MOODY'S
INVESTORS SERVICE

CREDIT OPINION
2 October 2023

Update

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RATINGS

Allianz SE

Domicile	Germany
Long Term Rating	Aa2
Type	Insurance Financial Strength - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Allianz SE

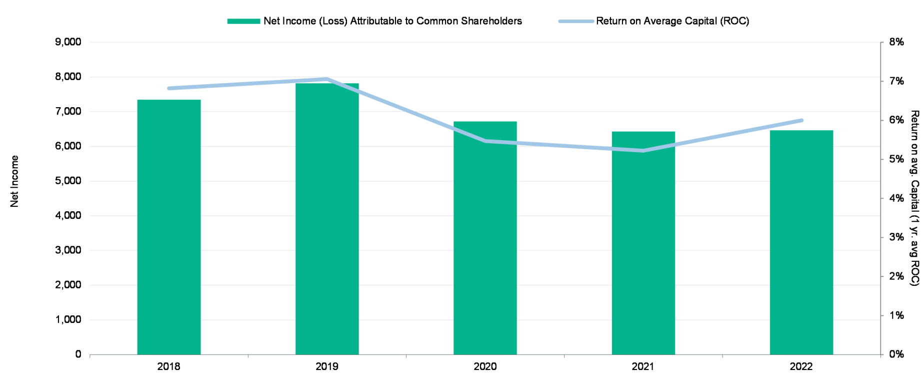
Update following rating upgrade

Summary

The credit profile of Allianz SE (rated Aa2 for insurance financial strength and senior debt) reflects the group's very strong franchise as well as business and geographic diversification, very strong and stable profitability, strong capitalisation and very good financial flexibility. Partially offsetting these strengths is the high exposure to asset risk, which has the potential to put pressure on the group's earnings and capitalisation.

Allianz SE has a track record of consistent strong profitability. A high level of recurrent profits enables the group to protect and grow its capital and enhances its financial flexibility. Allianz's earnings generation is supported by its superior franchise strength and a broad diversification. Allianz is one of the largest global insurers, with leading or very strong positions in many property and casualty (P&C) and life markets around the globe. Allianz also has a strong presence in asset management via PIMCO and Allianz Global Investors, a business which diversifies well with insurance and which is a source of large fee revenues.

Exhibit 1
Net Income and Return on Capital



Net Income and Capital as adjusted by Moody's
Sources: Moody´s Investors Service and company fillings

Credit profile of significant subsidiaries

For more information[1] please see the credit profiles of (1) Allianz Versicherungs-AG and Allianz Lebensversicherungs-AG, collectively referred to as Allianz Deutschland (rated Aa2 for insurance financial strength, stable outlook), (2) Allianz's Italian operations, Allianz S.p.A. (A2, negative), (3) Allianz's US life operations, Allianz Life Insurance Company of North America (Aa3, stable), (4) Euler Hermes SA "Allianz Trade" (Aa2, stable), (5) Allianz Taiwan Life Insurance Company Ltd. (A1 stable).

Credit strengths

» Very strong global franchise and market positions in mostly all markets Allianz is operating in

» Strong degree of diversification between P&C and life, with asset management providing additional diversification benefit

» High profitability levels with low volatility

» Good capitalisation

» Very strong financial flexibility

Credit challenges

» Protect profits and capital from an elevated high risk asset exposure, notably equity exposure, compared to peers

» Manage the impact of macroeconomic headwinds on profitability, notably as inflation weigh on the P&C combined ratio

» Stabilise and improve asset management profits following the strong decline in Assets under Management and some outflows in 2022

Rating outlook

The outlook for Allianz SE is stable, reflecting our expectation that Allianz will maintain a very diversified business profile, enabling it to continue to generate high level of earnings. We also expect Allianz to maintain a Solvency II ratio above 200% and that the sensitivity of this ratio to equities will not increase.

Factors that could lead to an upgrade

Given Allianz SE's very high ratings level, the group's current dividend policy and its exposure to financial risks, we consider that an upgrade of the Aa2 insurance financial strength rating (IFSR) is unlikely in the next 12-18 months.

