ALLIANZ SE

Building confidence in tomorrow

Annual Report 2022

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TO OUR INVESTORS

A

SUPERVISORY BOARD REPORT

Ladies and Gentlemen,

As in previous years, the Supervisory Board comprehensively fulfilled its duties and obligations as laid out in the company statutes and applicable law in the financial year 2022. It monitored the activities of the company's Board of Management, addressed the succession planning for the Board of Management, and advised it on business management issues. It intensively dealt with the resolution of the U.S. governmental investigations and the lawsuits over the Structured Alpha Funds of AllianzGI U.S. LLC and the internal review of this matter.

Overview

In the financial year 2022, the Supervisory Board held six regular meetings as well as three extraordinary meetings. In addition, following the elections to the Supervisory Board, a constitutive meeting was held after the Annual General Meeting on 4 May 2022. The regular meetings took place in February, March, May, June, September, and December, and the extraordinary meetings were held in January, March, and May. Seven of the total number of ten meetings were held as video conferences. The other three meetings were held as in-person meetings.

At all of the regular meetings held in the financial year under review, the Board of Management informed the Supervisory Board about the development of business at Allianz SE and the Allianz Group. In particular, the Board of Management presented the development of Group revenues and results as well as business developments in the individual business segments. The Board of Management provided comprehensive information about the development of Allianz SE and the Allianz Group, including deviations of actual business developments from the planning. In this context, the Board of Management also regularly discussed the adequacy of capitalization and the solvency ratio of Allianz SE and the Group as well as the corresponding stress and risk scenarios with the Supervisory Board. The annual and consolidated financial statements, including the respective auditor's reports as well as the half-yearly and quarterly reports, were reviewed in detail by the Supervisory Board after preparation by the Audit Committee.

The meetings focused in particular on the ongoing discussion of the civil and administrative proceedings in connection with the AllianzGI U.S. Structured Alpha Funds and the internal review of this matter, in particular the resulting internal investigations launched, and the measures adopted by the Board of Management of Allianz SE. In this context, the Supervisory Board also regularly monitored the progress of the measures initiated by the Board of Management on the basis of the findings from the investigations. In order to ensure the appropriate and close monitoring of the Structured Alpha proceedings and of the internal clarification and review of the matter, including the root causes of the incurred fund losses in the spring of 2020, in accordance with the duties of the Supervisory Board, the Supervisory Board delegated to the Audit Committee the tasks of closely monitoring the Structured Alpha matter on an ongoing basis and of regularly reporting to the full Supervisory Board. In this context, it continued to be supported by the working group of the Audit Committee, which had already been set up in the previous year. The Audit Committee and the Supervisory Board again obtained independent advice relating to the Structured Alpha matter in the financial year 2022 from the law firm commissioned by the Supervisory Board. At its five regular and additional four extraordinary meetings, the Audit Committee comprehensively discussed questions related to the Structured Alpha matter; the working group of the Audit Committee met a total of ten times in the financial year. At its six regular meetings and in three additional extraordinary meetings, the full Supervisory Board extensively dealt with the matter. In the first half of 2022, a special focus was on the progress of the negotiations and talks with investors in the Structured Alpha Private Funds in the U.S. and the targeted settlement of the proceedings with the U.S. Department of Justice (DOJ) and the U.S. Securities and Exchange Commission (SEC). At several meetings, the Supervisory Board comprehensively discussed with the Board of Management the deliberations and considerations of the Board of Management relating to the conclusion of settlements with investors and the U.S. authorities, supported in each case by the law firm commissioned. The Supervisory Board also extensively dealt with the question of potential responsibility at the level of the Board of Management of Allianz SE and commissioned the external legal advisors to conduct independent investigations and analyses relating to potential claims for damages against former or current Board of Management members of Allianz SE. The legal advisors concluded that such claims for damages did not exist in connection with the Structured Alpha matter and discussed this in detail with the Audit Committee and the full Supervisory Board.

In addition to the impact of the war in Ukraine on overall economic conditions as well as on the insurance industry and Allianz employees, the reports and deliberations also focused on a range of strategic topics, including the risk strategy and IT strategy, and the Board of Management's planning for the financial years 2023/2024, with a special focus on the strategic areas of human resources and growth. Cyber risk security and the effects of rising inflation rates and interest rates on the insurance business were also regularly discussed. Furthermore, the Supervisory Board dealt extensively with personnel matters relating to the Board of Management as well as succession planning for the Board of Management and the Supervisory Board. The deliberations of the Supervisory Board and various committees also included establishing target achievement and setting targets for the remuneration of the Board of Management.

The Supervisory Board received regular, timely and comprehensive reports from the Board of Management. The Board of Management's oral reports at the meetings were prepared with written documents, sent to each member of the Supervisory Board in good time before the relevant meeting. The Board of Management also informed the Supervisory Board in writing about important events occurring between meetings. In addition, the Chairmen of the Supervisory Board and the Board of Management held regular discussions about key developments and decisions. The Chairman of the Supervisory Board held separate discussions with each member of the Board of Management on each individual's status of target achievement, both for the respective half-year and the full year.

As before, individual and group training sessions were implemented in the financial year 2022 on the basis of a development plan adopted for the further training of the members of the Supervisory Board, for example on the topics of reinsurance, sustainability, accounting – especially regarding the new accounting standards IFRS 9 and 17 applicable from the financial year 2023, the internal model for calculating the solvency capital requirement, and investment management.

Issues discussed in the Supervisory Board Plenary Sessions

At an extraordinary meeting held on 26 January 2022, the Supervisory Board obtained a comprehensive progress report from the Board of Management on the status of the civil and administrative proceedings in the U.S. concerning the AllianzGI U.S. Structured Alpha Funds and was informed by the lawyers mandated by the Supervisory Board about the various legal options for terminating proceedings with the U.S. authorities. In addition, a detailed report was provided at that meeting on the preparatory extraordinary Audit Committee meeting on the Structured Alpha matter.

At the meeting of 17 February 2022, the Supervisory Board dealt extensively with the preliminary business figures for the financial year 2021 and the Board of Management's dividend proposal. The appointed audit firm, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), Frankfurt am Main, reported in detail on the preliminary results of its audit. In the further course of the meeting, the Supervisory Board discussed the harmonization and improvement of claims-handling processes at Allianz. The Supervisory Board also discussed the target achievement of the individual members of the Board of Management and, on that basis, set their variable remuneration for the financial year 2021, subject to the approval of the annual financial statements. Against the backdrop of the Structured Alpha proceedings, the Supervisory Board also discussed the question of the applicability of the so-called compliance caveat in paying variable remuneration components to members of the Board of Management. As the ongoing investigations of potential breaches of duties by members of the Board of Management did not give rise to any indications of misconduct by members of the Board of Management, there was no reason for this. However, in the light of the foreseeable high financial impact of the Structured Alpha proceedings, the Supervisory Board set a discount of ten percentage points on the individual contribution factor of all members of the Board of Management when assessing their individual performance. As part of the performance assessment, a fit and proper assessment of the members of the Board of Management was carried out. Moreover, the Supervisory Board extended the Board of Management appointments of Ms. Wagner by five years to 31 December 2027 and of Dr. Röhler by four years to 31 December 2026. Deliberations at that meeting also focused on the status of the various Structured Alpha proceedings. The Board of Management initially informed the Supervisory Board in detail about the status of the talks with the U.S. authorities and the settlement negotiations with U.S. investors. It subsequently discussed its considerations regarding the short-term conclusion of settlements with several large investors in the U.S. and the resulting potential impact on the formation of provisions, and therefore the annual financial statements for the financial year 2021 with the Supervisory Board. To that end, the Supervisory Board also obtained a detailed report from the lawyers in the U.S. and Germany engaged by the Board of Management and additionally obtained the legal assessment of the independent law firm it had commissioned. At the end of the meeting, the Supervisory Board held an executive session without the Board of Management members and discussed the talks of the Supervisory Board Chairman with investors and proxy advisors.

At the meeting on 3 March 2022, the Board of Management first reported on the development of business to date in the financial year 2022, in particular the impact of the war in Ukraine on Allianz employees in Russia and Ukraine as well as the insurance business and other business of Allianz. The Supervisory Board then discussed and approved the audited annual Allianz SE and consolidated Group financial statements, including solvency statements, as well as the Board of Management's recommendation for the appropriation of earnings for the financial year 2021. The auditor confirmed that there had been no discrepancies since their February report and an unqualified auditor's report had been issued for the individual and consolidated financial statements. The Supervisory Board also reviewed the non-financial statement for both Allianz SE and the Allianz Group in the Management Report and Group Management Report respectively, taking into account the audit report of the external auditor, and noted these with approval. It approved the Remuneration Report, also taking account of the audit results of the external auditor mandated to carry out a supplementary audit, as well as the Report of the Supervisory Board and the Corporate Governance Statement. The Board of Management also presented its report on the development of risks and solvency in the financial year 2021. The annual reports from Compliance and Internal Audit were also presented and discussed at the meeting. Furthermore, the Board of Management reported about the settlements with large investors in the Structured Alpha Funds in the U.S. concluded after the Supervisory Board meeting of 17 February 2022, and associated payments, the status of the settlement negotiations with other investors, and the status of the talks with the U.S. authorities on the settlement of the ongoing proceedings. Next, the Supervisory Board reviewed the agenda and proposals for resolution for Allianz SE's 2022 Annual General Meeting and approved the decision of the Board of Management for the Annual General Meeting to be held virtually. Furthermore, at the recommendation of the Audit Committee, the Supervisory Board resolved to propose to the Annual General Meeting the election of PwC as auditor for the 2022 individual and consolidated financial statements and for the review of the half-yearly financial report, and resolved to mandate PwC with the supplementary audit of the Remuneration Report and the audit of the non-financial statement for the financial year 2022. Furthermore, the Supervisory Board received information about the reinsurance transaction of Allianz Life of North America.

At an extraordinary meeting on 29 March 2022, the Board of Management provided a detailed report to the Supervisory Board on the progress of the talks with the U.S. authorities about a settlement of the governmental proceedings in connection with the AllianzGI U.S. Structured Alpha Funds and potential impacts on the business of AllianzGI U.S.

On 4 May 2022, just before the Annual General Meeting, the Board of Management briefed the Supervisory Board on the development of business in the first quarter of 2022 as well as on the current situation of both the Allianz Group and Allianz SE, in particular with regard to the effects of the rise in interest rates and the planned joint venture with Sanlam in Africa. The Supervisory Board also dealt with the progress of negotiations with other investors in Structured Alpha Private Funds in the U.S. and with the U.S. authorities. Moreover, the Board of Management explained the findings to date from the internal audits and independent investigations initiated into potential control weaknesses at AllianzGI U.S.

Due to the elections of new shareholder representatives to the Supervisory Board at the Annual General Meeting 2022 and the election of the employee representatives to the Supervisory Board by the SE Works Council on 9 February 2022, a constitutive meeting of the Supervisory Board was held immediately after the Annual General Meeting on 4 May 2022. At that meeting, Mr. Diekmann was re-elected as Chairman of the Supervisory Board. Ms. Burkhardt-Berg and Mr. Hainer were elected as Vice Chairpersons. In addition, the Supervisory Board carried out the election of the members of the committees and established that the qualifications of the members of the Audit Committee meet the requirements of § 107 (4) sentence 3 in combination with § 100 (5) of the German Stock Corporation Act (Aktiengesetz – AktG).

At an extraordinary meeting on 17 May 2022, the Supervisory Board dealt with the Board of Management's deliberations regarding the resolution of the governmental proceedings in the U.S. relating to Structured Alpha Funds and a potential strategic partnership with Voya Investment Management. The Board of Management engaged in extensive discussions with the Supervisory Board on the financial and other terms and conditions of a settlement of the governmental proceedings and their impact on the Allianz Group. Based on the assessment of the lawyers advising Allianz in the U.S. and Germany, the Board of Management explained in detail its options for action and the relevant considerations for a decision in accordance with the business judgement rule. In addition, the Supervisory Board obtained the opinion of the law firm it had mandated. The Board of Management also explained its considerations on dealing with investors in the Structured Alpha Retail/Public Funds.

At the meeting on 24 June 2022, the Board of Management initially provided a comprehensive report on the development of business in the financial year 2022 to date, with a special focus on the Asset Management business segment, and provided an outlook on the expected results for the second quarter of 2022. In addition, the Board of Management reported on the expansion of internal IT services by the Group company Allianz Technology while driving standardization, harmonization, and performance improvement. The Supervisory Board also dealt extensively with the development of business activities in Global Commercial Insurance and the further planning for that division. Other agenda items were a status report on Allianz's Bancassurance partnerships, the withdrawal from business in Russia, and the Edelman Trust Barometer. In addition, the Supervisory Board again comprehensively dealt with the Structured Alpha Funds matter, in particular with the measures to be adopted following the resolution of the governmental proceedings. The Supervisory Board engaged in extensive discussions with the Board of Management on its expectations regarding the further handling of the matter, including ongoing close reporting on the status of the various audits and investigations, and the measures initiated by the Board of Management in response to the findings. Furthermore, it was clarified that the Supervisory Board continued to assign the Audit Committee the task of dealing in depth with any liability issues relating to the Board of Management in connection with the Structured Alpha matter and closely monitoring the measures adopted by the Board of Management in order to remedy any deficiencies identified. Moreover, the Board of Management reported on the partnership launched between Allianz Global Investors and Voya Investment Management. The Supervisory Board also obtained a report from the Board of Management on the outcome of an audit by the German Federal Financial Supervisory Authority on the Group management processes and the business organization. Subsequently, the Board of Management presented the human resources strategy against the backdrop of current trends and developments in the world of work and provided its regular status report on cyber risks and cybersecurity at Allianz. At the end of the meeting, the Supervisory Board held an executive session without the Board of Management and discussed the various reports submitted by the Board of Management.

At the meeting on 29 September 2022, the Board of Management again reported on the development of business in the financial year 2022 to date and the progress of key strategic projects of Allianz. One of the key items discussed at the meeting was the ongoing handling of the Structured Alpha matter. In this context, the Board of Management provided a detailed report on the status of the lawsuits still pending in the U.S. relating to the Structured Alpha Retail/Public Funds and the related settlement negotiations. The Supervisory Board received a detailed report on the results of the internal investigations into the root causes of the Structured Alpha matter and the question of potential misconduct. A further report was provided on the status of implementation of the measures adopted by the Board of Management following the resolution of the governmental proceedings. In this context, the Board of Management discussed in particular the insights gained from the Structured Alpha matter to drive a further optimization of the Group's governance. Moreover, the Supervisory Board dealt with the status of business activities in the Central & Eastern Europe and Asia Pacific regions. The Board of Management also reported on the Pan-African joint venture with Sanlam. In addition, the Supervisory Board dealt with the IT strategy. The Supervisory Board then discussed the results of the self-evaluation of the Supervisory Board required by supervisory law and the resulting development plan as well as succession planning for the Supervisory Board. The Supervisory Board also resolved to adjust its rules of procedure and the objectives for its composition to reflect changed requirements under the German Corporate Governance Code. By way of conclusion, the Supervisory Board discussed succession planning and the allocation of responsibilities on the Board of Management, and approved the termination of Mr. de la Sota's appointment as member of the Board of Management by mutual consent with effect from 31 December 2022, in accordance with the proposal submitted by the Personnel Committee.

At the meeting of 15 December 2022, the Board of Management first informed the Supervisory Board about the results for the third quarter, the further development of business, and the situation of the Allianz Group. Furthermore, the Supervisory Board discussed the risk strategy for the financial year 2023 and, closely linked with this, the planning for the financial year 2023. The Supervisory Board also dealt specifically with the growth strategy for 2023/2024 and the strategy for the India business. At that meeting too, the Board of Management provided a detailed report on the ongoing discussions on the compensation of individual investors in Structured Alpha Funds and the settlement reached with the plaintiffs in the class action lawsuit in the U.S. The Board of Management also presented its regular status report on cyber risk security. The Supervisory Board also approved the proposal of the Board of Management to hold the 2023 Annual General Meeting in a virtual format. Moreover, the Supervisory Board extensively dealt with the impact of the new accounting standards IFRS 9 and 17 on the target indicators for the variable remuneration of the members of the Board of Management and potential effects on the remuneration system for the Board of Management. It also reviewed the appropriateness of the Board remuneration and resolved to increase the total target remuneration of all members of the Board of Management by five per cent with effect from 1 January 2023. Moreover, the Supervisory Board set the targets for the variable remuneration of the members of the Board of Management for 2023. The appropriateness of the remuneration system for the Supervisory Board members was also reviewed on the basis of an external benchmark analysis and the Supervisory Board resolved to propose an adjustment to the Supervisory Board remuneration to the Annual General Meeting 2023 of Allianz SE. The Supervisory Board also dealt with the Declaration of Conformity with the German Corporate Governance Code, an amendment to the rules of procedure of the Supervisory Board regarding approval requirements for the assumption of mandates by Board of Management members, and a revision of the standard contracts for members of the Board of Management against the backdrop of the right to time off for maternity leave, parental leave, care for a family member, or illness. The Supervisory Board then discussed the results of the self-assessment (efficiency review) carried out in 2022 on the basis of an internal questionnaire. By way of conclusion, the Supervisory Board held an executive session without the Board of Management and discussed the results of the investigations into potential liability claims against former or current members of the Board of Management of Allianz SE in connection with the Structured Alpha matter with the lawyers it had mandated. The independent legal advisors of the Supervisory Board concluded that there are no indications of any claims for damages to be asserted by the company against current or former members of the Board of Management. The Supervisory Board also discussed the planning of its activities in the financial year 2023 and succession planning for the Supervisory Board.

Declaration of Conformity with the German Corporate Governance Code

On 15 December 2022, the Board of Management and the Supervisory Board issued the Declaration of Conformity in accordance with § 161 AktG. The Declaration was posted on the company website, where it is available to shareholders at all times. Allianz SE has complied with all recommendations set out by the German Corporate Governance Code in the version of 28 April 2022, and will continue to comply with them in the future. Since the submission of the last Declaration of Conformity on 16 December 2021, Allianz SE has also complied with all recommendations of the German Corporate Governance Code in the version of 16 December 2019. Further explanations on corporate governance in the Allianz Group can be found in the Corporate Governance Statement. More details on corporate governance are also provided on the **Allianz company website**.

Committee activities

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

The Standing Committee held five meetings in the financial year 2022, two of which were held as video conferences while three were held as in-person meetings. The committee dealt with corporate governance issues, in particular the preparation of the Declaration of Conformity with the German Corporate Governance Code, and adjustments to internal guidelines to reflect changes in legal and Code-related requirements. The committee also dealt with the preparation of the ordinary Annual General Meeting, the Supervisory Board self-evaluation as required by supervisory law and the resulting development plan, as well as with the remuneration of the members of the Supervisory Board. Collective and, if necessary, individual training sessions are continuously carried out as part of the implementation of the development plan. Regarding the Supervisory Board's annual efficiency review, the committee dealt with the implementation of the results of the efficiency review conducted in 2021 and prepared the efficiency review for 2022, which was implemented without any external support, as planned. Moreover, the Standing Committee had to pass a resolution approving the granting of a loan to a senior executive.

The Personnel Committee held four meetings and adopted two written resolutions in 2022. One of the meetings was held as a video conference, with the other three meetings held in person. At the meetings, the committee discussed in detail the preparatory review of the Remuneration Report for 2021 and target achievement of the members of the Board of Management for the financial year 2021, including the annual Fit & Proper assessment of each member of the Board of Management. It intensively deliberated on the required consideration of the Structured Alpha Funds matter of AllianzGI U.S. for the assessment of target achievement. The Personnel Committee also prepared the annual review of the appropriateness of the remuneration of the Board of Management and carried out a critical review of the remuneration system for the Board of Management to establish whether there was any need for amendments. Discussions also focused on the preparation of the target setting for the variable remuneration for 2023, especially in the light of the effects of the new accounting standards IFRS 9 and 17. The committee also dealt with the departure of Mr. Balbinot and Mr. de la Sota from the Board of Management and the resulting adjustment of the allocation of responsibilities on the Board of Management of Allianz SE. Other topics included a number of mandate matters of (former) Board members and an adjustment of the approval requirement for the assumption of mandates in other companies by members of the Board of Management of Allianz SE. The committee also dealt in detail with the further succession planning for the Board of Management.

The Audit Committee held five regular and four extraordinary meetings in 2022. Five of the meetings were held as video conferences, while the other four meetings were held in person. In the presence of the auditors, the committee discussed both Allianz SE's annual financial statements and the Allianz Group's consolidated financial statements, the management reports including the non-financial reporting, the respective solvency statements and the audit reports, as well as the half-yearly financial report. These reviews revealed no reasons for objection. The Board of Management reported on the quarterly results and discussed them in detail with the Audit Committee together with the results of the auditor's review. The Board of Management also reported regularly on relevant special topics. In this context, the Audit Committee dealt, in particular, with the impact of the war in Ukraine, including the sanctions against Russia, the rise in inflation rates, and the effects of natural disasters and weather events, which again occurred on a large scale in the last financial year.

Another major focus of the Audit Committee's activities was on reviewing and monitoring the progress of the Structured Alpha proceedings. The committee intensively discussed this topic at all five ordinary meetings and additionally at the four extraordinary meetings. In order to prepare the meetings, the working group specifically set up for this purpose met a total of ten times. The Audit Committee closely monitored the settlement negotiations with investors and the preparation of the settlement with the U.S. authorities. To that end, it was regularly briefed by the Board of Management and the external lawyers assisting the Board of Management and additionally obtained advice from the independent lawyers mandated by the Supervisory Board in order to be able to obtain a comprehensive picture of the matter. Furthermore, in particular in the second half of the year, the Audit Committee extensively dealt with the findings from the proceedings and internal investigations to clarify and process the Structured Alpha matter. In cooperation with the Board of Management, it intensively monitored both the measures taken by the Board in response to that event in order to remedy the deficiencies identified and the implementation of the measures. The Audit Committee also comprehensively, and with the support of the law firm mandated by the Supervisory Board, dealt with the question of potential claims for damages against current or former members of the Board of Management of Allianz SE in connection with the Structured Alpha matter, and prepared the discussion of this topic at the plenary meetings of the Supervisory Board. The committee engaged in detailed discussions with the auditors on the effects on Allianz's results.

The committee also discussed the awarding of the audit mandates and defined key audit areas for the financial year 2022. At Group level, the focus was again on the implementation of the new accounting standards IFRS 9 and 17, with reporting on climate change risks and cyber risks included as further topics. Due to increased legal requirements, a review of the appropriateness and effectiveness of the internal control system was established as another area of focus both at Group level and for Allianz SE. The auditors reported regularly on the results of the audits regarding the key audit areas. The Audit Committee discussed the assessment of the audit risk, the audit strategy and the audit planning with the auditors. The Audit Committee also held several discussions with the auditors in the absence of the Board of Management. Moreover, the Audit Committee conducted an assessment of the quality of the audit. The Audit Committee also discussed the awarding of non-audit services to the auditor and approved an updated positive list of pre-approved audit and non-audit services. In the light of the Structured Alpha matter, the Audit Committee also obtained separate reports from the PwC auditors in charge of Asset Management. As a change in the persons of the auditors in charge will be required after the end of the audit for the financial year 2022 due to legal requirements for auditor rotation, the new auditors personally introduced themselves to the Audit Committee at one of the meetings.

In addition, the committee dealt extensively with the internal control systems, cyber risks as well as the accounting process and internal financial reporting control mechanisms. At several meetings, the Audit Committee again discussed with the Board of Management the effects of the changeover to the new accounting standards IFRS 9 and 17 on Allianz's accounting from the financial year 2023 onwards and the status of the implementation measures for a proper transition to the new standards. At all regular meetings, reports on legal and compliance issues in the Group, operational risks, the work of the Internal Audit department and data privacy issues were presented and discussed in detail. Furthermore, the head of the actuarial function (Group Actuarial, Planning & Controlling) presented his annual report. In addition, the Audit Committee dealt with the effects of the amendments to the German Corporate Governance Code on the work performed by the committee and with the internal audit plan for 2023. The Audit Committee was also regularly informed by the Board of Management about the status of the measures taken to implement the results of an audit carried out by the German Federal Financial Supervisory Authority on the Group control processes and the business organization.

The Risk Committee held two meetings in 2022, one of which was held as a video conference. At both meetings, the committee discussed the current risk situation of the Allianz Group and Allianz SE with the Board of Management. In the March meeting, the Risk Report and other risk-related statements in the annual and consolidated financial statements as well as management and Group management reports were reviewed with the auditor and approved. The appropriateness of the early risk recognition system at Allianz SE and Allianz Group and the result of further risk assessments by the auditor were also discussed. It recommended to the Audit Committee to include the Risk Report, as presented and discussed, in the Annual Report.

