

Group financial results 2021

4Q

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Munich
February 18, 2022

Please note:
presentations based on 2021 preliminary figures

Content/topics

A CEO assessment and outlook

Oliver Bäte

B Group financial results 2021

Giulio Terzariol

Glossary

Disclaimer

CEO assessment and outlook



Content



Delivery

**Transfor-
mation**

Confidence

Strong underlying result in fiscal 2021 ...



Key figures
2021 (EUR)

149bn
+6%

Revenues

13.4bn
+25%

Operating profit

6.6bn
-3%

Shareholders'
net income

10.8
+13%

Dividend
per share¹

209%
Target: $\geq 180\%$

Solvency II ratio

10.6%
Target: $\geq 13\%$

Return on
equity²

1.0bn

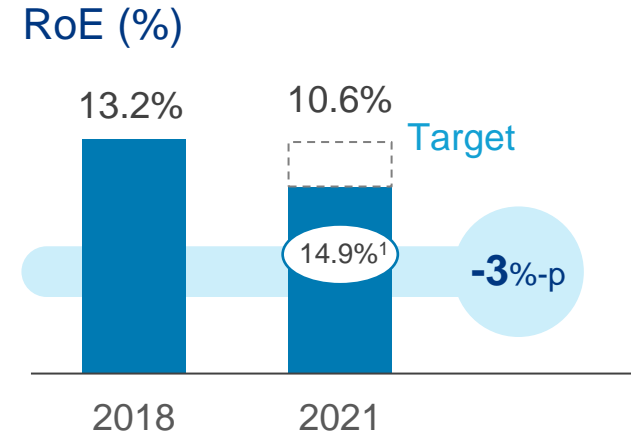
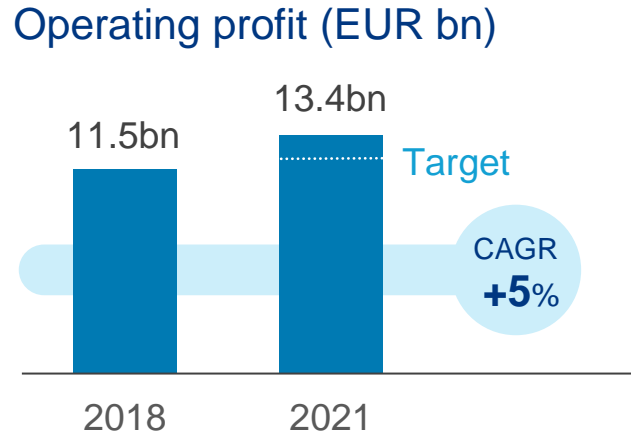
Share buy-back
to come in 2022

1) Proposal
2) RoE calculation excludes unrealized gain/losses on bonds, net of shadow accounting; see definition in glossary

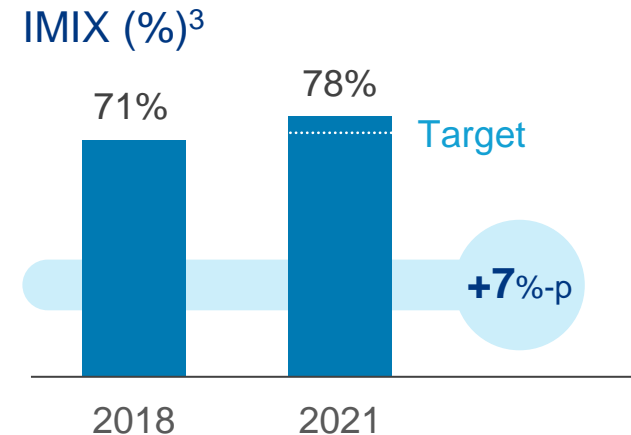
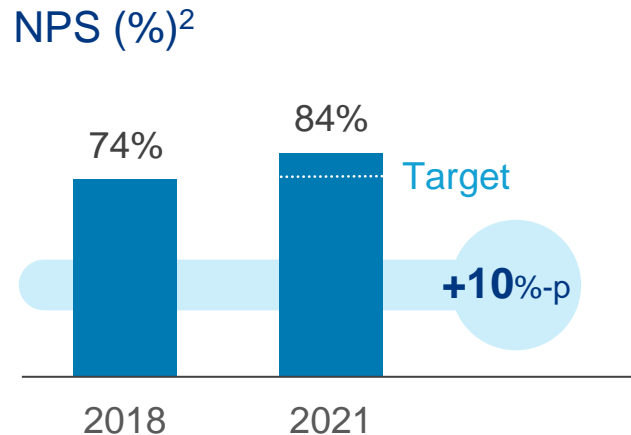
... and over 3-year target period



Performance



Health

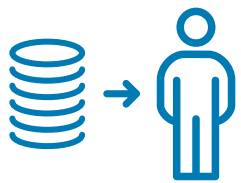


1) RoE adjusted for the provision for the AllianzGI U.S. Structured Alpha matter
 2) Percentage reflects share of businesses with NPS (Net Promoter Score) above market average or loyalty leader
 3) IMIX = Inclusive Meritocracy Index

Good performance across stakeholders



Customers



USD 15bn

58% of businesses are NPS loyalty leaders

Brand value up 17% to more than USD 15bn¹

>20,000 claims (>EUR 1bn) from flood “Bernd” covered

Employees



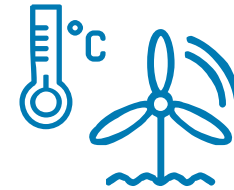
30%

~30% of Group OP managed by female CEOs²

>120,000 virtual workplace users during COVID-19 crisis

Top 5 in Refinitiv Diversity & Inclusion Index 2021 (only insurer in the top 100)

Society



25,000

E Chair of UN-convened net-zero asset owner alliance

S >25,000 employees and family members vaccinated against COVID-19

G New Group department and supervisory board committee for ESG topics

1) Source: Interbrand Best Global Brands Ranking 2021
2) Including Allianz Leben from 2Q 2022 onwards

Content



Delivery

Transformation

Confidence

Allianz value proposition in a nutshell



Purpose

We secure your future

Aspiration

The trusted partner for protecting and growing your most valuable assets

Promise



Careful balance across stakeholders



Delivery of benchmark results at scale



Strong resilience in a transforming world

Systematic value capture program ...



... driving multiple levers for value creation



1	Transforming our Life & AM franchise	Scale Life/AM convergence	Capital productivity of Life in-force	Protection & health growth
2	Expanding our P/C leadership position	“Beat the best” in retail	Refocus commercial	Growth markets
3	Boosting growth through our scalable platforms	Customer-facing platforms	Operating platforms	Digital marketplaces
4	Driving verticalization & execution agility	Global operating models	Customer loyalty leadership	Digital productivity
5	Reinforcing capital productivity & resilience	Capital efficiency	Organizational resilience & diversity	Tail-risk management

Transforming our Life & AM franchise



Leading franchise¹

>670_{bn}
Life reserves

>2,600_{bn}
Assets under management

>800_{bn}
Proprietary assets



Life and AM convergence

Integration of Life and AM to create higher value for customers *and* shareholders

Coordinated go-to-market for strategic focus areas, e.g. ESG and retirement

Joint tail-risk and earnings volatility management



Higher value creation

Transformation into capital-light asset gathering platforms with high RoE and low tail-risk

Higher net flows and stable assets for AM, supplementing earnings from Life products with second revenue source

Higher profitable growth driven by capital-efficient Life and alternative AM products

1) In EUR

Example: AZ Life business model transformation

Rationale

- Monetization of Allianz Life earnings at attractive terms
- Stronger capital efficiency at Allianz Life and Allianz Group
- Enhanced L/H growth through strategic access to private capital
- AM growth opportunity especially in private credit and other alternative investments

Transaction

Reinsurance of

EUR ~30_{bn}

to Talcott Resolution

PIMCO/AllianzGI
to become

partner

of Sixth Street and
Talcott Resolution

Financial impact (EUR)¹

Capital release	3.6bn
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RoE AZ Life	+6%-p to ~18%
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Net income AZ Life

• 4Q 2021	+0.35bn
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• 2022ff p.a. ²	<-0.1bn
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SII-ratio AZ Group	+9%-p
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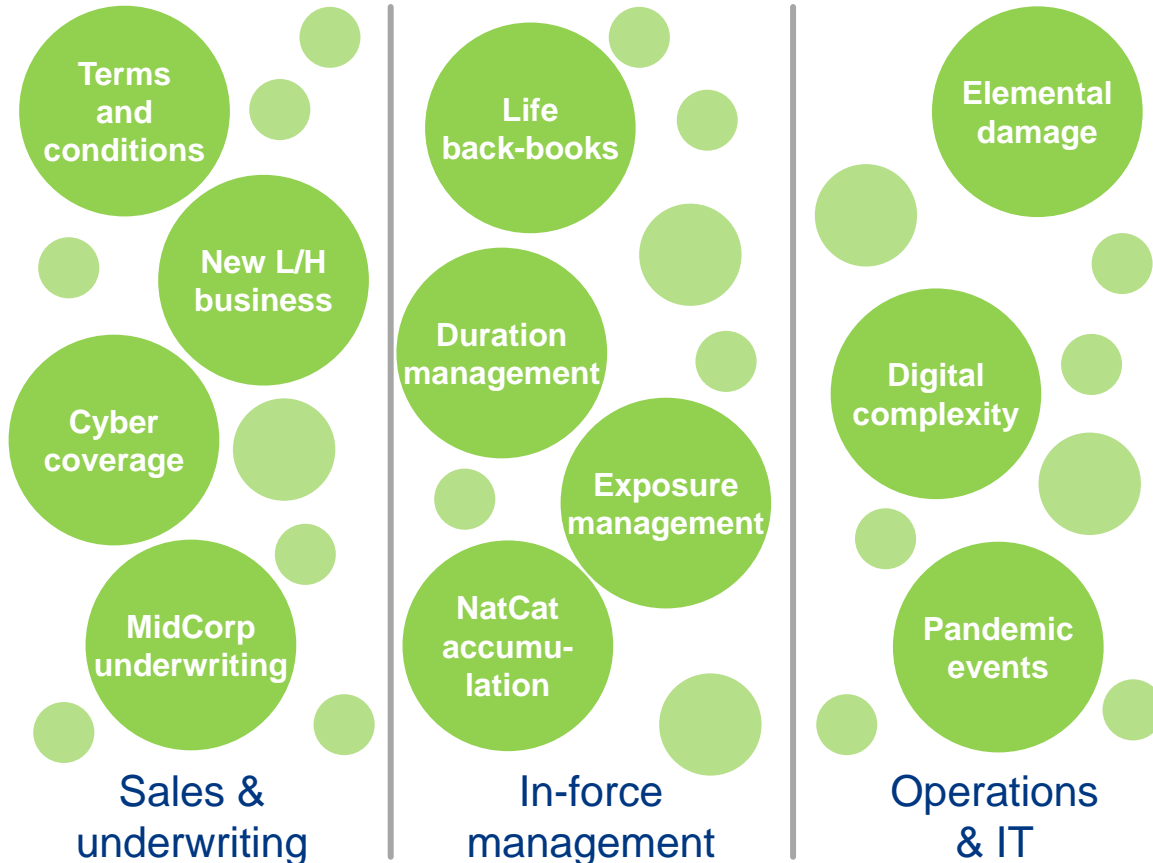
1) Subject to regulatory approval

2) Netted against positive impact from higher AM fees

Continuous tail-risk management



Selected examples



Sales & underwriting

- **Terms and conditions:** harmonized wording through Allianz Product Lab (APL); >100 products designed in APL already
- **New L/H business:** 88% of PVNBP are capital-efficient products
- **Cyber coverage:** elimination of silent cyber, >95% of overall portfolio processed
- **MidCorp underwriting:** EUR 7bn global GPW now consistently managed

In-force management

- **Life back-books:** transactions for EUR 38bn of reserves in 2021
- **Duration management:** L/H duration matched with negligible delta of 0.2
- **Exposure management:** AGCS portfolio optimized with ~30% capacity reduction vs. 2019
- **NatCat accumulation:** Capacity of aggregate reinsurance layer increased to EUR 0.5bn from 0.3bn

Operations & IT

- **Elemental damage:** # of data centers reduced from 144 (2018) to 6 sites with state-of-the-art safety features
- **Digital complexity:** 60% of IT applications to be decommissioned
- **Pandemic events:** remote access for >90% of employees

Content



Delivery

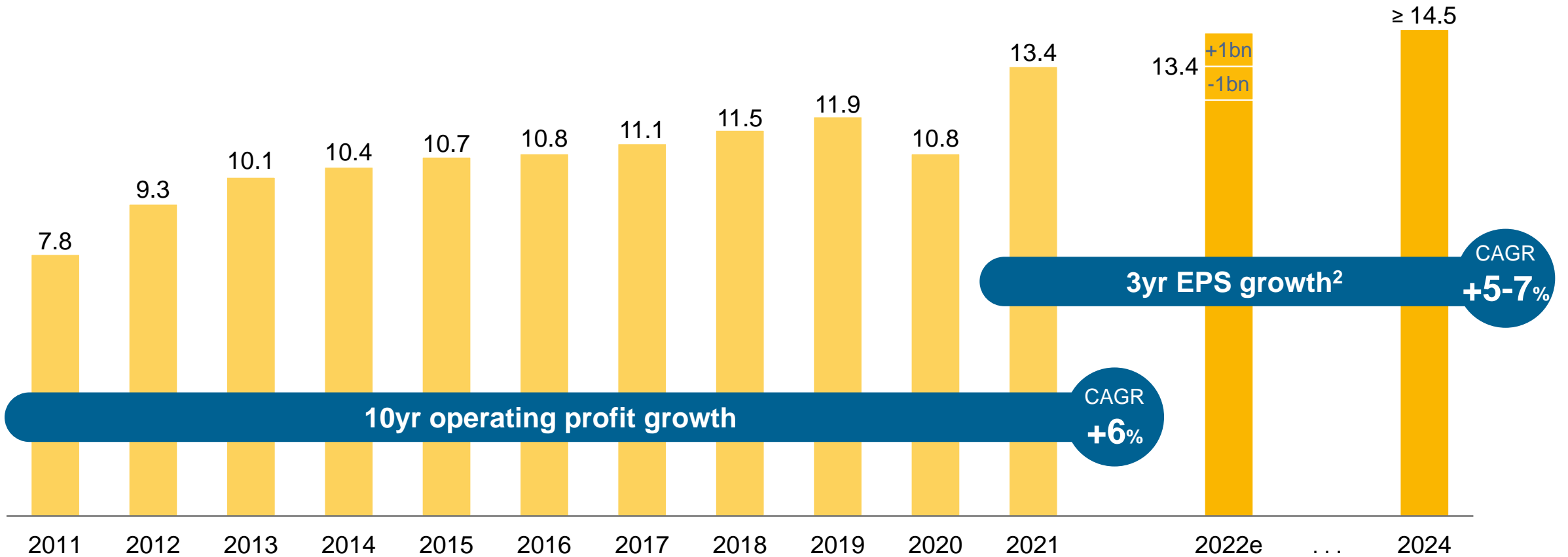
Transfor-
mation

Confidence

Confident profit outlook¹ ...

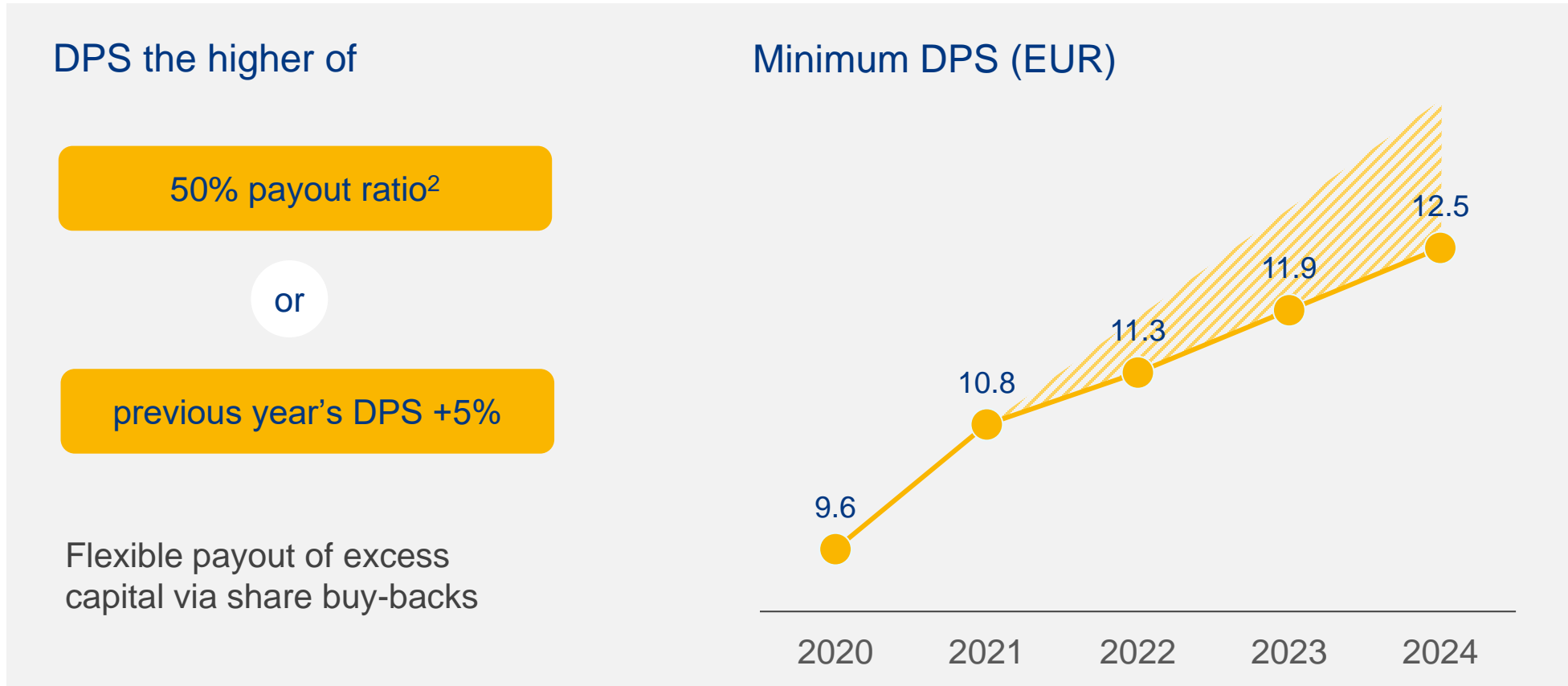


EUR bn



1) Impact from NatCat, financial markets, regulatory action, litigation, F/X and global economic development not predictable
 2) Based on EUR 21 EPS in 2021. Before IFRS 9/17 accounting changes

... with attractive & predictable dividend policy¹



1) Dividend policy subject to sustainable SII ratio >150%. This dividend policy represents the current intention of the board of management and the supervisory board and may be revised in the future. Also, the dividend payment in any given year is subject to specific dividend proposals by the board of management and the supervisory board, each of which may elect to deviate from this dividend policy if appropriate under the then prevailing circumstances, as well as to the decision of the annual general meeting

2) Payout ratio based on shareholders' net income, adjusted for extraordinary and volatile items of EUR -2.2bn (incl. EUR -2.8bn for the provision for the AllianzGI U.S. Structured Alpha matter, EUR 0.35bn for the impact from U.S. Life back-book management and EUR 0.2bn for higher-than-normal realized gains)

