals with a majority of 97.56%.

### Fixed annual remuneration

The remuneration of a Supervisory Board member consists of a fixed cash amount paid pro rata temporis after the end of the respective quarter of the business year for services rendered over that period. In 2021, each regular Supervisory Board member received a fixed compensation amounting to € 125 thou per year. The Chairperson received € 250 thou, each Vice Chairperson received € 187.5 thou.

### Committee-related remuneration

The Chairperson and members of the Supervisory Board committees receive additional committee-related remuneration. The committee-related remuneration is as follows:

FIXED ANNUAL REMUNERATION							
Chairperson € 250 thou	Vice Chairperson € 187.5 thou		Regular member € 125 thou				
COMMITTEE-RELATED REMUNERATION							
	Audit Committee	Personnel Committee	Risk Committee	Standing Committee	Technology Committee	Nomination Committee	Sustainability Committee
Chairperson	€ 100 thou			€ 50 thou			€ 25 thou
Regular member	€ 50 thou			€ 25 thou			€ 12.5 thou

### Attendance fees and expenses

In addition to the fixed and committee-related remuneration, members of the Supervisory Board receive an attendance fee of € 1,000 for each Supervisory Board or committee meeting they attend. Should several meetings be held on the same or consecutive days, the attendance fee will only be paid once. In addition, the Supervisory Board members are reimbursed for their out-of-pocket expenses and the VAT payable on their Supervisory Board service. The company provides insurance coverage and technical support to the Supervisory Board members to an extent reasonable for carrying out their Supervisory Board duties.

## Remuneration awarded and due

The following table shows the remuneration awarded and due in accordance with §162 AktG. It comprises the fixed remuneration,

committee remuneration and attendance fees as well as their relative share of the total remuneration.

### Individual remuneration: 2021 and 2020

€ thou (total might not sum up due to rounding)

Members of the Supervisory Board	Fixed remuneration		Committee remuneration		Attendance fees		Total remuneration	Committees <sup>1</sup>							
	€ thou	in % of total	€ thou	in % of total	€ thou	in % of total		A	N	P	R	S	T	SU	
<b>Members active in financial year</b>	<b>€ thou</b>	<b>in % of total</b>	<b>€ thou</b>	<b>in % of total</b>	<b>€ thou</b>	<b>in % of total</b>	<b>€ thou</b>								
Michael Diekmann	2021	250.0	47	272.9	51	8.0	2	530.9	M	C	C	C	C	M	M
(Chairperson)	2020	250.0	51	225.0	46	11.0	2	486.0	M	C	C	C	C	M	
Jim Hagemann Snabe	2021	187.5	68	87.5	32	1.0	-	276.0		M			M	C	
(Vice Chairperson)	2020	187.5	70	75.0	28	4.0	2	266.5		M			M	C	
Gabriele Burkhardt-Berg	2021	187.5	72	72.9	28	1.0	-	261.4			M			M	M
(Vice Chairperson)	2020	187.5	78	50.0	21	3.0	1	240.5			M			M	
Sophie Boissard	2021	125.0	62	72.9	36	3.0	1	200.9	M						M
	2020	125.0	70	50.0	28	3.0	2	178.0	M						
Christine Bosse	2021	125.0	60	83.3	40	1.0	-	209.3		M		M			C
	2020	125.0	82	25.0	16	3.0	2	153.0		M		M			
Dr. Friedrich Eichiner	2021	125.0	45	150.0	54	3.0	1	278.0	C			M		M	
	2020	125.0	44	150.0	53	6.0	2	281.0	C			M		M	
Jean-Claude Le Gooër	2021	125.0	62	75.0	37	3.0	1	203.0	M				M		
	2020	125.0	62	75.0	37	3.0	1	203.0	M				M		
Martina Grundler	2021	125.0	71	50.0	28	1.0	1	176.0	M						
	2020	125.0	70	50.0	28	4.0	2	179.0	M						
Herbert Hainer	2021	125.0	71	50.0	28	1.0	1	176.0			M		M		
	2020	125.0	69	50.0	28	5.0	3	180.0			M		M		
Godfrey Robert Hayward	2021	125.0	83	25.0	17	-	-	150.0				M			
	2020	125.0	82	25.0	16	2.0	1	152.0				M			
Frank Kirsch	2021	125.0	72	47.9	28	1.0	1	173.9				M			M
	2020	125.0	81	25.0	16	4.0	3	154.0				M			
Jürgen Lawrenz	2021	125.0	71	50.0	28	1.0	1	176.0					M	M	
	2020	125.0	70	50.0	28	4.0	2	179.0					M	M	
<b>Total</b>	<b>2021</b>	<b>1,750.0</b>	<b>62</b>	<b>1,037.5</b>	<b>37</b>	<b>24.0</b>	<b>1</b>	<b>2,811.5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>2020</b>	<b>1,750.0</b>	<b>66</b>	<b>850.0</b>	<b>32</b>	<b>52.0</b>	<b>2</b>	<b>2,652.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Legend: C = Chairperson of the respective committee, M = Member of the respective committee