Factors that could lead to a downgrade

Allianz SE's ratings could be downgraded if:

» the group's Solvency II ratio (excluding the impact of transitional measures on the German business) would fall below 200%,

» its profitability would sustainably go down from its current level, or if the volatility of its profits would increase materially,

» its level of diversification would reduce materially, for example following the divestment of a major operation,

» its asset quality weakened or its equity risk exposure increased.

Key indicators

Allianz SE

Allianz SE [1][2]	2022	2021	2020	2019	2018
As Reported (Euro Millions)					
Total Assets	1,021,503	1,139,429	1,060,012	1,011,185	897,567
Total Shareholders' Equity	55,242	84,221	84,595	77,365	63,679
Net Income (Loss) Attributable to Common Shareholders	6,619	6,541	6,807	7,914	7,462
Gross Premiums Written	94,190	86,063	82,986	82,919	77,824
Life Insurance Gross Premiums Written	26,568	25,884	25,315	25,820	24,315
Property & Casualty Insurance Gross Premiums Written	67,716	60,273	57,772	57,210	53,636
Net Premiums Written	86,112	78,496	76,234	77,372	72,683
Moody's Adjusted Ratios					
High Risk Assets % Shareholders' Equity	233.5%	178.9%	141.1%	150.9%	147.2%
Reinsurance Recoverable % Shareholders' Equity	98.2%	65.1%	24.4%	23.5%	25.1%
Goodwill & Intangibles % Shareholders' Equity	84.1%	44.7%	38.4%	43.8%	53.7%
Shareholders' Equity % Total Assets	5.0%	7.0%	8.0%	7.7%	7.4%
Return on Average Capital (ROC)	6.0%	5.2%	5.5%	7.1%	6.8%
Sharpe Ratio of ROC (5 yr.)	757.2%	764.1%	1052.5%	2092.1%	3111.2%
Adv. (Fav.) Loss Dev. % Beg. Reserves	-3.8%	-2.2%	-0.7%	-1.9%	-3.5%
Adjusted Financial Leverage	29.0%	24.7%	24.0%	24.7%	26.4%
Total Leverage	36.9%	30.3%	29.0%	28.6%	31.0%
Earnings Coverage	9.4x	10.8x	11.6x	10.7x	9.1x

[1] Information based on IFRS financial statements as of the fiscal year ended 31 December. Fiscal year ended 31 December 2022 figures are based on IFRS 4 [2] Certain items may have been relabeled and/or reclassified for global consistency.
Sources: Moody's Investors Service and company fillings

Profile

Allianz SE is the ultimate holding company of the Allianz group and is publicly traded on the Frankfurt Stock Exchange. It is also an operating company, however as such it only writes reinsurance business, most of which is intragroup. Allianz is the largest P&C insurer globally, among the top 5 life insurers, and one of the largest global asset managers. It also has a leading position in global corporate and specialty business, and is the leading provider of trade credit insurance and travel insurance and assistance services.

Detailed credit considerations

We rate Allianz SE Aa2 for insurance financial strength which is in line with the adjusted score indicated by our rating scorecard.

The significant increase in interests rate during 2022 has reduced the carrying value of fixed income securities held by Insurers. For Allianz SE, this resulted in a 23% reduction in reported equity as at YE2022. Although the impact of higher rates on fixed income investments is generally economically offset by the impact on insurance reserve liabilities, under reporting standards in effect at year-end 2022, reported insurance liabilities were not affected by the increase in rates.

Further, Allianz began reporting under the new insurance accounting regime, IFRS 17, as of 1 January 2023. The application of IFRS 17 may significantly affect the overall presentation of financial statements as well as certain reported amounts, including shareholders' equity, insurance liabilities, revenue and net income. Scorecard metrics whose inputs are affected by the application of IFRS 17 may result in values and unadjusted scores that are significantly different from what was reported under the company's legacy reporting.