Content/topics

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B

Giulio Terzariol
Chief Financial Officer

Munich,
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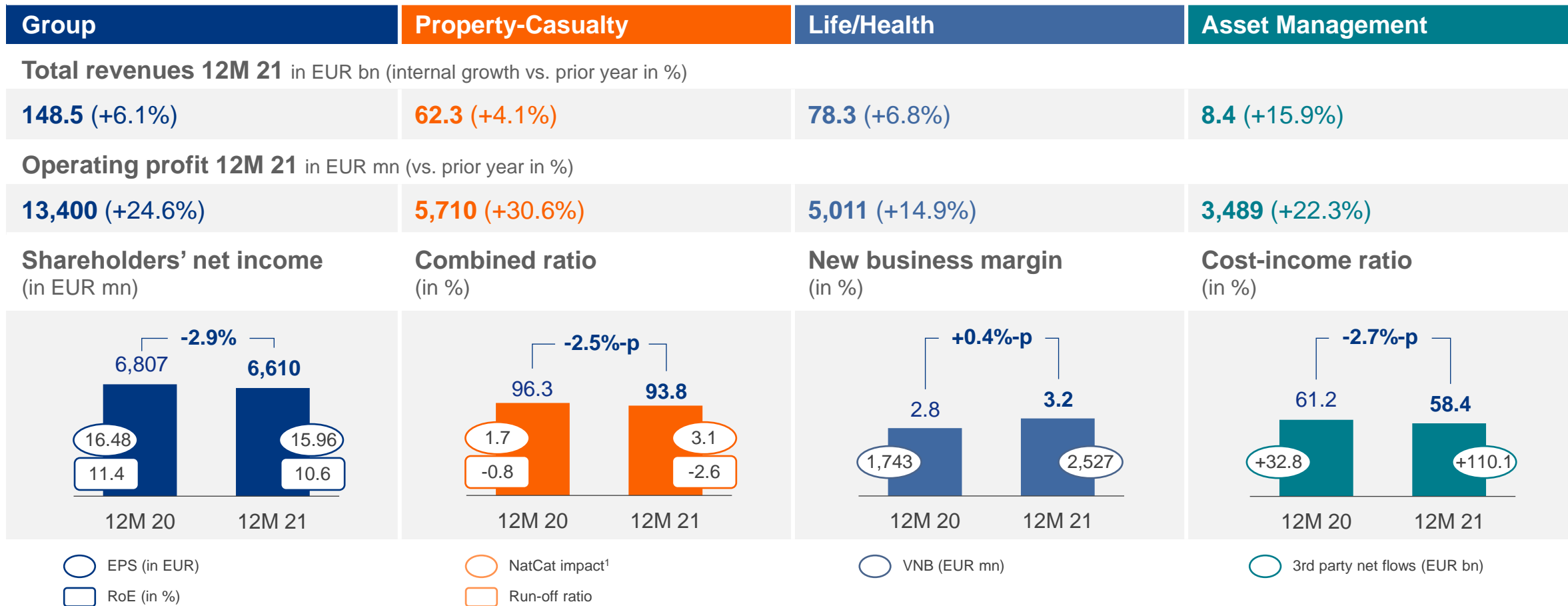
Content/topics

1 Highlights

2 Additional information



Group: strong underlying result in 2021



1) NatCat costs (without reinstatement premiums and run-off)

Group: strong underlying result in 2021

Comments

- Internal growth strong at 6.1%**
 Strong internal growth across all segments. Consolidation (+0.7%) and F/X (-1.1%) lead to total revenue growth of 5.7%.
- OP is EUR 1.4bn above FY target range midpoint**
 Operating profit grows by EUR 2.6bn. All operating business segments with double-digit operating profit growth. Prior-year operating profit impacted by COVID-19 (EUR -1.3bn).
- Shareholders' net income at EUR 6.6bn**
 Higher operating profit (Δ EUR +2.6bn) more than offset by lower non-OP result (Δ EUR -2.7bn). Non-OP result impacted by a provision of EUR 3.7bn (EUR 2.8bn after tax) for the AllianzGI U.S. Structured Alpha matter.
- Adjusted for the provision for the AllianzGI U.S. Structured Alpha matter RoE at 14.9%**
- EUR 750mn share buy-back in 2021**
 A total of 3.8mn shares were acquired representing 0.9% of outstanding capital. Number of shares issued at 408.5mn.
- P/C – good performance**
 Operating profit up 31% due to improved underwriting and investment result. CR down -2.5%-p despite higher NatCat impact (Δ +1.4%-p), driven by better underlying performance and normalization of run-off. Prior year included ~2%-p negative impact from COVID-19.
- L/H – strong performance**
 Operating profit driven by investment margin (+6%), UL management fees (+22%), loadings from reserves (+10%) and technical margin (+15%). NBM strong at 3.2%. VNB grows 45% to EUR 2.5bn, supported by back-book management.
- AM – outstanding operating performance**
 Strong result in terms of OP, 3rd party and total AuM. EUR 110bn 3rd party net inflows with EUR 65bn from PIMCO and EUR 45bn from AllianzGI.
- CO – in line with expectations**
 Lower operating loss (EUR -0.8bn) mainly due to higher investment income.

Group: 4Q OP strong, NI impacted by litigation

Group	Property-Casualty	Life/Health	Asset Management
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Total revenues 4Q 21 in EUR bn (internal growth vs. prior year in %)

38.4 (+5.9%)	14.5 (+10.7%)	21.5 (+1.6%)	2.5 (+15.5%)
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Operating profit 4Q 21 in EUR mn (vs. prior year in %)

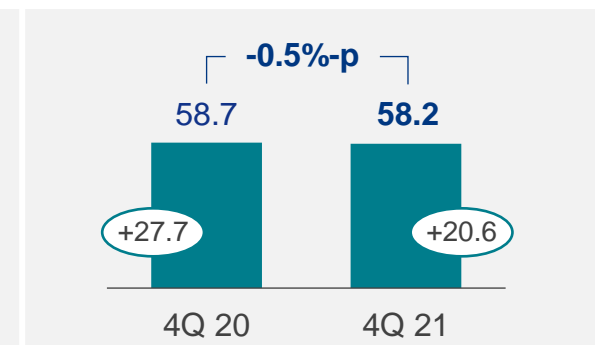
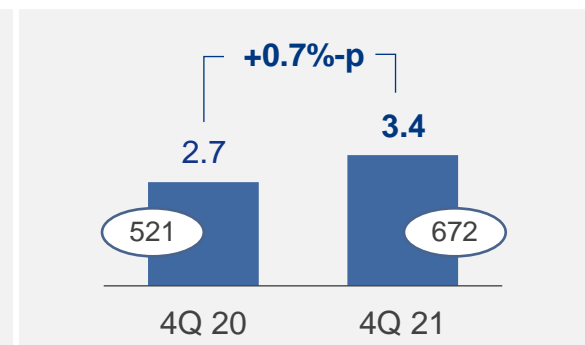
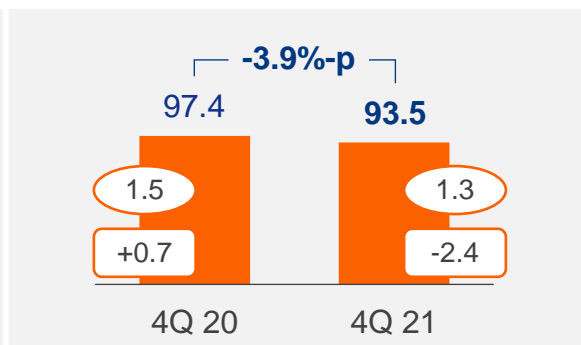
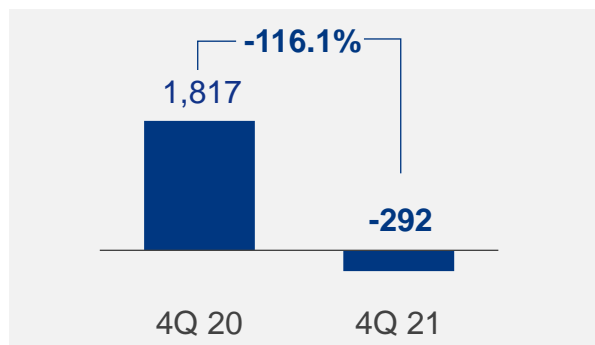
3,509 (+18.0%)	1,551 (+76.1%)	1,264 (-11.6%)	1,035 (+20.8%)
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Shareholders' net income
(in EUR mn)

Combined ratio
(in %)

New business margin
(in %)

Cost-income ratio
(in %)



○ NatCat impact¹
□ Run-off ratio

○ VNB (EUR mn)

○ 3rd party net flows (EUR bn)

1) NatCat costs (without reinstatement premiums and run-off)

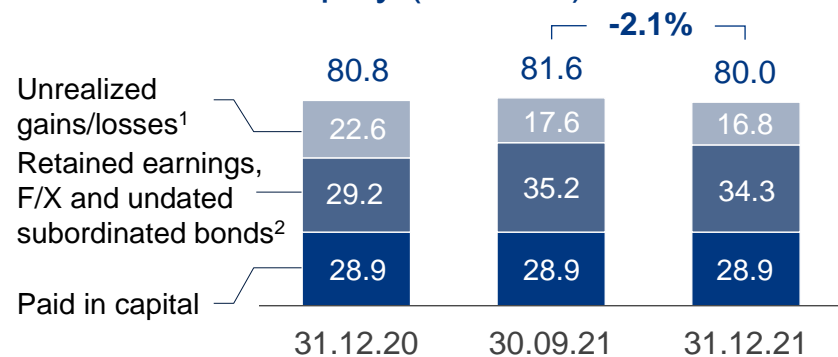
Group: 4Q OP strong, NI impacted by litigation

Comments

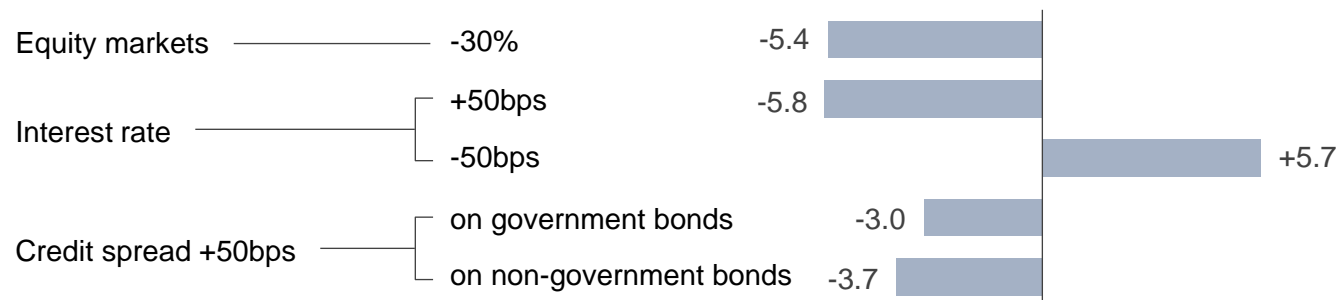
- **Internal growth strong at 5.9%**
Strong internal growth across all segments. Consolidation (+0.8%) and F/X (+1.3%) lead to total revenue growth of 7.9%.
- **Business segments with very good operating results**
Double-digit profit growth in P/C and AM supports total operating profit growth of 18.0%. L/H operating profit at strong level, prior-year result benefited from favorable investment margin.
- **Shareholders' net income at EUR -0.3bn**
Improved operating profit (Δ EUR +0.5bn) is more than offset by non-operating result (Δ EUR -3.2bn) which was impacted by a provision of EUR 3.7bn (EUR 2.8bn after tax) for the AllianzGI U.S. Structured Alpha matter.
- **P/C – strong operating profit**
Operating profit increases by 76%/EUR +0.7bn mainly driven by higher underwriting result (Δ EUR +0.6bn) due to better run-off (Δ -3.1%-p) and lower ER (Δ -0.6%-p).
- **L/H – very good result**
Double-digit growth of UL management fees, loadings from reserves and technical margin. Investment margin strong (24bps) but down due to favorable prior-year result from net harvesting and other. NBM excellent at 3.4%. VNB grows 29% to EUR 672mn.
- **AM – excellent operating performance**
EUR 21bn 3rd party net inflows, strong AuM driven revenues and performance fees, favorable F/X. Operating profit increases by 21% to EUR 1,035mn.
- **Corporate & Other**
Operating loss at EUR -307mn in line with expectations.

Group: strong capitalization

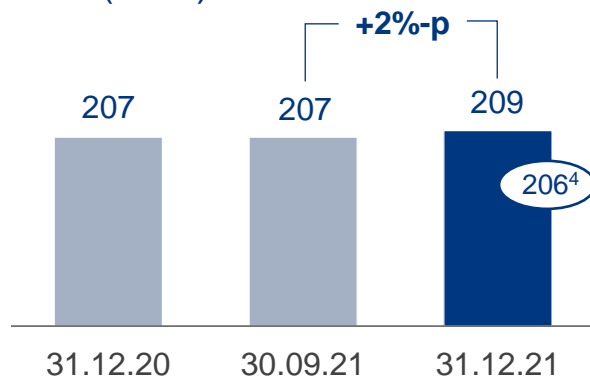
Shareholders' equity (EUR bn)



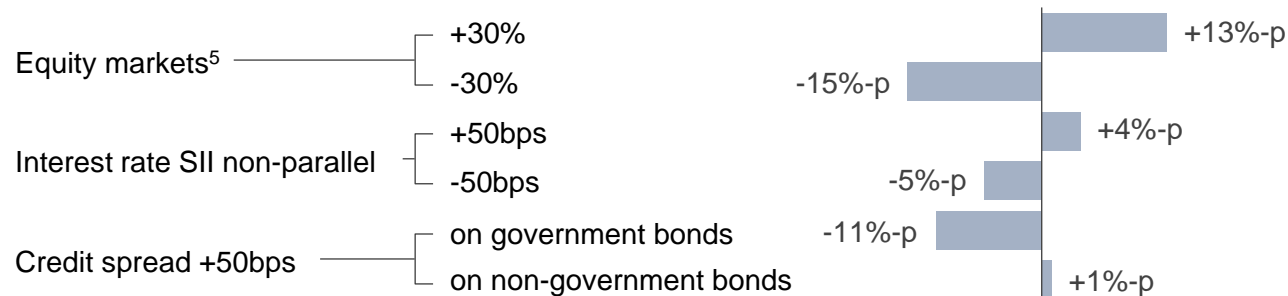
Key sensitivities (EUR bn)



SII capitalization³ (in %)



Key sensitivities



1) Off-balance sheet unrealized gains on real estate, associates and joint ventures attributable to the shareholders amount to EUR 4.8bn as of 31.12.20, EUR 5.0bn as of 30.09.21 and EUR 5.4bn as of 31.12.21
 2) Undated subordinated bonds amounted to EUR 2.3bn as of 31.12.20, EUR 4.7bn as of 30.09.21 and EUR 4.7bn as of 31.12.21
 3) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20, to 236% as of 30.09.21 and to 239% as of 31.12.21
 4) Pro-forma, taking into account share buy-back of EUR 1.0bn announced in 1Q 2022
 5) If stress applied to traded equities only, sensitivities would be +6%-p/-6%-p for a +/-30% stress

Group: strong capitalization

Comments

• Shareholders' equity

In FY 2021, shareholders' equity decreases by EUR 0.9bn. Main drivers are

- + s/h net income (EUR +6.6bn, including -2.8bn net of tax provision for the AllianzGI U.S. Structured Alpha matter)
- + deeply subordinated RT1 debt (EUR +2.4bn)
- + F/X (EUR +1.2bn)
- net unrealized losses (EUR -5.9bn)
- dividends (EUR -4.0bn)
- share buy-back (EUR -0.75bn).

• SII sensitivities

No significant changes compared to 3Q 2021.

In a combined stress scenario, we estimate an additional impact due to cross effects of ~-8%-p compared to the sum of the individual sensitivities.

• Transitionals

Including transitionals, the Group SII ratio stands at 239%. Our general capital steering will continue to focus on the SII ratio excluding the application of transitional measures for technical provisions.

• SII ratio – FY 2021

Main drivers from 207% to 209%:

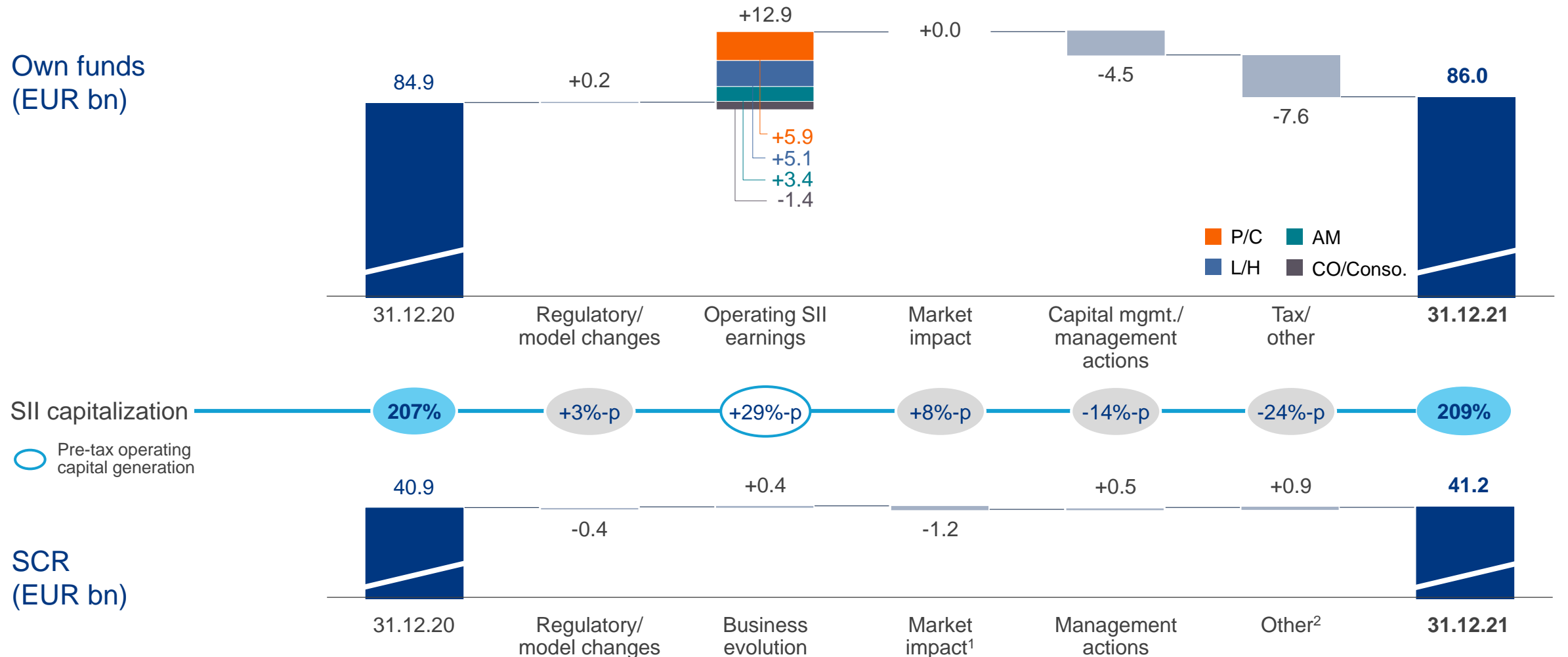
- + organic capital generation +29%-p (+11%-p after tax/dividend)
- + market impact +8%-p driven by SCR relief mainly due to higher interest rates
- + regulatory/model changes +3%-p
- tax/other -24%-p, thereof -9%-p due to a provision for the AllianzGI U.S. Structured Alpha matter.
- capital management/management actions -14%-p; main drivers: life back-book management (+11%-p); dividend accrual (-11%-p), acquisitions (-9%-p); net reduction of subdebt and share buy-back (combined impact -5%-p).

• SII ratio – 4Q 2021

Main drivers from 207% to 209%:

- + organic capital generation +6%-p (+1.5%-p after tax/dividend)
- + model changes +3%-p
- + capital management/management actions +3%-p; main drivers: life back-book management +10%-p, acquisitions -6%-p
- tax/other -10%-p, thereof -9%-p due to a provision for the AllianzGI U.S. Structured Alpha matter.