At both meetings, the Risk Committee also extensively dealt with the risk strategy, risk appetite, capital management, the external rating as well as the effectiveness of the risk management system for the Allianz Group and Allianz SE. In this context also enhancements of the risk and control framework, including professional external reviews were discussed. The committee also obtained a report on Allianz's own risk and solvency assessment and changes to the internal Solvency II model, and discussed the reports in detail with the Board of Management and the head of the Risk function. Moreover, the Risk Committee intensively dealt with the impact of the war in Ukraine on the risk situation of Allianz, inflation and interest rates as well as the assessment of rising government debt due to expansive monetary policy, in particular in the eurozone, and potential impacts on Allianz. Other key topics were the risk situation and stress resilience at Allianz Lebensversicherungs-AG in Germany, and the realignment of the internal reinsurance relationships between Allianz companies. The committee also again addressed the impact of the COVID-19 pandemic and the management of non-financial risks. In addition, the Risk Committee intensively dealt with the impact of the Structured Alpha matter on the risk situation at Allianz and subsequently with the cost structure of unit-linked insurance products in the German market. It again discussed a range of special regulatory topics and business policy issues. In the light of the war in Ukraine, it also discussed the risk of cyber-attacks as a form of state warfare and, in general, the development of geopolitical risks. The committee also obtained reports from the Board of Management on current areas of focus of the German Federal Financial Supervisory Authority, in particular digitalization and IT security, climate risks and risks from natural disasters, consumer protection (sales compliance) and the fulfillment of capital requirements, and the respective position of Allianz in any of these topics.

The Technology Committee held two meetings in the financial year 2022, both of which were held as in-person meetings. At these meetings, the committee discussed in detail the Allianz innovation program launched by the Board of Management, which comprises the transformation programs Allianz Customer Model (ACM) and Business Master Platform (BMP) as well as an application for data analysis and other innovative tools. Detailed discussions were held regarding data analytics and artificial intelligence and their potential to contribute to profits. The Technology Committee also received reports from the Board of Management on cyber-security and the realignment of activities in the Syncier subsidiary, which had originally been intended to externally market the IT platform, and comprehensively discussed the technology approaches of competitors with the Board of Management. The committee also engaged in discussions with the Board of Management on the status of the replacement of legacy systems and considerations regarding blockchain technology.

The Nomination Committee held four meetings in the financial year 2022, two of which were held as video conferences and two of which were held in person. At the beginning of the year, the committee first dealt with the 2022 Supervisory Board elections. Another major focus was on the general succession planning for the Supervisory Board, in particular the requirements regarding the competences and independence of the Supervisory Board members communicated by the German Federal Financial Supervisory Authority and by investors. Taking account of these requirements, the Nomination Committee again intensively discussed potential candidates to succeed the members of the Supervisory Board who will be retiring in the coming years and identified suitable persons.

The Sustainability Committee held four meetings in the financial year 2022. Three meetings were held as video conferences with one meeting held in person. The committee prepared the assessment of target achievement by the Board of Management regarding the sustainability targets for the financial year 2021 and the definition of sustainability targets for the financial year 2023 by the Personnel Committee and the Supervisory Board. The committee also dealt in detail with the sustainability-related statements in non-financial reporting with a special focus on the reporting requirements under the EU Taxonomy Regulation and the Sustainability Report as well as the Tax Transparency Report for the financial year 2021. The Sustainability Committee also obtained reports from the Board of Management at two meetings on the status of the implementation of the ESG strategy, especially in the fields of climate and social responsibility. It also discussed individual projects such as the Net Zero Alliance. The committee also discussed data ethics within the Group.

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

Overview of members' participation in the Supervisory Board and its committee meetings in the financial year 2022

Publication of details of members' participation in meetings

	Presence	%
Plenary sessions of the Supervisory Board		
Michael Diekmann (Chairman)	10/10	100
Gabriele Burkhardt-Berg (Vice Chairwoman)	10/10	100
Jim Hagemann Snabe (Vice Chairman) (member until 4 May 2022)	5/5	100
Herbert Hainer (Vice Chairman since 4 May 2022)	10/10	100
Sophie Boissard	10/10	100
Christine Bosse	10/10	100
Rashmy Chatterjee (member since 4 May 2022)	5/5	100
Dr. Friedrich Eichiner	10/10	100
Jean-Claude Le Goaër	10/10	100
Martina Grundler	9/10	90
Godfrey Hayward (member until 4 May 2022)	5/5	100
Frank Kirsch	10/10	100
Jürgen Lawrenz	10/10	100
Primiano Di Paolo (member since 4 May 2022)	5/5	100
Standing Committee		
Michael Diekmann (Chairman)	5/5	100
Sophie Boissard (member since 4 May 2022)	3/3	100
Jean-Claude Le Goaër	5/5	100
Herbert Hainer	5/5	100
Jürgen Lawrenz	5/5	100
Jim Hagemann Snabe (member until 4 May 2022)	2/2	100
Personnel Committee		
Michael Diekmann (Chairman)	4/4	100
Gabriele Burkhardt-Berg	4/4	100
Herbert Hainer	4/4	100

	Presence	%
Audit Committee		
Dr. Friedrich Eichiner (Chairman)	9/9	100
Sophie Boissard	9/9	100
Michael Diekmann	9/9	100
Jean-Claude Le Goaër	9/9	100
Martina Grundler	8/9	89
Risk Committee		
Michael Diekmann (Chairman)	2/2	100
Christine Bosse	2/2	100
Dr. Friedrich Eichiner	2/2	100
Godfrey Hayward (member until 4 May 2022)	1/1	100
Frank Kirsch	2/2	100
Primiano Di Paolo (member since 4 May 2022)	1/1	100
Technology Committee		
Rashmy Chatterjee (Chairwoman since 4 May 2022)	2/2	100
Gabriele Burkhardt-Berg	2/2	100
Michael Diekmann	2/2	100
Dr. Friedrich Eichiner	2/2	100
Jürgen Lawrenz	2/2	100
Nomination Committee		
Michael Diekmann (Chairman)	4/4	100
Christine Bosse	4/4	100
Dr. Friedrich Eichiner (member since 4 May 2022)	3/3	100
Jim Hagemann Snabe (member until 4 May 2022)	1/1	100
Sustainability Committee		
Christine Bosse (Chairwoman)	4/4	100
Sophie Boissard	4/4	100
Gabriele Burkhardt-Berg	4/4	100
Michael Diekmann	4/4	100
Frank Kirsch	4/4	100

Audit of annual accounts and consolidated financial statements

Section 11 of the Financial Market Integrity Strengthening Act sets out new stipulations for the appointment of the auditor: Since the audit for the financial year 2022, at insurance companies too, the Annual General Meeting is responsible for the appointment of the auditor. Unlike in the past, the appointment is no longer the responsibility of the Supervisory Board. Upon a proposal submitted by the Supervisory Board, the Company's Annual General Meeting held on 4 May 2022 appointed PwC as auditor for the annual and consolidated financial statements as well as the review of the half-yearly financial report for the financial year 2022. PwC audited the financial statements of Allianz SE and the Allianz Group as well as the respective management reports, and issued an unqualified auditor's report in each case. The management reports also contain the respective non-financial statements. The consolidated financial statements were prepared on the basis of the International Financial Reporting Standards (IFRS) as applicable in the European Union. The annual financial statements of Allianz SE were prepared in accordance with German law and accounting standards. PwC performed a review of the half-yearly financial report. In addition, PwC was also mandated to perform an audit of the solvency statements according to Solvency II as of 31 December 2022 for Allianz SE and the Allianz Group. Furthermore, PwC was commissioned to conduct a review of the contents of the non-financial statement and the Remuneration Report.

All Supervisory Board members received the documentation relating to the annual financial statements and the audit reports from PwC in due time. The preliminary financial statements and PwC's preliminary audit results were discussed in the Audit Committee on 15 February 2023, as well as in the Supervisory Board's plenary session on 16 February 2023. The finalized financial statements and PwC's audit reports (dated 20 February 2023) were reviewed by the Audit Committee on 1 March 2023 and discussed in the Supervisory Board plenary session on 2 March 2023. The auditors participated in the discussions and presented the results of their audit. Particular emphasis was placed on the key audit matters described in the auditor's report and on the audit procedures performed. No material weaknesses in the internal financial reporting control process were discovered. There were no circumstances that might give cause for concern about the auditor's independence. In addition, the solvency statements dated 31 December 2022 for both Allianz SE and the Allianz Group, as well as the related reports by PwC, were reviewed by the Audit Committee and the Supervisory Board.

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

The Supervisory Board would like to express its special thanks to all Allianz Group employees for their great personal commitment over the past financial year.

Members of the Supervisory Board and Board of Management

The term of office of the Supervisory Board ended with the close of the ordinary Annual General Meeting on 4 May 2022. The employee representatives were appointed in accordance with the Agreement concerning the Participation of Employees in Allianz SE by the SE Works Council with effect from the close of the Annual General Meeting on 4 May 2022. The shareholder representatives had to be newly elected by the 2022 Annual General Meeting. The Supervisory Board mandates of Mr. Jim-Hagemann Snabe and Mr. Godfrey Hayward ended at the close of the ordinary Annual General Meeting on 4 May 2022. For the employee representatives, Mr. Primiano Di Paolo was newly elected to the Supervisory Board, while Ms. Rashmy Chatterjee was newly elected as a shareholder representative. The Supervisory Board thanks all members for their valuable and trust-based work.

There were also some changes in the composition of the Board of Management of Allianz SE in the course of the financial year 2022. Mr. Sergio Balbinot and Mr. Ivan de la Sota retired from the Board with effect from 31 December 2022.

Munich, 2 March 2023

For the Supervisory Board:

Michael Diekmann
Chairman

MANDATES OF THE MEMBERS OF THE SUPERVISORY BOARD

Michael Diekmann
Chairman
Member of various Supervisory Boards
Membership in other statutory supervisory boards and SE administrative boards in Germany
Fresenius Management SE
Fresenius SE & Co. KGaA
Siemens AG
until 9 February 2023

Jim Hagemann Snabe
until 4 May 2022
Vice Chairman
Member of various Supervisory Boards
Membership in other statutory supervisory boards and SE administrative boards in Germany
Siemens AG (Chairman)
Membership in comparable[1] supervisory bodies
A.P. Møller-Mærsk A/S (Chairman)
C3.ai, Inc.

Gabriele Burkhardt-Berg
Vice Chairwoman
Chairwoman of the Group Works Council of Allianz SE
Membership in other statutory supervisory boards and SE administrative boards in Germany
Allianz Versicherungs-AG

Herbert Hainer
Vice Chairman
since 4 May 2022
Member of various Supervisory Boards
Membership in other statutory supervisory boards and SE administrative boards in Germany
FC Bayern München AG (Chairman)

Sophie Boissard
Chairwoman of the Board of Management of Korian SE
Membership in other statutory supervisory boards and SE administrative boards in Germany
Korian Deutschland GmbH (Chairwoman)
Korian Management AG (Chairwoman)
Membership in comparable[1] supervisory bodies
Korian Belgium
Over SpA
until 28 March 2022
Segesta SpA (Korian Group company)

Christine Bosse
Member of various Supervisory Boards
Membership in comparable[1] supervisory bodies
Coop Amba
Tusass A/S (Chairwoman)
until 20 May 2022

Rashmy Chatterjee
since 4 May 2022
Chief Executive Officer ISTARI Global Ltd.
Membership in comparable[1] supervisory bodies
BlueVoyant LLC, USA (ISTARI Portfolio company)
Ensign InfoSecurity Pte. Ltd., Singapore (ISTARI Portfolio company)
Sygnia, Inc., Israel (ISTARI Group company)
ISTARI Global (Singapore) Pte. Ltd. (ISTARI Group company)
ISTARI International (UK) Ltd. (ISTARI Group company)
ISTARI International (US) LLC (ISTARI Group company)

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

Jean-Claude Le Goaër
Employee of Allianz Informatique G.I.E.
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz France S.A.

Martina Grundler
National Representative Insurances, ver.di Berlin
Membership in other statutory supervisory boards and SE administrative boards in Germany
Allianz Lebensversicherungs-AG

Godfrey Robert Hayward
until 4 May 2022
Employee of Allianz Insurance plc

Frank Kirsch
Employee of Allianz Beratungs- und Vertriebs-AG

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

Primiano Di Paolo
since 4 May 2022
Employee of Allianz S.p.A.

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

MANDATES OF THE MEMBERS OF THE BOARD OF MANAGEMENT

Oliver Bäte
Chairman of the Board of Management
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Deutschland AG (Chairman)
until 16 May 2022

Sergio Balbinot
until 31 December 2022
Insurance Asia Pacific
Membership in comparable[1] supervisory bodies
Bajaj Allianz General Insurance Company Ltd.
Bajaj Allianz Life Insurance Company Ltd.
Membership in Group bodies
Allianz (China) Insurance Holding Company Ltd. (Chairman)
Allianz France S.A.
Allianz Partners S.A.S (Chairman)
since 30 March 2022
Allianz Sigorta A.S.
Allianz Yasam ve Emeklilik A.S.

Sirma Boshnakova
Insurance Western & Southern Europe, Allianz Direct, Allianz Partners
Membership in comparable[1] supervisory bodies
Membership in Group bodies
AWP P&C S.A. (Chairwoman)
until 1 July 2022
AWP Health & Life S.A. (Chairwoman)
until 1 July 2022

Dr. Barbara Karuth-Zelle
Operations, IT and Organization
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Technology SE (Chairwoman)
Euler Hermes AG
until 26 April 2022
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Partners S.A.S.

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

Ivan de la Sota
until 31 December 2022
Business Transformation, Insurance Iberia & Latin America
Membership in other statutory supervisory boards and SE administrative boards in Germany
Volkswagen Autoversicherung AG
Membership in Group bodies
Allianz Deutschland AG
until 16 May 2022
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Compañía de Seguros y Reaseguros S.A., Spain
Allianz Partners S.A.S. (Chairman)
until 30 March 2022
Companhia de Seguros Allianz Portugal S.A.

Giulio Terzariol
Finance, Risk Actuarial, Legal, Compliance
since 1 January 2023
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Deutschland AG
until 16 May 2022

Dr. Günther Thallinger
Investment Management
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Deutschland AG
until 16 May 2022
Allianz Investment Management SE (Chairman)
Allianz Lebensversicherungs-AG
Allianz Private Krankenversicherungs-AG
Allianz Versicherungs-AG

Christopher Townsend
Global Insurance Lines & Anglo Markets, Reinsurance, Middle East, Africa
Iberia & Latin America
since 1 January 2023
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Global Corporate & Specialty SE (Chairman)
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Australia Ltd.
Allianz Plc
Euler Hermes Group S.A. (Chairman)

Renate Wagner
Mergers & Acquisitions, People and Culture, Legal, Compliance
until 31 December 2022
Asia Pacific
since 1 January 2023
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Lebensversicherungs-AG
until 31 August 2022
Membership in comparable[1] supervisory bodies
Bajaj Allianz General Insurance Company Ltd.
since 28 December 2022
Bajaj Allianz Life Insurance Company Ltd.
since 28 December 2022
UniCredit S.p.A.
Membership in Group bodies
Allianz (China) Insurance Holding Company Ltd. (Chairwoman)
since 20 February 2023

Dr. Andreas Wimmer
Asset Management, US Life Insurance
Membership in other statutory supervisory boards and SE administrative boards in Germany
Pensions-Sicherungs-Verein VVaG
until 8 June 2022
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Life Insurance Company of North America (Chairman)

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

MANAGEMENT REPORT OF ALLIANZ SE

B

EXECUTIVE SUMMARY AND OUTLOOK

Nature of operations and basis of preparation

Nature of operations

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

The annual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group are published digitally in the company register ("Unternehmensregister").

Basis of preparation

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

All amounts in this management report are presented in millions of euro (€ mn), unless otherwise stated.

Earnings summary

Condensed income statement

€ mn

	2022	2021	Change
Gross premiums written	**13,224**	**12,151**	**1,073**
Premiums earned (net)	11,909	10,915	995
Claims (net)	(7,936)	(7,362)	(574)
Underwriting expenses (net)	(3,312)	(3,135)	(177)
Change in other technical reserves (net)	41	41	(1)
Net underwriting result	701	458	243
Change in claims equalization and similar reserves	486	(435)	920
Net technical result	1,187	24	1,163
Investment result	6,102	7,589	(1,487)
Allocated interest return	(31)	(34)	3
Other non-technical result	(2,473)	(2,423)	(50)
Non-technical result	3,599	5,132	(1,533)
Net operating income	**4,786**	**5,156**	**(370)**
Taxes	6	195	(190)
Net income	**4,792**	**5,351**	**(559)**

Net underwriting result

Gross premiums written increased by 8.8% to € 13,224 mn (2021: € 12,151 mn). € 588 mn of the increase resulted from growth in volume from the intra-group Property-Casualty reinsurance business. There was also an increase of € 455 mn in the external reinsurance business, primarily stemming from motor reinsurance. In total, € 12,383 mn (2021: € 11,480 mn) of gross premiums were attributable to Property-Casualty reinsurance and € 840 mn (2021: € 671 mn) to Life/Health reinsurance.

With 90.8% (2021: 90.7%), the net retention ratio remained almost unchanged compared to the previous year. Premiums earned (net) increased to € 11,909 mn (2021: € 10,915 mn).

The accident year claims[1] ratio (net) in Property-Casualty reinsurance increased to 76.7% (2021: 71.1%). This was mainly driven by increased business volume in the proportional motor reinsurance business. While in the previous year the extraordinary high losses from natural catastrophe events caused in particular by floods and storms in Europe had been mitigated by significant recoveries under our retrocession program, in 2022 the losses from natural catastrophe events before retrocession remained at a lower level compared to 2021 but were also mitigated by retrocession to a lower degree. As a result, net losses from natural catastrophes after retrocession were higher than in the previos year.

The run-off result (net) in Property-Casualty reinsurance amounted to € 1,201 mn (2021: € 439 mn) and was mainly influenced by fire and property reinsurance (€ 401 mn), liability reinsurance (€ 293 mn) as well as credit and bond reinsurance (€ 132 mn). Overall, the calendar year claims ratio (net) in Property-Casualty reinsurance decreased to 66.2% (2021: 67.0%).

The expense ratio (net) in Property-Casualty reinsurance decreased to 28.2% (2021: 29.0%), driven by a lower commission ratio of 27.4% (2021: 28.2%). The administrative expense ratio remained constant at 0.8% (2021: 0.8%).

In Life/Health reinsurance, the net underwriting result remained stable at € 43 mn (2021: € 44 mn).

The total net underwriting result amounted to € 701 mn (2021: € 458 mn), mainly driven by the positive development of the calendar year loss ratio and expense ratio (net) in Property-Casualty reinsurance in 2022.

Net technical result

In 2022, the change in claims equalization and similar reserves amounted to € 486 mn (2021: € (435) mn). This was mainly driven by the release of the claims equalization and similar reserves in the motor reinsurance business. On the other hand, a strengthening of the claims equalization and similar reserves occurred in particular in the fire as well as credit and bond reinsurance lines of business.

Thus, the net technical result amounted to € 1,187 mn (2021: € 24 mn).

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

Non-technical result

Investment result

€ mn

	2022	2021	Change
Investment income			
Income from profit transfer agreements	2,219	2,295	(76)
Income from affiliated enterprises and participations	7,051	6,156	895
Income from other investments	480	486	(6)
Realized gains	669	274	395
Income from reversal of impairments	61	18	43
Subtotal	10,481	9,230	1,251
Investment expenses			
Expenses for the management of investments, interest, and other investment-related expenses	(1,000)	(933)	(67)
Depreciation and impairments of investments	(2,758)	(500)	(2,258)
Realized losses	(477)	(148)	(329)
Expenses for losses taken over	(143)	(58)	(85)
Subtotal	(4,378)	(1,641)	(2,738)
Investment result	**6,102**	**7,589**	**(1,487)**

The investment result decreased by € 1,487 mn to € 6,102 mn.

Income from profit transfer agreements declined by € 76 mn to € 2,219 mn, mainly because no profit was transferred from our service provider Allianz Technology in 2022 (2021: € 149 mn), and the profit transfer from Allianz Deutschland AG fell by € 31 mn to € 1,438 mn. The overall decrease was partially offset by a higher profit transfer from Allianz Asset Management GmbH, which increased by € 129 mn to € 779 mn.

Income from affiliated enterprises and participations increased by € 895 mn to € 7,051 mn, driven by higher dividend payments from our subsidiaries Allianz Europe B.V., Allianz Holding France SAS, and Allianz Holding Eins GmbH, which rose by € 250 mn to € 5,150 mn, by € 125 mn to € 730 mn, and by € 172 mn to € 550 mn respectively, as well as by a 2022 dividend payment from Allianz Finance II Luxembourg S.A.R.L., amounting to € 278 mn.

Income from other investments slightly declined by € 6 mn to € 480 mn, mainly consisting of income from bonds (€ 195 mn), funds held by others under reinsurance business assumed (€ 95 mn), intra-group cash pooling (€ 87 mn), and intra-group loans (€ 67 mn).

Realized gains went up by € 395 mn to € 669 mn and were primarily related to the sale of bonds (€ 304 mn) and participations (€ 329 mn).

Income from reversal of impairments increased by € 43 mn to € 61 mn and was almost entirely attributable to write-ups on participations.

Expenses for the management of investments, interest, and other investment-related expenses rose by € 67 mn to € 1,000 mn, driven by higher interest expenses (€ 120 mn) particularly related to intra-group cash pooling (€ 112 mn). The overall increase of this position was partly offset by lower other investment-related expenses (€ 54 mn).

Depreciation and impairments of investments strongly increased by € 2,258 mn to € 2,758 mn, mainly because write-downs on bonds grew by € 2,055 mn to € 2,222 mn as a result of the sharp rise in interest rates in 2022. Further impairments in 2022 were particularly attributable to write-downs on investment funds (€ 266 mn) and shares in affiliated enterprises (€ 250 mn).

Realized losses grew by € 329 mn to € 477 mn and were primarily related to the sale of bonds (€ 282 mn) and the intra-group sale of shares in affiliated enterprises (€ 133 mn).

Expenses for losses taken over increased by € 85 mn to € 143 mn, driven by a € 95 mn loss taken over from our service provider Allianz Technology SE in 2022 (2021: 0 €).

Other non-technical result

The other non-technical result deteriorated slightly by € 50 mn to € (2,473) mn. This was caused by offsetting developments. On the one hand, the development of the other non-technical result was positively driven by the foreign currency translation result, which improved by € 282 mn, and the significant reduction of interest expenses on pensions by € 465 mn. On the other hand, the development was negatively affected by the result on derivatives, which deteriorated by € 765 mn. The improved foreign currency translation result was mainly driven by foreign currency translation gains related to liabilities denominated in GBP after losses in the previous year. The decrease of interest expenses on pensions was primarily caused by a lower addition to pension provisions compared to the previous year resulting from a smaller change in the discount rate. The deterioration of the result from derivatives was predominantly caused by losses from interest rate swaps held for the purpose of managing duration and hedging interest rate risk.

Taxes and net income

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

The current tax charge of Allianz SE amounted to € (532) mn (2021: € (352) mn). Moreover, Allianz SE received a tax allocation of € 550 mn (2021: € 543 mn) from Allianz SE tax group companies that recorded taxable income. Taking into account other taxes, the income from taxes amounted to € 6 mn (2021: € 195 mn).

Net income decreased by € 559 mn to € 4,792 mn (2021: € 5,351 mn).

Economic outlook[1]

The effects of the war in Ukraine will continue to impact economic development in 2023. This applies in particular to inflation, which will remain at a high level. We expect an average rate for the year of over 6% in the eurozone and over 4% in the United States. Central banks are therefore unlikely to ease their restrictive monetary policy, especially in Europe. By the end of the year, key interest rates in the eurozone are likely be to be around 3%; in the United States, they will remain above 4%.

The consequences will be a drop in household purchasing power and tighter financing conditions for companies, both of which will have a dampening effect on consumption and investment. We therefore expect a recession in both the eurozone and the United States in 2023, with economic output expected to decline by 0.4% and 0.3%, respectively. In China growth is likely to accelerate slightly again in 2023; in the second half of the year in particular, the end of the zero-COVID policy is expected to provide more stimulus. Nevertheless, the anticipated growth of 4% is quite modest by Chinese standards. Overall, the global economy should grow by about 1.4%.