Insurance financial strength rating

The key factors currently influencing the rating and outlook are:

Market position and brand: Very strong global franchise including leading position in Germany

Allianz has a very strong global footprint being the largest global P&C insurer, among the top 5 life insurers, and one of the largest global asset managers. The group's very strong franchise, which we expect Allianz to maintain, includes a leading position in Germany where it has the largest market shares in life and non-life business, as well as leading positions in France, Italy, Switzerland and the United Kingdom. In addition, Allianz has a leading position in global corporate and specialty business, and is the leading provider of credit insurance (Euler Hermes “Allianz Trade”) and travel insurance and assistance services globally (Allianz Partners). Through Pimco and Allianz Global Investors, Allianz also has a strong presence in the global asset management industry.

Furthermore, Allianz is taking steps to grow inorganically, mostly via moderately sized acquisitions in markets where the group is already operating. Most transactions over recent years were to further strengthen local presences and moving closer to local market leadership, examples include acquisitions in Australia, Brazil, Italy, Poland or the UK. However, the group also divested businesses with unfavorable risk characteristics or weaker market positions.

The group also wants to grow organically. In life and asset management, Allianz aims for higher convergence of the two segments and additional growth in protection and health business. In P&C, the group aims for growth both in retail and commercial lines, also based on expansion in higher growth market. Overall, growth ambitions are based on further unifying operating models across markets and segments and increasing penetration of customer facing platforms.

Distribution: Strong diversity and control

Allianz's distribution is strong, with access to a variety of channels in many of the countries in which it operates. For its life business, there is a strong focus on tied agents, especially in Germany, which is the group's largest distribution channel. The other significant channels are brokers, as well as bancassurance, which is growing and where the group has exclusive distribution agreements in various regions such as with HSBC in Asia for life insurance, with UniCredit in Italy and several CEE countries for life and P&C, with Commerzbank, Santander and HypoVereinsbank in Germany for both life and P&C, and effective from December 2020 with BBVA in Spain for P&C.

Allianz is also developing new digital distribution models and its new pan-European direct insurance brand Allianz Direct became operational in late 2019, however traction of this channel varies across countries.

Product focus and diversification: Very strong diversification partially offset by risks from life book

Allianz benefits from very strong diversification by business lines. In 2022, operating profits were well balanced between non-life (42% of operating profit excluding corporate, consolidation and other), life & health (36%) and asset management (22%). The group's geographic diversification is also very strong, with the majority of operating profits being generated in European businesses and sizable contributions from other regions, as well as by global lines and asset management, which are well diversified geographically by nature.

Allianz's key product risk is in the life segment, which still has relatively high guarantees in many core markets, notably Germany. However, Allianz's exposure to interest rate risk has reduced materially over the recent years. Thanks to both proactive new business (with the active sale of less interest-rate sensitive products) and back-book management (including reinsurance transactions), the share of unit-linked and protection products has increased and the average inforce guaranteed rate has fallen to 1.6% at year-end 2022 from 2.7% at year-end 2011 and the group has been able to preserve investment margins over this period. In addition, Moody's believes guaranteed rate commitments are well covered for the foreseeable future thanks to very strong asset-liability management, as evidenced by the low sensitivity of the groups's Solvency II ratio to a change in interest rates.

Allianz's P&C product risk is moderate overall, reflecting exposure to short-tail as well as longer-tail lines and to all customer groups, from small-scale retail over small and medium enterprises to large commercial insurance risks.

Global Lines also brings exposure to specific risks, such as a sharp deterioration in the macroeconomic environment for Allianz Trade, but none of these specific businesses has a predominant weight in the overall group's business mix.

Asset Quality: Relative high exposure to equity, but risk sharing with policyholders mitigate risks

The group's high risk assets ratio (equities, investment property, and below investment grade/unrated debt securities as a % of shareholders' equity) was relatively high at 234% at YE 2022. It increased significantly from 179% at YE 2021 but the increase was largely driven by the decline in shareholders' equity resulting from the increase in interest rates and the accounting mismatch between assets and liabilities which prevailed under IFRS 4. Adjusting for this effect, the ratio remains high compared to European and global peers. In particular, the exposure to equities (12% of assets as at YE 2022) is high.