Group: Solvency II ratio increases to 209%



1) Including cross effects and policyholder participation
 2) Other effects on SCR include diversification effects

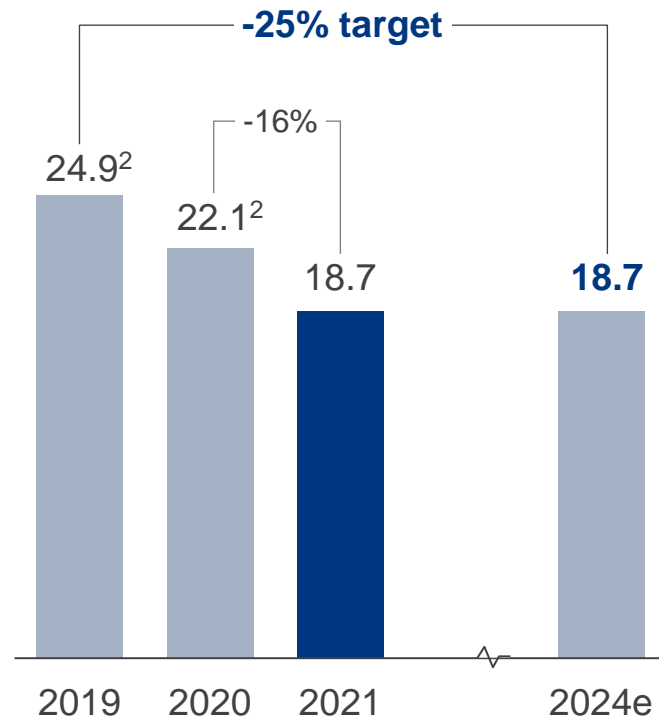
Group: Solvency II ratio increases to 209%

Comments

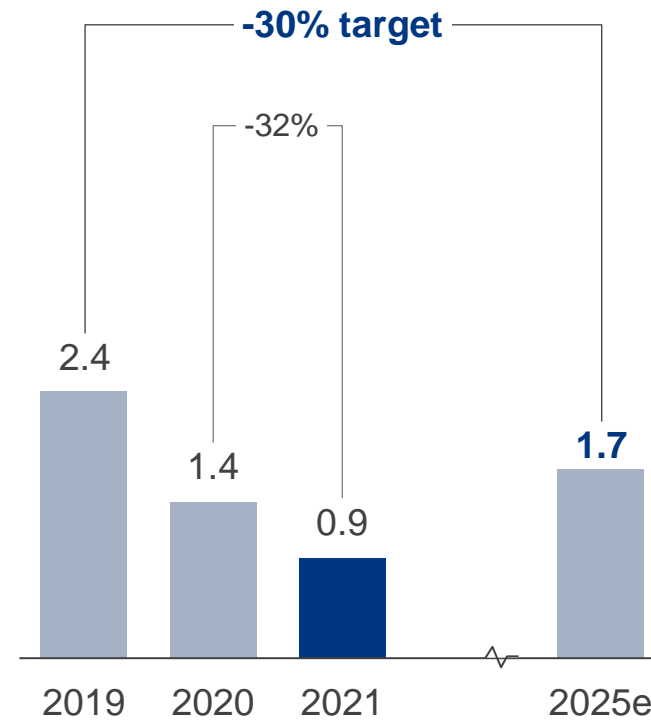
- **29%-p SII capital generation pre-tax/dividend**
SII capital generation net of tax and dividend amounts to +11%-p in FY 2021.
- **Operating SII earnings**
Operating SII earnings of P/C, L/H and AM are close to IFRS results.
- **Regulatory/model changes**
Overall impact +3%-p. Several model changes and refinements result in a slight decrease of SCR/increase of own funds.
- **Market impact**
Overall impact +8%-p mainly due to SCR relief mainly driven by higher interest rates. Solvency ratio additionally supported by rising equity markets.
- **Capital management/management actions**
Life back-book management e.g. in the U.S. and in Switzerland contributes positively (+11%-p), more than compensated by dividend accrual (-11%-p), acquisitions (-9%-p, e.g. Aviva Poland, Aviva Italy and Westpac) and net reduction of subordinated capital and share buy-back (combined impact -5%-p).
- **Tax/other**
Own funds reduction driven by taxes (EUR -3.5bn) and a provision of EUR -3.7bn for the AllianzGI U.S. Structured Alpha matter, the latter without offsetting tax impact in Group Own Funds due to transferability restrictions.
- **Outlook**
We currently anticipate an operating capital generation net of tax and dividend of ~10%-p in 2022. The announced share buy-back of EUR 1.0bn is expected to decrease the SII ratio by ~2%-p.

Group: strong ESG performance

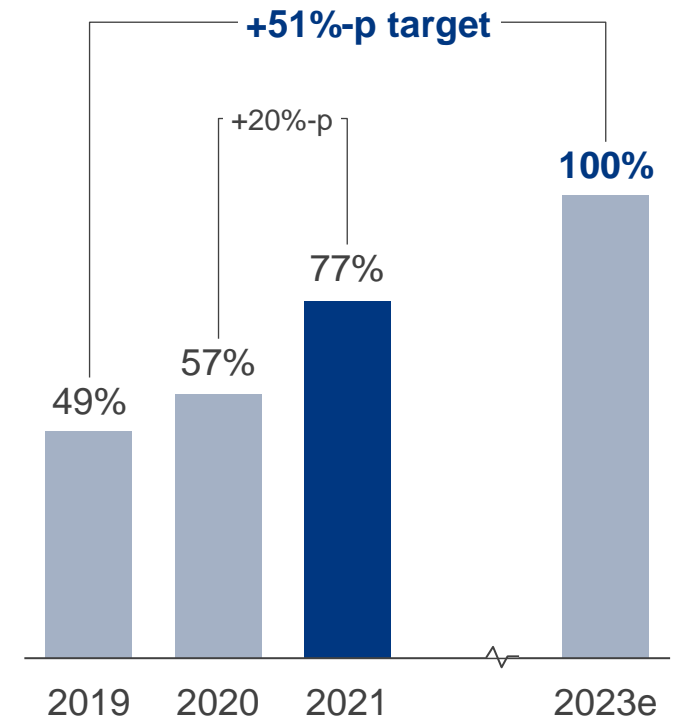
Carbon footprint of prop. investments
(in mn t CO₂e¹)



Carbon footprint of operations
(in t CO₂e per employee)



Renewable electricity of operations
(share of total electricity used)



1) Carbon footprint measured for listed equities & tradeable corporate bonds. These asset classes represent EUR 257bn or 30% of our total investment portfolio of EUR 849bn (economic view).
2) Figures have been restated due to a change in methodology. Before restatement the figures amounted to 25.6 for 2019 and 23.2 for 2020.

Group: strong ESG performance

Comments

- **Carbon footprint of proprietary investments: -16%**
Successful continuation of portfolio decarbonization. Improvement 2021 vs. 2020 supported by ~4-5%-p from COVID-19 shutdowns.
- **Carbon footprint of operations: -32%**
Carbon footprint per employee from operations decreased from 1.4 tons CO₂e in 2020 to 0.9 in 2021. Both years are impacted by COVID-19-related drop, primarily in business travel. On a normalized basis, emissions decrease from ~2.0 tons/employee in 2020 to ~1.8 tons/employee in 2021, mainly due to an increased share of renewable electricity in own operations.
- **Share of renewable electricity: +20%-p**
77% share of renewable electricity, up from 57% in 2020, following the “RE100” ambition to be achieved by 2023. Increase vs. 2020 supported by changes in supplied electricity mix and the first time use of offset certificates.

P/C: 4% internal growth

EUR mn

		Revenues			YTD change on renewals	
		2021	Total growth Δ p.y.	Internal growth Δ p.y.	2021	Momentum
Total P/C segment		62,272	+4.8%	+4.1%	+3.6%	n.a.
Selected OEs	Germany	11,080	+1.5%	+1.3%	+2.0%	stable
	United Kingdom	4,530	+0.2%	-3.2%	+2.8%	positive
	France	4,477	-1.8%	-1.8%	+0.5%	stable
	Italy	3,932	+3.6%	+0.0%	+0.1%	stable
	Australia	3,659	+19.6%	+8.2%	+4.8%	stable
	Central and Eastern Europe	3,538	+7.9%	+8.1%	n.a.	n.a.
	Spain	2,517	+8.7%	-3.5%	+3.6%	stable
	Latin America	2,052	+13.1%	+8.1%	n.a.	n.a.
	Turkey	927	-7.6%	+22.4%	n.a.	n.a.
	Global lines	AGCS	9,510	+1.8%	+4.2%	+12.8%
Allianz Partners		6,168	+15.6%	+17.2%	+1.1%	stable
Euler Hermes		2,919	+6.0%	+6.9%	+4.5%	negative

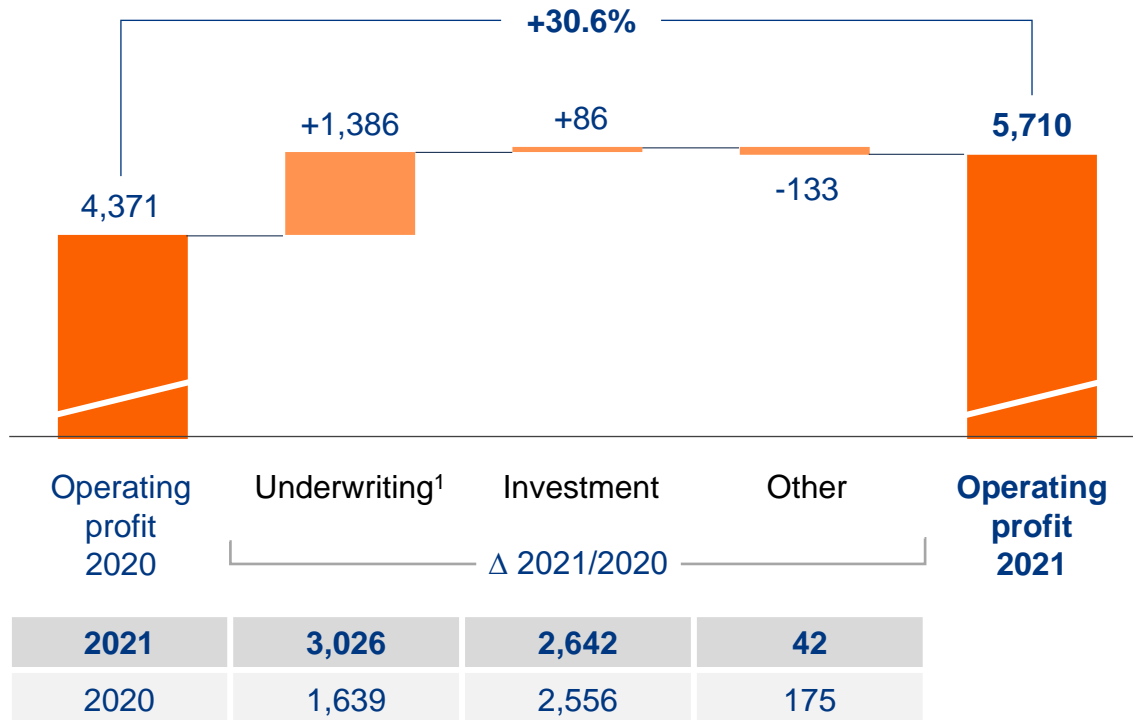
P/C: 4% internal growth

Comments

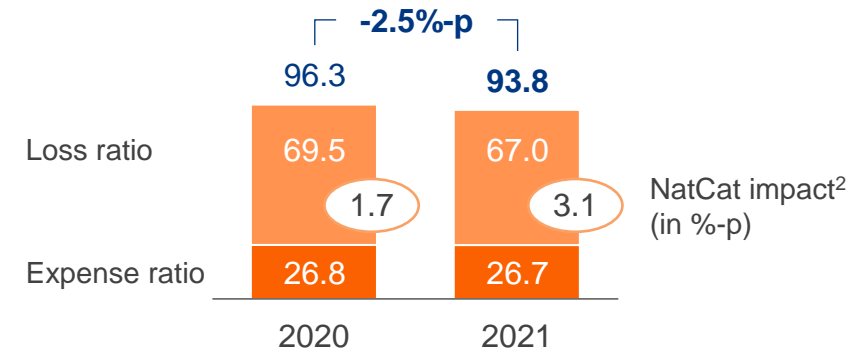
- **Internal growth at 4.1% – accelerating in 2H**
Price (+2.2%), volume (+1.4%) and service income (+0.6%) contribute. Strong acceleration in 2H with IG of -1.6% in 1Q, +3.6% in 2Q, +7.2% in 3Q, +10.7% in 4Q. Allianz Partners, AGCS and CEE are the largest drivers. Consolidations (+1.5%, mainly from BBVA, SulAmérica, Westpac and AVIVA Italy) and F/X (-0.8%) lead to total growth of +4.8%. Rate change on renewals stable vs. 9M 2021 (+3.8%). Internal NPE growth +1.9%.
- **Germany – positive price effect**
Top-line driven by Privatschutz, MidCorp and SME.
- **UK – driven by lower volume**
Decline in retail motor and SME partly offset by growth in retail non-motor. Total growth driven by F/X.
- **France – portfolio actions in commercial**
Higher top-line in motor retail overcompensated by commercial lines.
- **Italy – lower top-line in motor**
Growth in commercial offset by decline in motor retail. Aviva Italy consolidated as of 4Q 2021.
- **Australia – price and volume positive**
Good growth in retail and commercial. Total growth also positively impacted by Westpac consolidation and F/X.
- **CEE – good growth from higher volume**
Romania, Czech Republic and Austria main contributors.
- **Spain – lower volume partially offset by price**
Portfolio optimization impacts top-line. BBVA consolidation in 4Q 2020 drives total growth.
- **Turkey – price and volume contribute**
Retail MOD (motor own damage) as well as health business. Total growth impacted by depreciation of Turkish Lira.
- **AGCS – price effect partially offset by lower volume**
Fronting business, property and financial lines drive growth.
- **Allianz Partners – higher volume and service fees**
Strong growth from recovery of U.S. travel business as well as favorable development in assistance.
- **Euler Hermes – mainly driven by higher volume**
Economic recovery positively impacts top-line.

P/C: operating profit at EUR 5.7bn

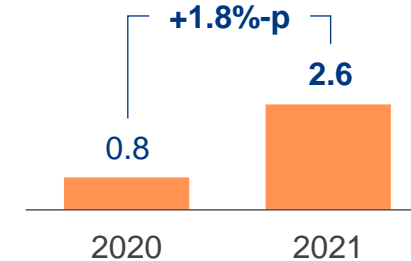
Operating profit drivers (EUR mn)



Combined ratio (in %)



Run-off ratio³ (in %)



1) Underwriting result incl. change in reserves
 2) NatCat costs (without reinstatement premiums and run-off)
 3) Positive run-off ratio implies a positive P&L impact from prior year reserve movements

P/C: operating profit at EUR 5.7bn

Comments

- **Operating profit up 31%**

Better underwriting and investment results partially offset by lower 'other' result which benefited from a positive one-off (EUR +0.1bn) in 2020.

CR improves -2.5%-p despite higher NatCat impact (Δ +1.4%-p) driven by the attritional LR (Δ -2.1%-p) and a normalization in run-off from low level in 2020. Prior year included EUR 1.1bn negative impact from COVID-19.

- **Combined ratio by customer segment**

CR in retail (incl. SME and fleet) at 93.1%.
Commercial CR at 94.7%.

- **NatCat & weather – above normal**

Net NatCat losses of EUR 1,637mn/3.1% significantly above prior year (EUR 880mn/1.7%) and 10Y FY average of 1.9%. Largest drivers were flood and storm events across Europe in summer. Weather related losses (excl. NatCat) at 1.2% slightly lower than in previous year (1.3%).

- **Expense ratio – excellent performance**

Continued improvements in several OEs (e.g. GER, FRA) partially compensated by negative business mix effect and positive prior-year one-off in the UK.

- **Run-off – on normal level**

2020 impacted by COVID-19 and AGCS reserve strengthening.

- **4Q 2021 – strong operating profit of EUR 1.6bn**

P/C segment	4Q 2020	4Q 2021	Δ
Attritional LR	67.7%	67.7%	-0.1%-p
NatCat	1.5%	1.3%	-0.2%-p
Run-off	0.7%	-2.4%	-3.1%-p
ER	27.5%	26.9%	-0.6%-p
CR	97.4%	93.5%	-3.9%-p
Underwriting result (EUR mn)	289	841	+191.3%
Investment result (EUR mn)	607	695	+14.5%
Other result (EUR mn)	-14	16	n.m.
OP (EUR mn)	881	1,551	+76.1%

P/C: good underlying performance

EUR mn

		Operating profit		Combined ratio		NatCat impact on CR	
		2021	Δ p.y.	2021	Δ p.y.	2021	Δ p.y.
Total P/C segment		5,710	+30.6%	93.8%	-2.5%-p	3.1%-p	+1.4%-p
Selected OEs	Germany	1,140	-4.7%	93.5%	+0.6%-p	7.0%-p	+5.7%-p
	United Kingdom	369	+11.9%	93.2%	+2.1%-p	1.2%-p	-0.8%-p
	France	438	-0.5%	95.3%	+0.4%-p	1.0%-p	-0.1%-p
	Italy	605	-20.5%	87.6%	+3.9%-p	0.8%-p	-0.3%-p
	Australia	307	+140.6%	93.4%	-5.9%-p	5.7%-p	-0.7%-p
	Central and Eastern Europe	467	+9.5%	86.9%	-0.3%-p	1.7%-p	+1.2%-p
	Spain	169	-22.8%	94.2%	+2.5%-p	0.7%-p	+0.4%-p
	Latin America	46	-77.2%	109.1%	+8.4%-p	0.0%-p	0.0%-p
Global lines	Turkey	118	-16.4%	108.1%	+8.6%-p	0.0%-p	0.0%-p
	AGCS	366	n.m. ¹	97.5%	-18.0%-p	6.4%-p	+2.4%-p
	Allianz Partners	256	+70.0%	95.6%	-1.8%-p	0.0%-p	+0.0%-p
	Euler Hermes	428	+299.2%	73.3%	-23.4%-p	–	–

1) In 2020 OP for AGCS was at EUR -482mn (Δ EUR +848mn)

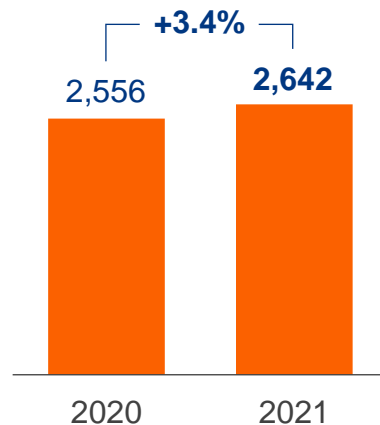
P/C: good underlying performance

Comments

- **Germany – impacted by NatCat**
High NatCat losses partially compensated by improvements in attritional LR and ER.
- **UK – CR on good level**
Improvement in LR more than offset by higher ER which included a positive one-off in 2020 (~-4%-p). OP supported by change in internal reinsurance.
- **France – OP stable**
Higher attritional LR partially offset by lower ER.
- **Italy – CR remains very strong**
Higher LR due to normalization of frequency in motor.
- **Australia – CR improves substantially**
Lower AY LR driven by underlying performance and better ER.
- **CEE – profitability on excellent level**
Continued improvement of ER (Δ -0.5%-p) partially offset by higher LR.
- **Spain – CR at 94%**
Increase in attritional LR of MidCorp business, normalization in motor frequency as well as higher NatCat & weather related losses.
- **LatAm – OP declines driven by Brazil and Mexico**
Motor deterioration in Brazil driven by higher frequency and inflation following market trend. OP in Mexico benefited from a positive F/X one-off in 2020.
- **Turkey – challenging market environment**
Higher operating profit in local currency more than offset by F/X development.
- **AGCS – strict portfolio actions pay off**
CR significantly improved vs. prior year and also slightly better than 2021 target level of 98%.
- **Allianz Partners – OP rises sharply**
Strong top-line and good CR. Favorable claims trend in travel more than offsets higher ER from change in business mix.
- **Euler Hermes – outstanding CR**
Historically low claims environment drives favorable run-off and lower AY LR. NPE grow 16% driven by economic recovery and exit of all relevant state schemes by end of June.

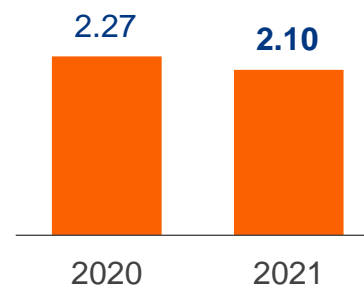
P/C: investment result up 3%

Operating investment result¹
(EUR mn)

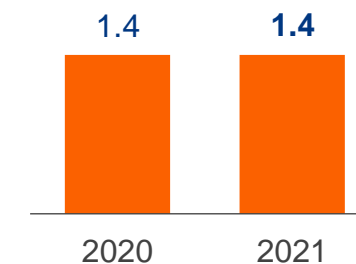


Interest & similar income ²	3,061	3,151	+90
Net harvesting and other ³	-84	-16	+69
Investment expenses	-421	-493	-73

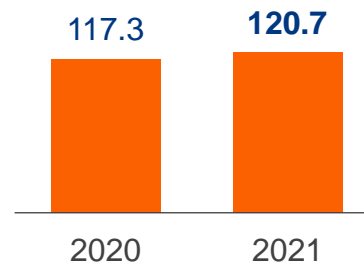
Current yield
(debt securities; in %)



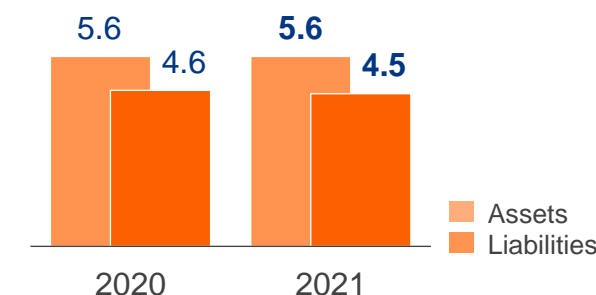
Economic reinvestment yield
(debt securities; in %)



Total average asset base⁴
(EUR bn)



Duration⁵



1) Including policyholder participation
 2) Net of interest expenses
 3) Other comprises fair value option, trading and F/X gains and losses, as well as policyholder participation

4) Asset base includes health business France, fair value option and trading
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the P/C segment.