Financial markets are likely to remain very volatile in view of the high level of uncertainty about the progress of inflation and monetary policy response. However, yields in the bond markets should stay at their current high levels, offering more opportunities again for long-term investors.

In 2023, the crises that already existed will continue to pose a challenge. One is the war in Ukraine, where further escalation cannot be ruled out. The gas supplies in Europe also remain precarious, with the risk of shortages in the winter of 2023/24. In addition, the abrupt end to China's zero-COVID policy also harbors considerable risks for global supply chains, particularly in case numbers increase dramatically over the coming weeks and months. Furthermore, it is also important to keep an eye on political and social tensions, which could escalate in view of the cost-of-living crisis.

Insurance industry outlook

The key question for the insurance industry in 2023 is the extent to which it will be able to absorb the inflation-related increase in claims expenses through higher premiums and more flexible product designs. Against the backdrop of recessionary developments in key markets with rising corporate insolvencies and unemployment, this is unlikely to be an easy challenge to overcome.

At the same time, however, the industry is also benefiting from the global increase in risks across the board – be it natural catastrophes and cyber-attacks or ruptured supply chains and sociopolitical tensions. The need for risk protection and prevention is unprecedentedly high and is likely to persist in the foreseeable future. This is an opportunity for the insurance industry to position itself as a partner for strengthening social resilience.

In terms of the investment environment, the situation should be more favorable than in 2022. Although high volatility is still to be expected in the stock markets, the rapid rise in interest rates is unlikely to be repeated and the risk of valuation losses is therefore much lower. In actual fact, the yield level offers good opportunities for higher investment returns on new investments; this is also more likely to be reflected in earnings over the next few years.

In the non-life sector, premium growth will continue; however, as in the previous year, this will be driven primarily by rising prices. Investment income is expected to increase. In view of high inflation, claims development will also remain at a high level. As wages react to inflation, there is a risk of higher operating costs, hence productivity gains through fully digital processes remain the order of the day.

In the life sector, the cost-of-living crisis will continue to make itself felt: Falling savings rates are having a negative impact on new business (savings and pension products), and an increase in lapses and premium exemptions cannot be ruled out. Higher interest rates are only likely to have a positive impact on demand in the medium term; in 2023, real interest rates will still remain deep in the red. The risk businesses should continue to benefit from greater awareness of the need for protection, as the higher investment income will strengthen profitability.

Business outlook

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

- interest rate environment to remain at a high level compared to previous years,
- no major volatility in the capital markets,
- no disruptive fiscal or regulatory interference or major litigation,
- level of claims from natural catastrophes at expected average levels,
- an average U.S. dollar-to-euro exchange rate of 1.045.

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

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

1_The information presented in the sections "Economic Outlook" and "Insurance Industry Outlook" is based on our own estimates.

Compared to the plan for 2022 which was compiled in 2021, net premiums earned were 3% higher than expected, mainly due to higher than planned quota share cessions from European Allianz entities. In addition, higher than expected natural catastrophe losses were offset by improved profitability in liability and other property and casualty business, a higher run-off contribution, as well as a slightly better expense ratio due to lower commissions paid on some quota share cessions. This led to a combined ratio that was slightly better than plan. Consequently, the net underwriting result before change in equalization reserve was higher than plan.

Following many years of low profitability in the industry, rates started moderately hardening in 2020 and 2021. After pandemic related underwriting losses during the course of 2020, a high level of global natural catastrophe events in the last three years and increasing inflation, the hardening trend has continued in both the 2022 and 2023 renewals. We expect improved risk-adjusted prices during the course of the year.

Allianz SE´s technical result largely depends on group-internal cessions resulting from quota share agreements with European Allianz entities. Based on our estimates, we expect higher premiums but a lower net underwriting result before equalization reserve for the Property-Casualty reinsurance in 2023. This is also due to increased cost for our outgoing reinsurance programs after Allianz Group reinsurance programs had been triggered in the last three years and following the overall market hardening and lower market capacity. It should be noted that the actual result may vary significantly from our expectations as the reinsurance business is, by nature, volatile in terms of frequency and severity of losses.

Compared to our outlook, the net technical result deviated negatively for 2022, while we observed a positive development in our investment result for 2022. Other non-technical result and in consequence net income were below the planned result, while the net earnings were overall in line with our expectations. For 2023, we predict a moderately increasing net income with almost stable net earnings. Based on our current expectations, a significantly lower underwriting result driven by the development of the equalization reserve will be more than offset by a significantly higher other non-technical result, with the investment result tending to remain constant. We are not planning a specific foreign currency result, nor are we able to anticipate any net gains or losses from derivatives. These could, however, considerably impact the net income of Allianz SE. Given the susceptibility of our non-technical result to adverse capital market developments, we do not provide a precise outlook for the development of our net income. Nevertheless, we are ultimately planning and managing the Allianz SE net earnings in line with the Allianz Group dividend policy. To this end, we take advantage of the opportunity to make use of the dividends of our subsidiaries, in particular those of Allianz Europe B.V., in order to generate net earnings for Allianz SE that match the dividend policy of Allianz Group. For more detailed information on our dividend policy, see the Allianz Group’s Annual Report 2022 and the **Allianz company website**.

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

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

Cautionary note regarding forward-looking statements

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

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

No duty to update

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

OPERATIONS BY REINSURANCE LINES OF BUSINESS

Gross premiums written increased by 8.8% to € 13,224 mn (2021: € 12,151 mn). All in all, 84.4% (2021: 86.8%) of gross premiums written originated from the Allianz Group's internal business. In addition, Allianz SE continued to write business from selected external partners in order to diversify the internal portfolio.

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

	Gross premiums written			Combined ratio Property-Casualty		Change in claims equalization and similar reserves		Net technical result	
	2022	2021	Change	2022	2021	2022	2021	2022	2021
	€ mn	€ mn	%[1]	%	%	€ mn	€ mn	€ mn	€ mn
Motor	5,060	4,779	5.9	101.5	101.0	885	(120)	811	(167)
Fire and property reinsurance	3,769	3,368	11.9	95.5	97.7	(92)	(32)	69	20
thereof:									
Household and homeowner	1,225	1,186	3.3	101.8	101.4	-	-	(18)	(19)
Fire	936	779	20.2	82.9	91.8	(92)	(32)	35	22
Engineering	413	422	(2.2)	77.3	101.3	-	-	100	(21)
Business interruption	285	230	23.8	58.6	73.6	-	-	109	58
Other property reinsurance	910	751	21.2	124.0	103.6	-	-	(158)	(19)
Liability	1,138	1,114	2.1	74.9	72.6	(4)	(243)	255	33
Life	584	478	22.0	-	-	-	-	42	39
Personal accident	427	416	2.8	85.8	87.9	(3)	(1)	58	50
Marine and aviation	331	339	(2.4)	72.1	90.1	(39)	(20)	39	15
Credit and bond	313	242	29.4	71.0	69.1	(80)	(36)	(1)	25
Legal expenses	295	281	5.0	94.2	116.6	(22)	-	(5)	(46)
Health	257	192	33.6	-	-	-	-	1	6
Other lines	1,050	941	11.6	91.6	96.2	(160)	17	(82)	49
Total	**13,224**	**12,151**	**8.8**	**94.4**	**96.0**	**486**	**(435)**	**1,187**	**24**

1_For lines of business on the basis of the accurate, non-rounded amount.

Gross premiums written in motor reinsurance increased by 5.9% to € 5,060 mn (2021: € 4,779 mn), driven by internal as well as external reinsurance business. The combined ratio increased slightly to 101.5% (2021: 101.0%), mainly due to a worsening of the accident year claims ratio to 78.7% (2021: 75.8%). This was mitigated by a lower expense ratio of 24.6% (2021: 26.3%). A full release of the equalization reserve of € 885 mn (2021: strengthening of € (120) mn) led to a net technical result of € 811 mn (2021: € (167) mn).

The household and homeowner reinsurance portfolio increased by 3.3% to gross premiums written of € 1,225 mn (2021: € 1,186 mn), mainly from business with Allianz Versicherungs-AG. The combined ratio grew to 101.8 % (2021: 101.4%), driven by an increase in the expense ratio to 30.1% (2021: 28.7%). The net technical result increased slightly to € (18) mn (2021: € (19) mn).

The increase of the fire reinsurance portfolio was caused by growth of internal as well as external business volume. The combined ratio improved to 82.9% (2021: 91.8%), driven by a decrease of the calendar year claims ratio to 55.9% (2021: 66.5%) due to a higher run-off result of € 237 mn (2021: € 8 mn). After a further strengthening of the equalization reserve by € (92) mn (2021: € (32) mn), the net technical result amounted to € 35 mn (2021: € 22 mn).

Engineering reinsurance gross premiums decreased by 2.2%. The combined ratio significantly improved and amounted to 77.3% (2021: 101.3%), driven by a positive run-off result of € 67 mn (2021: € (9) mn). The net technical result increased to € 100 mn (2021: € (21) mn).

The premiums written in the business interruption reinsurance increased by 23.8% to € 285 mn (2021: € 230 mn), mainly due to internal business volume. The combined ratio improved to 58.6% (2021: 73.6%) which was primarily driven by the decrease of the accident year claims ratio to 58.3% (2021: 76.7%). As a result, the net technical result grew to € 109 mn (2021: € 58 mn).

Other property reinsurance includes extended coverage for fire and business interruption as well as hail, storm, water damage, livestock, burglary, and glass reinsurance. The premiums written increased by 21.2%, mainly due to internal cedents like Allianz Global Corporate & Specialty SE and Allianz Versicherungs-AG. Despite an improvement of the run-off result by € 88 mn (2021: negative run-off result of € (8) mn), the combined ratio deteriorated to 124.0% (2021: 103.6%). This was owed to an increase of the accident year claims ratio to 108.9% (2021: 74.5%). The net technical result amounted to € (158) mn (2021: € (19) mn).

Premiums written for liability reinsurance increased by 2.1% to € 1,138 mn (2021: € 1,114 mn), mainly driven by internal cessions. The combined ratio rose to 74.9% (2021: 72.6%), mainly due to an increased calendar year claims ratio of 44.3% (2021: 40.7%). After a further strengthening by the equalization reserve of € (4) mn (2021: € (243) mn), the net technical result amounted to € 255 mn (2021: € 33 mn).

In life reinsurance, the premium revenue increased to € 584 mn (2021: € 478 mn); this was mainly driven by external business. The net technical result increased to € 42 mn (2021: € 39 mn).

The premium revenue of personal accident reinsurance increased by 2.8%. This development results in particular from internal reinsurance business. The combined ratio improved to 85.8% (2021: 87.9%), mainly driven by a better run-off result. The net technical result thus increased to € 58 mn (2021: € 50 mn).

The gross premiums written in marine and aviation reinsurance decreased slightly to € 331 mn (2021: € 339 mn). The combined ratio improved, mainly due to a higher run-off result of € 105 mn (2021: € 9 mn). Despite a further strengthening of the equalization reserve by € (39) mn (2021: € (20) mn), the net technical result rose to € 39 mn (2021: € 15 mn).

Gross premiums written in credit and bond reinsurance increased by 29.4% to € 313 mn (2021: € 242 mn), which was mainly caused by growing premium income from Allianz Trade. The worse calendar year claims ratio of 30.4% (2021: 24.6%) was partially compensated by a better expense ratio of 40.5% (2021: 44.5%). Overall, this resulted in a slightly increased combined ratio of 71.0% (2021: 69.1%). The net technical result amounted to € (1) mn (2021: € 25 mn), following a further strengthening of the equalization reserve by € (80) mn (2021: € (36) mn).

The premium revenue of legal expenses reinsurance increased by 5.0% to € 295 mn (2021: € 281 mn), driven by cessions from Allianz Versicherungs-AG. The combined ratio improved to 94.2% (2021: 116.6%) due to a decrease in the calendar year claims ratio to 58.3% (2021: 80.8%). A strengthening of the equalization reserve by € (22) mn occurred in the financial year, while the net technical result improved to € (5) mn (2021: € (46) mn).

In health reinsurance, the premium revenue increased by 33.6% to € 257 mn (2021: € 192 mn), mainly driven by external business. The net technical result declined to € 1 mn (2021: € 6 mn).

Other reinsurance lines include:

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

BALANCE SHEET REVIEW

Condensed balance sheet

€ mn

as of 31 December	2022	2021
ASSETS		
Intangible assets	7	7
Investments	118,330	122,975
Receivables	5,744	5,318
Other assets	1,449	924
Deferred charges and prepaid expenses	258	292
Total assets	**125,787**	**129,515**
EQUITY AND LIABILITIES		
Shareholders' equity	40,127	41,029
Subordinated liabilities	17,054	15,781
Insurance reserves	20,280	20,595
Other provisions	11,344	10,098
Funds held with reinsurance business ceded	2,694	2,848
Payables on reinsurance business	416	421
Other financial liabilities	33,867	38,732
Deferred income	7	11
Total equity and liabilities	**125,787**	**129,515**

Investments

€ mn

as of 31 December	2022	2021
Real estate	289	277
Investments in affiliated enterprises and participations	76,780	76,509
Other investments	27,376	32,269
Funds held by others under reinsurance business assumed	13,885	13,920
Total investments	**118,330**	**122,975**

The book value of investments in affiliated enterprises and participations rose by € 0.3 bn to € 76.8 bn, driven by an increase of shares in affiliated enterprises (€ 0.4 bn) due to capital increases, which was partly offset by a lower book value of participations (€ 0.1 bn) mainly driven by sales.

Other investments declined from € 32.3 bn to € 27.4 bn, mainly due to a significant decrease in debt securities by € 5.4 bn. While loans also fell by € 0.4 bn, the overall decrease in this position was partially offset by increases in investment funds (€ 0.7 bn) and deposits with banks (€ 0.2 bn).

As of 31 December 2022, € 21.5 bn of other investments were invested in debt securities, of which € 7.8 bn were government bonds. We reduced our overall government bond exposure by € 1.6 bn compared to 31 December 2021, thereby decreasing our investments in Spanish and Italian government bonds from € 0.8 bn to € 0.6 bn and from € 0.7 bn to € 0.3 bn respectively.

As of 31 December 2022, the fair value of investments amounted to € 124.2 bn (2021: € 144.4 bn), compared to a carrying amount of € 118.3 bn (2021: € 123.0 bn). The decrease of valuation reserves to € 5.9 bn (2021: € 21.4 bn) is primarily driven by lower net asset values of our shares in affiliated enterprises.

Receivables

Receivables increased from € 5.3 bn to € 5.7 bn, driven by a growth of € 0.2 bn in other receivables and a growth of € 0.2 bn in receivables on reinsurance business. The increase in other receivables resulted from higher cash pool receivables of € 0.4 bn reduced by € 0.2 bn in profit transfer agreements.

Shareholders' equity

As of 31 December 2022, our shareholders' equity amounted to € 40.1 bn (2021: € 41.0 bn). A buy-back of own shares at acquisition costs of € 1.3 bn led to a decrease.[1] This decrease was partly offset by a rise of € 0.4 bn, due to net income being higher than the dividend paid. The net income decreased by € 0.6 bn to € 4.8 bn (2021: € 5.4 bn). € 0.5 bn (2021: € 0.8 bn) were transferred from the net income to the revenue reserves.

The Board of Management proposes to use the net earnings of € 4,930 mn for dividend payments in the amount of € 4,578 mn.[2] The unappropriated earnings of € 352 mn will be carried forward.

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

1_The shares repurchased until mid-July with acquisition costs of € 1.0 bn were cancelled without reducing the issued capital at the end of November.

2_The proposal reflects the number of shares entitled to the dividend as of 31 December 2022.

Development of shareholders' equity and of issued shares

	Issued shares	Issued capital	Mathematical value of own shares	Additional paid-in capital	Revenue reserves	Net earnings	Total shareholder's equity
	Number	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou
as of 31 December 2021	408,457,873	1,169,920	(684)	28,035,065	6,803,626	5,021,300	41,029,227
Own shares: cancellation	(5,143,877)	-	-	-	(999,360)	-	(999,360)
Own shares	-	-	(4,320)	-	(297,132)	-	(301,452)
Own shares: realized loss	-	-	-	-	(10,348)	-	(10,348)
Dividend payment for 2021	-	-	-	-	-	(4,383,319)	(4,383,319)
Net income	-	-	-	-	500,000	4,291,846	4,791,846
as of 31 December 2022	**403,313,996**	**1,169,920**	**(5,003)**	**28,035,065**	**5,996,786**	**4,929,827**	**40,126,595**

Insurance reserves and other provisions

The development of the insurance reserves was mainly driven by a release of the claims equalization and similar reserves. Furthermore, the total of other provisions rose by € 1,246 mn. This growth resulted mainly from the additions to the provisions for anticipated losses, which went up by € 696 mn and resulted exclusively from derivative transactions. The pension liabilities increased by totally € 386 mn and the tax provisions grew by € 150 mn.

Financial liabilities

As of 31 December 2022, Allianz SE had the following outstanding financial liabilities:

Financial liabilities
€ mn

as of 31 December	2022	2021
Third-party subordinated liabilities	17,054	15,781
Subordinated liabilities	17,054	15,781
Bonds issued to Group companies	2,724	2,734
Other intra-group financial liabilities	29,291	34,758
Other third-party financial liabilities	1,851	1,240
Other financial liabilities	33,867	38,732
Total financial liabilities	**50,920**	**54,513**

Out of the other financial liabilities, € 32.0 bn (2021: € 37.5 bn) were intra-group liabilities.

Subordinated liabilities increased to € 17.1 bn (2021: € 15.8 bn), primarily driven by the issuance of new subordinated bonds with a total volume of € 2.5 bn, which was partially offset by the redemption of a bond with a volume of € 1.5 bn.

Other intra-group financial liabilities decreased to € 29.3 bn (2021: € 34.8 bn) and were composed of the following positions:

Other intra-group financial liabilities
€ mn

as of 31 December	2022	2021
Intra-group loans	16,788	21,867
Cash pool liabilities	11,704	12,218
Miscellaneous	799	673
Other intra-group financial liabilities	**29,291**	**34,758**

While liabilities from intra-group loans declined from € 21.9 bn to € 16.8 bn and liabilities from intra-group cash pooling went down from € 12.2 bn to € 11.7 bn, miscellaneous intra-group liabilities slightly increased from € 0.7 bn to € 0.8 bn.

In 2022, other third-party financial liabilities amounted to € 1.9 bn (2021: € 1.2 bn). This increase was mainly driven by higher short-term liabilities from unsettled security transactions, which grew by € 0.4 bn to € 0.5 bn, and higher margin payments in connection with financial derivative transactions, which went up by € 0.2 bn to € 0.3 bn.

LIQUIDITY AND FUNDING RESOURCES

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

Liquidity resources and uses

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

Funding sources

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

Share capital

As of 31 December 2022, the share capital registered at the Commercial Register was € 1,169,920,000. This was divided into 403,313,996 no-par value shares. As of 31 December 2022, Allianz SE held 1,724,834 (2021: 238,720) own shares.

Allianz SE has the option to increase its share capital base according to authorizations provided by the AGM. The following table outlines Allianz SE's capital authorizations as of 31 December 2022:

Capital authorizations of Allianz SE

Capital authorization	Nominal amount	Expiry date of the authorization
Authorized Capital 2022/I[1]	€ 467,968,000	3 May 2027
Authorized Capital 2022/II[2]	€ 15,000,000	3 May 2027
Conditional Capital 2022[3]	€ 116,992,000	3 May 2027

1_For issuance of shares against contribution in cash and/or in kind.
2_For issuance of shares to employees (without shareholders' subscription rights).
3_To cover conversion or option rights of holders of bonds.

Debt funding

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

In the first half-year of 2022, we issued a € 1.25 bn subordinated bond. In the second half-year of 2022, we issued another € 1.25 bn subordinated bond and called a € 1.5 bn subordinated bond. Overall, subordinated liabilities increased to € 17.1 bn (2021: € 15.8 bn) at year-end.

Other financial liabilities decreased compared to the previous year to € 33.9 bn (2021: € 38.7 bn), mainly due to lower intra-group loans.

RISK AND OPPORTUNITY REPORT

Target and strategy of risk management

Allianz aims to ensure that the Group is adequately capitalized at all times and that Allianz SE and all other related undertakings meet or exceed their respective regulatory capital requirements for the benefit of both shareholders and policyholders.

In addition, we take the requirements of rating agencies into account. While capital requirements imposed by regulators constitute a binding constraint, meeting rating agencies' capital requirements and maintaining strong credit ratings are strategic business objectives.

We closely monitor the capital position and risk concentrations of the Group, Allianz SE and its other related undertakings, and apply regular stress tests (including standardized, historical, and reverse stress test scenarios, as well as stress and scenario analyses focusing on current and possible future developments). These analyses allow us to take appropriate measures to preserve our continued capital and solvency strength. For example, the risk capital reflecting the risk profile and the cost of capital is an important aspect that is considered in business decisions. Furthermore, we ensure a close alignment of the risk and business strategy by taking business decisions to achieve our set targets within the determined risk appetite and in line with the risk strategy. The implemented sound processes to steer the business and assess and manage associated risks ensure a continuous alignment of the risk and business strategy, and enable us to detect and address any potential deviations.

In addition, our liquidity risk management framework ensures that all legal entities in scope are responsible for managing their liquidity risks and maintaining a sufficient liquidity position under both market and business conditions (expected as well as stressed).

Risk Management System and Internal Control System

Risk management framework

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

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

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

- Risk identification, assessment and underwriting: A robust system of risk identification, assessment and underwriting forms the foundation for appropriate risk management decisions. Supporting activities include standards for underwriting, valuation methods, individual transaction and new product approvals, emerging/operational/top risk assessments, liquidity risk and scenario analyses, amongst others.
- Risk strategy and risk appetite: Our risk strategy defines our risk appetite in line with our business strategy. It ensures that rewards are appropriate based on the risks taken and the required capital. It also ensures that delegated decision-making bodies work in line with our overall risk-bearing capacity and strategy.
- Risk reporting and monitoring: Our comprehensive qualitative and quantitative risk monitoring and reporting framework provides management with the transparency needed to assess whether our risk profile remains within the approved limits and to identify emerging issues and risks quickly. For example, risk dashboard and limit utilization reports as well as scenario analyses and stress tests are regularly prepared and communicated.
- Communication and transparency: Transparent risk disclosure provides the basis for communicating our strategy and performance to internal and external stakeholders, ensuring a sustainable positive impact on valuation and financing. It also strengthens the risk awareness and risk culture.

Internal Control System

In order to support these pillars, especially risk identification, assessment and monitoring, Allianz Group has established an ICS, which consists of both specific risk controls and further control elements, and which is also applied at Allianz SE level. Its objectives are:

- Safeguarding the Group's existence and business continuity.
- Creating a strong internal control environment, ensuring that all personnel are aware of the importance of internal control and their role within the internal control system.
- Conducting control tasks commensurate to the risks arising from activities and processes in the Group.
- Providing the management bodies with the relevant information for their decision-making processes.
- Ensuring compliance with applicable laws and regulations.

Notwithstanding the oversight exercised by the Supervisory Board of Allianz SE, controls are performed within Allianz Group in terms of control areas, activities and reporting, taking into account independence requirements, where applicable. The controls are embedded into the operational and organizational set-up throughout the Allianz Group and are subject to periodic reviews. Where appropriate, internationally recognized control framework are used, such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) or the IT-related Control Objectives for Information and Related Technology (COBIT).

Internal controls, therefore, describe the set of activities undertaken by and within Allianz Group to achieve defined control objectives, applied across all business segments and lines of business. These controls help to continuously review the effectiveness of the relevant processes and procedures (including operations and reporting), their coherence and proportionality within the Group, and to identify potential actions for the timely rectification of deficiencies. The ICS of the Allianz Group encompasses the entirety of activities undertaken to perform controls in different areas.

The ICS comprises various control concepts. Besides general elements related to any control activities and in addition to the Risk Management Framework, specific controls are utilized, in particular, but not exclusively, around entity level controls, financial reporting, IT, risk capital calculation, underwriting (including products and distribution), investments, and protection/resilience. These are supplemented by management reports.

Integrated Risk and Control System for financial reporting

The following information is provided pursuant to §289 (4) and §315 (4) of the German Commercial Code ("Handelsgesetzbuch – HGB"). For general information on our integrated risk and control system (IRCS) and Non-Financial Risk Management (NFRM), please refer to the "Operational risk" section in the Risk and Opportunity Report.

Accounting processes

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

Control system for financial reporting

Specific internal controls for financial reporting, which follow the general Integrated Risk and Control System (IRCS) approach, are embedded in the accounting and consolidation processes to safeguard the accuracy, completeness, and consistency of the information provided in our financial statements.