In the past decade, Allianz also increased its exposure to alternative investments such as mortgages, real estate, private placements, infrastructure and private equity. During 2022, these investments grew by 8% to €228.8 billion (c.59% of this amount comprising mortgages and real estate) representing about 33% of the investment portfolio. Whilst enhancing yield and matching well with the group's illiquid liabilities, Moody's believes that these investments also add more risk to the group's investment portfolio.

However, as most of the exposure to risky assets pertains to portfolios matching European participating life business, potential losses on this portfolio in a stress situation could be shared with policyholders. Allianz also implemented hedges to cover downside risks on part of the listed and unlisted equity portfolio.

Allianz's exposure to Italian sovereign bonds (Government of Italy, Baa3, negative outlook) has significantly reduced over past years, from 52% of the Group's reported shareholders' equity at year-end 2014 to 32% at year-end 2022. The average quality of the fixed income securities remained good at YE 2022 with 62% of debt securities rated A or above.

Following the increase in interest rates and the lower incentives to chase yields, we don't expect the group's exposure to equities or alternative assets to increase significantly.

Our assessment of asset quality also takes into account intangible assets. The ratio of goodwill and intangibles to adjusted equity increased in 2022 to 84.1% from 44.7% at year-end 2021. The increase is largely due to the marked fall in shareholders' equity, as well as increased deferred acquisition costs. The high ratio is mainly driven by deferred acquisition costs, where Allianz has no track record of meaningful impairments. Excluding these from the calculation would result in a ratio of around 30%. Under IFRS 4, deferred acquisitions costs (DAC), present value of acquired future profit and distribution agreements were recognized separately as assets on insurers' balance sheets. Under IFRS 17, these items will be implicitly deferred within the contractual service margin (CSM), a component of the insurance contract balance sheet liability.

The group's reinsurance recoverables have increased in 2022 to 98.2% of shareholders' equity from 65.1% in 2021. The increase was again driven by a lower equity but reinsurance recoverables already increased in 2021 due to the life back book reinsurance transactions in the US and Switzerland in 2021 with a total amount ceded of € 35.1 billion of gross life and annuity reserves.

Capital Adequacy: Very Strong capitalisation although sensitive to market volatility

Allianz's capitalisation is strong, and we expect the group to maintain its Solvency II ratio above 200% (208% as at 30 June 2023) on a sustainable level, excluding the technical provision transitional measures which Allianz applies for its German life and health insurance operations.

Reported sensitivities of Allianz's Solvency II coverage to financial markets are moderate. At mid-year 2023, the largest sensitivity was against a 30% fall in equity markets (-12%points), followed by 50bps increase in credit spreads on government bonds (-4%points) and a decrease in interest rates by 50bps (-3%points). Sensitivity to a downturn in equity markets is higher than peers, but it is offset by a lower sensitivity to interest rates changes as the group gradually closed the duration gap between its assets and liabilities. Therefore, overall, a shock combining stresses on equities, interest rates and spread would not penalise Allianz's Solvency II ratio more than peers.

Our view of Allianz's capitalisation is also supported by the group's very high level of earnings generated consistently, which can be used to absorb risks and which is a strong source of capital generation. This offsets Allianz's lower level of economic capital compared to peers. As an example, in 2022, Allianz's capital generation represented approximately 27%points of solvency ratio. A large part of these earnings is currently returned to shareholders through dividends and share buy backs, but it is in general available to absorb all sorts of stresses.

While IFRS 17 will impact the group's shareholders' equity, this will not impact Allianz's economic capital and our view of the group's capital adequacy.

Allianz SE reported that on transition to IFRS 17, the CSM, relating to long-term life and health business, amounted to €53.4 billion and a Risk Adjustment (RA) of €7.2 billion, both of which will over time emerge as profit. As of Q2 2023, the CSM stood at €54.1 billion and the RA at €7.3 billion. We believe the CSM has some equity-like features, most notably because it will absorb some adverse impacts from changes in actuarial and/or financial assumptions, which directly eroded insurers' equity under the previous accounting standards.

Profitability: Strong underlying operating performance to be maintained in the long-term

The group reported return on capital (ROC; Moody's calculations, based on IFRS 4 figures and with capital comprising shareholders' equity, free RfB reserve and hybrid capital) of 6.0% in 2022 and 5.2% in 2021, in line with the average 6.1% of the last 5 years.