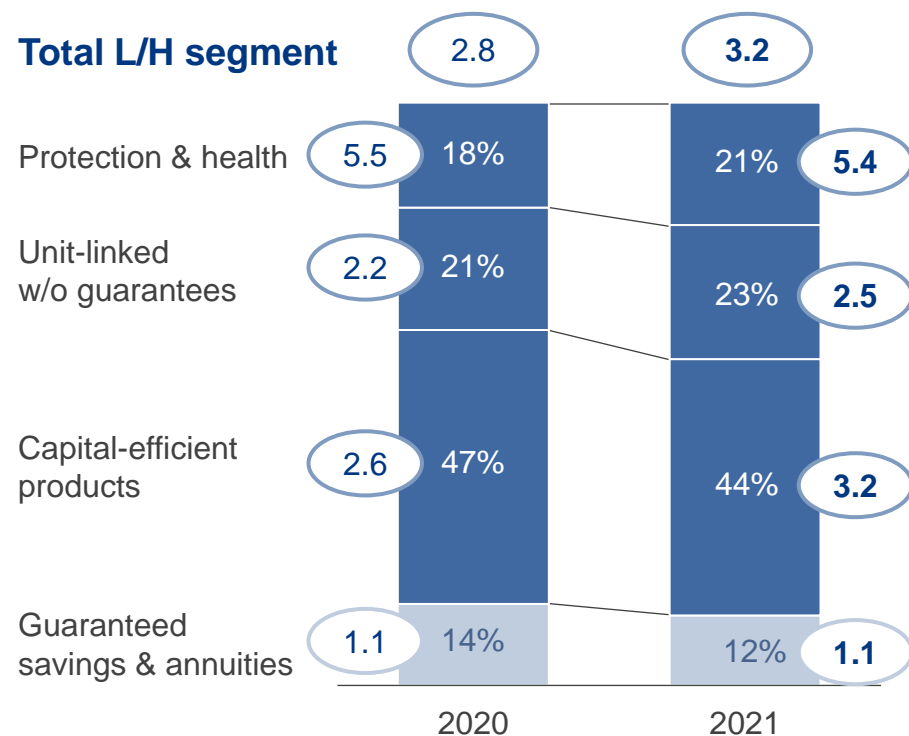
P/C: investment result up 3%

Comments

- **Interest & similar income**
Higher income from equities (Δ EUR +160mn, mainly from private equity investments) which was negatively impacted by COVID-19 in prior year, is partially compensated by lower income from debt.
- **Net harvesting & other**
Higher income from assets carried at fair-value.
- **Investment expenses**
Driven by larger share of high-yield products with higher fees as well as increased expenses for real estate.
- **Current yield**
Reduction in current yield in line with expectations.
- **Reinvestment yield**
Lower reinvestment yield in 9M 2021 fully compensated by higher yields towards the end of the year.

L/H: successful new business management

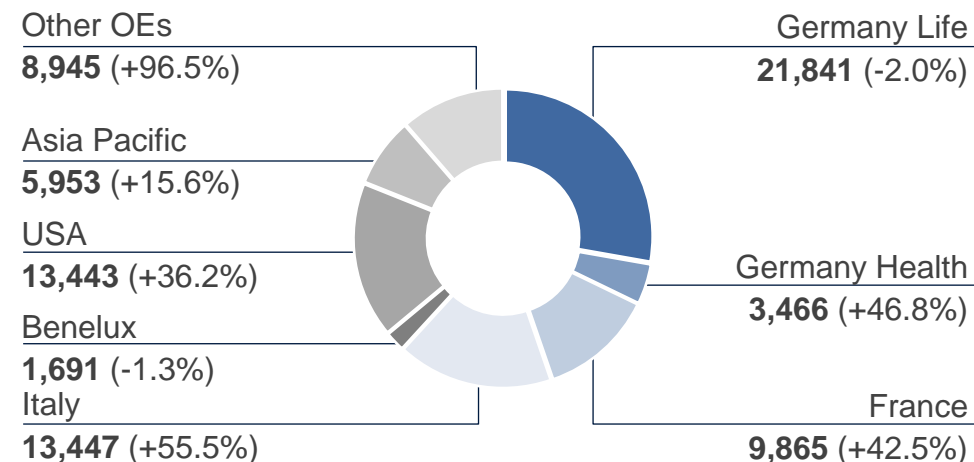
PVNB share by line



■ Preferred LoBs
○ NBM (in %)

EUR mn	2020	2021	Δ p.y.
PVNB	61,497	78,650	+27.9%
APE	8,616	9,615	+11.6%
Single premium	37,281	45,455	+21.9%
Recurring premium	4,888	5,069	+3.7%

PVNB by OE (EUR mn)



L/H: successful new business management

Comments

PVNB by line

- **Strong new business across preferred lines**

Protection & health increases 52% resp. EUR 5.7bn supported by one large contract in corporate business.

UL is up by 36%, resp. EUR 4.8bn, driven by various countries. Higher sales in Italy (Δ EUR +1.5bn) and France (Δ EUR +1.9bn), the latter benefitting from back-book management.

Capital-efficient business is up by 19%, resp. EUR 5.4bn, with largest volume expansion in the USA (Δ EUR +3.4bn). Higher sales in France (Δ EUR +2.0bn) were supported by back-book management.

GS&A is up 15%, resp. EUR 1.3bn, driven by the renegotiation of corporate contracts in Italy (EUR 2.8bn).

Adjusted for back-book management total growth is 12% with prior-year sales being affected by lockdown measures.

- **NBM very good at 3.2%**

Strong recovery of NBM for capital-efficient products. NBM for UL and protection & health at very good level.

PVNB by OE

- **Germany Life – new business remains on high level**

Good acceptance of modified products. NBM close to target level. Share of P&H is up to 11% with NBM 6.8%.

- **USA – strong sales performance across all lines**

All lines with NBM >3%.

- **Asia Pacific – double-digit growth with 5.7% NBM**

UL business grows by 40%. Good growth across Taiwan, Malaysia and the Philippines.

- **Italy – back-book management and UL growth**

GS&A up due to renegotiation of contracts in corporate business (EUR 2.8bn). UL sales grow 23%.

- **France – active back-book management**

Successful transfer of in-force business (EUR 2.8bn) into newly launched product with UL and capital-efficient component.

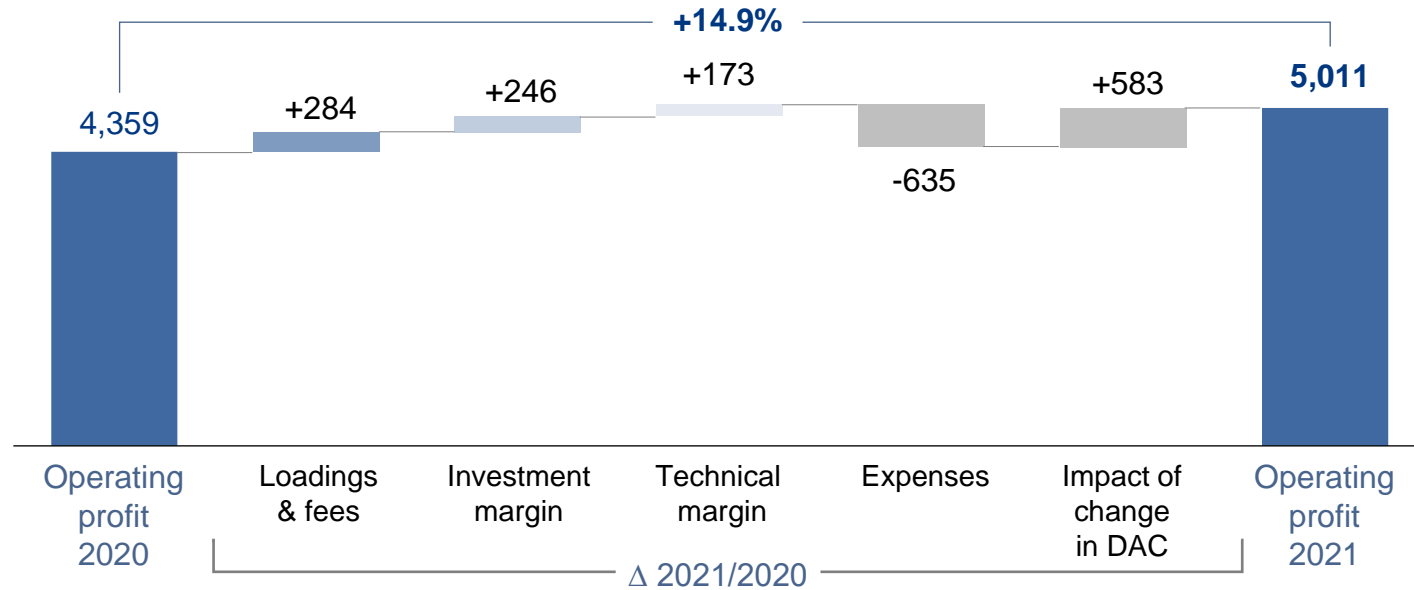
- **Other OEs – large contract in corporate business**

Allianz Re with one large contract (EUR 3.7bn) in corporate P&H business with NBM of 3.4%.

- **Germany Health – 1/4 growth and 3/4 model changes and other**

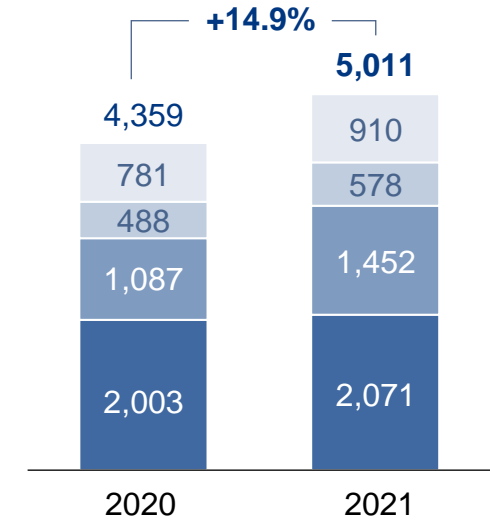
L/H: operating profit up 15% to EUR 5bn

Operating profit by source (EUR mn)



2021	6,888	4,440	1,305	-7,999	377
2020	6,605	4,194	1,132	-7,365	-206

Operating profit by line (EUR mn)



- Protection & health
- Unit-linked w/o guarantees
- Capital-efficient products
- Guaranteed savings & annuities

L/H: operating profit up 15% to EUR 5bn

Comments

- **OP is EUR 0.6bn above FY target range midpoint**
Operating profit driven by investment margin (+6%), UL management fees (+22%), loadings from reserves (+10%) and technical margin (+15%).
- **Loadings & fees supported by UL business**
Increase due to higher UL management fees and loadings from reserves.
- **Technical margin – higher contribution from USA**
In addition better results from Germany and Switzerland.
- **Investment margin very good at 87bps**
Investment margin up 6% to EUR 4.4bn, largely driven by business growth.
- **Expenses – new business growth**
Acquisition expenses driven by new business growth. Admin expense ratio stable.
- **Impact of change in DAC – new business growth**
Higher capitalization driven by new business growth, e.g. USA and France. Lower amortization due to prior-year effect (LTC loss recognition in the U.S.).

Operating profit by line

- **Protection & health**
Low prior-year result (LTC loss recognition in the U.S.).
- **UL w/o guarantees**
Operating profit up 19%. Increase driven by higher UL management fees in Italy.
- **Capital-efficient products**
Operating profit increases by 34%. Higher contribution from the U.S. (+34%) and German Life business (+42%).
- **Guaranteed savings & annuities**
Slightly higher operating profit despite declining reserves (-3%). Improvement mainly due to better result from France.
- **2021 RoE at 13.0%**

	4Q 2020	4Q 2021	Δ
PVNB (EUR mn)	18,974	19,750	+4.1%
NBM	2.7%	3.4%	+0.7%-p
VNB (EUR mn)	521	672	+28.8%
Investment margin	33bps	24bps	-9bps
Operating profit (EUR mn)	1,429	1,264	-11.6%

L/H: value of new business up 45%

EUR mn	Value of new business		New business margin		Operating profit	
	2021	Δ p.y.	2021	Δ p.y.	2021	Δ p.y.
Total L/H segment	2,527	+45.0%	3.2%	+0.4%-p	5,011	+14.9%
Germany Life	631	-6.0%	2.9%	-0.1%-p	1,240	+3.2%
USA	530	+121.1%	3.9%	+1.5%-p	1,357	+49.7%
Asia-Pacific	338	+14.1%	5.7%	-0.1%-p	443	+2.9%
Italy	264	+82.3%	2.0%	+0.3%-p	449	+32.9%
France	192	+247.0%	1.9%	+1.1%-p	641	+13.7%
Germany Health	150	+79.4%	4.3%	+0.8%-p	235	+25.3%
Central and Eastern Europe	56	+39.9%	4.8%	+0.3%-p	223	-2.1%
Benelux	45	+20.5%	2.6%	+0.5%-p	107	-27.4%
Turkey	39	-1.8%	6.7%	+0.6%-p	92	+13.6%
Spain	31	+29.1%	2.7%	+0.1%-p	105	-1.0%
Switzerland	17	+33.6%	1.7%	+0.4%-p	97	-10.4%

L/H: value of new business up 45%

Comments

New business

- **NBM very good at 3.2%**
Improvement driven by better business mix (+0.5%-p). Most countries with improving or stable NBM.
- **VNB 17% above pre-pandemic level 2019**
VNB growth of 45% as result of higher NBM (Δ +0.4%-p) and increased new business volume (+28%).
- **VNB multiplier in the range of 3.0-3.5**
Conversion to undiscounted operating profit.
- **Business mix improves**
Trend towards products with <100% principal protection continues with good acceptance of modified products across almost all countries. Share of GS&A in new business down to 12%.
- **Successful back-book management**
Back-book management in Switzerland, France, Italy and the U.S. included reserves of EUR ~38bn resp. 7% of aggregate policy reserves. This results in a capital release of EUR ~4bn, uplift for SII-ratio of +11%-p and uplift for RoE L/H of +1.4%-p.

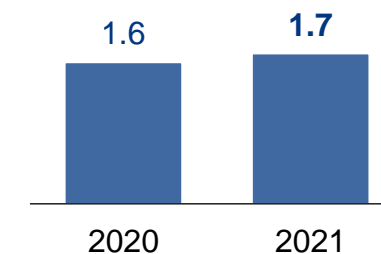
Operating profit

- **Germany Life – strong performance**
Increase driven by higher technical margin.
- **USA – largest contributor to operating profit**
Strong underlying performance further supported by favorable capital markets.
- **Asia Pacific – good underlying development**
Higher contribution from Thailand and Taiwan partially offset by Indonesia. Technical result in Indonesia impacted by claims related to COVID-19.
- **Italy – operating profit driven by higher UL fees**
Operating profit from UL increases by 42%. Share of UL in total operating profit is at 72%.
- **France – double-digit profit growth**
Increase mainly driven by higher investment margin.
- **Benelux – Belgium with lower contribution**
Lower investment margin due to disposal of back-book and higher admin expenses.
- **Germany Health – better technical and investment margin**

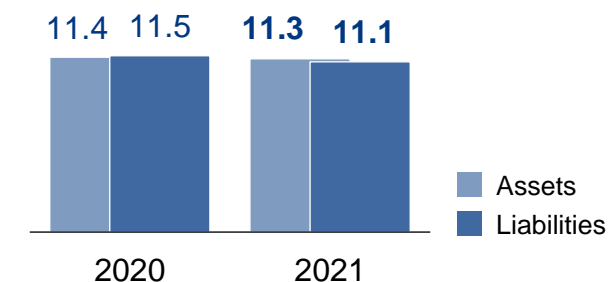
L/H: investment margin very good at EUR 4.4bn

	Investment margin	
	2020	2021
Based on Ø book value of assets¹ (EUR bn)	627	648
Current yield	2.86%	2.96%
Based on Ø aggregate policy reserves (EUR bn)	490	510
Current yield	3.66%	3.76%
Net harvesting and other ²	0.53%	0.47%
Total yield	4.18%	4.23%
- Ø min. guarantee ³	1.85%	1.76%
Gross investment margin (in %)	2.34%	2.47%
- Profit sharing under IFRS ⁴	1.48%	1.60%
Investment margin (in %)	0.86%	0.87%
Investment margin (EUR mn)	4,194	4,440

Economic reinvestment yield
(debt securities; in %)



Duration⁵



1) Asset base under IFRS which excludes unit-linked, FVO and trading
 2) Other comprises fair value option, trading and F/X gains and losses, as well as investment expenses
 3) Based on technical interest

4) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the L/H segment.

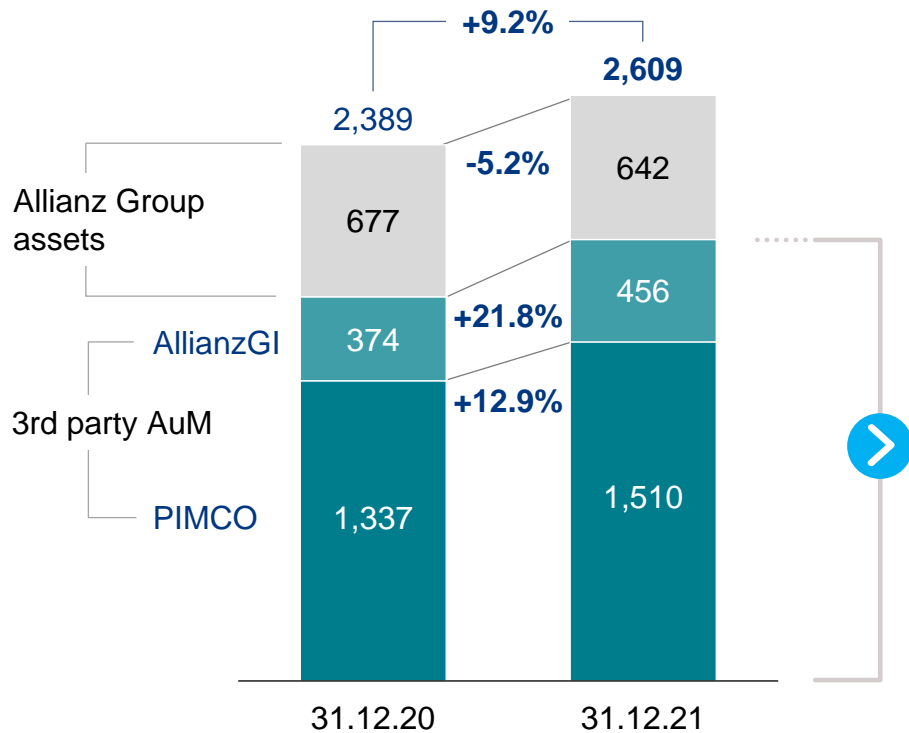
L/H: investment margin very good at EUR 4.4bn

Comments

- **Investment margin up 6%**
Result of slightly higher investment margin (Δ +1bp to 87bps) and growth of reserve base (+4.1%).
- **Higher current yield**
Current yield based on aggregate policy reserves up by 10bps. Increase driven by higher dividends.
- **Net harvesting and other in line with expectations**
- **Average minimum guarantee down by 9bps**
Decline in line with expectations. reflecting continuous switch to capital-efficient products.
- **Gross investment margin up 13bps to 247bps**
Result of higher current yield and lower minimum guarantee.
- **Investment margin very good at 87bps**
PHP of 79.8% vs. 79.5% in prior year.
FY level for 2022 expected at ~75bps assuming normalization of investment income.
- **Change in duration**
Duration of liabilities down mainly due to higher interest rates.