The dedicated financial reporting control system approach can be summarized as follows:

- A centrally developed risk catalog is linked to individual accounts. This risk catalog is reviewed on a yearly basis and is the starting point for the definition of the Group's as well as Allianz SE's scope of financial reporting risks. The methodology is described in the IRCS guideline. In the course of the scoping process, both materiality and susceptibility to a misstatement are considered simultaneously. In addition to the quantitative calculation, we also consider qualitative criteria.
- Based on the centrally provided risk catalog, we identify risks that could lead to material financial misstatements.
- Preventive and detective key controls to address financial reporting risks have been put in place to reduce the likelihood and impact of financial misstatements. If a potential risk materializes, actions are taken to reduce the impact of the financial misstatement. Given the strong dependence of financial reporting processes on IT systems, we have also implemented IT controls.
- Internal Audit ensures that these controls are subject to regular control testing, in order to assure reasonable design and operating effectiveness. Internal Audit does so through a comprehensive risk-based approach that assesses the key controls of the company's internal procedures and processes, including local and group-internal controls over financial reporting risks, from an integrated perspective.

Compliance Management System

The risk management system encompasses a set of principles for specifically addressing the operational and reputational risks stemming from non-compliance with laws, regulations, and other external requirements (hereafter referred to as "compliance risks").

For the management of compliance risks, Allianz maintains a Compliance Management System (CMS). At the center of the CMS, Allianz has established compliance functions at the levels of Allianz Group and the local operating entities as part of the Second Line of Defense. For details of the CMS, or more specifically of anti-corruption and bribery matters, please refer to the Non-Financial Statement.

Management assessement[1]

The management feels comfortable with Allianz SE's overall risk profile, has no indication that, as of 31 December 2022, our risk management system or internal control system is not appropriate or effective, and therefore is confident to meet both the challenges of a rapidly changing environment and day-to-day business needs.

This assessment is based on several factors:

- We run an established system to monitor the effectiveness of the internal control system and to report and timely address deficiencies, such as control failures, operational loss events, financial limit breaches, or system of governance issues. On a quarterly basis, the Group's "Internal Control System Report", which also covers Allianz SE, is jointly prepared by the Allianz SE key control functions, and shared with the Supervisory Board Audit Committee and members of the Board of Management of Allianz SE. The report aggregates and rates the severity of known weaknesses in the internal control system, while also tracking their timely and satisfactory resolution.
- Our risk management framework, including the internal control system, are regularly subject to audit activities performed by our internal audit function.
- An assessment of the effectiveness of the Allianz SE Risk Management function, as well as of the implementation maturity of the risk management framework and corresponding risk management processes, is performed following the Risk Assessment, Diagnostics, Analysis and Reporting (RADAR) process.
- Allianz has dedicated guidelines and policies that clearly define the general principles, the roles and responsibilities, as well as the processes, for both the risk management framework and the internal control system.

1_Unaudited.

Our strategy

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

Allianz Group's business aspirations

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

- Growth: We consistently seek to capture growth opportunities for our business, and to create growth opportunities for our employees. This is how we ensure our leading market position. Due to our full breadth of products and services, we offer comprehensive solutions that meet our customers' needs and make us a trusted partner.
- Margin Expansion: We need to be profitable and efficient. To do so, we are continuously improving our productivity, including in our distribution channels, while seeking to grow in high margin business segments. Additionally, we will continue our transformation so our processes are simpler, digital and scalable.
- Capital Efficiency: We consistently seek ways to use our capital in the most effective way and take action when it falls below our RoE threshold.

These objectives have been translated into clear ambitions for the 2022 to 2024 period. With regard to financial performance, we strive for a return on equity (excluding unrealized gains/losses on bonds[1]) of more than 13 %, while growing our earnings per share from € 21 (baseline full-year 2021, as communicated in the Allianz Capital Markets Day 2021) to approximately € 25[2] by 2024 (reflecting a compound annual growth rate of 5 % to 7 %).

To ensure the sustainability of our performance, we have set ourselves non-financial targets that reflect strong underlying organizational health: For customer loyalty, our ambition is for more than 50 % of the business segments of our entities to be or become rated by their customers as a "loyalty leader" in terms of the digital Net Promoter Score (dNPS). In terms of employee engagement, our ambition is to score above 75 % on the Inclusive Meritocracy Index. At the same time, we have also set the target to become a clear leader in sustainability and diversity.

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

Allianz Group's business strategy

To implement these strategic objectives, to realize our growth ambition, and to accelerate our value creation, we have defined five additional strategic areas of focus for Allianz Group:

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

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

Opportunities

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

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

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

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

1_Before IFRS 9/17 accounting changes.
2_Mid-point of our EPS target range.

– Provision of reinsurance solutions to business partners outside the Allianz Group.

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

The pooling of internal reinsurance on the balance sheet of Allianz SE is an important strategy which has been pursued for many years. As a Group reinsurer, the reinsurance division not only provides guidance and tools to Group companies to manage exposures as effectively as possible, but also provides most of the reinsurance covers to Group companies. The large and diversified portfolio at Allianz SE allows for acceptances of a wide range of reinsurance solutions on proportional and non-proportional basis. Larger risk concentrations are actively managed via retrocessions on a per risk and per event basis in order to protect our capital. In addition, the reinsurance area within Allianz SE provides reinsurance solutions to external business partners.

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

In 2022, Allianz SE also supported Group efforts for simplification and digitalization, among others, by further developing centralized expertise in product development and digital distribution platforms.

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

Risk governance structure

Supervisory Board and Board of Management

Our approach to risk governance permits integrated management of local and global risks, and ensures that our risk profile remains consistent with both our risk strategy and our capacity to bear risks.

Within our risk governance system, the Supervisory Board and Board of Management of Allianz SE have both Allianz SE and group-wide responsibilities. The Board of Management formulates business objectives and a corresponding risk strategy; the core elements of the risk framework are set out in the Allianz Group Risk Policy and approved by the Board of Management. The Supervisory Board advises, challenges, and supervises the Board of Management in the execution of its management activities. The following committees support the Board and the Supervisory Board on risk issues:

Supervisory Board Risk Committee

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

For more information please refer to the paragraph "Risk Committee" in the Supervisory Board Report.

Group Finance and Risk Committee

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

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

Overall risk organization and roles in risk management

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

As a general principle, the responsibility for the First Line of Defense rests with business managers in the related undertaking. They are responsible for both the risks taken and the returns from their decisions. The Second Line of Defense is made up of independent oversight functions including Risk, Actuarial, Compliance, and Legal, which support the Board in defining the risk frameworks within which the business can operate. Audit forms the Third Line of Defense, independently and regularly reviewing risk governance implementation, compliance with risk principles, performing quality reviews of risk processes, and testing adherence to business standards, including the internal control framework.

Allianz SE has established dedicated responsibilities for the three lines of defense with its departments (including reinsurance).

Risk management function

Independent risk oversight for Allianz SE is performed by risk control units within Group Risk and within the reinsurance department of Allianz SE.

Group Risk is managed by the Group Chief Risk Officer, who also serves as the Chief Risk Officer of Allianz SE. Group Risk supports Allianz SE's Board of Management, including its committees, by performing various analyses, communicating information relating to risk management, and preparing and implementing committee decisions.

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

Other functions and bodies

In addition to Group Risk and the local risk functions, legal, compliance, and actuarial functions established at both the Group and the entity levels constitute additional components of the Second Line of Defense.

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

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

Risk-based steering and risk management

We are exposed to a variety of risks, including market, credit, underwriting, business, operational, strategic, liquidity, and reputational risks.

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

With Solvency II being the regulatory regime relevant for the Group, our risk profile is measured and steered based on our approved Solvency II internal model[1]. We have introduced a target solvency ratio range in accordance with Solvency II, based on pre-defined stress scenarios for both the Group and related undertakings, supplemented by ad-hoc scenarios, historical and reverse stress tests, and sensitivity analyses.

In addition, central elements of Allianz's dividend policy are linked to Solvency II capitalization based on the internal model. This helps us to ensure a consistent view on risk steering and capitalization in line with the Solvency II framework.

Allianz steers its business portfolio taking a comprehensive view of risk and return, which is based on the internal model and is supported by scenario analyses. Risk and concentrations are actively restricted by limits based on our internal model. The Life/Health insurance business segment is steered by a return on risk capital[2] (RoRC) approach at the product level, while a return on equity (RoE insurance) at the portfolio level is used for the Property-Casualty insurance business segment.

RoRC as well as RoE insurance are indicators that allow us to identify profitable lines of business and products on a sustainable basis. For new Life/Health insurance business, RoRC reflects the expected average return against the capital commitment over the lifetime of the products, and is a key criterion for capital allocation decisions. For the Property-Casualty insurance business, the RoE insurance reflects the return against the underlying equity which is allocated to the specific portfolios based on the respective risk capital requirements. This allows us to take appropriate risk-based decisions.

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

Market risk

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

For our holding activities (i.e., to hold participations, provide financing for Group companies, cover internal pension liabilities, invest cash pooled from subsidiaries, and as the lender of last resort within Allianz Group), Allianz SE predominantly invests in participations and fixed-income assets.

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

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

1_From a formalistic perspective, the German Supervisory Authority deems our model to be "partial" because not all of our entities use the internal model. Some of our smaller entities report under the standard formula and others under the deduction and aggregation approach. Without loss of generality, we might use the term internal model in the following chapters, e.g., in case of descriptions also referring to entities that use the internal model, or descriptions focusing on processes with respect to the internal model components.

2_The return on risk capital is defined as the present value of future real-world profits on the capital requirement (including buffer to regulatory requirements) held at the local level.

volatilities, and currency values, which might impact the value of our assets and liabilities.

To measure these market risks, real-world stochastic models[1] for the relevant risk factors are calibrated using historical time series to generate possible future market developments. After the scenarios for all the risk factors are generated, the asset and liability positions are revalued under each scenario. The worst-case outcome of the sorted portfolio profit and loss distribution at a certain confidence level (99.5%) defines the market Value at Risk (VaR).

Strategic asset allocation benchmarks and risk limits – including standalone interest rate and equity sensitivity limits, and foreign exchange exposure limits – are defined for the Group, Allianz SE, and other related undertakings. Limits are closely monitored and, if a breach occurs, countermeasures are implemented which may include escalation to the respective decision-making bodies and/or the closing of positions.

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

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

Interest rate risk

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

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

Inflation risk

We are exposed to changing inflation rates, predominantly due to our Property-Casualty insurance obligations but also due to inflation-indexed internal pension obligations. While inflation assumptions are taken into account in our underwriting, unexpected rising rates of inflation will increase both future claims and expenses, leading to higher liabilities; conversely, if future inflation rates were to be lower than assumed, liabilities would be lower than anticipated. The risk that inflation rates deviate from inflation assumptions is incorporated in our internal model. Potential severe structural breaks are monitored via historical and ad-hoc stress tests.

Equity risk

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

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

In 2022, Allianz SE had profit and loss transfer agreements with fourteen German subsidiaries. Risks from these contracts are reflected in the risk capital calculation for participations.

Credit spread risk

Fixed-income assets such as bonds may lose value if credit spreads widen. However, our risk appetite for credit spread risk takes into account the underlying economics of our business model: As a liability-driven investor, we typically hold fixed-income assets until maturity. This implies that we are less affected economically by short-term changes in market prices. In our capacity as a long-term investor, this gives us the opportunity to invest in bonds yielding spreads over the risk-free return and earning this additional yield component.

Currency risk

Allianz SE and the other related undertakings of the Allianz Group typically invest in assets which are denominated in the same currency as their liabilities. However, some foreign currency exposures are allowed to support portfolio diversification and tactical investment decisions. Our largest exposure to foreign currency risk comes from our non-euro Group companies: Whenever the euro strengthens, the euro equivalent net asset value of our foreign subsidiaries will decline from an Allianz Group and Allianz SE perspective; however, at the same time the capital requirements in euro will decrease, partially mitigating the total impact on Allianz Group and Allianz SE capitalization. Based on the Allianz Group's foreign exchange management limit framework, currency risk is monitored and managed at the levels of the Allianz Group, Allianz SE, and the other operating entities of the Allianz Group.

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

Real estate risk

Despite the risk of decreasing real estate values, real estate is a suitable addition to our investment portfolio due to good diversification benefits, as well as to the contribution of relatively predictable, long-term cash flows.

Allianz's Group Investment Committee has defined a framework for standard transactions for real estate equity and commercial real estate loan investments. These standards outline diversification targets, minimum-return thresholds, and other qualitative and quantitative requirements. All transactions that do not meet these standards or have a total investment volume (including costs) exceeding a defined threshold must be reviewed individually by Group Risk and other Group center functions. In addition, all applicable limits must be respected, in particular those resulting from strategic asset allocation as well as its leeways and risk limits, with regards to an investing entity's portfolio.

Credit risk

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

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

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

1_Internal pensions are evaluated and modeled based on deterministic models, following IAS 19 principles.

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

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

The internal credit risk capital model takes into account the major determinants of credit risk for each instrument, including exposure at default, rating, seniority, collateral, and maturity. Additional parameters assigned to obligors are migration probabilities and obligor asset correlations reflecting dependencies within the portfolio. Ratings are assigned to single obligors using a clearly defined assignment process. The central components of this assignment process are long-term ratings from external rating agencies, and internal rating models in case of specific internal investment strategies. If available, a dynamic adjustment using market-implied ratings and the most recent qualitative information available is applied.

The loss profile of a given portfolio is obtained using a Monte Carlo simulation, taking into account interdependencies and exposure concentrations per obligor segment.

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

Our group-wide country and obligor group limit management framework (CRisP[1]) allows us to manage counterparty concentration risk, covering both credit and equity exposures at the Group, Allianz SE, and other operating-entity levels. This limit framework forms the basis for discussions on credit actions and provides notification services featuring the quick and broad communication of credit-related decisions across the Group.

Clearly defined processes ensure that exposure concentrations and limit utilizations are appropriately monitored and managed. The setting of country and obligor exposure limits from the Group's perspective (i.e., the maximum concentration limit), which are adopted by Allianz SE and serve as maximum local limits for the other operating entities, takes into account the Allianz Group's portfolio size and structure, as well as the overall risk strategy.

Underwriting risk

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

Property-Casualty

The Property-Casualty primary and reinsurance business of the Allianz Group is exposed to premium-risk-related adverse developments in the current year's new and renewed business, as well as to reserve risks related to the business in force.

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

Allianz SE actively manages premium risk from its reinsurance business. The assessment of risks as part of the underwriting process is a key element of our risk management framework. There are clear underwriting guidelines, limits and restrictions in place, which are regularly monitored. Excessive risks are not taken or mitigated by external retrocession agreements. All these measures contribute to a limitation of risk accumulation. We also monitor concentrations and accumulation of non-market risks on a standalone basis (i.e., before diversification effects) within an Allianz Group global limit framework in order to avoid substantial losses from single events, such as natural catastrophes, and from man-made catastrophes, such as terror or large industrial risk accumulations.

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

Premium risk is estimated based on actuarial models that are used to derive loss distributions. Non-catastrophe risks are modeled using frequency and severity models for large losses and aggregate loss distribution models for attritional losses. Natural disasters, such as earthquakes, storms, and floods, represent a significant challenge for risk management due to their high accumulation potential for higher return periods. For natural catastrophe risks, we use special modeling techniques which combine portfolio data (geographic location, characteristics of insured objects, and their values) with simulated natural disaster scenarios to estimate the magnitude and frequency of potential losses. Where such stochastic models do not exist, we use deterministic, scenario-based approaches to estimate potential losses. Similar approaches are used to evaluate risk concentrations for terror events and man-made catastrophes, including losses from cyber incidents and industrial concentrations. These loss distributions are then used within the internal model to calculate potential losses with a predefined confidence level of 99.5%.

Reserve risk represents the risk of adverse developments in best-estimate reserves over a one-year time horizon, resulting from fluctuations in the timing and/or amount of claims settlement. We estimate and hold reserves for claims resulting from past events that have not yet been settled. In case of unexpected developments, we would experience a reserve gain or loss dependent on the assumptions applied for the estimate.

In order to reduce the risk of unexpected reserve volatility, Allianz SE and the other related undertakings of the Allianz Group constantly monitor the development of reserves for insurance claims on a line-of-business level. In addition, related undertakings generally conduct annual reserve uncertainty analyses based on similar methods used for reserve risk calculations. The Allianz Group performs regular independent reviews of these analyses and Group representatives participate in the local reserve committee meetings.

Another important instrument to mitigate reserve risk is retrocession.

1_Credit Risk Platform.

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

Life/Health

Risks in Allianz SE's Life/Health segment include risks assumed from reinsurance transactions and from our internal pension obligations.

Underwriting risks in our Life/Health operations (biometric risks) include mortality, disability, morbidity, and longevity risks. Mortality, disability, and morbidity risks are associated with an unexpected increase in the occurrence of death, disability, or medical claims. Longevity risk is the risk that the reserves covering life annuities and pension products might not be sufficient due to longer life expectancies of the insured.

Life/Health underwriting risk arises from profitability being lower than expected. As profitability calculations are based on several parameters – such as assumptions on future mortality rates, or morbidity claims – the actual development may differ from the expected one. For example, lower-than-expected mortality rates would lead to additional annuity payments in the future. However, beneficial deviations are also possible; for example, a trend towards healthier lifestyles will most likely result in lower overall health insurance claims.

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

Business risk

Business risks include cost risks and policyholder behavior risks. They are mostly driven by the Life/Health business and to a lesser extent by the Property-Casualty business. Cost risks are associated with the risk that expenses incurred in administering insurance policies are higher than expected, or that new business volume decreases to a level that does not allow Allianz to absorb its fixed costs. Business risk is measured relative to baseline plans.

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

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

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

Operational risk

Operational risks refer to losses resulting from inadequate or failed internal processes, human errors, system failures, and external events, and can stem from a wide variety of sources, including the following:

- "Clients, Products and Business Practices": potential losses due to a failure to meet the professional obligations or from the design of products. Examples include mis-selling, non-compliance with internal or external requirements related to products, anti-trust behavior, data protection, sanctions and embargoes, etc. These losses tend to be less frequent but, when they occur, can have a high financial (and reputational) impact.
- "Execution, Delivery and Process Management": potential losses arising from transaction or process management failures. Examples include interest and penalties from non-payment or underpayment of taxes, or losses associated with broker and agent distribution processes. These losses tend to be of a relatively higher frequency but with little financial impact (although single large-loss events can occur).
- Other operational risks including, for example, internal or external fraud, financial misstatement risk, a cybersecurity incident causing business disruption or fines, a potential failure at our outsourcing partners causing a disruption to our working environment, etc.

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

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

Allianz has developed a consistent operational risk management framework, which is applied across the Group based on proportionality and focuses on the early recognition and proactive management of material operational risks. The framework defines roles and responsibilities as well as management processes and methods: Local risk managers at Allianz SE and at the other operating entities of the Allianz Group, in their capacity as Second Line of Defense, identify and evaluate relevant operational risks and control deficiencies via a dialogue with the First Line of Defense, report operational risk events in a central database, and ensure that the framework is implemented in their respective operating entity.

This framework triggers specific mitigating control programs. For example, compliance risks are addressed with written policies and dedicated compliance programs monitored by compliance functions across the Allianz Group. The risk of financial misstatement is mitigated by a system of internal controls covering financial reporting. Outsourcing risks are covered by our Outsourcing Policy, Service Level Agreements, and Business Continuity and Crisis Management programs to protect critical business functions from these events. Cyber risks are mitigated through investments in cybersecurity, cyber insurance that Allianz buys from third-party insurers, and a variety of ongoing control activities, developed and implemented along the following main themes: slow down hackers, increase threat detection, reduce the damage of attacks, and enhance the skills as well as the organizational structure.

The ICS for operational risk encompasses the management of compliance, financial reporting, and other operational risks. The effectiveness of this internal control system is monitored along two dimensions:

- Monitoring the effective implementation of the Integrated Risk and Control System (IRCS) framework.

– Monitoring the resolution of identified weaknesses in the internal control system.

The IRCS is an integral part of the overall ICS, whose fundamentals are described in the section "Risk Governance System and Internal Control System".

Through the IRCS, the Second Line of Defense oversees and supports the First Line of Defense with respect to the identification, assessment and mitigation of operational risks associated with Allianz's business activities.

Operational risks are identified in the IRCS through reference to multiple sources of information, including a standardized group-wide operational risk catalog, internal and external operational risk event data, and the results of internal and external audit or other third-party reviews. Dialogues leveraging the professional knowledge and experience of risk owners, process owners and risk experts throughout the company also contribute towards risk identification. All identified risks suspected of having a potentially large operational or reputational impact are subject to a further detailed assessment that enables the formulation of appropriate risk management responses. Risk responses typically include either accepting the risk as adequately managed within the given level of risk tolerance, or deciding upon a course of action to further mitigate the risk (i.e., an action plan).

The IRCS is a framework by which operating entities' Second Lines of Defense contribute to ensure that key controls for the business's most significant operational risks have been identified and tested for design and operating effectiveness. At the Allianz Group level, it is important to monitor the quality of the local implementation of this framework as a means of ensuring that internal control system weaknesses are identified prior to the occurrence of operational risk events (ex-ante).

To assess the IRCS on Allianz SE level, an IRCS Rating is compiled anually. Based on the 2022 rating, we have no indication that the IRCS is not adequately designed or not effective. No material weaknesses have been identified.

Despite the fact that the IRCS already addressed all non-financial risks[1] in a very robust way, the framework was further enhanced, which resulted in the development of the so-called Non-Financial Risk Management (NFRM) framework.

NFRM will further strengthen the internal control system by using a new risk taxonomy consistent across the Group, which helps to aggregate the risks at Group level, and by using an even more rigorous testing approach. It is being rolled out in so-called waves, and the operating entities of wave 1 in 2022 comprise more than 40% of the Group's total operational risk capital. With close monitoring by Group Risk and Group Compliance, insurance and asset management operating entities of wave 1 have undergone important implementation steps to further bolster assurance activities. Operating entities not part of wave 1 have continued to apply the IRCS framework.

The full implementation of the new framework across the Group is expected to be completed by year-end 2024. Meanwhile, Group Risk and Group Compliance are closely monitoring all waves, seamlessly bridging an effective migration between IRCS and NFRM.

Allianz SE has conducted an NFRM Dry Run in 2022 during the first wave to prepare the full implementation in 2023.

Operational risk events are reported in a central database.

Other significant risks (not covered by the internal model)

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

Strategic risk

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

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

The most important strategic risks are related to the value creation levers, which focus on three themes: Growth, Margin Expansion, and Capital Efficiency. Progress on mitigating strategic risks and meeting the value creation levers is monitored and evaluated in the course of the Strategic and Planning Dialogues between the Allianz Group and Allianz SE and the other related undertakings.

To the extent that the strategic objective "Growth" leads to takeover and acquisition transactions and large single investments, it is of particular importance to Allianz SE.

Liquidity risk

Liquidity risk is defined as the risk that current or future payment obligations cannot be met or can only be met on the basis of adversely altered conditions.

Liquidity risk can arise primarily if there are mismatches in the timing of cash in- and outflows. The liquidity risk profile of Allianz predominantly originates from the uncertainty about the volume and timing of cash needs from insurances liabilities (especially from the coverage of various types of catastrophes in the property-casualty business) and of cash inflows from investments. Major risks can also result from derivative transactions used by Allianz to hedge specific market risks.

The investment strategy of Allianz SE particularly focuses on the quality of investments, and ensures a significant portion of liquid assets in the portfolio (for example, high-rated government or covered bonds). We employ actuarial methods to estimate our liabilities arising from reinsurance and internal pension contracts. In our liquidity planning process, we reconcile liquidity sources (such as dividends received from subsidiaries, cash from investments and premiums) and liquidity needs (including payments due to dividends to shareholders, reinsurance claims and expenses) under a best-estimate plan, as well as under idiosyncratic and systemic adverse liquidity scenarios.

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

1_The term "non-financial risks" refers to operational risks (which include compliance and legal risks), as well as reputational risks.

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

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

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

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

Reputational risk

Allianz's reputation as a well-respected and socially aware provider of financial services is influenced by our behavior in a range of areas, such as product quality, corporate governance, financial performance, customer service, employee relations, intellectual capital, and corporate responsibility.

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

The identification and assessment of reputational risks is part of the annual Top Risk Assessment process, undertaken by the Allianz Group and all operating entities. As part of this process, senior management approves the risk strategy for the most significant risks and their potential reputational impact.