Furthermore, volatility of earnings has been relatively low, despite the negative Covid-19 impact in 2020 and that of the Structured Alpha Funds issue in 2021 and the first quarter of 2022. Despite slower economic growth, high inflation and financial markets volatility, Allianz reported a 6% growth in operating profits in 2022 (to €14,164 million under IFRS 4) and a 15% growth in the first half of 2023 (to €7,513 million under IFRS 17). In the last 18 months, growth in P&C and life profits more than offset a decrease in asset management profits. The high degree of diversification in terms of segment earnings, including the asset management operations, are a key driver of Allianz's strong profitability.

Allianz reported an average price change on P&C renewals of 7.4% for the first half of 2023, up from 4.9% reported for full-year 2022. However, higher claims inflation and claims frequencies trending back to pre-pandemic levels are putting pressure on underwriting profitability - particular in retail lines. Although price increases in the retail P&C segment will only offset claims inflation with some delay, Allianz's results will benefit from higher interest rates, in P&C (where the economic reinvestment yield increased to 4.6% in Q2 2023, up from 3.1% in 2022 and 1.4% in 2021) as well as gradually in the life segment. Strong diversification and active exposure management also enable Allianz to limit the impact of increased reinsurance retention as reinsurers are reducing their risk appetite.

The group is also exposed to limited surrender risk in the life segment thanks to a very diversified client base and a good control of its distribution overall. Nonetheless, new business volumes are down as life insurance policies currently suffer from competition with other savings products after the sharp rise in interest rates in 2022. The present value of new business premiums (PVNBP) were down 3.8% in the first half of 2023 and 15.7% in 2022. However, as most of the profits are generated from outstanding reserves, the decline in new business will have little impact on operating profits in the next 12-24 months.

Asset management profits have been trending down in recent months, partly as a result of a decrease in assets under management following the rise in interest rates, partly offset by a weakening of the Euro against the US Dollar. Nonetheless, the business remains a very large contributor to Allianz's profits (18% of the group’s operating profits in H1 2023) and significantly contribute to capital generation. While the Structured Alpha Funds issue may have resulted in reputational issues for Allianz’s asset management business, the group reported positive net flows in the first half of 2023.

The net income did not grow at the same pace as operating profits in 2021 and 2022. This is primarily due to the losses related to the Structured Alpha issue. Going forward, we expect net income to be closer to operating profits after tax as the Structured Alpha issue has been settled.

Liquidity & Asset Liability Management: Low liquidity risk and strong ALM capabilities

We view Allianz's ALM capabilities as very strong and the group's life guaranteed rate commitments, on average 1.7% at YE 2022, are well covered.

In 2022, Allianz reported a spread between the current yield (3.41%, based book values of assets) and the average guaranteed rate (1.65%, based on technical reserves) of c.180bps, compared to c.150bps in 2014. Yields on reinvestments and new investments have improved recently in line with market development with positive impact on the spread.

Liquidity of the group is very strong (also see section Liquidity Profile below). While Allianz has operations in France and Italy, countries where surrender risk is high, the risk is mitigated by a strong control of the distribution overall in these two countries. While surrender rates have increased in specific portfolios distributed through banks, this remains small at the level of the group.

Reserve Adequacy: Consistently favourable reserve development

The reserve adequacy of Allianz is strong. The group has consistently released reserves and over the last ten years. Prior year releases have benefited its combined ratio by a meaningful average of around 3.2% points. In 2022, the reported run-off ratio was at 4.3%, thanks to some releases of covid-related reserves, more than offsetting some reserve strengthening at AGCS.

While the proportion of commercial/specialised risks in Allianz's business mix is meaningful, and these segments carry a higher level of reserving risk, Allianz benefits from a very diversified book of business overall. Going forward, we expect the group will continue to report reserve releases although at lower levels than in the past as a result of the higher inflation.