<sup>1</sup> Abbreviations: A = Audit, N = Nomination, P = Personnel, R = Risk, S = Standing, T = Technology, SU = Sustainability

## Comparative presentation

The following overview compares the annual development of the remuneration of the members of the Supervisory Board, the average remuneration of the employees, and selected earnings parameters over the last five financial years. The remuneration of the members of the Supervisory Board presented in the table corresponds to the total remuneration awarded and due in the respective financial year.

The earnings development is shown using the two key performance indicators for the Group's financial target achievement – operating profit and net income as well as net income as reported in the individual financial statements of Allianz SE. The workforce of the German companies of the Allianz Group is used to present the average employee remuneration on the basis of full-time equivalents.

### Comparative presentation

Financial year	Development of Supervisory Board compensation, profit and average compensation of employees								
	2017	Change 2017 to 2018 in %	2018	Change 2018 to 2019 in %	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021
<b>Supervisory Board compensation in € thou</b>									
<i>Active members in financial year</i>									
Michael Diekmann	257.0	88	484.0	-	484.0	-	486.0	9	530.9
Jim Hagemann Snabe	194.5	38	268.5	-	268.5	(1)	266.5	4	276.0
Gabriele Burkhardt-Berg	137.1	48	202.8	20	243.5	(1)	240.5	9	261.4
Sophie Boissard	97.1	88	183.0	1	184.0	(3)	178.0	13	200.9
Christine Bosse	132.8	17	156.0	-	156.0	(2)	153.0	37	209.3
Dr. Friedrich Eichiner	192.7	47	283.0	-	284.0	(1)	281.0	(1)	278.0
Jean-Claude Le Goaër	-	-	83.5	150	209.0	(3)	203.0	-	203.0
Martina Grundler	145.3	26	183.0	(1)	182.0	(2)	179.0	(2)	176.0
Herbert Hainer	96.4	89	182.0	(1)	181.0	(1)	180.0	(2)	176.0
Godfrey Robert Hayward	83.0	88	156.0	-	156.0	(3)	152.0	(1)	150.0
Frank Kirsch	-	-	52.0	200	156.0	(1)	154.0	13	173.9
Jürgen Lawrenz	137.8	31	181.0	-	181.0	(1)	179.0	(2)	176.0
<i>Former members</i>									
Rolf Zimmermann (end of service 08/2018)	196.2	(17)	162.3	-	-	-	-	-	-
Jean-Jacques Cette (end of service 07/2018)	145.3	(28)	105.1	-	-	-	-	-	-
Dante Barban (end of service 05/2017)	53.0	-	-	-	-	-	-	-	-
Dr. Wulf Bernotat (end of service 05/2017)	106.4	-	-	-	-	-	-	-	-
Prof. Dr. Renate Köcher (end of service 05/2017)	52.2	-	-	-	-	-	-	-	-
Dr. Helmut Perlet (end of service 05/2017)	152.2	-	-	-	-	-	-	-	-
<b>Profit development in € billion</b>									
Operating profit	11.10	4	11.51	3	11.86	(9)	10.75	25	13.40
Net income attributable to shareholders	6.80	10	7.46	6	7.91	(14)	6.81	(3)	6.61
Net income acc. AZ SE financial statement	3.67	46	5.36	(14)	4.60	-	4.61	16	5.35
<b>Average employee compensation in € thou</b>									
Average compensation based on full-time equivalent	85	(2)	83	4	86	(6)	81	4	84

## Remuneration for mandates in other Allianz companies and for other functions

Mr. Jürgen Lawrenz did not receive any remuneration for his service on the Supervisory Board of Allianz Technology SE. All current employee

representatives of the Supervisory Board, except for Ms. Martina Grundler, are employed by Allianz Group companies and receive market-based remuneration for their services.



# AUDITOR'S REPORT ON THE REMUNERATION REPORT

To Allianz SE, Munich

## Auditor's Report

We have audited the remuneration report of Allianz SE, Munich, for the financial year from 1 January to 31 December 2021 including the related disclosures, which was prepared to comply with § 162 AktG [Aktiengesetz: German Stock Corporation Act].

### Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Allianz SE are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from 1 January to 31 December 2021, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

### Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 (1) and (2) AktG has been disclosed in all material respects in the remuneration report.

### Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Allianz SE. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Munich, 21 February 2022

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Wirtschaftsprüfungsgesellschaft

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This is a translation of the German Annual Report of Allianz SE. In case of any divergences, the German original is legally binding.