The reputational risk to which Allianz SE and Allianz Group are exposed particularly results from strategy execution, Environmental, Social and Governance (ESG) risks, cyber risks, litigation risks, and sales compliance. Any sensitive topic from an Allianz entity can also cause reputational risk for the holding company Allianz SE.

The Allianz Group has defined sensitive business areas and corresponding risk guidelines that are binding for Allianz SE and the other affiliated companies of the Allianz Group. All affected Allianz SE functions cooperate in identifying reputational risk. Group Communications (GCOM) assesses reputational risks for Allianz SE based on a group-wide methodology.

Environmental, social and governance (ESG) risks

Environmental, Social or Governance events and conditions (ESG factors), such as climate change, loss of biodiversity or human rights abuses, are increasingly becoming a relevant source of adverse impacts on our balance sheet, profitability or reputation. These ESG-related risks are characterized by their transversal nature, meaning they may materialize within any of Allianz's existing risk categories (e.g., market risk, underwriting risk, operational risk) as either a consequence of societal responses to ESG factors – including regulatory changes, litigation, technological developments and changes in human behavior – or due to events causing physical damage, such as droughts, floods or storms, whereby the magnitude or likelihood is attributable to an ESG factor.

Allianz's strategy for the management of these risks begins with establishing a comprehensive understanding of all the ways ESG factors can trigger adverse events within the investment, underwriting, and operations areas of our business, as well as from a broader reputational perspective. For this purpose, a dedicated ESG risk inventory has been established and a corresponding risk assessment performed, which enables us to take a risk-based view in terms of evaluating the adequacy of mitigation measures in place.

ESG-related mitigation measures may vary substantially depending on the precise nature of the underlying risk; ranging from establishment of specific controls at the business process level through to adjustments in Allianz's long-term business strategy. Given that all adverse impacts attributable to ESG factors are ultimately realized within one of Allianz's existing risk categories, we aim – to the greatest extent possible – to embed the identification and management of these risks directly within risk management processes already in place.

At both the Allianz Group and Allianz SE level, the GFRC is responsible for overseeing ESG-related risks. In addition, a Group Sustainability Board is in place, which is responsible for Allianz's overall ESG strategy and steering the integration of ESG aspects into core investment and insurance activities.

For a broader perspective on our key ESG integration processes, please refer to the sections "ESG Integration Approach" and "Climate Change Strategy" in the Non-Financial Statement.

Climate change

Amongst a broad landscape of ESG factors, we consider climate change to be the most critical in terms of its potential to materially affect the global economy and our business, especially in the long run. Risks arising from climate change can already be seen today and their relevance will increase over the mid- and long-term.

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

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

These risks impact Allianz's business in two key ways:

- As a (re-)insurer, providing coverage for e.g., fatality and health impacts, property damage or litigation claims, and through changes in the sectors and business models it underwrites.
- As a large-scale institutional investor with significant stakes in various economies, companies, infrastructure, and real estate that might be affected by the physical impact of climate change and

by the transition to a low-carbon economy. This can directly influence the ability of assets to generate long-term value.

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

On a forward-looking basis, we consider risks from climate change factors under emerging risks, where we closely monitor the development of the risk landscape supported by selective analyses on our portfolios. In this regard, we are developing different approaches towards scenario analysis to further educate our understanding of how climate change risks may unfold in the future.

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

For more information on the impact of Allianz's activities on the climate, please refer to the section "Environmental matters" in the Non-Financial Statement.

Internal risk capital framework

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

General approach

For the management of our risk profile and solvency position, we utilize an approach that reflects the Solvency II rules in that it comprises our approved internal model covering Allianz SE and all other major insurance operations.

Internal model

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

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

Coverage of the risk capital calculations

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

Whereas the model treats most subsidiaries as participations, it applies a look-through rule for 34 subsidiaries and investment funds, which are ancillary to Allianz SE's operations (mainly by holding assets), and reflects their risks – either in full or in part – on a granular level.

The risk capital model covers all relevant assets (including fixed-income instruments, equities, real estate, and derivatives) and liabilities (including the run-off of all technical provisions as well as deposits, issued debt and other liabilities such as guarantees).

In view of the above, Allianz's risk capital framework covers all material and quantifiable risks. Risks not specifically covered by the internal model include strategic, liquidity, and reputational risks.

Assumptions and limitations

Risk-free rate and volatility adjustment

When calculating the fair values of assets and liabilities, the assumptions regarding the underlying risk-free yield curve are crucial in determining and discounting future cash flows. For liability valuation, we apply the methodology provided by the European Insurance and Occupational Pensions Authority (EIOPA) as part of its technical documentation (EIOPA-BoS-20/109) to extrapolate the risk-free interest rate curves beyond the last liquid tenor.

In addition, we adjust the risk-free yield curves by a volatility adjustment (VA) in most markets where a volatility adjustment is defined by EIOPA and approved by the local regulator. This is done to better reflect the underlying economics of our business, as the cash flows of our insurance liabilities are largely predictable. The advantage of being a long-term investor is the opportunity to invest in bonds yielding spreads over the risk-free return and earning this additional yield component over the duration of the bonds. Being a long-term investor mitigates much of the risk of having to sell debt instruments at a loss prior to maturity.

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

Diversification and correlation assumptions

As Allianz is an integrated financial services provider offering a variety of products across different business segments and geographic regions, diversification is key to our business model.

Diversification typically occurs when looking at combined risks that are not, or only partly, interdependent. Important diversification factors include regions (for example, windstorm in Australia vs. windstorm in Germany), risk categories (for example, market risk vs. underwriting risk), and subcategories within the same risk category (for example, commercial vs. personal lines of property and casualty risk). Ultimately, diversification is driven by the specific features of the investment or (re-)insurance products in question and their respective risk exposures. For example, an operational risk event in Australia can be considered highly independent of a change in credit spreads for a French government bond held as investment.

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

Where possible, we derive correlation parameters for each pair of market risks through statistical analysis of historical data, considering observations over more than a decade. In cases where historical data or other portfolio-specific observations are insufficient or unavailable, correlations are set by the Correlation Settings Committee, which combines the expertise of risk and business experts in a well-defined and controlled process. In general, when using expert judgment we set the correlation parameters to represent the joint movement of risks under adverse conditions. Based on these correlations, we use an industry-standard approach, the Gaussian copula, to determine the dependency structure of quantifiable sources of risk within the applied Monte Carlo simulation.

Actuarial assumptions

Our internal model also includes assumptions on claims trends, liability inflation, mortality, longevity, morbidity, policyholder behavior, expenses, etc. We use our own internal historical data for actuarial assumptions wherever possible, additionally considering recommendations from the insurance industry, supervisory authorities, and actuarial associations. The derivation of our actuarial assumptions is based on generally accepted actuarial methods. Our internal risk capital and financial reporting framework incorporates comprehensive processes and controls to ensure the reliability of these assumptions.

Model limitations

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

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

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

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

While the aggregate risk capital is exactly modeled, the whole account stop loss construction[1] leads to the use of approximations when reporting contributory risk capital figures for the sub-categories of underwriting risk, as the individual contributions have to be approximated based on the underlying distributions.

Model changes in 2022

In 2022, our internal model was further enhanced based on regulatory developments, model validation results, and the feedback received in the course of our consultations with regulators.

Overall, the model changes implemented in 2022 increased the Solvency II risk capital of Allianz SE by € 14 mn, compared to the risk profile figures for 2021.

In the subsequent sections, the risk figures for 2021 after model changes will form the basis for the analysis of the changes in our risk profile in 2022.

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

as of 31 December	2021[1]	2021[2]
Market risk	35,169	35,169
Credit risk	625	581
Underwriting risk	3,946	3,931
Business risk	144	144
Operational risk	619	619
Diversification	(4,104)	(4,060)
Total Allianz SE	**36,398**	**36,384**

1_2021 risk profile figures recalculated based on model changes in 2022.
2_2021 risk profile figures as reported previously.

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

1_Whole account stop loss reinsurance contract between Allianz SE and Allianz Re Dublin dac.

Market, credit, and underwriting risk

Market risk was not affected by model changes with an impact on risk capital and remained stable. Several model changes (e.g., change in the credit correlation framework) increased the credit risk by € 43 mn. Further model changes (e.g., change in the segmentation within the reserve risk) increased the underwriting risk by € 15 mn.

Diversification

Diversification between risk categories increased by € 44 mn, which was primarily driven by the increases of credit as well as underwriting risk following the model changes.

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

Risk profile and management assessment

Risk profile and market environment

The quantitative risk profile of Allianz SE is primarily dominated by market risk that results from its non-traded insurance participations when measured in a manner consistent with the treatment of participations under Solvency II (e.g., without looking through to the underlying risks behind the participations). In order to provide greater transparency, the Group Risk figures as reflected in the Allianz Group Annual Report can be interpreted as a "look-through" view at the consolidated risk profile represented by all of the Group's participations, as well as those risks unique to Allianz SE. The second largest risk for Allianz SE from an internal model perspective is the underwriting risk arising from its reinsurance business and from internal pension obligations.

From a broad perspective, the overall risk profile of Allianz SE has remained and is expected to remain stable. "Stable" in this context means a high exposure to market risk, in particular from participations equity generated by our holding of Allianz Group subsidiaries, a moderate exposure to underwriting risk, and relatively low exposures to operational risk and credit risk (i.e., measured as a share of the Allianz SE's Solvency II risk capital). Please refer to the section "Solvency II regulatory capitalization" for further details.

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

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

Potential risks in the financial markets and in the operating environment

Allianz faces a challenging financial market and operating environment.

Markets are characterized by the risk of a persistently high volatility. Interest rates have recovered from historically low levels, reflecting monetary policy tightening by key central banks to counter strong inflationary pressure from energy prices and supply chain disruptions relating to the COVID-19 pandemic. Bonds and equity markets are fragile, as central bank rates in Europe and the United States are below inflation rates, and there is the risk of further global political and economic destabilization.

Geopolitical crises dominate the political and economic agenda, having forced an energy crisis, high inflation, and recessionary pressure. First and foremost, there is no clear resolution on the horizon for the war in Ukraine, encompassing the risks of a lasting energy crisis, a persistently high inflation, and upcoming social tensions. Furthermore, there is the risk of a deterioration in the United States-China relationships, as well as of a further hardening of China´s attitudes towards Taiwan.

In addition to the geopolitical crises, there are several other factors that may lead to lasting high financial market volatility. Further momentum for radical parties around the globe could make international cooperation and coordination more challenging and complex, leading to a lower chance of impactful political action on issues such as climate change, due to conflicting objectives. The risk factors also include further disruptions in global supply chains (possibly triggered by remaining challenges from COVID-19), which could weigh on global trade, with the potential to prompt long-term structural shifts in global supply chains. Lasting risk factors include the challenges of implementing long-term structural reforms in key eurozone countries, as well as rising populism.

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

The ongoing uncertainty around the evolution of the COVID-19 pandemic remains a risk. It seems that most major countries have achieved effective protection against the mortal impact of the current virus variants, but residual risks will remain, such as further virus mutations, length of the immunity from vaccination, and a refusal to take vaccines by too large a part of the population.

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

Regulatory developments

Our approved internal model has been applied since the beginning of 2016, when Solvency II came into effect. There is some uncertainty about future regulatory requirements resulting from the potential introduction of future global capital requirements and from the current Solvency II review.

The frameworks for potential future capital requirements for Internationally Active Insurance Groups (IAIGs) and Global Systemically Important Insurers (G-SIIs) are yet to be finalized by the International Association of Insurance Supervisors (IAIS) and the Financial Stability Board (FSB).

In addition, the European Commission is conducting a review of the Solvency II directive as foreseen in European legislation. The review covers an extensive list of topics from a wide variety of areas, from capital requirements to reporting, to proportionality and to insurance recovery and resolution, for which EIOPA provided technical advice to the European Commission in December 2020, suggesting amendments in each area. Based on this and further input from stakeholders, the European Commission published its legislative proposal in September 2021. While following the EIOPA advice in general, the European Commission introduced some changes. In particular, the proposal includes a phase-in until year 2032 for the new interest rates extrapolation, and a less conservative approach for calculating the risk margin of the technical provisions. The legislative proposal is subject to trilogue negotiations at the European level before changes to the directive become effective. A further transposition into national law will be required, so that final implementation is expected at the earliest for 2025. In this context, the Allianz Group is actively participating in discussions with the European Commission, EIOPA, local regulators, Insurance Europe, and the GDV.

Therefore, future Solvency II capital requirements are expected to change as result of the review of the Solvency II framework. Concrete effects of the Solvency II review, however, can only be assessed after final results have been made available.

Finally, the potential for a multiplicity of different regulatory regimes, capital standards, and reporting requirements will increase operational complexity and costs.

Management assessment

Allianz SE's management feels comfortable with Allianz SE's overall risk profile and capitalization level. This confidence is based on several factors:

- Due to its effective capital management, Allianz SE is well-capitalized. We have met our internal and regulatory solvency targets as of 31 December 2022.
- Allianz SE has a conservative investment profile and disciplined business practices in the reinsurance business, leading to sustainable operating earnings with a well-balanced risk-return profile.
- Allianz SE is well-positioned to deal with potentially adverse future events – such as those related to the ongoing war in Ukraine – due to our strong internal limit framework, stress testing, internal model, and risk management practices.

Based on the information available to us at the moment of report completion, we expect to continue to be sufficiently capitalized and compliant with both the regulatory Solvency Capital Requirement and the Minimum Capital Requirement. However, Allianz is carefully monitoring the further development of the war in Ukraine and manages its portfolios to ensure that the Group, Allianz SE, and the other Group companies have sufficient resources to meet their solvency capital needs.

Solvency II regulatory capitalization

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

Allianz SE: Solvency II regulatory capitalization

as of 31 December		2022[1]	2021[2]
Own funds	€ bn	76.7	94.8
Capital requirement	€ bn	29.3	36.4
Capitalization ratio	%	262	260

1_Excluding the application of transitional measures for the valuation of technical provisions at other Allianz Group companies.
2_2021 risk profile figures as reported previously.

As of 31 December 2022, the Solvency II capitalization of Allianz SE stands at 262 %. The increase of 2 percentage points in 2022 results from a decrease in own funds by 19 % and a relatively higher decrease in solvency risk capital by 20 %, both mainly driven by lower participation values.

The Allianz Group companies Allianz Lebensversicherungs-AG and Allianz Private Krankenversicherungs-AG have been granted approval for the application of transitionals on technical provisions. The resulting change in participation values impacts Allianz SE's own funds and capital requirements. Including the application of transitional measures for technical provisions at these Allianz Group companies, Allianz SE's own funds and capital requirement amounted to € 88.0 bn and € 32.9 bn, leading to a Solvency II ratio of 267 %. However, the general capital steering for both the Allianz Group and Allianz SE continues to focus on the previous approach, i.e., excluding the application of transitional measures for technical provisions at Allianz Group companies. Consequently, the figures in all subsequent sections exclude transitional measures applied at Allianz Group companies unless otherwise stated.

Quantifiable risks and opportunities by risk category

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

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

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

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

The Allianz SE diversified risk is broken down as follows:

Allianz SE: Allocated risk according to the risk profile
€ mn

as of 31 December	2022	2021[1]
Market risk	28,142	35,169
Credit risk	524	625
Underwriting risk	3,442	3,946
Business risk	145	144
Operational risk	531	619
Diversification	(3,314)	(4,104)
Tax	(206)	-
Total Allianz SE	**29,263**	**36,398**

1_2021 risk profile figures adjusted based on the 2022 model changes.

As of 31 December 2022, Allianz SE's diversified risk capital amounted to € 29.3 bn (2021: € 36.4 bn). The decrease in Solvency II capital requirements is mainly due to lower market risk. Capital requirements were also reduced to a lesser extent by lower underwriting risk, credit risk, and operational risk. In contrast to previous years, there is a tax relief in the capital calculation due to a deferred tax liability.

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

Market risk

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

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

as of 31 December	2022	2021[1]
Interest rate	69	(3)
Inflation	(349)	(425)
Equity	27,980	35,283
Equity Volatility	(93)	-
Credit spread	334	146
Real estate	155	128
Currency	46	39
Total Allianz SE	**28,142**	**35,169**

1_2021 risk profile figures adjusted based on the 2022 model changes.

For Allianz SE, the pre-diversified market risk as of year-end 2022 shows a decrease of € 7,027 mn, driven by reduced equity risk.

Interest rate risk

In 2022, the interest rate risk increased the market risk by € 69 mn. The change in comparison to the previous year (+€ 72 mn) is mainly the result of higher interest rate shocks due to increased interest rates and interest rate volatilities, as well as changes in diversification effects.

As of 31 December 2022, Allianz SE's interest-rate-sensitive assets amounting to a market value of € 39.1 bn would have gained € 1.9 bn or lost € 1.7 bn in value in the event of interest rates changing by -100 and +100 basis points respectively.

Inflation risk

In comparison to the previous year, the market risk relief that results from inflation risk decreased by € 76 mn. This results mainly from lower sensitivity against inflation shocks.

Equity risk

In 2022, the contribution of equity risk to market risk decreased by € 7,303 mn. This mainly results from lower market values of participations in Group companies.

Equity volatility risk

Equity volatility risk relieves market risk by € 93 mn. The entire equity volatility risk arises from equity put hedges established in the second and third quarters of the year.

Credit spread risk

At the end of 2022, credit spread risk increases the market risk by € 334 mn. The increase of € 188 mn compared with the previous year is mainly due to changes in diversification effects.

Real estate risk

The burden on market risk from real estate risk increases by € 27 mn to € 155 mn due to changed diversification effects.

Currency risk

At year-end 2022, currency risk contributes € 46 mn to market risk, a similar level to the previous year (€ 39 mn).

Credit risk

The € 101 mn decrease in credit risk is mainly driven by a lower fair value of the bonds, predominately due to the discounting effect of higher interest rates. A lower average maturity of the bond portfolio also contributed to the risk reduction.

Underwriting risk

The following table presents the pre-diversified risk calculated for underwriting risks stemming from our reinsurance business and internal pensions: [1]

1_Impact of whole account stop loss reinsurance contract between Allianz SE and Allianz Re Dublin dac on pre-diversified insurance risks: Premium natural catastrophe risk increased by € 89 mn (2021: decrease of € 87 mn), premium non-catastrophe and terror risk increased by € 416 mn (2021: € 518 mn), reserve risk decreased by € 124 mn (2021: increase of € 62 mn), while biometric risks increased by € 15 mn (2021: decrease of € 2 mn) due to this reallocation.

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

as of 31 December	2022	2021[1]
Premium natural catastrophe	358	472
Premium non-catastrophe and terror	1,816	1,927
Reserve	1,193	1,458
Biometric	75	89
Total Allianz SE	**3,442**	**3,946**

1_2021 risk profile figures adjusted based on the 2022 model changes.

For Allianz SE, the pre-diversified underwriting risk showed a decrease of € 504 mn, primarily driven by a decrease in reserve risk.

Property-Casualty

Premium risk

In 2022, Allianz SE's natural catastrophe risk decreased by € 113 mn, mainly due to the new retrocession structure for catastrophe risks.

The top five scenarios contributing to Allianz SE's natural catastrophe risk as of 31 December 2022 were a windstorm in Europe, a flood in Germany, a tropical cyclone in Australia, an earthquake in Australia, and a flood in Australia.

Allianz SE's non-catastrophe and terror premium risk decreased by € 111 mn in 2022, mainly due to higher interest rates and consequently higher discounting effects.

Reserve risk

The reduction by € 266 mn in Allianz SE's reserve risk in 2022 is mainly the result of increased interest rates and consequently higher discounting effects.

Life/Health

In 2022, Allianz SE's biometric risk was € 14 mn lower than in 2021. The main driver is a reduction in the longevity risk of Allianz SE's pension obligations due to higher interest rates and the resulting discounting effects.

Business risk

The business risk was relatively stable in 2022 and only slightly increased by € 1 mn.

Operational risk

The € 88 mn decrease in operational risk resulted primarily from a reduction in the operational risk category "Monitoring and Reporting".

Liquidity risk

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

CORPORATE GOVERNANCE STATEMENT

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

Corporate Constitution of the European Company (SE)

As a European Company, Allianz SE is subject to special European SE regulations and the German SE Implementation Act ("SE-Ausführungsgesetz - SEAG") and the German Act on the Involvement of Employees in a European Company ("SE-Beteiligungsgesetz"), in addition to German Stock Corporation Law. Notwithstanding, key features of a German stock corporation – in particular the two-tier board system (Board of Management and Supervisory Board) and the principle of equal employee representation on the Supervisory Board – have been maintained by Allianz SE. The Corporate Constitution of Allianz SE is laid down in its Statutes. The current version of the Statutes is available on the **Allianz company website**.

Regulatory requirements

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

Declaration of Conformity with the German Corporate Governance Code

Good corporate governance is essential for sustainable business performance. The Board of Management and the Supervisory Board of Allianz SE therefore attach great importance to complying with the recommendations of the German Corporate Governance Code (hereinafter "Code") in its relevant version applicable. On 15 December 2022, the Board of Management and the Supervisory Board issued the following Declaration of Conformity of Allianz SE with the Code:

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

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

Allianz SE complies with all recommendations of the German Corporate Governance Code Commission in the version of 28 April 2022 ("Code 2022") and will comply with them in the future.

Since issuing the last Declaration of Conformity on 16 December 2021, Allianz SE has complied with all recommendations of the German Corporate Governance Code Commission in the version of 16 December 2019 ("Code 2019").

Munich, 15 December 2022
Allianz SE

For the Board of Management:
Signed Oliver Bäte Signed Renate Wagner

For the Supervisory Board:
Signed Michael Diekmann

In addition, Allianz SE follows all suggestions of the Code in its version of 28 April 2022.

The Declaration of Conformity and further information on corporate governance at Allianz is available on the **Allianz company website**.

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

Since 1 January 2023, the Board of Management of Allianz SE has had nine members. Board members may not, as a general rule, be older than 62 years of age.

The Board of Management is responsible for setting business objectives and the strategic direction, for coordinating and supervising the operating entities, and for implementing and overseeing an appropriate and effective control and risk management system. The Board of Management also prepares the annual financial statements of Allianz SE, the consolidated financial statements of the Allianz

Group, the respective solvency statements (market value balance sheets), and the interim reports.

The members of the Board of Management are jointly responsible for the management of the Company and compliance with legal requirements. Notwithstanding this overall responsibility, the individual members independently head the departments assigned to them. There are divisional responsibilities for business segments as well as functional responsibilities. The latter include Finance, Risk Management and Controlling Functions, Investments, Operations and IT, Human Resources, Legal, Compliance, Internal Audit, or Mergers & Acquisitions. Business division responsibilities focus on geographical regions or global lines. Rules of procedure specify the structure and departmental responsibilities of the Board of Management in more detail.

The meetings of the Board of Management are chaired by the Chairperson. Any member of the Board may request a meeting, stating the proposed subject. The Board takes decisions with a simple majority of participating members. In the event of a tie, the Chairperson has the deciding vote. The Chairperson can also veto decisions, but he/she cannot enforce a decision against the majority vote.

Board of Management and Group committees

In the financial year 2022, the following Board of Management committees were in place:

Board committees

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

As of 31 December 2022

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

In the financial year 2022, the following Group committees were in place:

Group committees

Group committees	Responsibilities
Group Compensation Committee Board members of Allianz SE and executives below Allianz SE Board level.	Designing, monitoring, and improving group-wide compensation systems in line with regulatory requirements and submitting an annual report on the monitoring results, along with proposals for improvement.
Group Investment Committee Board members of Allianz SE and Allianz Group executives.	Specifying the strategic asset allocation for the Group to enable consistent implementation by the operating units, particularly in relation to alternative assets, monitoring of performance across all asset classes, and ensuring consistent organization of the Investment Management function and Investment Governance across the Group. Defining requirements for sustainable investments and providing guidance on the implementation of sustainability aspects in own investments.

As of 31 December 2022

The Allianz Group manages its operating entities and business segments through an integrated management and control process. The holding company and the operating entities first define the business strategies and goals. On that basis, joint plans are prepared, to be considered by the Supervisory Board in setting targets for the performance-based remuneration of the members of the Board of Management. For details, please refer to the Remuneration Report.

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

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

The composition of the Board of Management is described in Mandates of the Members of the Board of Management. The composition is also available on the **Allianz company website**. It also provides a general description of the function of the Board of Management.

Diversity concept for the Board of Management and succession planning

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

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

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

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

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

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

Currently, the Board of Management of Allianz SE comprises three female members, accounting for 33.3 % of all members. Four members of the Management Board have international backgrounds. There is an appropriate level of diversity in terms of educational and professional background. The Board of Management of Allianz SE is therefore composed in accordance with the diversity concept.