Financial Flexibility: Very strong access and healthy leverage and coverage ratios

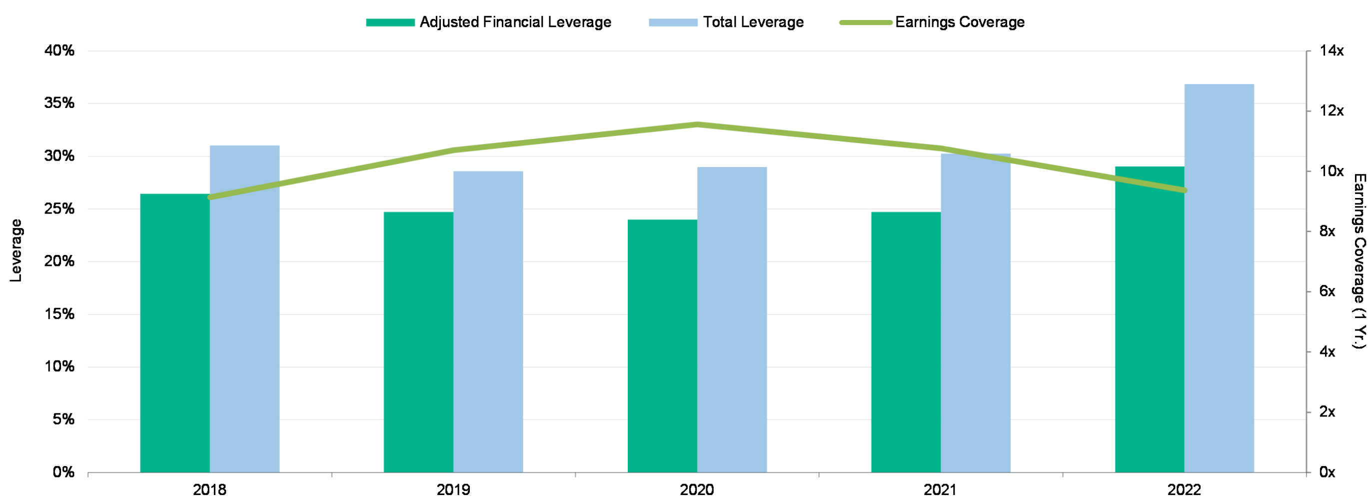
Allianz's adjusted financial leverage and total leverage increased in 2022 to 29.0% (YE 2021: 24.7%) and 36.9% (YE 2021: 30.3%) respectively, as a result of lower shareholders' equity.

Allianz Group has historically been an active user of debt. Allianz SE either guarantees or directly issues most of the Group's debt, with a significant share of past debt issuance out of the vehicle Allianz Finance II B.V.. In 2023, Allianz issued €1.25 and $1.0 billion of Tier 2 subordinated debt, after issuing €2.5 billion in 2022 and Restricted Tier 1 bonds amounting to around €4.7 billion in 2020 and 2021. At the same time it bought back €587.5 million of debt in 2023 and called €1.5 billion of subordinated debt in 2022. Moody's considers the refinancing risk to be limited in the coming few years, given Allianz's well balanced debt profile, cash position and access to capital markets.

The 5 year average earnings coverage for FY 2022 of 10.3x, which is within Moody's expectations for Aa rated companies, improved from 10.2x for FY 2021. The 1 year earnings coverage ratio declined to 9.4x in 2022 from 10.8x in 2021 reflecting the negative impact of the coupons on the Tier 1 capital on interest expense.

Exhibit 3

Financial Flexibility



Source: Moody´s Investors Service and company fillings

The group's leverage ratios will be altered by the transition to IFRS 17, owing to the change in reported shareholders' equity and creation of the CSM. However, we do not believe that these changes will hamper Allianz's access to capital markets, alter its ability to service its outstanding debt or lead to changes in the group's financial policies or appetite for debt.

Liquidity analysis

Allianz SE's primary source of cash-flow is from its directly and indirectly held participations in insurance operations (please note: all figures in this paragraph are based on the local GAAP single legal entity annual reports). In 2022, Allianz SE received from its directly held participations about €7.1 billion (YE 2021: €6.2 billion) of dividends, as well as €2.2 billion (YE 2021: €2.3 billion) of income from profit transfer agreements, while it reported a strong increase in net technical result from reinsurance business of €1.2 billion (YE 2021: €24 million). At the same time, Allianz SE incurred €0.9 billion of interest expense (YE 2021: €0.8 billion) and the total dividends paid in 2022 for 2021 were €4.4 billion (dividend paid in 2021 for 2020 was €4.0 billion). Further, in 2022 Allianz bought back shares amounting to €1.0 billion. Allianz ultimately plans and manages the Allianz SE result (net earnings of €4.9 billion in 2022 and €5.0 billion in 2022) in line with the liquidity needs of the group.