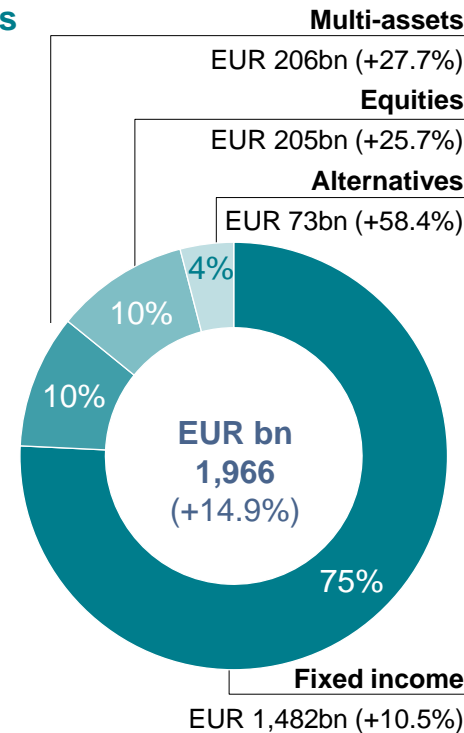
AM: total AuM increase 9% to EUR 2.6tn

Total assets under management (EUR bn)

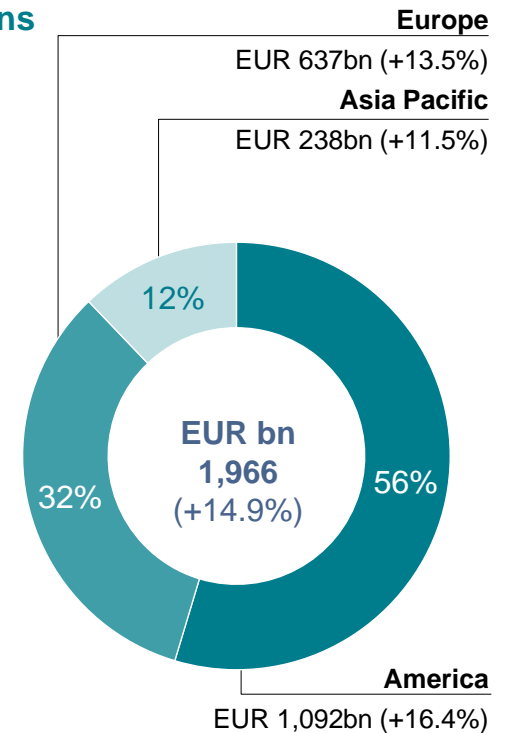


3rd party AuM split (EUR bn)

Asset classes



Regions



AM: total AuM increase 9% to EUR 2.6tn

Comments

- **Total AuM up 9%**

Increase due to 15% higher 3rd party assets; EUR 110bn 3rd party net inflows as the largest driver, followed by EUR 103bn positive F/X impact on total AuM.

Decrease of Allianz Group assets reflects reclassification of own AuM to 3rd party AuM due to U.S. life reinsurance transaction in 4Q 2021.

Total AuM up by 2%/3rd party AuM up by 5% since end of 3Q 2021.

- **Investment outperformance**

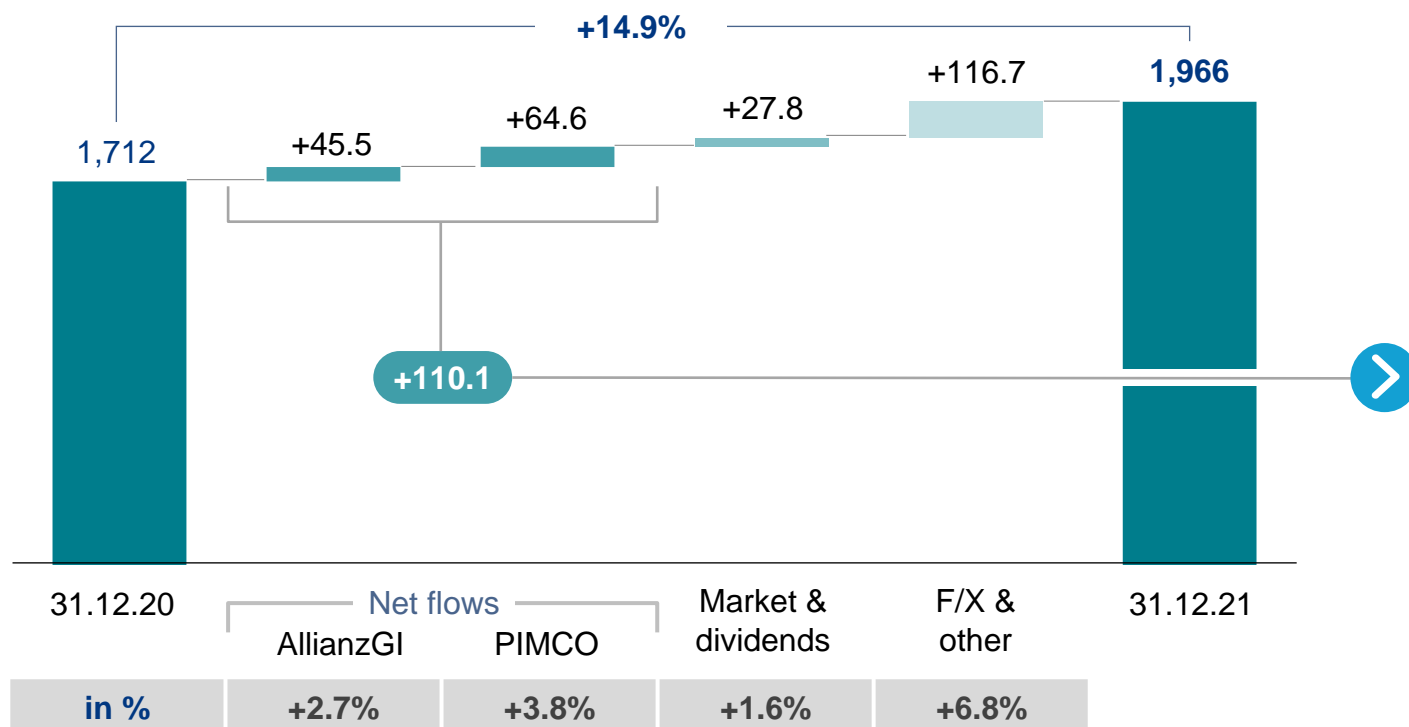
AM segment: 91% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.

- **Alternatives**

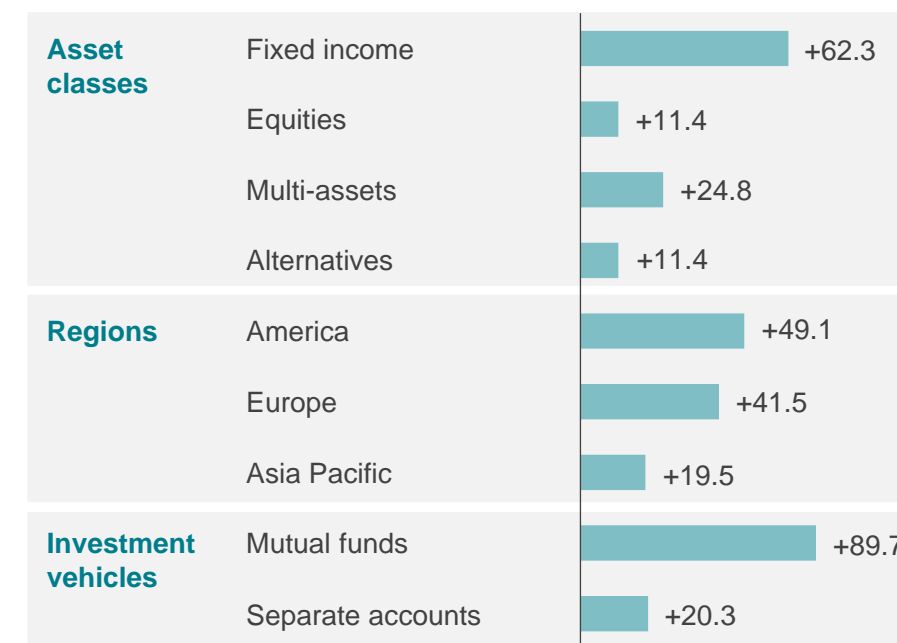
Total alternative AuM including Allianz assets increase by 27% from EUR 182bn end of 2020 to EUR 230bn end of 2021, benefitting from EUR 22bn total net inflows. 3rd party alternative AuM rose by 58% to EUR 73bn.

AM: EUR 110bn 3rd party net inflows

3rd party assets under management development (EUR bn)



3rd party net flow split (EUR bn)



AM: EUR 110bn 3rd party net inflows

Comments

- **3rd party AuM up 15% to EUR 2tn**
3rd party AuM increase by EUR 255bn to a new all-time high. Very strong 3rd party net inflows (EUR 110bn) from PIMCO (EUR 65bn) and AllianzGI (EUR 45bn). F/X supports with EUR 92bn; EUR 30bn positive reclassification effect from U.S. life reinsurance transaction.

EUR 1,826bn average 3rd party AuM in FY 2021, 10% above FY 2020 level of EUR 1,665bn.

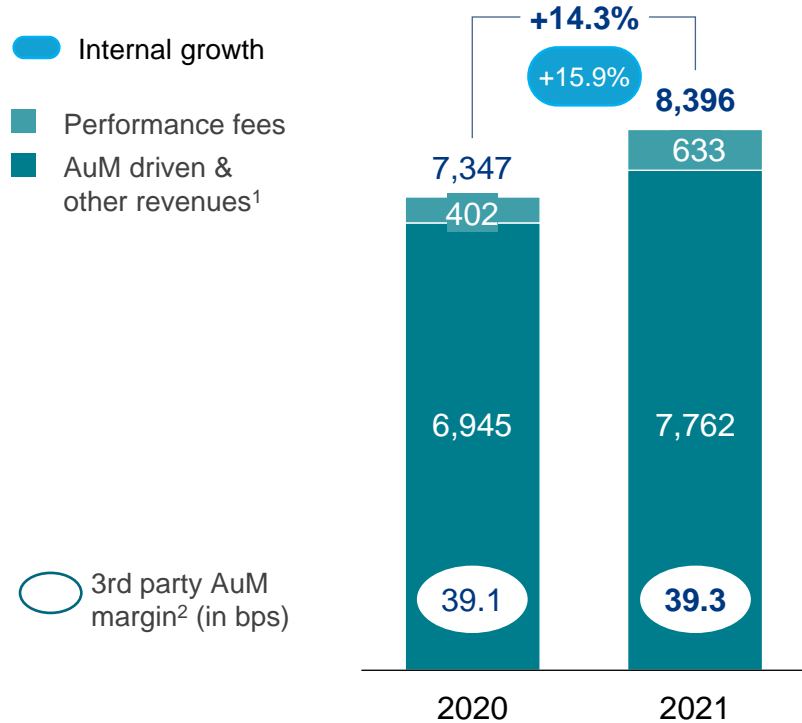
3rd party AuM up 5% since end of 3Q 2021, supported by EUR 20.6bn 3rd party net inflows, U.S. life reinsurance transaction and F/X.
- **3rd party net flows PIMCO: EUR +65bn**
3rd party net inflows from fixed income, alternatives and multi-assets. All regions contribute positively.

EUR 11.1bn 3rd party net inflows in 4Q 2021.
- **3rd party net flows AllianzGI: EUR +45bn**
3rd party net inflows from all asset classes and regions.

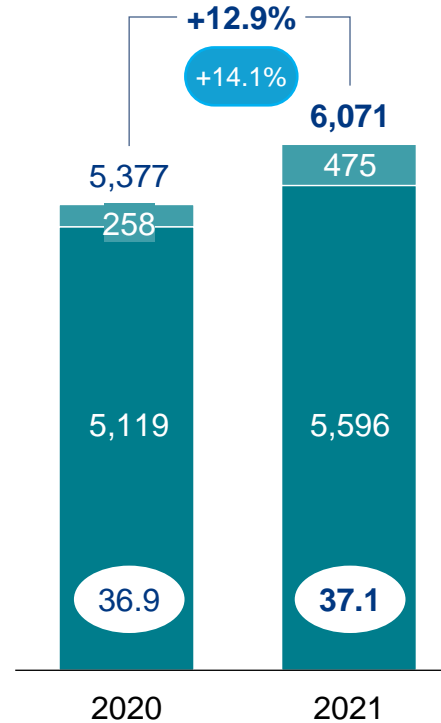
EUR 9.5bn 3rd party net inflows in 4Q 2021.

AM: 14% revenue growth

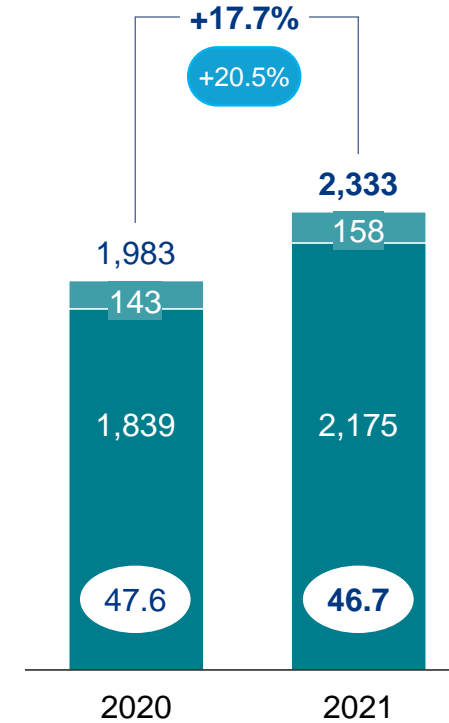
Revenues development (EUR mn)



PIMCO (EUR mn)



AllianzGI (EUR mn)



1) Thereof other revenues: AM: 2020: EUR -11mn; 2021: EUR -7mn; PIMCO: 2020: EUR -6mn; 2021: EUR +4mn; AllianzGI: 2020: EUR +6mn; 2021: EUR -3mn
 2) Excluding performance fees and other income

AM: 14% revenue growth

Comments

- **Segment revenues – up 14%**

Significant revenue increase by EUR 1.0bn due to rising AuM driven fees (Δ EUR 814mn/+12%) following higher average 3rd party AuM (+10%). EUR 178mn AuM driven revenues from Allianz Real Estate, which was not included in 1Q-3Q 2020 (4Q 2020: EUR 44mn).

Strong level of performance fees (EUR 633mn, Δ EUR 232mn/+58%).

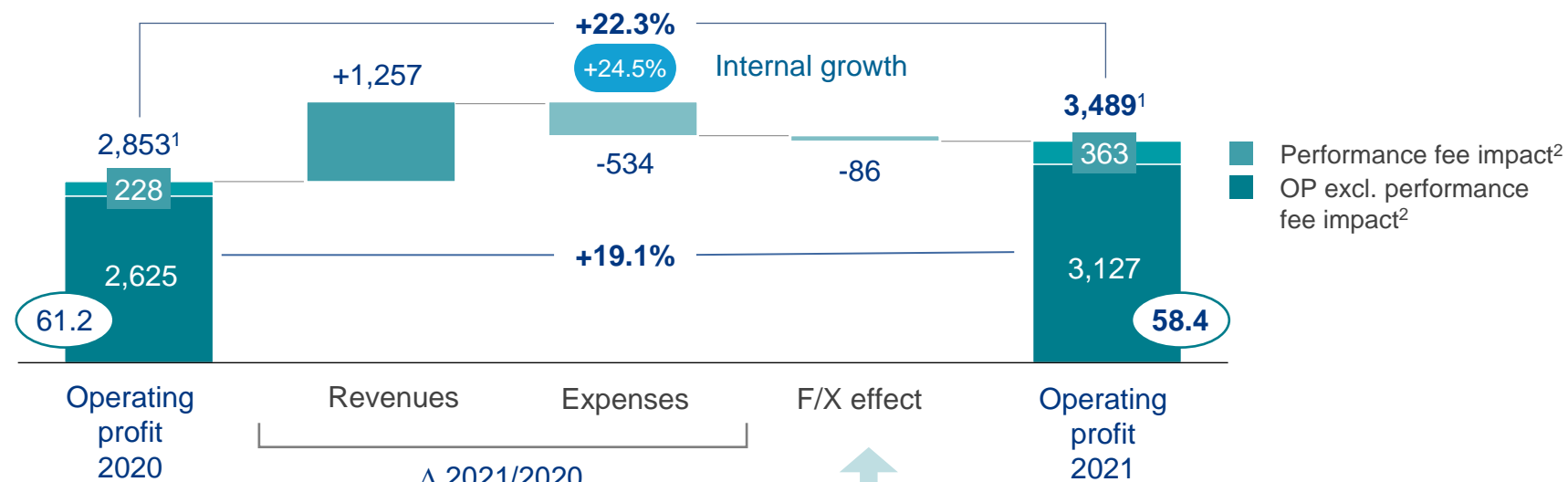
4Q 2021 particularly strong compared to 4Q 2020: EUR 2.5bn operating revenues (+19%), EUR 2.1bn AuM driven revenues (+16%), EUR 370mn performance fees (+45%).

- **3rd party AuM margin – stable**

Segment and PIMCO margins stable, AllianzGI margin slightly down by 0.9bps to 46.7bps e.g. due to a change in distribution fee structures.

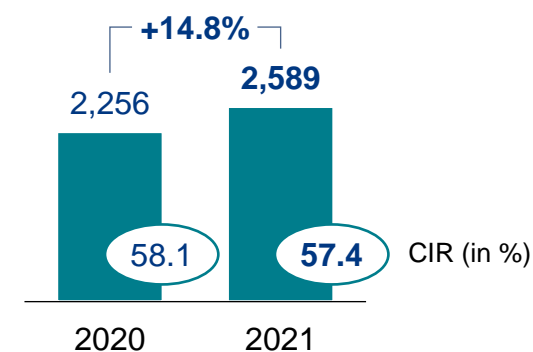
AM: operating profit up 22%

Operating profit drivers (EUR mn)

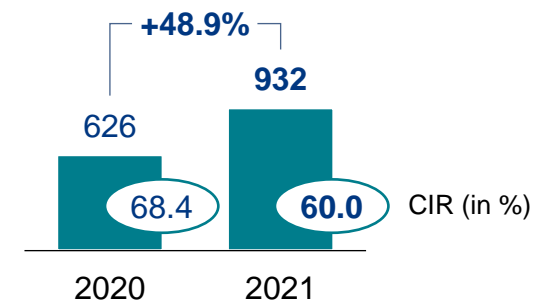


F/X impact	2021	2020
F/X impact	-208	+121
2021	8,396	-4,906
2020	7,347	-4,494

PIMCO



AllianzGI



1) Including operating loss from other entities of EUR -29mn in 2020 and EUR -32mn in 2021
 2) Performance fees of PIMCO and AllianzGI (excl. Allianz Capital Partners), net of 30% variable compensation

AM: operating profit up 22%

Comments

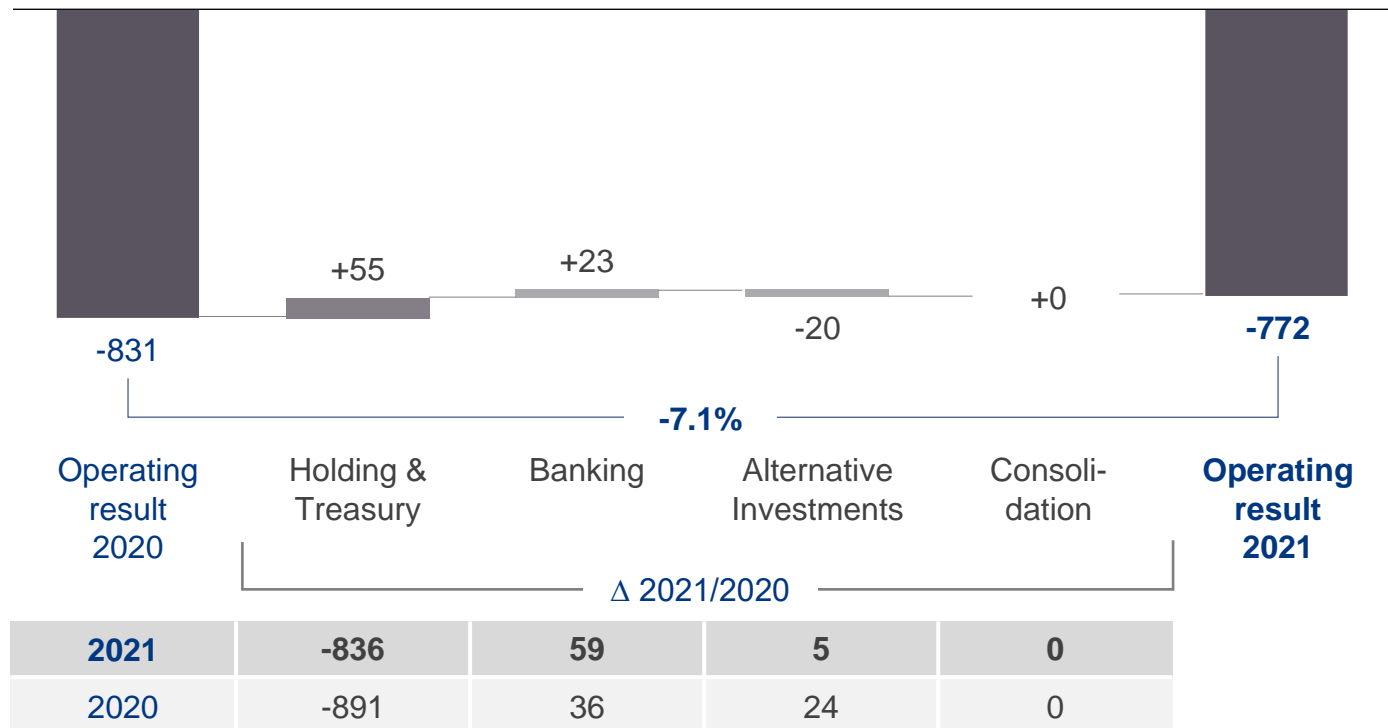
- Segment – OP at EUR 3.5bn, up 22%**
 Strong result at both operating entities.
 OP grows mainly due to higher average 3rd party AuM (+10%), supported by a strong level of performance fees. Adverse F/X; OP excluding F/X up 25%.
 CIR at 58.4%, 2.7%-p better than in FY 2020.
- PIMCO – OP up 15%**
 Significant revenue increase due to higher average 3rd party AuM and higher performance fees. Allianz Real Estate contributes positively.
 CIR at 57.4%, improved by 0.7%-p.
- AllianzGI – OP at EUR 932mn, up 49%**
 OP increase due to higher AuM driven revenues, following 21% higher average 3rd party AuM.
 CIR improves significantly by 8.4%-p to 60.0% due to strong revenue growth and supported by the “Excellence through Optimization and Simplicity” program.