Corporate governance practices

Internal control system and risk management system

The Allianz Group has an appropriate and effective internal risk and control system for verifying and monitoring its operating activities and business processes, in particular financial reporting, as well as compliance with regulatory requirements. The requirements placed on the internal control system are essential, not only for the resilience and value of the company, but also to maintain the confidence of the capital market, our customers, and the public. An assessment of the adequacy and effectiveness of the internal control system as part of the System of Governance is conducted regularly in the course of the review of the business organization.

In addition, the Allianz Group has implemented an adequate and effective framework and measures to identify, assess, manage, and communicate risks. For further information on the internal control system and risk management system of Allianz, please refer to the Risk and Opportunity Report.

Compliance management system

Integrity is at the core of our compliance programs and the basis for the trust of our customers, shareholders, business partners, and employees. The Compliance function fosters a corporate culture of individual and collective responsibility for ethical conduct and adherence to the rules. For further information on the compliance management system, please refer to the Non-Financial Statement.

Code of Conduct

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

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

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

The Supervisory Board comprises twelve members, including six shareholder representatives appointed by the AGM. The six employee representatives are appointed by the SE Works Council. The specific procedure for their appointment is laid down in the SE Agreement. This agreement stipulates that the six employee representatives must be allocated in proportion to the number of Allianz employees in the different countries. The Supervisory Board currently in office comprises four employee representatives from Germany and one each from France and Italy. According to §17(2) SEAG, the Supervisory Board of Allianz SE shall be composed of at least 30% women and at least 30% men. The regular term of appointment for the members of the Supervisory Board of Allianz SE is four years. In addition, a staggered board with different appointment periods was introduced with the elections to the Supervisory Board on 4 May 2022.

The Supervisory Board oversees and advises the Board of Management on managing the business. It is also responsible, in particular, for appointing the members of the Board of Management, determining the overall remuneration for the Board of Management members, succession planning for the Board of Management, and reviewing the annual financial statements of Allianz SE and the Allianz Group. The Supervisory Board's activities in the financial year 2022, including individualized disclosure of meeting participation, are described in the Supervisory Board Report.

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

The Supervisory Board regularly reviews the efficiency of its activities. The review is carried out either on the basis of a self-evaluation using a questionnaire or by consulting an external consultant. At a plenary meeting, the full Supervisory Board discusses recommendations for improvements and adopts appropriate measures on the basis of recommendations from the Standing Committee. In addition, the fitness and propriety of the individual members of the Supervisory Board is assessed in the framework of an annual self-evaluation required by supervisory law, and a development plan for the Supervisory Board is drawn up on that basis. The Supervisory Board and the Audit Committee regularly also hold sessions without the presence of any of the members of the Board of Management.

Supervisory Board committees

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

Supervisory Board committees

Supervisory Board committees	Responsibilities
Standing Committee 5 members – Chairperson: Chairperson of the Supervisory Board (Michael Diekmann) – Two further shareholder representatives (Herbert Hainer, Sophie Boissard) – Two employee representatives (Jürgen Lawrenz, Jean-Claude Le Goaër)	– Approval of certain transactions requiring the approval of the Supervisory Board, e.g., capital measures, acquisitions, and disposals of participations. – Preparation of the Declaration of Conformity pursuant to §161 of the German Stock Corporation Act and review of corporate governance. – Preparation of the efficiency review of the Supervisory Board.
Audit Committee 5 members – Chairperson: elected by the Supervisory Board (Dr. Friedrich Eichiner) – Three shareholder representatives (in addition to Dr. Friedrich Eichiner: Sophie Boissard, Michael Diekmann) – Two employee representatives (Jean-Claude Le Goaër, Martina Grundler)	– Initial review of the annual financial statements of Allianz SE and the Allianz Group, the Management Reports (including Risk Report) and the proposal for the appropriation of earnings, review of half-yearly reports or, where applicable, quarterly financial reports or statements. – Monitoring of the financial reporting process, the effectiveness of the internal control and risk management system, the audit system, and legal and compliance issues. – Monitoring of the audit procedures, including the selection and independence of the auditor, the quality of the audit procedures and the services additionally rendered by the auditor, awarding of the audit contract, and determining the audit areas of focus. – Discussion to assess the audit risk, audit strategy, and audit planning.
Risk Committee 5 members – Chairperson: elected by the Supervisory Board (Michael Diekmann) – Three shareholder representatives (in addition to Michael Diekmann: Christine Bosse, Dr. Friedrich Eichiner) – Two employee representatives (Primiano Di Paolo, Frank Kirsch)	– Monitoring of the general risk situation and special risk developments in the Allianz Group. – Monitoring of the effectiveness of the risk management system. – Initial review of the Risk Report and other risk-related statements in the annual financial statements and Management Reports of Allianz SE and the Allianz Group, informing the Audit Committee of the results of such reviews.
Personnel Committee 3 members – Chairperson: Chairperson of the Supervisory Board (Michael Diekmann) – One further shareholder representative (Herbert Hainer) – One employee representative (Gabriele Burkhardt-Berg)	– Preparation of the appointment of Board of Management members. – Preparation of plenary session resolutions on the compensation system and the overall compensation of Board of Management members. – Preparation of the Remuneration Report. – Conclusion, amendment, and termination of service contracts of Board of Management members, unless reserved for the plenary session. – Long-term succession planning for the Board of Management. – Approval of the assumption of other mandates by Board of Management members.
Nomination Committee 3 members – Chairperson: Chairperson of the Supervisory Board (Michael Diekmann) – Two further shareholder representatives (Christine Bosse, Dr. Friedrich Eichiner)	– Setting of specific objectives for the composition of the Supervisory Board. – Establishment of selection criteria for shareholder representatives on the Supervisory Board in compliance with the Code's recommendations on the composition of the Supervisory Board. – Search for suitable candidates for election to the Supervisory Board as shareholder representatives.
Technology Committee 5 members – Chairperson: elected by the Supervisory Board (Rashmy Chatterjee) – Three shareholder representatives (in addition to Rashmy Chatterjee: Michael Diekmann, Dr. Friedrich Eichiner) – Two employee representatives (Gabriele Burkhardt-Berg, Jürgen Lawrenz)	– Regular exchange regarding technological developments. – In-depth monitoring of the Board of Management's technology and innovation strategy. – Support of the Supervisory Board in monitoring the implementation of the Board of Management's technology and innovation strategy.
Sustainability Committee 5 members – Chairperson: elected by the Supervisory Board (Christine Bosse) – Three shareholder representatives (in addition to Christine Bosse: Sophie Boissard, Michael Diekmann) – Two employee representatives (Gabriele Burkhardt-Berg, Frank Kirsch)	– Regular exchange regarding sustainability-related issues (Environment, Social, Governance – ESG). – Close monitoring of the Board of Management's sustainability strategy. – Support of the Supervisory Board in overseeing the execution of the Board of Management's sustainability strategy. – Support of the Personnel Committee of the Supervisory Board in preparing the ESG-related target setting and reviewing the achievement of these targets for the Board of Management's remuneration.

As of 31 December 2022

Objectives of the Supervisory Board regarding its composition – diversity concept

The objectives for the composition of the Supervisory Board (in the version of September 2022), as specified to implement legal requirements and the recommendation of the Code, are set out below. In addition to the skills profile for the overall Supervisory Board to be drawn up under the Code, the diversity concept in accordance with the legislation implementing the CSR Directive is also included. The objectives for the composition of the Supervisory Board can be found on the **Allianz company website**.

Objectives for the composition of Allianz SE's Supervisory Board

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

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

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

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

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

1. Propriety

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

2. Fitness

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

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

3. Independence

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

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

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

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

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

4. Time of availability

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

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

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

- at least four, but as a rule six, ordinary Supervisory Board meetings are held each year, each of which requires adequate preparation,
- sufficient time must be set aside for the audit of the annual and consolidated financial statements,
- participation in the General Meeting is required,
- depending on possible membership in one or more of the Supervisory Board Committees, extra time planning is required for participation in these Committee meetings and to do the necessary preparation for these meetings; this applies in particular for the Audit and Risk Committees,
- attendance of extraordinary meetings of the Supervisory Board or of a Committee might be required to deal with special matters.

5. Retirement age

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

6. Term of membership

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

7. Former Allianz SE Management Board members

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

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

II. Requirements for the entire Supervisory Board

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

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

- familiarity of members in their entirety with the insurance and financial services sector,
- adequate expertise of the entire Board with respect to regulatorily required areas of investment management, insurance actuarial practice, accounting,
- adequate expertise of the entire Board with respect to technology, including cybersecurity, employee engagement and sustainability (especially Environment, Social responsibility and Governance as well as data privacy),
- at least one member with considerable experience in the insurance and financial services fields,
- at least one member with comprehensive expertise in the field of accounting and at least one other member with comprehensive expertise in the field of auditing. The expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance,
- at least one member with comprehensive expertise in the field of digital transformation,
- specialist expertise or experience in other economic sectors,
- managerial or operational experience.

2. Diversity concept

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

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

The Supervisory Board pursues these objectives, and thus also the diversity concept, when nominating candidates for shareholder representatives. As employee representatives are appointed according to different national provisions, the potential to influence the selection of employee representatives is limited. The Supervisory Board of Allianz SE is currently composed in accordance with these objectives, including the diversity concept. According to the assessment of the Supervisory Board, all shareholder representatives, i.e., Ms. Boissard, Ms. Bosse, Ms. Chatterjee as well as Mr. Diekmann, Dr. Eichiner and Mr. Hainer, are independent within the meaning of the objectives (see No. I.3). All shareholder representatives on the Audit Committee, including the Chairperson of the Committee, have comprehensive expertise in the fields of accounting and auditing. The expertise in the field of accounting consists of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing consists of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance.

The Chairman of the Audit Committee, Dr. Eichiner, is a business administration graduate. He gained extensive knowledge and experience in both accounting and auditing during his many years as Chief Financial Officer of a DAX-listed company. Ms. Boissard was also able to acquire extensive knowledge and experience in both of these areas during her many years as a member of the Audit Committee and in the framework of her work as CEO of Korian S.A.. Finally, Mr. Diekmann also has in-depth knowledge and experience in both areas due to his many years of service first as CEO and later as Chairman of the Supervisory Board and long-standing member of the Audit Committee of the Supervisory Board of Allianz SE.

The employee representatives on the Audit Committee, Ms. Grundler and Mr. Le Goaër, also have expertise in the fields of accounting and auditing due to their long-standing membership of the Audit Committee of the Supervisory Board of Allianz SE.

Moreover, with five female and seven male Supervisory Board members, the gender ratio of 30% required under the German Act on the Equal Participation of Women and Men in Executive Positions is being met. In addition, the Supervisory Board has five members with international backgrounds. The skills profile is also met by the current composition of the entire Supervisory Board. Based on the objectives for its composition, the Supervisory Board of Allianz SE has developed the following qualification matrix.

Supervisory Board of Allianz SE: Qualification matrix

		Diekmann	Chatterjee	Boissard	Bosse	Eichiner	Hainer	Burkhardt-Berg	Le Goaër	Grundler	Di Paolo	Kirsch	Lawrenz
Tenure	Joined Board in	2017	2022	2017	2012	2016	2017	2012	2018	2016	2022	2018	2015
Personal appropriateness	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Independence[1]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No Overboarding[1]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity	Gender	male	female	female	female	male	male	female	male	female	male	male	male
	Nationality	German	Singaporean	French	Danish	German	German	German	French	German	Italian	German	German
Expertise	Accounting	✓	-	✓	✓	✓	✓	✓	✓	✓	-	✓	✓
	Insurance Actuarial Practice	✓	-	✓	✓	✓	✓	✓	✓	✓	-	✓	✓
	Investment Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Digital Transformation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employee Engagement	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sustainability	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Regional Expertise	North America	✓	✓	-	-	✓	✓	-	-	-	-	-	-
	Growth Markets	✓	✓	-	-	✓	✓	-	-	-	-	-	-
	Europe (EU)	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

1_According to German Corporate Governance Code.

The current composition of the Supervisory Board is presented in the Supervisory Board Report. In addition, the composition of the Supervisory Board and a general description of the functions of the Supervisory Board and its committees can be found on the **Allianz company website**. It also presents the CVs of the members of the Supervisory Board.

Directors’ Dealings

Members of the Board of Management and the Supervisory Board, as well as persons closely associated with them, are obliged under the EU Market Abuse Regulation to notify both Allianz SE and the German Federal Financial Supervisory Authority of any transactions carried out by them involving shares or debt securities of Allianz SE or related financial derivatives or other related financial instruments as soon as the value of the acquisition or disposal transactions by the member reaches or exceeds the threshold of twenty thousand euro within a calendar year. These disclosures are published on the **Allianz company website**.

Annual General Meeting

Shareholders exercise their rights at the AGM. When adopting resolutions, each share confers one vote. Shareholders can follow the AGM’s proceedings on the internet and be represented by proxies exercising their voting rights exclusively on the basis of instructions given by the shareholders. Shareholders are also able to cast their votes via (electronic) absentee vote.

The AGM elects the shareholder representatives of the Supervisory Board and resolves on the approval of the actions taken by the Board of Management and the Supervisory Board. It decides on the appropriation of net earnings, capital transactions, the election of the auditor, approval of intercompany agreements, as well as on the approval of the remuneration system presented by the Supervisory Board for the members of the Board of Management, the remuneration of the Supervisory Board, and the approval of the Remuneration Report prepared by the Board of Management and the Supervisory Board, as well as changes to the Company’s Statutes. Resolutions of the AGM shall be passed, unless mandatory legal provisions require otherwise, by a simple majority of the valid votes cast. In accordance with European regulations and the Statutes, changes to the Statutes require at least a two-thirds majority of the votes cast, which at the same time represents the majority of the capital stock represented at the time of the resolution, if less than half of the share capital is represented at the AGM at the time of adoption of the resolution relating to an amendment to the Statutes. Each year, an ordinary general meeting is held at which the Board of Management and the Supervisory Board give an account of the preceding financial year. For special decisions, the German Stock Corporation Act provides for the convening of an extraordinary AGM.

Accounting and auditing

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

The auditor of the annual financial statements and the auditor in charge of the review of the half-yearly financial report were elected by the AGM on 4 May 2022. The audit of the financial statements covers the individual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group.

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

The 2023 financial calendar is available on the **Allianz company website**.

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

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

Pursuant to §17(2) SEAG, as of 1 January 2016, the share of women and men among the members of the Supervisory Board of Allianz SE has to be at least 30% each. The Supervisory Board currently in office fulfills this requirement as it includes five women (41.7%) and seven men (58.3%).

Pursuant to §16(2) SEAG, since 1 August 2022 it has to be ensured that the Board of Management includes at least one female and at least one male member when appointing members to the Board of management. This legal requirement is met by the current Board of Management of Allianz SE. As at 31 December 2022, the proportion of women on the Board of Management was 27.3%. Since 1 January 2023, the proportion of women on the Board of Management has been 33.3%.

As regards the proportion of women on the first and second management levels below the Board of Management, the Board of Management has set targets of 30.6% and 30%, respectively, to be met by 31 December 2024. As at 31 December 2022, this target was already met for the first management level with a percentage of women of 30.6%, but was not yet met for the second level with a percentage of 24.8%. The first two management levels below the Board of Management comprise a very small comparative group of executives. No suitable female candidates were identified for the very few positions that became vacant in the period under review.

With regard to the Supervisory Boards of the subsidiaries concerned, the target quotas for nine of the eleven subsidiaries concerned were set at 33%, the target quota for one subsidiary concerned was set at 35%, and the target quota for the remaining subsidiary concerned was set at 50% for 31 December 2024. Nine of the eleven subsidiaries reached this target ahead of the due date as at 31 December 2022.

The target quotas for the respective Boards of Management of the subsidiaries concerned were between 25% and 50% (35.7% on average) for 31 December 2024 and were already met by eight of the eleven companies as of 31 December 2022. For the subsidiaries concerned, the respective Boards of Management had set target quotas of 30% to 40% (32.9% on average) for 31 December 2024 for the first management level and target quotas of 30% to 43.5% (39.2% on average) for the second management level below the Board of Management. As at 31 December 2022, the targets were met by five of the eleven subsidiaries concerned for the first management level, while one of the eleven companies met the target set for the second management level ahead of the due date. Despite increased efforts to promote women in the Allianz Group and in the individual subsidiaries, it was not possible to reach the targets ahead of the due date in the other cases as it was not always possible to identify suitable female candidates for all vacant positions. Allianz continues to work to achieve these targets.

NON-FINANCIAL STATEMENT

About the statement

This section has been compiled in accordance with the Corporate Social Responsibility (CSR) Directive Implementation Act (EU Directive 2014/95/EU), which has been applied to German law via §§315d, 289f HGB. It focuses on the concepts and key performance indicators (KPIs) that reflect our most material sustainability issues. For information on our materiality assessment, see our "Materiality analysis" section (05.7) in our Group Sustainability Report 2022 on the **Allianz company website**.

The KPIs included are: Net Promoter Score (NPS); Inclusive Meritocracy Index (IMIX); environmental indicators – greenhouse gas (GHG) emissions per employee and percentage of renewable electricity; carbon footprint of our proprietary investment portfolio for listed equities and corporate bonds; and EU taxonomy eligibility indicators for our underwriting, proprietary investments, and third-party assets.

The concepts contained in this report are in line with the content of the Allianz Group Sustainability Report 2022 published on 3 March 2023. This is compiled in accordance with the standards set out by the Global Reporting Initiative (GRI).

This non-financial chapter of our 2022 Annual Report covers the entire Allianz Group and relevant non-financial information for Allianz SE, according to the Non-financial Reporting Directive (NFRD), which has been adopted into German law by the CSR Directive Implementation Act. All measures, activities and key figures refer to the 2022 financial year (1 January 2022 to 31 December 2022). We have slightly amended our approach for the presentation of our targets and achievements tables compared with previous years. For targets relevant for the remuneration of the Board of Management, we disclose the comparison for targets set this year with the achievements from this year and we define targets for next year and beyond if relevant. For all other topics, we present the objectives and actions taken in the reporting year. Unless otherwise stated, we use the control principle defined by the International Financial Reporting Standards (IFRS) when determining the scope of reporting for the Allianz Group.

This Non-Financial Statement is an integral part of the management report and is subject to the statutory audit of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

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

We use SAP data collection for all non-financial information disclosed in this statement, with an interface to financial data systems for some data points. The P&C Line of Business reporting process in SAP is used to collect Sustainable Solutions and EU Taxonomy data. The governance process for non-financial reporting is aligned with financial reporting and follows the same review rounds as the Annual Report engaging with the Board of Management and Supervisory Board.

The Non-Financial Statement is structured along the following main chapters:

- Corporate sustainability governance and strategy,
- Environmental matters,
- Social matters,
- Cybersecurity,
- Human rights matters,
- Employee matters,
- Compliance/anti-corruption and bribery matters,
- EU Taxonomy Regulation.

Company description

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

For further information on our business model, see our Business Operations chapter in the Allianz Group's Annual Report 2022 and section 01.3 of our Group Sustainability Report 2022 on the **Allianz company website**.

Corporate sustainability governance and strategy

Our purpose – "We secure your future" – guides our actions across the Allianz Group and drives us to pursue constant innovation and collaboration. It also guides our interaction with our customers, partners, employees, investors, governments, regulators, civil society, people with disabilities, and the next generations across all our businesses.

Our ambition is to support the transformation towards sustainable economies as a partner to our stakeholders. In doing so, we want to drive real world impact across societies, economies, and the environment. This includes helping to shape the economy to provide the social minimum for all while not breaching ecological barriers.

Governance

We are committed to responsible and transparent governance. Allianz has increased the importance of sustainability with the ambition to fully integrate sustainability across the company. Ultimate responsibility for all matters relating to sustainability resides with the Board of Management of Allianz SE as the Group's parent company. To support the Board of Management in its decision-making, Allianz SE established a dedicated Group Sustainability Board (known until January 2022 as the Group ESG Board). It is composed of members of the Board of Management of Allianz SE and Group Center heads, and meets quarterly. The core objectives of the Group Sustainability Board are: preparing the overall framework for sustainability for the Allianz Group; integrating sustainability into the Group's business processes with Allianz as an organization (operations and organization) and Allianz as a financial institution (investment, insurance, asset management); and maintaining oversight of and steering overarching sustainability matters, such as topics concerning the climate, society, and governance.

The Supervisory Board of Allianz SE established its Sustainability Committee in 2021. The core objectives of the Sustainability Committee include: advising the Supervisory Board on sustainability-related issues to support economically sound and sustainable development and positioning of the Allianz Group; closely monitoring and supporting oversight of the Management Board's sustainability strategy, in particular the management and execution of the strategic framework for Group-wide sustainability measures; and preliminary examination of the sustainability-related disclosures, including the non-financial statement as part of the Supervisory Board's review. It also supports the Personnel Committee in the preparation of the sustainability-related target setting, as well as the review of the set targets' fulfillment for the Management Board's remuneration. In 2022, the Sustainability Committee prepared the incorporation of sustainability targets and reviewed the achievements of the Board of Management in order to give its recommendation to the remuneration committee of the Supervisory Board.

The Global Sustainability function supports the Group Sustainability Board in the execution of its responsibilities. This includes preparation, coordination, and application of the decisions by the Group Sustainability Board. It also supports Allianz's Group Centers and operating entities to effectively integrate the Group's sustainability strategy into their business processes and policies. The Global Sustainability function drives the integration of sustainability-related matters across the organization and business in the societies and economies in which Allianz operates.

Group Centers take responsibility for sustainability within their functions with the purpose to embed sustainability across the Allianz organization and business. Global Sustainability and Group Centers work with an expansive network of sustainability and business experts located across Allianz's operating entities, globally providing guidance and setting minimum standards to ensure they embed sustainability in their strategies and approaches. This network supports implementation of the group-wide sustainability approach, shares best practice, for example in the field of corporate citizenship activities, and scales positive impacts across the organization.

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

- The Group Finance and Risk Committee oversees risk management and monitoring, including sustainability risk.
- The Group Underwriting Committee monitors the underwriting business, its risk management and development of underwriting policies and strategies. This includes the integration of sustainability into these processes.
- The Group Investment Committee focuses on fundamental investment-related topics, including sustainability-related matters.

In 2022 and for 2023 the targets for the Board of Management have been further developed to reflect the sustainability priorities.

Targets for 2022:

- 18% reduction of greenhouse gas (GHG) emissions per employee by 2022 (versus 2019) and 88% renewable electricity as share of total electricity consumption in 2022.
- Proprietary Investment: Establish a quantitative roadmap to reach minus 25% GHG emissions (absolute reduction on public equity and listed corporate debt by year-end 2024 versus 2019).

On top of these specific sustainability-related targets, other non-financial factors, such as customer loyalty (NPS), employee engagement (IMIX) and sustainability reputation (measured by external rating), also contribute to board members´ remuneration, as do ratings.

Targets and achievements: sustainability ratings

Rating	Board targets 2022	Achievements 2022	Targets 2023	Targets and commitments 2024 and beyond
DJSI/ S&P Global CSA[1]	Top 5	3rd (2021: 1st)	Top 5	Top 5
MSCI[2]	AA - AAA	AA (2021: AAA)	AA - AAA	AA - AAA
Sustainalytics[3]	Top 5 at diversified insurance sub-industry	No. 4 diversified insurance sub-industry level (2021: No. 7)	n.a.[4]	n.a.[4]

1_Top 5 of assessed companies, which are DJSI eligible at industry level; 3rd highest score among the insurance industry with 89/100 – (score date 9 December 2022); 2022 achievement as per results of 31 December 2022.
2_The use by Allianz of any MSCI ESG research LLC or its affiliates ('MSCI') data, and the use of MSCI logos, trademarks, service marks or index names herein, does not constitute a sponsorship, endorsement, recommendation, or promotion of Allianz by MSCI. 3_MSCI services and data are the property of MSCI or its information providers, and are provided as-is and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
3_Copyright ©2022 Sustainalytics. All rights reserved. This section contains information developed by **Sustainalytics**. Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available on the **Sustainalytics website**.
4_Following a review, this rating is out of scope of Board of Management target after 2022.

In 2022, the variable component of the board members´ remuneration (individual contribution factor) considered a range of sustainability-related targets, as shown in the targets and achievements tables within this non-financial declaration.

For further details about the targets and achievements, please refer to the respective sections. These KPIs are also used for steering local entities. For further details about the remuneration system, please refer to the "Variable Remuneration System" in the Remuneration Report of the Annual Report 2022. In addition to these sustainability-related targets, we also describe objectives and actions which help further strengthen our sustainability approach to the matters described in this chapter.