Allianz SE maintains a USD CP programme and Euro CP programme. USD CP (through a $5.0 billion programme) is issued via vehicle Allianz Finance Corporation, whose very strong liquidity is supported by an unconditional and irrevocable guarantee from Allianz SE.

The US CP stood at $0.2 billion as of YE 2022. The majority of US CP issuance is issued on a 2-day settlement basis. The group's Euro CP issuance programme (€5.0 billion maximum) is issued directly through Allianz SE and the outstanding amount as at YE 2022 was around €1.0 billion.

Allianz SE as the group holding company and internal reinsurer maintains a significant level of highly liquid assets (cash, bonds, tradable equities) on its own balance sheet, in respect of shareholder funds and policyholder obligations, which could be used to support short-term liquidity needs at Allianz SE or its financing subsidiaries. Allianz SE also manages a cash pool which includes all German operating companies and the majority of European entities, such that liquid assets could be made available to the holding company from certain key subsidiaries at short notice. In addition, Allianz SE benefits from substantial committed, long-term bank credit lines and LOC facilities. Therefore, in Moody's opinion, the group is able to unambiguously meet all its near-term maturing obligations.

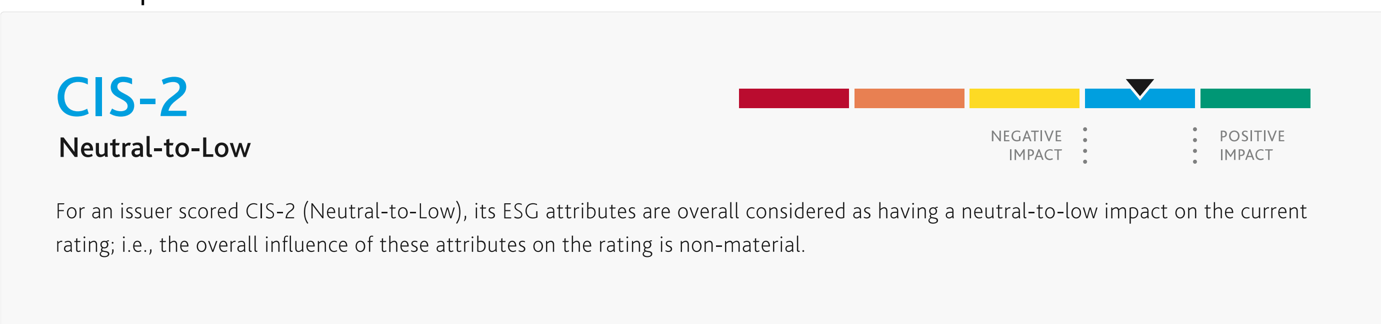
Structural considerations

Allianz SE is the ultimate holding company of the group and is also an operating company, however as such it only writes reinsurance business, most of which is intragroup. As a result of this special status, Allianz SE's insurance financial strength and senior debt ratings are assigned at the same level, Aa2, and the subordinated debt rating at A1(hyb). This is consistent with Moody's standard notching approach for reinsurance operating companies. Allianz SE's restricted tier one notes are rated A3(hyb), based on a model which takes into account the group's creditworthiness as captured by the Aa2 and Moody's expectation regarding future Solvency II ratios.

ESG considerations

Allianz SE's ESG Credit Impact Score is Neutral-to-Low CIS-2

Exhibit 4
ESG Credit Impact Score



Source: Moody's Investors Service

Allianz's **CIS-2** indicates the limited impact of environmental social and governance factors on the rating to date. Allianz's strong risk management, effective governance and strong capitalization partially mitigate its environmental and social risks, in particular carbon transition risk, physical climate risk and customer relations risk.