- 4Q 2021 – OP up 21%**
 Higher revenues drive OP. Favorable F/X. CIR improves by 0.5%-p to 58.2%.
 PIMCO OP up 19% to EUR 763mn, mainly due to higher AuM driven revenues and performance fees.
 AllianzGI OP up 27% to EUR 278mn, mainly due to higher AuM driven revenues.

AM segment	4Q 2020	4Q 2021	Δ
Operating revenues (EUR mn)	2,077	2,476	+19.2%
Operating profit (EUR mn)	857	1,035	+20.8%
Average 3rd party AuM (EUR bn)	1,685	1,924	+14.1%
3rd party net flows (EUR bn)	+27.7	+20.6	-25.8%
3rd party AuM margin (bps)	39.9	40.5	+0.6bps
CIR (%)	58.7%	58.2%	-0.5%-p

CO: in line with expectations

Operating result development and components



CO: in line with expectations

Comments

- **Operating result at EUR -0.8bn**
Lower operating loss mainly due to higher investment income, reflected in result from Holding & Treasury.
Result from Alternative investments declines due to transfer of Allianz Real Estate to Asset Management.

Group: shareholders' net income at EUR 6.6bn

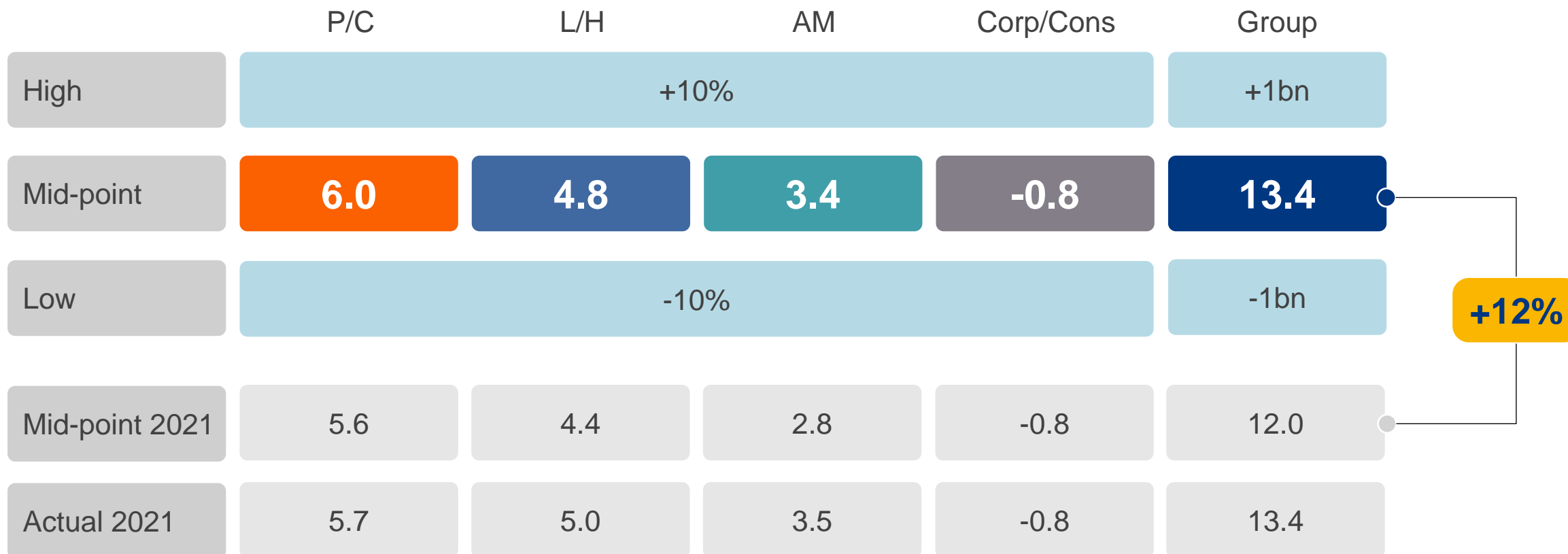
EUR mn	2020	2021	Δ p.y.
Operating profit	10,751	13,400	+2,649
Non-operating items	-1,148	-3,880	-2,733
Realized gains/losses (net)	1,458	1,829	+371
Impairments (net)	-860	-320	+539
Income from financial assets and liabilities carried at fair value (net)	-28	122	+150
Interest expenses from external debt	-729	-616	+113
Restructuring and integration expenses	-768	-626	+143
Amortization of intangible assets	-240	-287	-47
Change in reserves for insurance and investment contracts (net)	27	50	+23
Other	-7	-4,033	-4,026
Income before taxes	9,604	9,520	-84
Income taxes	-2,471	-2,415	+55
Net income	7,133	7,105	-28
Non-controlling interests	-326	-495	-169
Shareholders' net income	6,807	6,610	-197
Effective tax rate	26%	25%	-0%-p
Earnings per share (in EUR)	16.48	15.96	-0.52

Group: shareholders' net income at EUR 6.6bn

Comments

- **Shareholders' net income down by EUR 0.2bn**
Higher operating profit (Δ EUR +2.6bn) more than offset by non-operating profit (Δ EUR -2.7bn).
- **Non-OP result down by EUR 2.7bn**
Non-operating result impacted by a provision of EUR 3.7bn for the AllianzGI U.S. Structured Alpha matter reflected in line item Other.
Better harvesting result (Δ EUR +0.9bn) largely driven by the sale of investments related to U.S. life back-book management and lower impairments.
- **Restructuring expenses**
Continued investments in productivity and efficiency, mainly UK, Euler Hermes, France, Germany and Allianz Technology. 40% of restructuring expenses (EUR 263mn) refer to decommissioning of legacy IT-systems.
- **U.S. life back-book management**
Net income impact of EUR +0.35bn.
- **Tax rate at good level**
Allianz Group tax rate for FY 2022 expected at ~24%.

Outlook 2022 – operating profit



Disclaimer:

Impact from NatCat, financial markets, F/X and global economic development not predictable.

Content/topics

1 Highlights

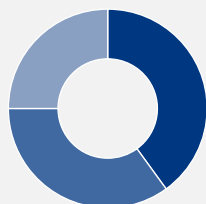
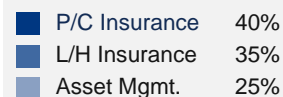
2 Additional information



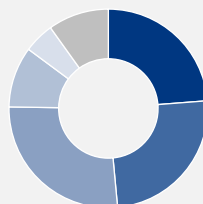
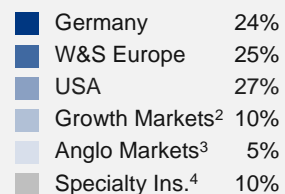
Allianz track record

Operating profit 2021: EUR 13.4bn

By segments¹

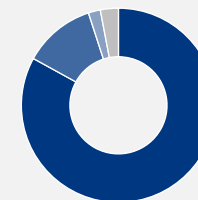
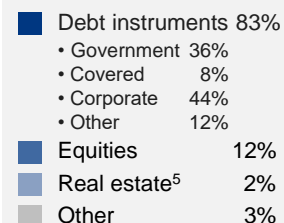


By regions¹

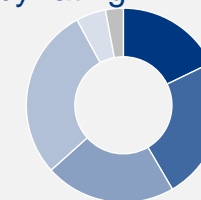
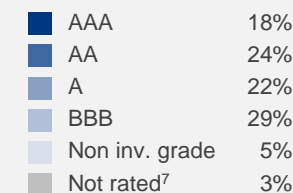


Investment portfolio 2021: EUR 808.5bn

Asset allocation



Debt instruments by rating⁶



In EUR		2016	2017	2018	2019	2020	2021	Δ 21/20	CAGR 5yr
Income statement	Revenues ⁸ (bn)	122.4	126.1	132.3	142.4	140.5	148.5	+5.7%	+3.9%
	Operating profit (bn)	11.1	11.1	11.5	11.9	10.8	13.4	+24.6%	+3.8%
	Shareholders' net income (bn)	7.0	6.8	7.5	7.9	6.8	6.6	-2.9%	-1.2%
Capital	Shareholders' equity (bn)	67.1	65.6	61.2	74.0	80.8	80.0	-1.1%	+3.6%
	Solvency II ratio ⁹ (%)	218%	229%	229%	212%	207%	209%	+1%-p	-
Other data	3rd party AuM (tn)	1.36	1.45	1.44	1.69	1.71	1.97	+14.9%	+7.6%
	Total AuM (tn)	1.87	1.96	1.96	2.27	2.39	2.61	+9.2%	+6.8%
	RoE ¹⁰ (%)	12.3%	11.8%	13.2%	13.6%	11.4%	10.6%	-0.7%-p	-
Share information	Basic earnings per share	15.31	15.24	17.43	18.90	16.48	15.96	-3.2%	+0.8%
	Dividend per share ¹¹	7.60	8.00	9.00	9.60	9.60	10.80	+12.5%	+7.7%
	Dividend yield (%) ¹²	4.8%	4.2%	5.1%	4.4%	4.8%	5.2%	+0.4%-p	-

1) Excl. "Corporate & Other" and consolidation between segments

2) CEE, Asia-Pac, Latin America, Middle East and Africa, Turkey. Austria and AZ Direct allocated to Western and Southern Europe

3) UK, Ireland, Australia

4) Allianz Global Corporate & Specialty, Euler Hermes, Allianz Partners, Allianz Re

5) Excluding real estate held for own use and real estate held for sale

6) Excluding seasoned self-originated private retail loans

7) Mostly mutual funds and short-term investments

8) From 2018, total revenues also comprise P/C fee and commission income

9) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 239% as of 31.12.21

10) Definition see glossary

11) 2021: Proposal

12) Divided by year-end share price

ESG at Allianz (1/3)

Ratings & commitments

ESG ratings		
As of 31 st December	2020	2021
DJSI/S&P Global	98th percentile	Top rank
MSCI ¹	AAA	AAA
Sustainalytics ²	#2 (Diversified insurance sub-industry)	#7 (Diversified insurance sub-industry)

Commitments (selected examples)
• UN Environment Programme Finance Initiative (UNEP FI)
• UN-convened Net-Zero Asset Owner Alliance (AOA)
• UN-convened Net-Zero Insurance Alliance (NZIA)
• UN Principles for Responsible Investment (PRI)
• UN Principles for Sustainable Insurance (PSI)
• UN-convened Global Investors for Sustainable Development (GISD)
• Glasgow Financial Alliance for Net-Zero (GFANZ)
• Task force on climate-related financial disclosures (TCFD)
• Science-based targets initiative (SBTi)
• RE100 (Renewable Electricity 100)
• WEF Stakeholder Capitalism Metrics

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Governance

Sustainability Board		
Advises the Board of Management on all sustainability related matters		
5 members of Allianz SE Board of Management plus 4 Group Center Heads, representing core responsibilities for ESG topics with respect to insurance business, proprietary investments and 3rd party investments		
Sustainability Committee of the Supervisory Board		
Monitors the Allianz SE Board of Management’s sustainability strategy, supports ESG-related target setting and fulfillment, assesses on the Non-Financial reporting and advises on Data Ethics		
5 members		
Assessments of insurance and investment transactions for ESG appropriateness		
Assessed transactions	2020	2021
Insurance	430	850
Investments	65	71
Procurement	101	526
Other	1	0
Total	597	1,447
ESG assessment results		
Share of total number of assessments	2020	2021
Proceed	60.5%	80.6%
Proceed with mitigation or additional conditions	31.8%	14.0%
Do not proceed	7.7%	5.4%
2021 Sustainability criteria in Board of Management remuneration		
• Net Promoter Score	• Allianz Engagement Survey	
• Diversity	• Leadership quality	
• Greenhouse gas reduction	• Progress net-zero compliant asset allocation until 2050	
New Board of Management sustainability criteria to be proposed at the 2022 AGM.		

ESG at Allianz (2/3)

Insurance

Revenues from sustainable solutions		
EUR mn	2020	2021
Sustainable insurance solutions	1,025.2 ¹	1,022.0
Insurance solutions with a sustainability component	367.6	417.6
Emerging consumer solutions	56.1	45.2
Total	1,448.9	1,484.7
Customers		
	2020	2021
Number of customers (incl. non-consolidated entities and excl. emerging consumers)	>100mn	126mn
Emerging consumers (incl. non-consolidated entities)	46mn	62mn ²
Customer satisfaction: businesses with net promoter score above market (incl. loyalty leaders)	79%	84%
Customer satisfaction: share of loyalty leader businesses based on net promoter score	60%	58%

3rd party investments

ESG-themed investments		
EUR bn	2020	2021
Allianz Global Investors	95.4	184.3
PIMCO	136.5	203.1

Proprietary investments

Proprietary sustainable investments		
EUR bn	2020 ³	2021
Global Portfolio ESG screened	835	849
Sustainable investments	127.0	123.1
Thereof environmental objectives	115.6	109.9
Thereof social objectives	10.8	12.0
Thereof environmental and social objectives	0.5	1.1
Portfolio Carbon Footprint		
Scope 3 – cat. 15 (financed emissions of the respective portfolios)	2020 ⁴	2021 ⁵
Listed equities (mn t CO ₂ e)	2.2	2.3
Tradeable corporate bonds (mn t CO ₂ e)	20.0	16.4
Total (mn t CO₂e)	22.1	18.7
Target: -25% reduction by year end 2024 (baseline 2019)	-15.4%	-24.9%
Exclusions & targets (selected examples)		
Proprietary investments	Timing	
Exclusion of controversial weapons	Permanently	
-25% GHG emissions in listed equities and tradeable corporate bonds (baseline 2019; scope 1 and 2 emissions of investee companies)	By year end 2024	
Coal based business models	Phase-out by 2040	
Net-zero GHG emissions	By 2050	

For details and definitions please see the Allianz Group Sustainability Report 2021, published on 29 April 2022.

- 1) Please note that the figure has been restated due to a change in definition of products.
- 2) Due to change in scope, additional 15.5mn insured reported from Indian government-sponsored health schemes.
- 3) New definition in place since financial year 2021. Previous year numbers were not part of the audit engagement.

- 4) Figures have been restated due to a change in methodology. Before restatement the figures amounted to 23.2 for 2020.
- 5) 2021 Carbon Footprint figures impacted by COVID-19 and strong equity market performance; normalization expected in 2022

ESG at Allianz (3/3)

Human resources

Diversity		
	2020	2021
Total number of employees	150,269	155,411
Women in Allianz SE Supervisory Board	33.3%	33.3%
Women in Allianz SE Board of Management	20.0%	20.0%
Female share Allianz Executives	32.0%	32.8%
Female share in Allianz Senior Executives	25.8%	24.7%
Female share in Allianz Global Executives	20.3%	24.5%
Female managers ¹	38.2%	38.6%
Share of women in core business	51.3%	51.6%
Female full-time employees	46.3%	46.6%
Female part-time employees	78.9%	79.5%
Health		
	2020	2021
Work related injuries ²	n.a.	578
Numbers of hours worked on average of a full-time equivalent	7.7	7.7
Training		
	2020	2021
Total expenses for employee training (EUR mn)	63	103 ³
Training expenses per employee (EUR per employee)	442	716 ³
Average training hours per employee (hours)	20.7	34.7 ⁴
Commitment		
	2020	2021
Employee Engagement Index (employee satisfaction/loyalty)	78%	76%
Inclusive Meritocracy Index (business culture)	78%	78%

For details and definitions please see the Allianz Group Sustainability Report 2021, published on 29 April 2022.

- 1) Includes women functionally responsible for other staff, regardless of level, e.g. division, department and team managers.
- 2) Data disclosed since 2021.

Operations

Greenhouse gas emissions			
		2020	2021
Scope 1 – direct GHG emissions	(t CO ₂ e)	28,714	28,699
Scope 2 – indirect GHG emissions (market based)	(t CO ₂ e)	100,722	54,689
Scope 2 – indirect GHG emissions (location based)	(t CO ₂ e)	180,826	149,599
Scope 3 – other indirect GHG emissions excl. cat 15	(t CO ₂ e)	73,916	55,359
Scopes 1 – 3, GHG emissions total	(t CO₂e)	203,352	138,746
Total GHG emissions per employee	(t CO ₂ e/employee)	1.4	0.9
Overall GHG reduction per employee since 2019		42%	60%
Renewable electricity			
		2020	2021
Renewable electricity used	(GJ)	854,762	1,001,859
Renewable electricity used as a share of all electricity sources		57%	77%
Environmental Targets 2022 and beyond			
-30% GHG emissions per employee by 2025 (baseline 2019)			
100% renewable electricity by 2023			
Further information			
Allianz Group Sustainability Report 2021 will be published on 29 April 2022.			
https://www.allianz.com			

3) Increase in training expenses driven by methodological adjustment towards industry practice to include overhead expenses EUR +46mn (e.g. digital learning platforms).

4) Last year reported as training days per employee; definition adjusted to market practice in 2021.