Materiality

To make a positive impact, we must understand and respond to the changing context in which we operate. Our materiality assessment enables us to stay on top of trends and align our approach, reporting, and strategy with the sustainability issues that are most important to our stakeholders and our business. Its aim is to ensure we focus on the risks, opportunities, and topics that matter most to our key stakeholders, and which we can influence.

Our most recent assessment was carried out in 2021 in line with the GRI (2016) Standards requirements and is still applicable for 2022. For 2022, there are no significant changes to the process or list of material topics compared to the previous year. Our assessment approach used a variety of data sources, and we improved our methodology in 2021 by increasing the number of data sources and the number of data points within these sources.

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

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

For a full description of the materiality assessment process and its matrix, please refer to the Materiality analysis chapters in the Group Sustainability Reports 2021 and 2022 on the **Allianz company website**.

We have set ourselves the target of conducting a comprehensive update of the materiality analysis every three years in line with regulatory, reporting, and rating agency guidelines.

We intend to undergo, latest for fiscal year 2024, a comprehensive materiality assessment process which will be in accordance with the Corporate Sustainability Reporting Directive (CSRD) provisions, which will include identifying material sustainability matters from an impact perspective (our impact on the environment and people) and a financial perspective (risks and opportunities related to sustainability matters).

For information on the financial implications of the war in Ukraine on the Allianz Group, please refer to note 3 to the Consolidated Financial Statements.

Sustainability approach

Our purpose drives our sustainability priorities. This means supporting the transformation of economies that do not breach ecological barriers. It also means aspiring to achieve a social minimum for everyone. Building on our business strategy, we have set sustainability priorities that reflect our values and the areas where we think we can make an impact across Environment, Social, and Governance (E, S, and G).

Environment – our priority is Climate/SDG 13. Our businesses spanning insurance, investment, and asset management are focused on understanding and shaping the climate transformation.

Social – our priority is Decent work and economic growth/SDG 8, including education upskilling and employability. We want to be a partner to our customers, governments, regulators, and societies. Our goal is to support the next generations and people with disabilities so that they can access high-quality employment. Investing in learning and development for our diverse workforce is key to making all of this happen in a changing world of work.

Governance – our priority is to create trust through strong leadership. We aspire to be a trusted partner for protecting and growing our stakeholders' most valuable assets. Against that background, strong leadership is a key contributor to a company's culture and governance.

We prioritize three U.N. Sustainable Development Goals (SDGs) to guide the integration of sustainability across Allianz and help us to contribute to societal, environmental, and economic change. In addition to SDG 13, Climate action, we have chosen SDG 8, Decent work and economic growth, as an orientation for our work. We believe that delivering the sustainability agenda is only possible through stakeholders working together. This is why we also prioritize SDG 17, Partnership for the goals.

In everything we do across our priorities of E, S, and G, we strive to embed the sustainability principles and activities that are outlined in our Group Sustainability Report 2022.

Risk management

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

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

Sustainability integration approach

Our commitment to tackling ESG topics – here referred to as sustainability topics – ensures we embed sustainability in our own operations and across our insurance, investment and asset management activities. The types of sustainability risks Allianz considers to be material in its insurance, and investment activities are summarized in the Allianz ESG Integration Framework. We published the fourth version of the Framework in 2021.

In the Allianz Group Risk Policy, we define sustainability risks as events or conditions which, if they occur, could have significant negative impacts on the assets, profitability or reputation of the Allianz Group or one of its companies. Sustainability topics are integrated in our insurance, investment, and asset management businesses through multiple instruments. Key processes include the internal Allianz Standard for Reputational Risk and Issue Management (AS RRIM) and other corporate rules, such as the Allianz Standards for P&C Underwriting and Allianz ESG Functional Rule for Investments (EFRI).

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

- ESG risks are managed through the ESG-sensitive business guidelines outlined in the AS RRIM, in underwriting, proprietary investments in non-listed asset classes, and operations.
- For investments in listed asset classes, the Allianz ESG scoring approach (defined in EFRI) is applied to manage related risks.
- For proprietary investments, Allianz has excluded investments in companies involved in controversial weapons since 2011. Additionally, we do not provide insurance cover for activities related to such weapons.
- We have restricted proprietary investments in coal-based and oil and gas business models and related property-casualty insurance business. Our criteria for the exclusion of coal-based business models were further expanded in May 2021. Furthermore, we have also excluded oil sands-based business models since May 2021.[1] In the fight against global warming, any additional unit of renewable energy is needed. Therefore, we are revising our thermal coal guideline to allow ring-fenced insurance of renewable energy projects not looking at legacy business of the utility.
- ESG integration in property-casualty insurance is carried out through the application of ESG guidelines and processes in the underwriting process.
- Further ESG-related measures, including the prevention of human rights violations, are part of our systematic engagement with investee companies as well as ESG considerations in our selection and management of asset managers and in our procurement processes.

We continue to expand and strengthen our sustainability risk management approach to ensure it is current and relevant in the context of our core businesses. The data related to our ESG integration approach is included in our Group Sustainability Report 2022 on the **Allianz company website**. An in-depth overview of our approach and processes for integrating ESG is published in the Allianz ESG Integration Framework on the **Allianz company website**.

In our Asset Management business segment, AllianzGI and PIMCO have developed and implemented entity-specific processes to manage risks and capture opportunities from ESG issues. For proprietary assets that AllianzGI and PIMCO manage on behalf of other Allianz Group entities, group-level requirements are observed in combination with the asset management entities' specific approaches, as shown in section 02.3 in our Group Sustainability Report 2022 on the **Allianz company website**.

Environmental matters

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

Concepts

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

Climate change is a major risk for societies and economies, and it directly affects our business, from our insurance products to our proprietary and third-party investments, and our own operations. We are tackling climate change challenges by promoting the transition to a low carbon economy through our investments and insurance solutions. In addition, we actively manage emissions from our operations.

In 2022, the decrease in measured GHG emissions was mainly caused by increasing the share of renewable power in our energy mix, delivering a structured approach to energy management, and reduced business travel resulting from COVID-19.

Climate Change Strategy

Our climate approach is grounded in the Allianz Group Climate Change Strategy. The strategy is built around the three pillars through which we can have an impact: Anticipate. Care. Enable.

Our ambition is to be a partner for our clients, investees and different sectors in the transition towards net-zero. We do this with our own activities, and we contribute through partnerships, including the U.N.-Convened Net-Zero alliances: Net-Zero Asset Owner Alliance (NZAOA) as well as Net-Zero Insurance Alliance (NZIA). Allianz Global Investors is part of the Net-Zero Asset Manager initiative (NZAM, not U.N.-convened).

Our climate approach is an integral part of our core business. By committing to net-zero greenhouse gas (GHG) emissions by 2050, we are working to set long-term and intermediate targets across our operations and business lines in line with the 1.5°C ambition.[2]

The Allianz SE Board of Management's remuneration is tied to the attainment of climate-related targets, among other things, which include the successful execution of our Climate Change Strategy.

We measure our GHG emissions from our own operations (Scope 1, 2 and relevant scope 3) and from our proprietary investment portfolio (Scope 3 category 15) and are continuously working to increase the covered asset classes. Based on our current model, the total GHG emissions from Allianz amount to 16.4 mn t CO_2e. We have increased the scope by including the following asset classes: sovereigns, buildings and infrastructure equity, but have limited assurance for these asset classes to date. We provide more details in this chapter. For further information, please refer to "Sustainability in proprietary investments" (section 02.2) and "Own operations" (section 02.6) in our Group Sustainability Report 2022 on the **Allianz company website**.

Climate targets for proprietary investments

For our proprietary investment portfolio, we have committed to reduce GHG emissions to net-zero by 2050. Our initial set of intermediate 2025 targets covered listed equities, corporate bonds, and direct real estate, including Joint Ventures. We are constantly expanding the scope of targets in line with the Target Setting Protocol of the NZAOA.

1_Please refer to the target and achievement table in the "Environmental matters" section.

2_We are managing towards 1.5°C in line with pathways which do not overshoot 1.5°C or only to a limited extent (so-called low/no overshoot pathways).

As an intermediary target, we aim to reduce our emissions in our listed equities and tradeable corporate bonds by 25% by year-end 2024 compared to 2019.

We also target that our direct real estate portfolio will be aligned with science-based 1.5°C pathways by year-end 2024. In 2021, we introduced new targets for our equity and debt infrastructure investments. For direct equity infrastructure investments, we are targeting a 28% reduction by the end of 2025 against the 2020 base year.

In 2022, we set targets covering fund investments in infrastructure, real estate, and private equity, as well as our European Commercial Real Estate Lending (EU CREL) business. For all investments in these asset classes, we commit to carbon transparency on financed emissions, at the latest by reporting for the 2024 fiscal year. For new investments in these asset classes, we will phase in net-zero targets by 2025. For EU CREL, our targets are to ensure Carbon Risk Real Estate Monitor (CRREM) alignment for all new loans. For all existing assets, we apply an engagement approach.

To set targets and measure achievement, we calculate the carbon footprint of the respective asset classes. While we have already been reporting the carbon footprint of our Corporates and Listed Equities portfolios, we now also calculate the carbon footprint of our (direct) Real Estate, (direct) Infrastructure Equity and Sovereign bond portfolios in line with the latest PCAF recommendation. For further details on our targets and our carbon footprint, please refer to our Group Sustainability Report 2022 on the **Allianz company website**, sections 02.2.2 and 03.1.

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

Utilities

Complementing our coal phase-out commitment by gradually increasing our investments in renewables and following at least the necessary annual growth rate of 5.85% as proposed by the International Renewable Energy Agency (IRENA) as a minimum. As of 2023, there will be stricter thresholds for coal-based business models.

Oil and gas

Supporting the commitment set out by the industry-led Oil and Gas Climate Initiative (OGCI) to limit the emission intensity for Scope 1 and 2 emissions of oil and gas companies in their exploration and production business ("upstream") to less than 20 kg CO_2e per barrel of oil, and aligning our oil and gas exposure on average-listed equity and corporate bonds portfolio to this intensity level.

By 2025, we aim for at least 50% of our assets under management in the oil and gas sector to have set net-zero targets on Scope 1 and 2 emissions by 2050.

Anticipating climate risks

Our Climate Change Strategy aims to anticipate the risks of a changing climate. We systematically consider climate and sustainability criteria in our insurance and investment business. We continuously update and develop our approach to identifying and managing climate change risks and opportunities. Using internal models and external tools, we perform sensitivity and scenario analyses with time horizons extending to 2050, and with global warming scenarios ranging from 1.5°C to 4°C. For more details on climate scenario analyses, see section 03.4 of our Group Sustainability Report 2022 on the **Allianz company website**.

In pursuing our investment business, we consider climate-related criteria such as carbon emissions, energy efficiency, vulnerability to climate change, and opportunities in clean tech as part of our ESG integration approach for listed and non-listed assets. We also systematically engage with investee companies exposed to high ESG risks, offering advice and encouraging them to define and pursue their own climate strategies in line with the latest scientific findings. For further insights into the Allianz Group´s ESG engagement approach, please refer to section 02.2.1 of our Group Sustainability Report 2022 on the **Allianz company website**.

As part of our decarbonization strategy, we have enacted fossil fuel guidelines which have targeted restrictions and company expectations for companies with business models based on oil and gas as well as thermal coal. These guidelines apply to proprietary investment and Property-Casualty portfolios (see Allianz Statement on the Allianz company website on business models based on **coal**, **oil and gas**).

For more information on our current state of progress, please see section 02.2.1 of our Group Sustainability Report 2022 on the **Allianz company website**.

Climate targets for our insurance business

For our insurance portfolio, we were one of the founding members of the Net-Zero Insurance Alliance (NZIA). Currently, we are working on the development of the targets and methodologies within NZIA. These methodologies are expected to be published in early 2023, after which Allianz and other members will set their first near-term targets.

Caring for our customers

We support our insurance customers so that they can reduce climate-related risks by minimizing damage and insure low-carbon developments. This is particularly important as we see natural catastrophes increasing in frequency and severity due to climate change. Furthermore, we are piloting new approaches that combine insurance offerings with measures that strengthen their resilience. This includes incentivizing people to reduce risk and advise on opportunities.

On the insurance side, we invest in data and technology for understanding the different natural catastrophe perils that will affect the world. Many people still do not have any insurance, and we collaborate with our peers, governments, and civil society to help close the protection gap in more vulnerable parts of society. We also support scientific research and innovation that improves society's understanding of climate-related risks, for example through the InsuResilience initiative.

Enabling the low carbon transition

We strive to enable the journey to net-zero for our own operations, for our investees, and for our insurance customers. Our ambition is to be an insurance and investment partner for the net-zero transformation that different industries and customers need to make.

Our business strategy aims to systematically enable a low-carbon and climate-resilient future. We focus on key sectors with high emissions and the need for transformation. The energy and transportation sectors are prime examples. We strategically invest in low-carbon assets and are insuring low-carbon technologies. Grounded in our belief in science-based decision making, we support partners, investees, and clients along the path to net-zero. In addition, we support transitioning to net-zero by investing in blended finance vehicles and climate positive solutions like forestry and hydrogen (for more on our approach towards financing the transition, please refer to our Group Sustainability Report 2022 on the

Allianz company website, section 02.2.1). We also commit to pursuing net-zero within our own operations.

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

For more details on the TCFD, please refer to the climate change related disclosure (in section 03) of our Group Sustainability Report 2022 on the **Allianz company website**.

Targets and achievements: Climate Change Strategy

Topic	Board targets 2022	Achievements 2022	Targets 2023	Targets and commitments 2024 and beyond
Decarbonizing our Proprietary Investments	Establish a quantitative roadmap to reach minus 25 % GHG emissions (absolute reduction on public equity and listed corporate debt by 2024 versus 2019).	All portfolio decarbonization levers are fully on track, with minus 25 % GHG emissions by 2024 year-end target achieved already. On top of the target, AIM SE has actively shaped various sustainability-related topics, internally and externally, during 2022, leading and shaping ambition of the Allianz Group. 35 %[1] emission reduction (baseline 2019)	Follow through on net-zero ambition, in particular in line with our Net Zero Alliances commitments.	As an intermediary target, we aim to reduce our emissions in listed equities and tradeable corporate bonds by 25 % by year-end 2024, compared to the 2019 baseline. The fully owned real estate portfolio will be in line with scientifically based 1.5-degree pathways by year-end 2024. We also set emission reduction and engagement targets for our infrastructure portfolio in line with 1.5-degree pathways.

1_The original 2019 baseline figure got limited assurance. Due to a methodology change, the baseline figure was restated. The restated figure was not audited. The 2022 carbon footprint figure has reasonable assurance level.

Objectives and actions: Climate Change Strategy

Topic	Objectives	Progress and actions 2022
Phase out of coal-based business models	– Fully phase out coal-based business models across our proprietary investments and Property & Casualty (P&C) portfolios by 2040 at the latest, in line with the 1.5°C pathway. – Engage with companies in proprietary investment as well as P&C portfolios to move away from coal.	Reduce threshold for coal-based business models for P&C insurance as well as investment portfolios from current 30 % to 25 % share of coal in power generation or mining revenues as of 31 December 2022. For further insights into our guideline and our divestments, please refer to our Group Sustainability Report 2022, section 03.
Transition away from oil and gas	– Restrict specified oil and gas project investments and single-site P&C insurance as of 1 January 2023. – Set expectations to companies with largest oil and gas production to commit to net-zero GHG emissions across all emission scopes by 2050 by 1 January 2025.	– Launch of oil and gas guideline which restricts project investments in and single-site P&C insurance of exploration and development of new oil and new gas fields (upstream), construction of new midstream infrastructure related to oil as well as construction of new oil power plants. – Furthermore, practices relating to Arctic and Antarctic, coal-bed methane, extra-heavy oil and oil sands, as well as ultra-deep sea are restricted. This pertains to both new and existing projects/operations. – Companies with largest oil and gas production need to commit to net-zero GHG emissions across all emission scopes by 2050 by 1 January 2025. For further insights into our guideline, please refer to our Group Sustainability Report 2022, section 03.
Net-Zero Asset Owner Alliance	Transitioning investment portfolios to net-zero GHG emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures.	– Allianz re-elected to Steering Group Chair role for another term of two years, which reflects the strength of our commitment and collaboration with member organizations. – Allianz co-led Monitoring, Reporting & Verification (MRV), Engagement, Policy and Communications work tracks within the alliance, together with other leading asset owners. – One of the key contributors to notable publications such as Target Setting Protocol 2nd edition, The Future of Investor Engagement, Position paper on Governmental Carbon Pricing, AOA's 2nd annual progress report, Call to Policymakers to Support Scaling Blended Finance, Call to Action to Private Market Asset Managers, to name a few.
Net-Zero Insurance Alliance	Transitioning all operational and attributable GHG emissions from our insurance and reinsurance underwriting portfolios to net-zero GHG emissions by 2050, consistent with a maximum temperature rise of 1.5°C above pre-industrial levels.	– Allianz actively supported the creation of the first ever carbon accounting and reporting standard for the insurance industry. It was successfully launched in November 2022 in cooperation with PCAF (Partnership for Carbon Accounting Financials) and other leading insurance companies. – Allianz further contributed significantly to the first version of the NZIA Target Setting Protocol, expected to be launched in January 2023. First individual intermediate targets for 2030 are expected to be released in 3Q 2023.
Sustainable claims management	Define approach and KPIs for sustainable claims management in retail P&C.	– Allianz developed a practice guide for motor retail to support decarbonization of motor retail claims processes together with the biggest operating entities in the motor business. – Allianz defined a set of operational KPIs for motor retail claims which will be applied for internal steering purposes in 2023.
Strategy for sustainability in asset management	Develop strategy for sustainability in asset management, leading to strong competitive positioning in sustainable product offering and ensuring strong sustainability reputation.	Allianz Asset Management businesses have been working intensely on their respective sustainability strategies as they continue to see it as an important industry driver. Both PIMCO and AllianzGI presented strong sustainability strategy as part of Strategic Dialogues in 2022 and have been working on innovative offerings across the broad spectrum of sustainability orientation of their clients.

Environmental management of our operations

We have established a dedicated unit – Sustainable Operations – within Group Operations & IT to align the strategic approach across all Allianz entities, with the aim to reduce their environmental footprint and accelerate impact with clear target setting and best-practice sharing.

Our ambitious new commitment (For further information, please refer to the **Allianz company website**) for our own operations is to reduce GHG emissions arising from Allianz sites and activities in over 70 markets to net-zero by 2030, earlier than 2050 as originally planned.

We have accelerated our climate targets for business operations and, by 2025, plan to reduce GHG emissions per employee by 50% versus 2019. Further, to achieve the net-zero target by 2030, we aim to reduce emissions by 70% versus 2019.

Key drivers will be sourcing 100% renewable electricity by 2023, implementing energy-efficiency and reduction measures, shifting to a fully electric corporate car fleet by 2030 at the latest, and achieving a 40% reduction of GHG emissions from travel activities by 2025 against a 2019 baseline. To address the remaining 30% of the emissions, we will use high-quality carbon removal solutions. Beyond our own operations, we will ask 100% of the global framework vendors in our supply chain that provide services globally to establish a public commitment to net-zero GHG emissions in line with a 1.5°C path by 2025.

Embedding sustainability in our buildings encompasses renewable energy and energy efficiency, as well as waste and water management, together with additional actions on areas such as food and infrastructure for green commuting and ensuring that the environmental management processes are in place.

We apply targeted environmental management system (EMS) and energy-efficiency processes based on ISO14001 and ISO50001 standards to improve environmental management governance practices at some of our major locations and entities. Mandatory requirements of such certification help strengthen our approach – for example, it is a requirement of ISO14001 to have a board-level sponsor for our EMS. At Allianz SE, this sponsor is our Chief Operations Officer. Entities such as Allianz France or Allianz Germany are already ISO14001 and/or ISO50001 certified. Our main locations also pursue certifications such as LEED, BREEAM, etc.

The scope of our environmental reporting includes all entities that, at the time of writing the reports, have been part of Allianz for at least a full reporting year. In 2022, we collected environmental data for entities corresponding to 95% of our total employee base.

In 2022, we included GHG emissions from remote working to reflect the increased shift towards hybrid working. We also included emissions from our use of public cloud services following our IT strategy. For further details on scope and methodology, please refer to the 2022 explanatory notes on the **Allianz company website**.

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

For our approach on carbon credits, please refer to our Group Sustainability Report 2022 on the **Allianz company website**, section 02.6.

Targets and achievements: environmental management of our operations

Topic	Board targets 2022	Achievements 2022	Targets 2023	Targets and commitments 2024 and beyond
GHG emissions per employee[1]	Reduce GHG emissions by 50 % per employee by year-end 2025, against a 2019 baseline.	- Our carbon footprint per employee was 1.0 tons (2021: 0.9). This represents a 57 % reduction (2021: 60 %), against a 2019 baseline. - This reduction was mainly the result of increasing the share of renewable power in our energy mix, delivering a structured approach to energy management, and reduced business travel resulting from COVID-19.	We expect in 2023 emissions at a comparable level to 2022 with some post COVID-19 corrections.	- Reduce GHG emissions by 50 % per employee by year-end 2025, against a 2019 baseline. - Achieve the net-zero target by 2030.
Renewable electricity	Source 100 % renewable electricity for our operations by 2023.	The share of renewable electricity in total electricity used was 89 % (2021: 77 %). This was mainly achieved through a combination of strategic discussions with suppliers on "green tariffs", expanding the use of on-site renewable technologies and the use of "unbundled"[2] renewable Energy Attribute Certificates.	Source 100 % renewable electricity for our operations by 2023.	Maintain 100 % renewable electricity for our operations.

1_The data is based on meter readings or invoice amounts (where available), and entities' own estimations. Wherever the necessary data cannot be determined in this way and with reasonable effort, it is extrapolated – either for entire entities or for part(s) of them – based on the relevant headcount.
2_In locations where no direct renewable energy solution is available, we partly purchase Energy Attribute Certificates (EACs) issued to renewable electricity generators operating within the same market boundary as the claimant.

Social matters

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

Concepts

Allianz is committed to having a positive social impact and helping to deliver the U.N. SDGs – for more information, see sections 01.4, 01.6, 02.7 of our Group Sustainability Report 2022 on the **Allianz company website**. We understand social impact as the effect that our global organization has on the well-being of the community – from global society to local communities where we live and work. This ambition is lived out through our company purpose, group-wide business strategy, and the local efforts of our operating entities.

Our long-term approach as an investor and insurer is an opportunity to offer measures that can mitigate future risks and shape societies for generations, for example through pension systems, environmental and climate protection. As a global insurer, we uphold the principle of solidarity. Pooling risks is part of our core business model, and we have a keen interest in supporting stable communities. We have a role to play in enabling next generations and people with disabilities to overcome the economic and social impacts of the pandemic and other systematic social risks. For further insights into our concepts, see "Our social approach" (in section 01.6) of our Group Sustainability Report 2022 on the **Allianz company website**.

Responsible Tax

The taxes we pay are relevant contributions to the economic and social development of the countries in which we operate. Information on our Tax Strategy and our approach to taxes is provided through section 04.4 of our Group Sustainability Report 2022 on the **Allianz company website** and the Tax Transparency Report 2022 on the **Allianz company website**.

Corporate Citizenship

We deliver social impact through our business, customers, employees, and corporate citizenship activities. Our Corporate Citizenship Strategy aligns with our company purpose – "We secure your future" – and ensures we deliver our responsibility towards society. Next generations and people with disabilities are our priority focus groups and we deliver corporate citizenship activities across our operating entities.

Allianz has 12 foundations around the world which support universities and academia. We also provide emergency relief, with a high focus on the Ukraine war in 2022. Our social activities align with our commitment to SDG 17, Partnerships for the goals. We actively participate in a wide range of initiatives, from global U.N.-backed initiatives to collaborations with regional non-governmental organizations (NGOs) and local charities, see section 02.7 of our Group Sustainability Report 2022 on the **Allianz company website**.

Our Corporate Citizenship Strategy was concluded in 2021 and set targets for 2022 and beyond, along with guidance and criteria for activities under SDG 8, Decent work and economic growth. Leveraging our experience and partnerships in sports, we create programs that promote well-being, resilience and job-readiness for youth and people with disabilities. To support education efforts through our academic partnerships, we offer various scholarships, including those with ESMT and MIB Trieste. We use the Allianz Social Impact Measurement Framework to support local entities in setting their ambitions and measuring and reporting on the impact of corporate citizenship activities locally.