Exhibit 5
ESG Issuer Profile Scores

Source: Moody's Investors Service

Environmental

Allianz has moderate environmental risks. The insurer is exposed to carbon transition risk through the assets held in its investment portfolio, particularly in its traditional life books with inherently high asset leverage, and strategic risk related to the increasing stakeholder focus on its environmental stewardship. Allianz manages these risks through its sophisticated risk and portfolio management capabilities, along with the increasing alignment of its business with the transition to a low-carbon economy. The asset management operations have low exposure to environmental risk. The P&C insurance business' exposure to physical climate risk is moderate in the context of the overall group and is managed through exposure diversification and reinsurance, as well as the ability to re-price exposures.

Social

Allianz has high exposure to social risks, in particular customer relations risk in relation to the sale of its products and the significant interaction with its retail customers, particularly in its life insurance and asset management businesses. In addition, as a globally diversified group, Allianz is exposed to various regulatory and legal regimes. Rising digitization and interconnectedness of devices will increase customer privacy and data security risks. Allianz is exposed to litigation and regulatory investigations related to a part of its asset management operations, which indicate higher risk related to the responsible production of financial products.

Governance

Allianz faces low governance risks, and its risk management, policies and procedures are in line with industry best practices. The group has a clear financial strategy, and its management has a strong track record of achieving business and financial objectives. As a global multi-line financial services provider, Allianz has heightened organizational complexity and is exposed to potential compliance challenges, as is the case for its asset management operations.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Rating methodology and scorecard factors

Exhibit 6

Allianz SE

Financial Strength Rating Scorecard [1][2]	Aaa	Aa	A	Baa	Ba	B	Caa	Score	Adj Score
Business Profile								Aa	Aa
Market Position and Brand (20%)								Aaa	Aa
-Relative Market Share Ratio	X								
Distribution (5%)								Baa	Aa
-Distribution Control				X					
-Diversity of Distribution			X						
Product Focus and Diversification (10%)								A	Aa
-Product Risk - P&C			X						
-Product Risk - Life				X					
-Product Diversification	X								
-Geographic Diversification		X							
Financial Profile								A	Aa
Asset Quality (10%)								Ba	A
-High Risk Assets % Shareholders' Equity					233.5%				
-Reinsurance Recoverable % Shareholders' Equity			98.2%						
-Goodwill & Intangibles % Shareholders' Equity						84.1%			
Capital Adequacy (15%)								Baa	Aa
-Shareholders' Equity % Total Assets				5.0%					
Profitability (15%)								Aa	Aa
-Return on Capital (5 yr. avg.)			6.1%						
-Sharpe Ratio of ROC (5 yr.)	757.2%								
Liquidity and Asset/Liability Management (5%)								Aa	Aa
-Liquid Assets % Liquid Liabilities		X							
Reserve Adequacy (5%)								Aa	Aa
-Adv. (Fav.) Loss Dev. % Beg. Reserves (5 yr. wtd. avg.)		-2.5%							
Financial Flexibility (15%)								Aa	Aa
-Adjusted Financial Leverage		29.0%							
-Total Leverage			36.9%						
-Earnings Coverage (5 yr. avg.)		10.3x							
Operating Environment								Aaa - A	Aaa - A
Preliminary Standalone Outcome								A1	Aa2

[1] Information based on IFRS financial statements as of fiscal year ended December 31, 2022. [2] The Scorecard rating is an important component of the company's published rating, reflecting the standalone financial strength before other considerations (discussed above) are incorporated into the analysis.

Source: Moody's Investors Service

Ratings

Exhibit 7

Category	Moody's Rating
ALLIANZ SE	
Rating Outlook	STA
Insurance Financial Strength	Aa2
Senior Unsecured MTN	(P)Aa2
Commercial Paper	P-1
Subordinate	A1 (hyb)
Junior Subordinate	A1 (hyb)
Pref. Stock Non-cumulative	A3 (hyb)

Source: Moody's Investors Service

Endnotes

1 Please note: the ratings and outlooks stated here are the current ones at the time of publication but might have changed since then

REPORT NUMBER 1369618

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