Financial leverage and cash flow (EUR bn)

Leverage ratios

Financial leverage¹

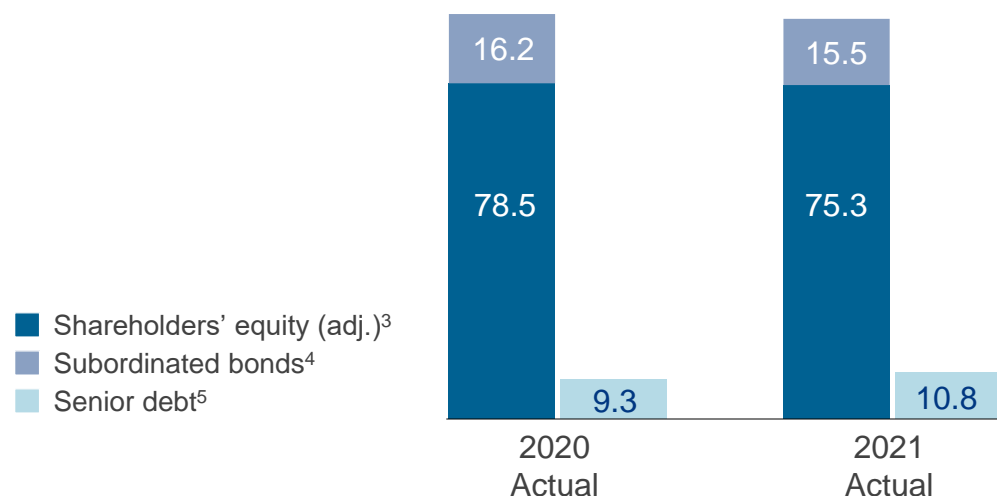
24.5%

25.9%

Senior debt leverage²

9.8%

11.9%



- Shareholders' equity (adj.)³
- Subordinated bonds⁴
- Senior debt⁵

Cash flow

(EUR bn)

	2019	2020	2021	Ø 3yr
Net cash remittance⁶	6.8	6.8	6.7	6.8
of which P/C	4.5	3.1	2.6	3.4
of which L/H	1.5	2.3	2.8	2.2
of which AM	1.8	1.9	1.8	1.8
Net remittance ratio⁷	91%	86%	98%	92%
Dividend coverage ratio⁸	180%	172%	169%	174%

- 1) Senior debt and subordinated bonds divided by the sum of senior debt, subordinated bonds and shareholders' equity
- 2) Senior debt divided by the sum of subordinated bonds and shareholders' equity
- 3) Excluding equity accounted RT1 bonds (2020: EUR 2.3bn, 2021: EUR 4.7bn)
- 4) Subordinated bonds issued or guaranteed by Allianz SE including equity accounted RT1 bonds; nominal value
- 5) Certificated liabilities issued or guaranteed by Allianz SE including money market securities; nominal value

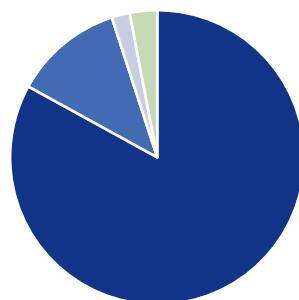
- 6) Net cash remittance = cash received from OEs + reinsurance result of holding company - holding costs and interest expenses + other operating cash flow
- 7) Net remittance ratio = net cash remittance/shareholders' net income (prior year)
- 8) Dividend coverage ratio = net cash remittance/Allianz SE dividend

Investment portfolio

Asset allocation

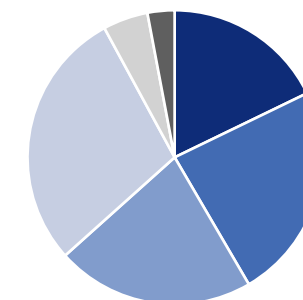
Total: EUR 808.5bn
(2020: EUR 790.3bn)

Debt instruments	83% (86%)
Equities	12% (9%)
Real estate ¹	2% (2%)
Cash/Other	3% (3%)



Debt instruments by rating²

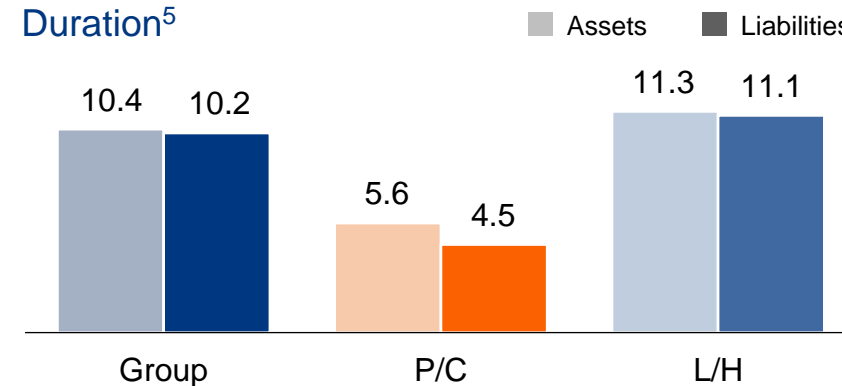
AAA	18%
AA	24%
A	22%
BBB	29%
Non-investment grade	5%
Not rated ³	3%



By segment (EUR bn)

	Group	P/C ⁴	L/H ⁴
Debt instruments	672.3	94.8	538.3
Equities	95.2	8.4	81.0
Real estate ¹	16.9	3.1	13.1
Cash/Other	24.1	5.4	11.7
Total	808.5	111.6	644.1

Duration⁵



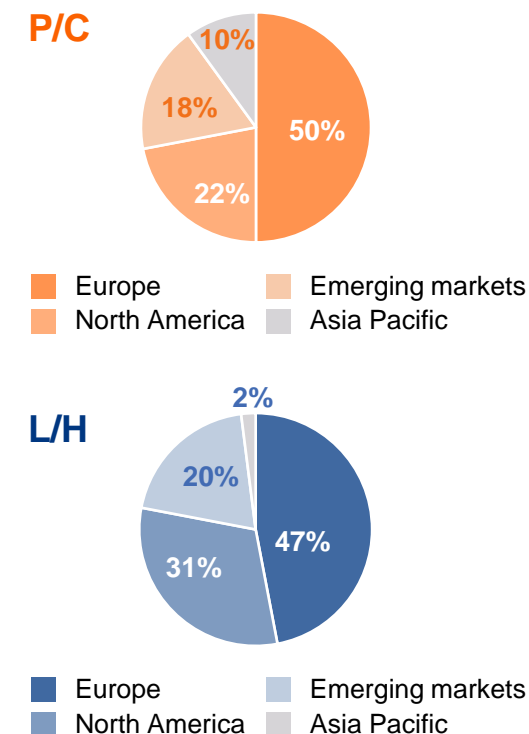
1) Excluding real estate held for own use and real estate held for sale
 2) Excluding seasoned self-originated private retail loans
 3) Mostly mutual funds and short-term investments
 4) Consolidated on Group level

5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by fixed income assets. Internal pensions are included in Group data, while they are excluded in P/C and L/H segments

Economic reinvestment yields 2021

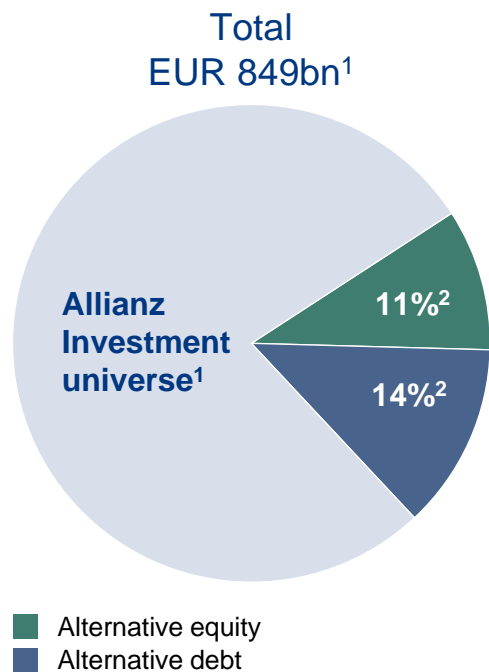
		New F/I investments	Yield	Maturity in years
P/C	Government bonds ¹	49%	1.4%	10
	Covered ²	18%	1.1%	10
	Corporates	33%	1.4%	8
	Total F/I 2021	100%	1.4%	9
L/H	Government bonds ¹	48%	1.2%	24
	Covered ²	18%	1.8%	16
	Corporates	34%	2.2%	16
	Total F/I 2021	100%	1.7%	20
EUR bn		New investments	Current yield	
Group	Real assets	14.7	~4%	

Regional allocation

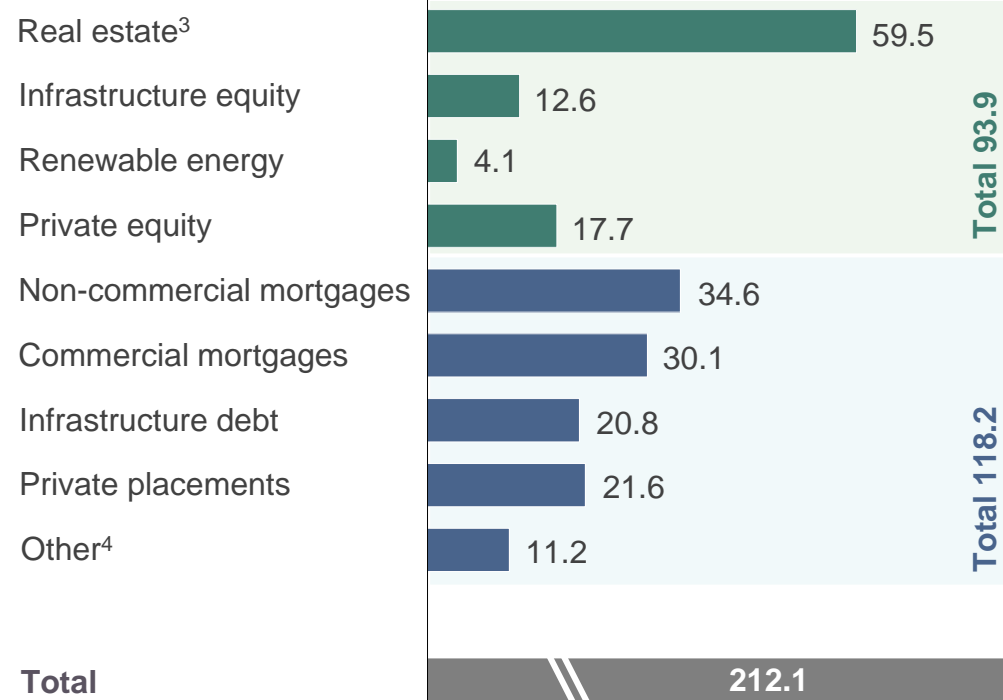


1) Treasuries and government related
 2) Including ABS/MBS

Alternative asset quota of 25%



Current volume (EUR bn)



Average expected return

Real estate ³	3-6%
Infrastructure equity	5-8%
Renewable energy	3-6%
Private equity	9-12%
Non-commercial mortgages	1-2%
Commercial mortgages	1.5-3.0%
Infrastructure debt	1.5-3.0%
Private placements	1-2%
Other ⁴	4-7%

Total 93.9

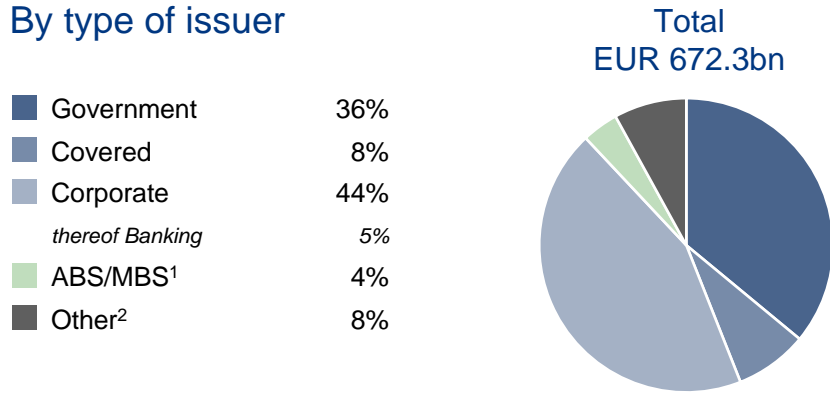
Total 118.2

- Current yield: 5.3%
 - 63% real estate
 - EUR 26.1bn gross unrealized gains/losses
-
- Current yield: 3.2%
 - 55% real estate related
 - EUR 8.1bn gross unrealized gains/losses
 - 82% investment grade
 - Vast majority LTV largely <65%

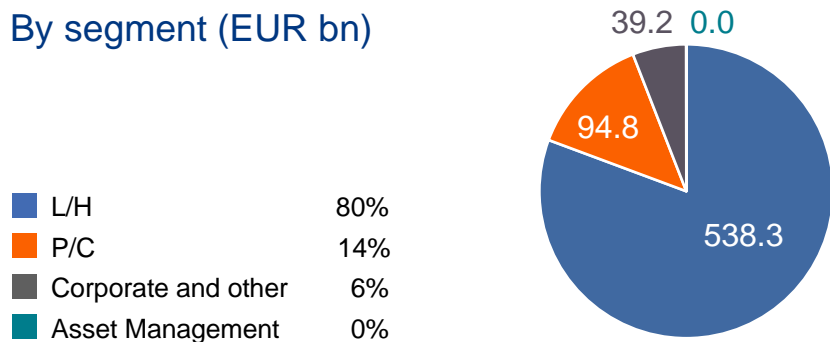
1) Based on economic view. Compared to accounting view it reflects a volume increase due to switch from book to market values and changed asset scope (e.g. including FVO, trading and real estate own-use)
 2) Alternative equity denoted in market value, alternative debt in book value
 3) Market value of real estate assets including EUR 34.1bn directly held real estate assets (e.g., held for investment, held for own use) and EUR 25.4bn indirectly held real estate assets (e.g., associates and joint ventures, available-for-sale investments). Including minorities on directly held real estate assets (EUR 1.0bn). Associates and joint ventures as well as available-for-sale indirectly held real estate investments are also part of the equity portfolio and fixed income portfolio
 4) Including distressed assets and middle market lending

Fixed income portfolio

By type of issuer

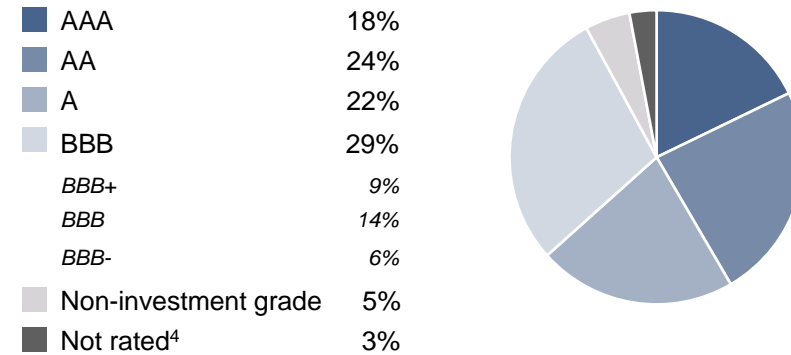


By segment (EUR bn)

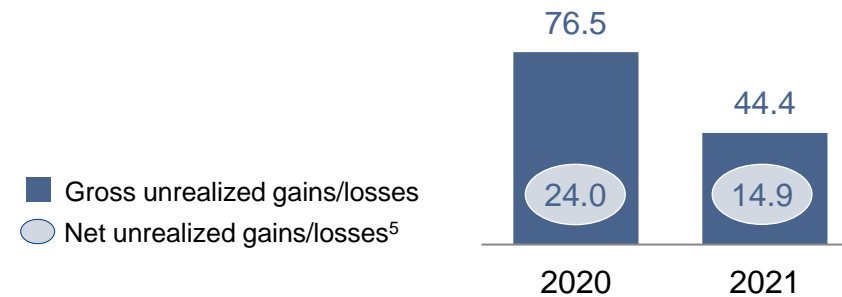


1) Including U.S. agency MBS investments (EUR 3.7bn)
 2) Including seasoned self-originated private retail loans and short-term deposits at banks
 3) Excluding seasoned self-originated private retail loans

By rating³



AFS unrealized gains/losses (EUR bn)



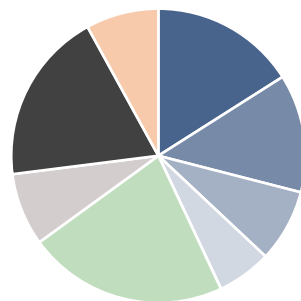
4) Mostly mutual funds and short-term investments
 5) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow accounting

Government bond allocation

By region

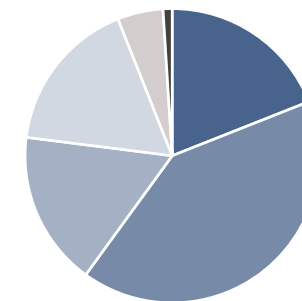
France	16%
Germany	13%
Italy	8%
Spain	6%
Rest of Europe	23%
USA	8%
Rest of World	18%
Supranational	8%

Total
EUR 240.5bn¹



By rating

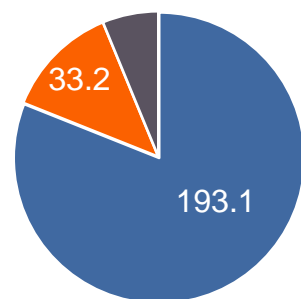
AAA	19%
AA	41%
A	17%
BBB	17%
Non-investment grade	5%
Not rated	1%



By segment (EUR bn)

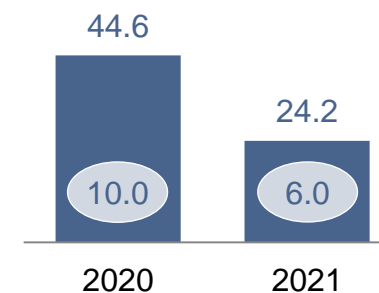
L/H	80%
P/C	14%
Corporate and other	6%
Asset Management	0%

14.2 0.0



AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses
Net unrealized gains/losses ²



1) Government and government related (excl. U.S. agency MBS)

2) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow accounting

Government bonds (EUR bn)

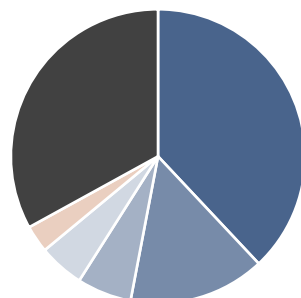
	Group		L/H		P/C	
	Book value	% of FI Group	Book value	% of FI L/H	Book value	% of FI P/C
France	38.5	5.7%	32.7	6.1%	3.2	3.4%
Germany	31.2	4.6%	25.9	4.8%	2.8	2.9%
Supranational	20.3	3.0%	18.3	3.4%	1.3	1.4%
USA	19.3	2.9%	16.7	3.1%	2.5	2.6%
Italy	18.4	2.7%	14.4	2.7%	1.9	2.0%
Spain	13.8	2.1%	11.5	2.1%	1.4	1.5%
Belgium	12.7	1.9%	10.9	2.0%	1.2	1.2%
Austria	8.9	1.3%	8.3	1.5%	0.4	0.4%
Switzerland	5.5	0.8%	4.3	0.8%	1.2	1.2%
Thailand	3.7	0.6%	3.6	0.7%	0.1	0.1%
Ireland	3.6	0.5%	3.0	0.6%	0.3	0.3%
Mexico	3.0	0.4%	2.7	0.5%	0.3	0.3%
Czech Republic	2.6	0.4%	2.1	0.4%	0.5	0.5%
Australia	2.6	0.4%	0.0	0.0%	2.5	2.7%
Indonesia	2.2	0.3%	2.0	0.4%	0.3	0.3%
Netherlands	2.2	0.3%	1.3	0.2%	0.5	0.5%
China	2.2	0.3%	2.0	0.4%	0.1	0.1%
Malaysia	2.1	0.3%	1.4	0.3%	0.7	0.7%
Poland	2.1	0.3%	1.1	0.2%	0.9	0.9%
Romania	2.0	0.3%	1.4	0.3%	0.5	0.5%
Canada	2.0	0.3%	0.6	0.1%	1.2	1.3%
Saudi Arabia	1.9	0.3%	1.8	0.3%	0.2	0.2%
Other	39.6	5.9%	27.1	5.0%	9.5	10.0%
Total 2021	240.5	35.8%	193.1	35.9%	33.2	35.0%
Total 2020	258.5	37.9%	209.5	38.0%	32.9	36.0%

Fixed income portfolio: covered bonds

By country

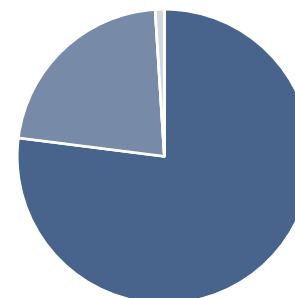
Germany	38%
France	15%
Spain	6%
Italy	5%
UK	3%
Rest of World	33%

Total
EUR 55.6bn



By rating

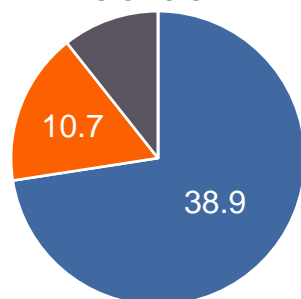
AAA	77%
AA	22%
A	0%
BBB	1%
Non-investment grade	0%
Not rated	0%



By segment (EUR bn)

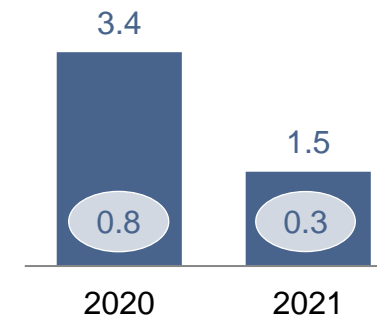
L/H	70%
P/C	19%
Corporate and other	11%
Asset Management	0%

6.0 0.0



AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses
Net unrealized gains/losses ¹



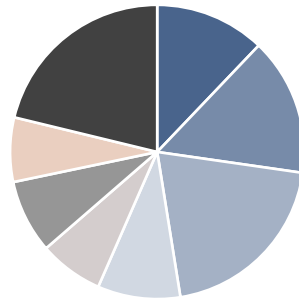
1) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow accounting

Fixed income portfolio: corporates

By sector

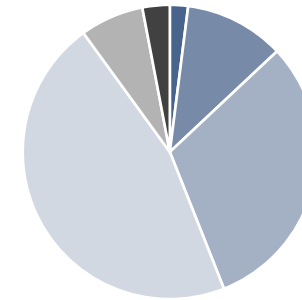
Banking	12%
Other financials	15%
Consumer	20%
Utility	9%
Industrial	7%
Communication	8%
Energy	7%
Other	21%

Total
EUR 295.5bn



By rating

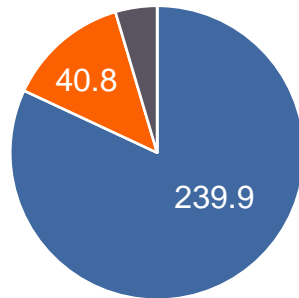
AAA	2%
AA	11%
A	31%
BBB	46%
Non-investment grade	7%
Not rated ¹	3%



By segment (EUR bn)

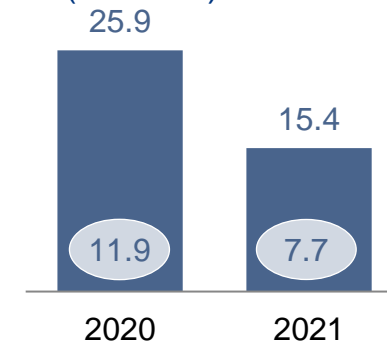
L/H	81%
P/C	14%
Corporate and other	5%
Asset Management	0%

14.9 0.0



AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses
Net unrealized gains/losses ²



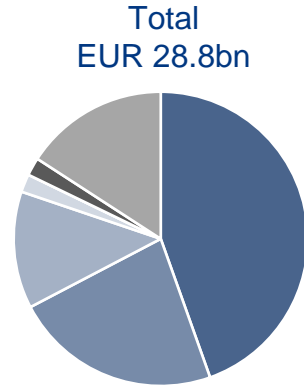
1) Including Eurozone loans/bonds (1%)

2) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow accounting

Fixed income portfolio: ABS

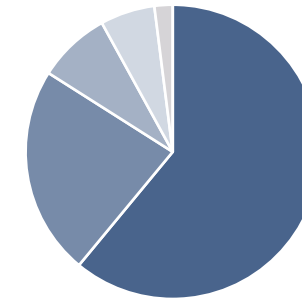
By type of issuer

CMBS	45%
CMO/CDO	23%
US Agency	13%
RMBS	2%
Auto	2%
Credit Card	0%
Other	16%



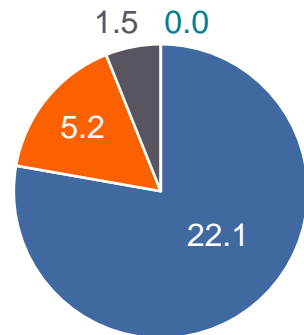
By rating

AAA	61%
AA	23%
A	8%
BBB	6%
Non-investment grade	2%
Not rated	0%

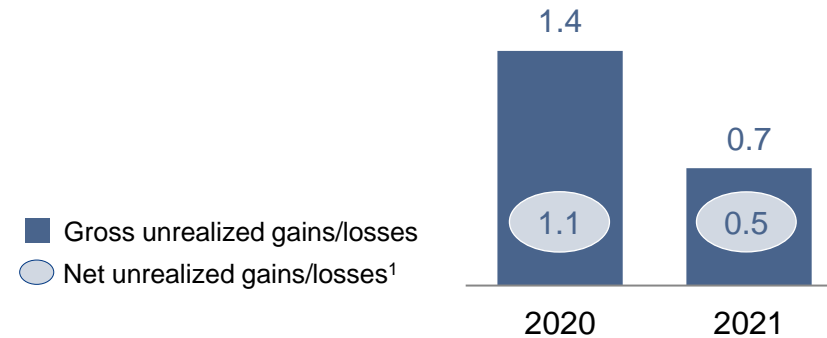


By segment (EUR bn)

L/H	77%
P/C	18%
Corporate and other	5%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



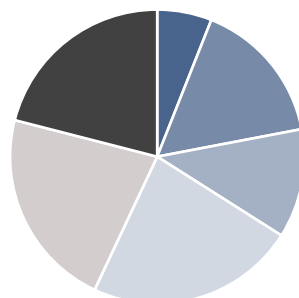
1) On-balance sheet unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow accounting

Equity portfolio

By region

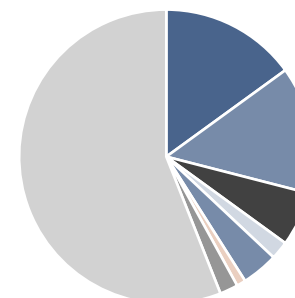
Germany	6%
Eurozone ex Germany	16%
Europe ex Eurozone	12%
NAFTA	23%
Rest of World	22%
Multinational ²	21%

Total
EUR 95.2bn¹



By industry

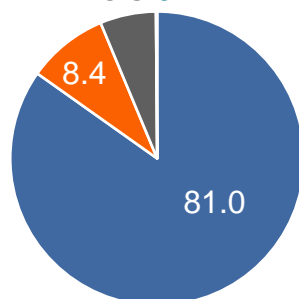
Consumer	15%
Other financials	14%
Industrial	6%
Basic materials	2%
Banking	4%
Utilities	1%
Energy	2%
Funds and other ³	56%



By segment (EUR bn)

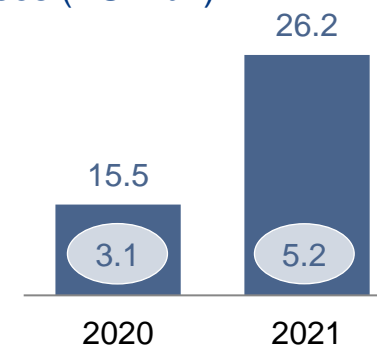
L/H	85%
P/C	9%
Corporate and other	6%
Asset Management	0%

5.8 0.1



AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses	
Net unrealized gains/losses ⁴	



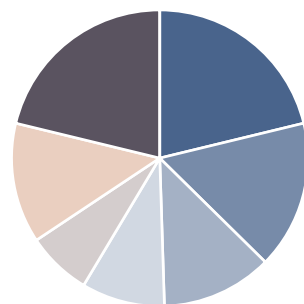
1) Excl. equities designated at fair value through income (EUR 3.3bn)
 2) Incl. private equity limited partnership funds (EUR 16.5bn) and mutual stock funds (EUR 2.4bn)
 3) Diversified investment funds (EUR 4.1bn); private and unlisted equity (EUR 38.3bn)
 4) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow accounting

Real estate portfolio (incl. own use, market value)

By region

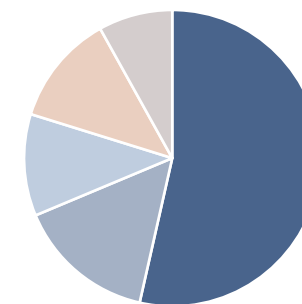
Germany	21%
France	16%
USA	12%
Switzerland	9%
Italy	7%
Rest of Eurozone	13%
Rest of World	21%

Total
EUR 59.5bn¹



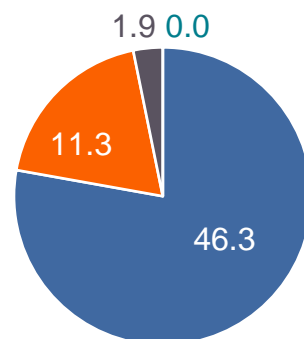
By sectors

Office	53%
Residential	15%
Retail	11%
Logistics	12%
Other/mixed	9%



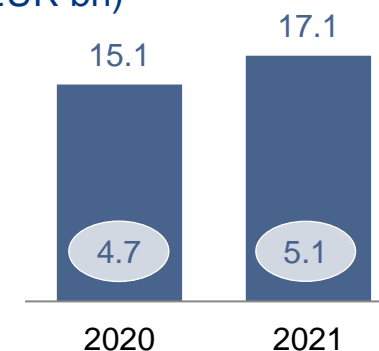
By segment (EUR bn)

L/H	78%
P/C	19%
Corporate and other	3%
Asset Management	0%



Unrealized gains/losses (EUR bn)

Gross unrealized gains/losses
Net unrealized gains/losses ²



1) Market value of real estate assets including EUR 34.1bn directly held real estate assets (e.g., held for investment, held for own use) and EUR 25.4bn indirectly held real estate assets (e.g., associates and joint ventures, available-for-sale investments). Including minorities on directly held real estate assets (EUR 1.0bn). Associates and joint ventures as well as available-for-sale indirectly held real estate investments are also part of the equity portfolio and fixed income portfolio.

2) Unrealized gains/losses after tax, non-controlling interests, policy holders and before shadow DAC, based on external and internal real estate valuations

Content/topics

1 Group financial results

2 Additional information

Glossary

Disclaimer

Glossary (1)

AFS	Available for sale: Available-for-sale investments are non-derivative financial assets which have been acquired neither for sale in the near term nor to be held to maturity. They are shown at fair value on the balance sheet.
AGCS	Allianz Global Corporate & Specialty
AllianzGI	Allianz Global Investors
AM	(The Allianz business segment) Asset Management
AP	Allianz Partners
APE	Annual premium equivalent: A measure to normalize single premiums to the recurring premiums. It is calculated as the sum of recurring premiums and 10% of single premiums of the respective period.
APR	Accident insurance with premium refund (“Unfallversicherung mit Beitragsrückzahlung”): Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents, has a guaranteed claim to the refund of premiums, either at the agreed maturity date or in the event of death.
Attritional LR	Accident year losses less claims arising from natural catastrophes as per our group-level definition (please refer to “NatCat”) divided by premiums earned (net).
AuM	Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. They are managed on behalf of third parties as well as on behalf of the Allianz Group. Net flows: Net flows represent the sum of new client assets, additional contributions from existing clients (including dividend reinvestment), withdrawals of assets from and termination of client accounts, and distributions to investors. Market & dividends: Represents current income earned on and changes in fair value of securities held in client accounts. This also includes dividends from net investment income and from net realized capital gains to investors of open-ended mutual funds and closed-end funds.
AY LR	Accident year loss ratio: Please refer to “LR” (loss ratio).
AZ	Allianz

Glossary (2)

Bps	Basis points: 1 Basis point = 0.01%.
CEE	Central and Eastern Europe
CIR	Cost-income ratio: Operating expenses divided by operating revenues
CO	(The Allianz business segment) Corporate and Other
CR	Combined ratio: Represents the total of acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, and claims and insurance benefits incurred (net), divided by premiums earned (net).
Current yield	Represents interest and similar income divided by average asset base at book value.
DAC	Deferred acquisition costs: The expenses of an insurance company which are incurred in the acquisition of new insurance policies, or the renewal of existing policies, and capitalized in the balance sheet. They include commissions paid, underwriting expenses, and policy issuance costs.
Economic reinvestment yield	Reflects the reinvestment yield, including F/X hedging costs on non-domestic hard-currency F/X bonds as well as expected F/X losses on non-domestic emerging-market bonds in local currencies. The yield is presented on an annual basis.
EIOPA	European Insurance and Occupational Pensions Authority
EPS	Earnings per share: Calculated by dividing the respective period's net income attributable to shareholders, adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity, by the weighted average number of shares outstanding (basic EPS). To calculate diluted earnings per share, the number of common shares outstanding and the net income attributable to shareholders are adjusted to include the effects of potentially dilutive common shares that could still be exercised. Potentially dilutive common shares result from share-based compensation plans (diluted EPS).
ER	Expense ratio: Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).
F/X	Foreign exchange rate
FIA	Fixed index annuity: Annuity contract under which the policyholder can elect to be credited based on movements in equity or in bond market indices, with the principal remaining protected.

Glossary (3)

FV	Fair value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
FVO	Fair-value option: Financial assets and liabilities designated at fair value through income are measured at fair value, with changes in fair value recorded in the consolidated income statement.
Goodwill	Difference between the cost of acquisition and the fair value of the net assets acquired.
Government bonds	Government bonds include government and government agency bonds.
GPW	Gross premiums written: Please refer to “Premiums written/earned” as well as “Gross/net”.
Gross/net	In insurance terminology the terms “gross” and “net” mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term “net” is used where the relevant expenses have already been deducted.
Harvesting	Includes realized gains/losses (net) and impairments of investments (net).
Held for sale	A non-current asset is classified as held for sale if its carrying amount will principally be recovered through a sale transaction rather than continued use. On the date a non-current asset meets the criteria for being considered as held for sale, it is measured at the lower of its carrying amount and its fair value less costs to sell.
IFRS	International Financial Reporting Standards: As of 2002, the term IFRS refers to the total set of standards adopted by the International Accounting Standards Board. Standards approved before 2002 continue to be referred to as International Accounting Standards (IAS).
IMIX	Our Inclusive Meritocracy Index (IMIX) measures the progress of the organization on its way towards inclusive meritocracy. This internal index is based on ten items from the Allianz Engagement Survey (AES) which deal with leadership, performance, and corporate culture.
Internal growth	Total revenue performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
JV	Joint venture
KPI	Key performance indicator

Glossary (4)

L/H

L/H lines of business

(The Allianz business segment) Life and Health insurance

Guaranteed savings & annuities: Life insurance products linked to life expectancy, offering life and / or death benefits in the form of single or multiple payments to beneficiaries and possibly including financial and non-financial guarantees.

Capital-efficient products: Products that are based on the general account but involve a significantly lower market risk, either through comprehensive asset/liability management or through significant limitation of the guarantee. This also includes hybrid products which, in addition to conventional assets, invest in a separate account (unit-linked). Capital-efficient products offer a guaranteed surrender value at limited risk, due to, e.g. precise asset-liability management or market value adjustment.

Protection & health: Insurance products covering the risks associated with events that affect an individual's physical or mental integrity.

Unit-linked [products] without guarantees: With conventional unit-linked products, all benefits under the contract are directly linked to the value of a set of assets which are pooled in an internal or external fund and held in a separate account by the insurer. In this constellation, it is the policyholder rather than the insurer who bears the risk.

The objective of the "Life/Health operating profit sources" analysis is to explain movements in IFRS results by analyzing underlying drivers of performance, consolidated for the Life/Health business segment.

L/H operating profit sources

Loadings & fees: Includes premium and reserve-based fees, unit-linked management fees, and policyholder participation in expenses (if and as applicable).

Investment margin: Is defined as IFRS investment income, net of expenses, less interest credited to IFRS reserves as well as policyholder participation in the investment result.

Expenses: Includes commissions, acquisition, and administration expenses.

Technical margin: Comprises risk result (risk premiums less benefits in excess of reserves), lapse result (surrender charges and commission clawbacks) and reinsurance result, all net of policyholder participation (as applicable).

Impact of change in DAC: Represents the net impact of the deferral and amortization of both acquisition costs and front-end loadings on operating profit. Includes effects of changes in DAC and URR.

LatAm

Latin America: South America and Mexico

Glossary (5)

LoB	Line of business
LR	Loss ratio: Represents claims and insurance benefits incurred (net), divided by premiums earned (net). The calendar year (CY) loss ratio includes the results of the prior year's reserve development in addition to the accident year (AY) loss ratio.
LTC	Long-term care
MCEV	Market-consistent embedded value: A measure of the consolidated value of shareholders' interests in the covered business. It is defined as the excess of the market value of assets over the market value of liabilities as of the valuation date. As such, the MCEV excludes any item not considered shareholder interest, such as the Going Concern Reserve and Surplus Fund.
NatCat	Accumulation of claims that are all related to the same natural or weather/atmospheric event during a certain period and where the estimated gross loss for the Allianz Group exceeds EUR 20mn.
NBM	New-business margin: Performance indicator to measure the profitability of new business in the Life/Health business segment. It is calculated as the value of new business, divided by the present value of new-business premiums, both based on the same assumptions to ensure a valid and meaningful indicator.
Non-controlling interests	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
NPE	Net premiums earned: Please refer to "premiums written/earned" as well as "gross/net".
NPS	Net promoter score: 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.
OE	Operating entity
Ogden rate	Discount (Ogden) rate is used by British courts to calculate the discounted values of future losses in bodily injury claims paid out as lump-sum payments. It largely impacts motor, but also liability lines.
OP	Operating profit: Earnings from ordinary activities before income taxes and non-controlling interests in earnings, excluding (if and as applicable for each business segment) all or some of the following items: income from financial assets and liabilities carried at fair value through income (net), realized gains/losses (net), impairments of investments (net), interest expenses from external debt, amortization of intangible assets, acquisition-related expenses, restructuring and integration expenses, and profit/loss of substantial subsidiaries held for sale, but not yet sold.

Glossary (6)

Operating SII earnings

Operating SII earnings represent the change in own funds, before tax and dividend accrual, that is attributable to the Allianz Group's ongoing core operations. As such, operating SII earnings comprise: expected return from existing business, new business value, operating variances and changes in assumptions, and interest expense on external debt.

Operating SII earnings exclude the following effects, which are disclosed separately in our analysis of own-funds movements: regulatory / model changes, economic variances driven by changes in capital market parameters, including F/X rates, taxes, non-operating restructuring charges, capital management (e.g. issuance or redemption of subordinated debt, dividend accruals and payments, share buy-back programs), one-off impacts from, e.g., the acquisition and disposal of subsidiaries, changes in transferability restrictions, and tier limits.

Own funds

P/C The capital eligible to cover the regulatory solvency capital requirement.

PHP (The Allianz business segment) Property and Casualty [insurance]

PIMCO Policyholder participation

PPE Pacific Investment Management Company Group

Provision pour participation aux excédents: The portion of the profit participation that is unpaid and has to be credited to policyholders in the future – either by virtue of statutory or contractual obligations or at the insurer's discretion.

Pre-tax operating capital generation

Represents the change in SII capitalization following regulatory and model changes and which is attributable to

a) changes in own funds as a consequence of operating SII earnings and

b) changes in SCR as a consequence of business evolution.

Factors such as market developments, dividends, capital management activities, taxes, etc. are not taken into account.

Premiums written/earned (IFRS)

“Premiums written” refers to all premium revenues recorded in the respective year.

“Premiums earned” refers to the part of the premiums written used to provide insurance coverage in that year. In the case of life insurance products that are interest-sensitive (e.g. universal life products) or where the policyholder carries the investment risk (e.g. variable annuities), only the part of the premiums that is used to cover the risk insured and the costs involved is treated as premium income.

PVNBP

Present value of new business premiums: I.e. the present value of future premiums on new business written during the period in question, discounted at a reference rate. This includes the present value of projected new regular premiums plus the total amount of single premiums received. PVNBP is shown after non-controlling interests, unless otherwise stated.

Glossary (7)

Reinsurance	Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies.
Retained earnings	In addition to the reserve legally required in the group parent company's financial statements, this item mainly comprises the undistributed profits of group entities as well as the amounts transferred from consolidated net income.
RfB	Reserves for premium refunds ("Rückstellungen für Beitragsrückerstattung"): The portion of the surplus that that is to be distributed to policyholders in the future – either by virtue of statutory or contractual obligations or obligations under the company bylaws, or at the insurer's discretion.
RILA	Registered index-linked annuities
RoE	<p>Return on equity – Group: Represents the ratio of net income attributable to shareholders to the average shareholders' equity at the beginning of the period and at the end of the period. The net income attributable to shareholders is adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity. From the average shareholders' equity undated subordinated bonds classified as shareholders' equity and unrealized gains/losses on bonds net of shadow accounting are excluded.</p> <p>Return on equity P/C OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, deducting goodwill and deducting participations in affiliates not already consolidated in this OE, at the beginning and at the end of the period.</p> <p>Return on equity L/H OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, and deducting goodwill at the beginning and at the end of the period.</p>
Run-off ratio	The run-off result (result from reserve developments for prior (accident) years in P/C business) as a percentage of premiums earned (net).
SII	Solvency II
SII capitalization	Ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
SCR	Solvency capital requirement
SE	Societas Europaea: European stock company
SFCR	Solvency and Financial Condition Report

Glossary (8)

Statutory premiums	Gross premiums written from the sales of life and health insurance policies, as well as gross receipts from sales of unit-linked and other investment-related products, in accordance with the statutory accounting principles applicable in the insurer's home jurisdiction.
Total equity	The sum of shareholders' equity and non-controlling interests.
Total revenues	The sum of P/C total revenues (gross premiums written & fee and commission income), L/H statutory premiums, operating revenues in AM and total revenues in CO (Banking).
UFR	Ultimate forward rate: The UFR is determined using the EIOPA methodology and guidelines, and is used for extrapolation of periods after the last liquid point defined by the SII regulation. The UFR is calculated for each currency based on expected real rates and inflation for the respective region. The UFR is subject to revision in order to reflect fundamental changes in long term expectations.
UL	Unit-linked: Please refer to "L/H lines of business".
Unrealized gains/losses (net) (as part of shareholders' equity)	Include unrealized gains and losses primarily from available-for-sale investments, net of taxes and of policyholder participation.
URR	Unearned revenue reserves: These comprise premium components (other than expense loadings) that refer to future periods. They are reserved and released over the lifetime of the corresponding contracts.
VA	Variable annuities: The benefits payable under this type of life insurance depend primarily on the performance of the investments in a mutual fund. The policyholder shares equally in the profits or losses of the underlying investments. In addition, the contracts can include separate guarantees, such as guaranteed death, withdrawal, accumulation or income benefits.
VNB	Value of new business: The additional value to shareholders that results from the writing of new business. The VNB is determined as present value of future profits, adjusted for acquisition expenses overrun or underrun, minus the time value of financial options and guarantees, minus a risk margin, all determined at issue date. Value of new business is calculated at point of sale, interpreted as at beginning of each quarter assumptions. In the case of the USA a more frequent valuation, using updated assumptions, is performed (bi-weekly).

Content/topics

1 Group financial results

2 Additional information

Glossary

Disclaimer

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 in-

dustry 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 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.