In 2021, we launched a Social Impact Fund to replace the previous Social Innovation Fund. The fund is our key program which supports strategic opportunities to deliver social impact beyond charitable donations by focusing on creating measurable impact through intersectoral partnerships. In 2022, the fund provided resources for 15 local partnerships that focus on SDG 8. This year's funded programs cumulatively expect to reach over 700,000 youths and more than 1,000 schools by 2024.

For more information on our Social Impact, please see section 02.7 of our Group Sustainability Report 2022 on the **Allianz company website**.

Objectives and actions: societal impact

Topic	Objectives	Progress and actions 2022
Corporate citizenship strategy	Continue with the implementation of the new strategy and roll out of the impact measurement framework.	Integrated Social Impact Measurement Framework into data collection process to enhance input-output-outcome-impact (IOOI) reporting in support of local entities setting their ambitions and measuring the impact of corporate citizenship activities.
Long-term global partnerships	Continued review of our global partnership and development of a partnership framework for local corporate citizenship activities to increase the resilience and equal opportunities of children and young people.	Global Partnership approach is under discussion.
Corporate citizenship activities	- Continue to contribute to society through corporate giving and employee volunteering in alignment with our strategy. - Identify and launch activities that would be supported through the Allianz Social Impact Fund.	Social Impact Fund supported 15 corporate citizenship programs led by operating entities (OEs) in partnership with NGOs in delivery of social impact locally in alignment with global strategy.

Responsible consumer / sales

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

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

The Allianz Standard for Sales Compliance aims to promote and protect the interests of our customers. It is designed to ensure transparency and the fair, honest, and responsible treatment of Allianz customers in their purchase of our financial products and their dealings with us. The Standard sets the foundation for a comprehensive customer protection framework designed to ensure all Allianz entities adhere to its prudential norms and robust protection. It covers five key areas to address conduct risk: Product Oversight and Governance, Incentives and Steering of Distributors, Standard of Distribution, Sales Force Selection and Training, and Monitoring and Reporting.

We use the globally recognized Net Promoter Score® (NPS) as our key metric for measuring customer loyalty through customers' willingness to recommend Allianz. In 2022, we switched to digital NPS tracking. Digital NPS allows us to measure customer loyalty continuously, eliminating seasonality, and deepening our understanding of customers' sentiment. Additionally, the new measurement sets higher standards for our operating entities which are measured against a broader set of competitors. Our Group ambition is to reach 50% of loyalty leaders by 2024.

Our Voice of the Customer program applies a holistic and standardized methodology to monitor and improve the customer experience by collecting real-time qualitative and quantitative feedback. After each touch point a customer has with Allianz, they are invited to state their satisfaction on a five-star scale at predefined touch points along five customer journeys. They map the main interactions a customer has with Allianz along the following journeys: Sales & Onboarding; Claims; Issue Resolution & Contract Management; Renewal, Cancelation & Termination; and Outbound Communication. If customers rate their experience with three stars or less, we follow up with them to resolve the issue directly and gather more insights.

We use insights from Voice of the Customer and NPS to improve our products, services, communications, and processes. We combine and analyze sources of customer data in strict accordance with applicable privacy laws to prioritize and implement structural improvements. Local operating entities use customer feedback to derive concrete actions, such as improving proactively informing customers about the status of their claims.

Learnings gained through Voice of the Customer and NPS programs are also helping us design the global Allianz experience for customers. In 2022, we rolled-out a set of global guidelines (Xperience Habits) in contact centers to ensure our customers are treated with appreciation, empathy, and helpfulness. In addition, we launched two more initiatives to improve customer interactions and provide a consistent Allianz experience across markets. We created and distributed to our operating entities guidelines and digital communication templates on when and how to proactively inform customers about the status of their claims. We also launched the Annual Policy Review, as a service communication to engage with customers in their best interest.

The Allianz Customer Model (ACM) is our end-to-end global business model which puts the customer at the center of our business and enables Allianz to be simple, digital, and scalable. Our ambition is to simplify and harmonize our business globally, which involves transforming the whole value chain across products, sales, claims, and operations. Within this context, the ACM was designed first for Retail Property and Casualty lines and then extended to Health, Life, B2B2C, MidCorp, Large Corporate, and Reinsurance. Our aim is to continuously roll out the model across Allianz operating entities.

Rather than selling individual insurance products, our vision is to evolve our products into full ecosystems and offer customers relevant and trusted solutions. In parallel, we are collaborating with the Allianz Customer Model to systematically analyze customer pain points and upgrade customer journeys at the Group level.

For more information on our approach to customer responsibility and compliance, please see section 02.5 of our Group Sustainability Report 2022 on the **Allianz company website**.

Targets and achievements: responsible consumer / sales

Topic	Board targets 2022	Achievements 2022	Targets 2023	Targets and commitments 2024 and beyond
Global NPS performance	Digital NPS tracking.	Achieved 58 % Loyalty Leaders.	Our ambition for 2023 is to continue working on the Allianz customer experience so we improve our global Loyalty Leaders performance and meet the 2024 digital NPS targets.	Our Group ambition is to reach 50 % Loyalty Leaders by 2024

Cybersecurity

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

Information security

Information security is the application of technologies, processes, and controls to protect systems, networks, programs, devices, and data from unauthorized access and against cyberattacks, and meeting related regulatory requirements. Our approach is closely monitored by a dedicated Chief Information Security Officer (CISO) function and the Allianz Group Board of Management. An executive accountability regime supports the enforcement of the governance framework for all entities.

The Allianz Information Security Governance Framework comprises multiple layers of corporate rules and processes. An overall policy establishes core principles, roles, and responsibilities and the organizational framework Information Technology and Information Security within the Allianz Group.

To fulfill our commitment, cyber risk is assessed and tracked as one of the top risks faced by Allianz and is closely managed along key risk indicators covering security maturity, risk exposure, and security operations across the Allianz Group. Performance against these indicators is discussed, reviewed, and reported quarterly to the Board of Management and Supervisory Board. Monitoring for cyber incidents, and measures to prevent them from occurring, are implemented at a global level and supplemented locally where required, together with the local CISOs that exist in all Allianz operating entities.

Specific actions to improve security controls are continuously evaluated and developed with priorities assigned on a global, risk-based view that is informed by the current and expected threat landscape. Actions to achieve our cyber risk targets focus on five key risk areas: reducing the likelihood of incidents; increasing detection likelihood; reducing damage from incidents; streamlining compliance; and training/educating the organization to further improve security awareness.

All employees are required to participate in cyber-awareness training at least quarterly. These include activities like simulated phishing e-mails, awareness campaigns or regularly offered dedicated information security training. We also participate in industry and global/regional initiatives to support the security of the overall internet ecosystem.

For more information on our commitment to information security, please see section 04.1.1 of our Group Sustainability Report 2022 on the **Allianz company website**.

Data privacy

Protecting our customers' data and maintaining trust in our processes are top priorities. Our customers, employees, and other stakeholders expect us to treat their data with the utmost care and we take this responsibility extremely seriously. We are committed to the highest standards to protect customer privacy and we cooperate closely with other stakeholders involved in the update and modernization of European privacy legislation, including industry associations, members of parliament, and authorities. Our group-wide privacy program ensures compliance with all relevant data privacy laws and regulations. All data privacy matters are overseen by Group Data Privacy. Our 2022 focus was on furthering the automation of data privacy within our organization, enhancing the Privacy Monitoring and Assurance Program (PMAP), and continuing to embed privacy within the business through our network of privacy champions.

The Allianz Privacy Framework (APS) is our global standard for data privacy. It defines rules and principles for collecting and processing personal data, and includes a global standard for data privacy, a privacy impact assessment and risk management process, integration with information security standards and practices, and dedicated training programs for employees. Digital Privacy Guidelines provide guidance on privacy-related topics that affect digital projects, both for privacy by design as part of new-product and service design processes, and for privacy by default - this means that wherever individuals are given choices on the use and sharing of their personal data, default settings restrict the disclosure. In addition to the APS, our data protection authority has approved our Binding Corporate Rules (BCRs). These BCRs allow Allianz Group companies to lawfully transfer personal data from within the European Economic Area to other jurisdictions, where it is required for business purposes.

Our employees play a critical role in upholding our commitment to protect personal data. To ensure they have the knowledge to properly use and safeguard personal data, all employees are required to complete annual privacy training which covers the Allianz Privacy Framework requirements in detail and ensures a solid foundational understanding of core privacy concepts and the proper handling of personal data. For Privacy Experts, five-day Privacy Expert Training is focused on providing Data Protection Professionals and Data Protection Officers with the practical knowledge to effectively conduct their day-to-day activities. For Privacy Champions, two-day Privacy Champion Training is focused on the practical knowledge and exercises of the Privacy Champion role to ensure data protection compliance within the business.

As part of our Privacy Risk Management, we identify and manage privacy risks at the operational process level to ensure they are measured, monitored, and mitigated across our core businesses. Privacy Impact Assessments (PIAs) of processes that use personal data – such as customer health data and employee data – enable the early identification of privacy risks and ensure they are managed appropriately.

We are also committed to ensuring that adequate and effective controls are in place to address privacy risks associated with the processing of personal data by external suppliers on behalf of Allianz. We have undertaken case-by-case Transfer Impact Assessments (TIAs) for processes that transfer personal data from the European Economic Area (EEA) to suppliers in third countries. In 2022, we designed a TIA template in our privacy management platform which will be rolled out to all our operating entities in the EEA to ensure such assessments are conducted in a consistent, semi-automated way.

For more information on our commitment to data privacy, please see section 04.1.2 of our Group Sustainability Report 2022 on the **Allianz company website**.

Data ethics

Our aim is to maintain stakeholder trust and position Allianz as a leader in conducting data-driven business in a trustworthy and ethical manner. This includes elevating data ethics and selected data and analytics-related topics in the governance and decision-making processes of the Allianz Group.

We strive for a responsible use of Artificial Intelligence (AI) in our business activities based on a strong AI Governance Framework. This includes ensuring a human-centric approach in our usage of AI systems: For each AI system, an appropriate level of human control must be determined according to the inherent risks of harm for individuals as part of a Privacy and Ethics Impact Assessment.

Ensuring compliance with current and upcoming regulations and embedding best practices in anticipation of regulatory change are also high priorities in fulfilling our data ethics commitments.

Following its establishment in 2021, the Data Advisory Board (DAB) has continued work to elevate and integrate data ethics into governance and decision-making, as well as supporting both the positioning of Allianz as a leading insurer and investor in the data ethics space and wider sustainability efforts. The DAB supported EU operating entities which are members of the Renewal Agenda Committee in their roll out of the Practical Guidance for AI by end of 2022.

Other measures include Privacy and Ethics Impact Assessments to identify and address AI-specific risk through the determination of the appropriate level of human involvement and mandatory training for relevant employees who develop and/or use AI in applicable operating entities (OEs).

For more information on our commitment to data ethics, please see section 04.1.3 of our Group Sustainability Report 2022 on the **Allianz company website**.

Cyber risk

We are constantly evolving our solutions to enable customers to manage cyber threats. As an example, Allianz, (within its commercial Property and Casualty products) has eradicated around 98 % of silent cyber exposure, therefore providing clarity to customers on what is and isn't covered within the products. As an insurer, we combine policy and service improvements to help businesses understand the need to strengthen their controls. We continue to evolve cyber risk exposure coverage across P&C policies spanning commercial, corporate, and specialty insurance segments. The Cyber Underwriting Strategy addresses exposures to cyber risks and is reviewed regularly to ensure policies are updated and clarified in response to cyber risks.

For more information on cyber risk, please see section 04.1.4 of our Group Sustainability Report 2022 on the **Allianz company website**.

Objectives and actions: cybersecurity

Topic	Objectives	Progress and actions 2022
Information security executive accountability	- Define and include information security targets for all responsible board members, including local OEs to ensure appropriate focus on securing Allianz. - Further upgrade targets and risk indicator monitoring, linking them to quantified risk exposure and roll-out of global cyber-risk management strategy.	- Target objectives for all OEs included key information security risk indicators in addition to targets for strategic programs related to information security. - Additionally, a mechanism was devised to ensure a direct link between information security standing and reward.
Data privacy and data ethics	- Deploying new data privacy controls for supplier management concerning the pre-selection, contracting, ongoing monitoring, and off-boarding of data processors. - Deploying a rigorous new training program for privacy professionals and privacy champions. - Rollout of the AI Practical Guidance to all EU Renewal Agenda Committee (RACo) operating entities.	- Revised data privacy controls for supplier management to reflect the full supplier management lifecycle and piloted these controls for inclusion into the 2023 cycle of the Integrated Risk and Control System (IRCS). - Conducted 2 Privacy Expert Trainings and 7 Privacy Champion Trainings, attended by 49 and 404 participants respectively. - Instituted a quarterly program to train relevant employees on the Practical Guidance for AI. - Completed the Practical Guidance for AI rollout assessment, including an interview process and monitoring measures, for all EU RACo OEs by the end of 2022.

Human rights matters

Respect for human rights is a minimum standard for responsible business within and beyond our direct operations. This is an expectation that is reflected by expanding legislation on human rights and is applied across our global operations. The following section describes how we handle human rights risks in our business activities and relationships. We also describe our activities and achievements related to the management of those risks. As we are a financial services provider, these activities mainly relate to insurance transactions, proprietary investments, and our operations. The topic of human rights is managed by Global Sustainability and is overseen by the Sustainability Board.

Concepts

We aim to identify, prevent, mitigate or remediate adverse human rights impacts linked to our business activities and operations, including our supply chain. This is in line with the U.N. Guiding Principles on Business and Human Rights (UNGP), which provide a framework for responsible business operations and activities. We are committed to respecting various human rights standards and Allianz SE has been a participant in the U.N. Global Compact (UNGC) since 2002. We annually communicate our progress against these principles. Please refer to our latest UNGC annual communication on the **Allianz company website**.

We also apply the Universal Declaration of Human Rights as an employer throughout our worldwide operations. We have integrated the 10 principles of the UNGC into our globally binding Allianz Group Code of Conduct and we respect the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. We endorse the Declaration on Fundamental Principles and Rights at Work, including the International Labour Organization (ILO) declaration on the freedom of association and the right to collective bargaining. We are a supporter of the U.N. Women's Empowerment Principles and the B Team's Principles for Equality.

To manage our human rights risks, we look across each of our roles as an insurer and investor, as an employer, as a company including our supply chain, and as a corporate citizen. For each of these roles, we embed specific processes to manage human rights risks and act on opportunities to drive positive change.

We published our Human Rights Approach embedded in the Allianz Group ESG Integration Framework in 2021. The document highlights our human rights governance, most critical human rights risks, processes and measures in place to protect human rights, among others. We continue to apply ESG and Human Rights Guidelines for sensitive countries across all business lines and core processes dealing with insurance, investment, and procurement decisions.

As a corporate insurer and investor, our human rights due diligence process forms part of our overall sustainability approach, which is integrated into our broader risk management system. Our first Human Rights Impact Assessment was carried out in 2021 and based on the United Nations Guiding Principles on Business and Human Rights (UNGP)'s methodology to identify gaps in our approach. In 2022, we continued to work on improvement points based on the findings of this assessment. For further information, please see our Summary Report – Human Rights Impact Assessment on the **Allianz company website**.

The Allianz Code of Conduct reflects our values and principles and gives our employees guidance in their actions and decisions, including actions to uphold human rights, such as treating people fairly and with respect. In 2022, we updated our Vendor Code of Conduct to ensure suppliers meet our human rights standards and regulatory expectations in line with the German Supply Chain Due Diligence Act ("Lieferkettensorgfaltspflichtengesetz"). Specific areas of focus include discrimination in the workplace, child labor, and providing a safe working environment. We also created a Sustainability Charter to help our suppliers understand our supply chain strategy when it comes to sustainability and the expectations of being a partner of Allianz, now and in the future. Further details can be found in the Allianz Group Vendor Code of Conduct on the **Allianz company website**.

Human rights due diligence in our operations is a key part of our ESG referral and assessment process. We assess current and potential suppliers to ensure they abide by the ESG guidelines outlined in the Allianz Vendor Code of Conduct (VCoC), which is aligned with ILO standards, UNGP, and UNGC. For further details on the Allianz Group's referral process and our Human Rights Guideline, see the Allianz ESG Integration Framework on the **Allianz company website**.

Allianz is also committed to compliance with the Modern Slavery Act in the U.K., both from the perspective of our U.K. business and the interactions of our wider Group. No issues were raised regarding human rights issues in accordance with the Modern Slavery Act in 2022, as reported in the Allianz Group Modern Slavery Statement on the **Allianz company website**.

Objectives and actions: human rights matters

Topic	Objectives	Progress and actions 2022
Modern Slavery Act	- Continue to report on human rights issues as defined in the (UK) Modern Slavery Act. - Implement actions as required by the German Supply Chain Act and further improve our approach to human rights.	- No issues were raised regarding human rights issues in accordance with the (UK) Modern Slavery Act in 2022. - Allianz Group Modern Slavery Statement was updated in mid-2022.

Employee matters

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

Concepts

Delivering our purpose "We secure your future" starts with 159,253[1] employees who are part of our diverse and global workforce. Our purpose anchors our Group strategy, employee value proposition, brand promise and customer experience principles, and it drives our decisions and actions. We held our third global Purpose & Strategy Day in summer 2022 to engage our employees on our purpose.

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

Our new initiatives in 2022

Our response to the multi-crisis situation

In 2022, the ongoing COVID-19 pandemic, the war in Ukraine, a prevailing energy crisis, and rising inflation constituted a multi-crisis situation associated with increased uncertainty. Our goal at Allianz is to ensure our employees' health and safety as a basis for sustainable economic success. Therefore, Allianz has implemented several initiatives in 2022, such as Q&A sessions to inform employees about the political and economic implications of the current situation, offers to strengthen mental health, and pulse surveys to identify issues regarding engagement and well-being. The feedback we received indicates that our employees were very satisfied with our response to the crisis situation.

"Engagement Matters" Program

With our "Engagement Matters" Program, introduced in 2022, we connect local and global engagement opportunities under one umbrella across five pillars: 1) Health & Well-being, 2) Strategy & Top Management, 3) Jobs, Processes, Innovation & Change, 4) Learning & Development, 5) Recognition & Reward. As part of the program, we launched a central engagement hub and a digital magazine, which summarize opportunities and resources, such as listening sessions with board members, mindfulness moments and trainings, mental health talks and podcasts, learning and development opportunities, and benefits beyond pay.

Ways of Working

Amidst the shifts in how we work and do business, we have established across Allianz our Ways of Working (WOW). Our WOW standards are centered across five categories: 1) Flexible work & Reduced travel, 2) Digital tools, 3) Health & Well-being, 4) Learning, 5) Organization & Culture. For instance, employees across the globe have the opportunity to spend a minimum of 40% of their working hours working from home (depending on the position, e.g., mobile worker, office worker, etc.) and the opportunity to work up to 25 days a year abroad in accordance with local regulations. In 2022, we focused especially on the implementation of a flexible hybrid work environment. It is our conviction that hybrid is here to stay and is therefore central to the Allianz WOW. In the course of implementing hybrid working we, for example, carried out test pilots and offered special learning opportunities for our employees. Further, we rolled out a user-friendly and newly developed tool enabling employees to check compliance of their cross-border remote work requests quickly and automatically.

Business as usual

Allianz Engagement Survey

The annual Allianz Engagement Survey (AES) is our formal employee platform for gathering employee feedback and promoting a high performance culture. The results of the AES are directly linked to the performance targets for the Group's Board of Management. This year, two of the three main indices reached record highs in Allianz Group history and the third remained stable at the second highest level.

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

Targets and achievements: employee matters

Topic	Board targets 2022	Achievements 2022	Targets 2023	Targets and commitments 2024 and beyond
Inclusive Meritocracy Index (IMIX)	75 % plus	79 % (2021: 78 %)	75 % plus	75 % plus

Diversity, Equity & Inclusion (DE&I)

We believe in creating an inclusive workplace with equal opportunities for all and shaping a diverse workforce.

1_Total employees (core and non-core business).

Our Allianz DE&I Policy describes our rationale for diversity, equity and inclusion, and how we foster diversity in all its forms; while the Allianz Anti-Harassment Policy outlines our global zero tolerance standard against sexual and other harassment and discrimination.

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

We take a strong stance to increase the diversity of our leadership and management, and our targets and ambitions for December 2024 extend beyond gender representation to cover the dimensions of disability inclusion, nationality and ethnicity, generations, and LGBTQ+.

We engage with our employees through inclusion networks to raise awareness, support employees, advocate for change, and help shape the DE&I agenda. These networks bring together colleagues who share an identity or experience and their friends and allies. Five global employee networks are in place with 18 new locally operating networks added in 2022:

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

Our ambition for equity and fairness also includes ensuring equal pay for equal work in the same or comparable roles for all genders. As part of our commitment to promote transparent and comparable reporting, we have adopted the World Economic Forum (WEF) Stakeholder Capitalism Metrics on pay equality. We have an annual global Equal Pay review to monitor equal pay across the organization and prevent any Equal Pay gaps from arising in the future. The Allianz insurance business segment and several global lines are EDGE (Economic Dividends for Gender Equality) Assess certified. The certification covers 76% of the Allianz Group's global headcount and is valid until year-end 2023.

For more information, please see section 02.4.3 of our Group Sustainability Report 2022 on the **Allianz company website**. Furthermore, we have created an **Allianz website**, which deals specifically with DE&I topics.

Strategic workforce planning

The purpose behind our strategic workforce planning initiative is to understand what the transition to a digital future means for Allianz and its people, and how we can equip our workforce with the skills they need for the future. This initiative is closely linked to our Allianz Group Strategy and the Allianz Customer Model. Our strategic workforce planning approach compares workforce supply by job profile against projected workforce demand over the next five years. It is a structured annual process that is integrated into the annual planning. As a result, we are able to steer the skills that we need in our workforce in order to drive our business strategy via, for instance, targeted and strategic recruiting measures and major re- and upskilling initiatives. We consider digital, data, and agile working skills, as well as leadership and functional skills, to be as key for the future.

Learning and development

Learning and development is a key differentiator also in the financial services industry. We focus on promoting lifelong learning through our global #learn initiative, and offer our employees one hour each week dedicated to learning. We employ a wide range of learning and development approaches, including on-the-job learning, mentoring and coaching, classroom training, peer circles, and digital/mobile learning. Digital opportunities such as LinkedIn Learning and our AllianzU Learning Platform (Degreed) are available to all employees worldwide. We have targeted programs for key areas, such as property and casualty, life and health, IT, strategy, finance, communications, market management, and operations.

#lead Ignite is our global program designed to equip the next generation of Allianz leaders with the knowledge, mindset, and skills needed to lead in Allianz's inclusive, meritocratic environment. #lead Transform is a program newly introduced in 2022. It is created for our future and recently appointed top executives and aims to develop the leadership skills and mindsets required to lead in a global, complex, and ever-changing environment. #sheleads ran for the second year in its new design in 2022. It is recognized as setting a standard for effective gender balance via sponsorship, peer coaching, and learning sessions with our alumni community. Our Allianz Leadership Passport is the "license" to be a people leader at Allianz. The program aims to set a minimum standard for all people leaders with an equal focus on hard and soft skills, in order to ensure the balance between the IQ (intelligence quotient) and EQ (emotional quotient) of our leaders. 2022 was the year of the refresh, i.e., after attaining their Leadership Passport, leaders had to complete 45 hours of learning per year to "refresh" their passport.

In addition, our Active Human Capital Management ensures that we have and grow outstanding leaders - leaders who not only have a proven track record in business, but also the ability to engage their organization and develop top talent. With this approach, we promote a broad professional background and mobility across all businesses and countries, and strive for inclusion and diversity in our top leadership.

Employee health and well-being

Our goal is to maintain and improve employee health and well-being across our global workforce. Our global Allianz Occupational Health and Safety (OHS) Policy gives strategic guidance on health and well-being standards and premises which are implemented by local operating entities, including risk, and hazards assessments, dedicated action plans to manage risks and emergency actions. Based on this policy, we also provide a consistent Health in Action Framework with the following minimum requirements for all Allianz entities:

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

We also continue to monitor the developments related to COVID-19 and its impact on our people.

Health and well-being managers at each operating entity are responsible for driving activities to implement the Minimum Health Requirements. In 2022, the following health and well-being initiatives were, among others, additionally launched: The Allianz Health Talks series – a monthly webinar series to inform our employees about different health and well-being topics, and the meeting etiquette rule to shorten meeting times by five minutes and, therefore, to ensure short breaks in between meetings.

Compliance/anti-corruption and bribery matters

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

Concept and programs

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

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

In 2021, the Compliance Assurance of Risks and Effectiveness (CARE) program was initiated. In 2022, the Compliance Function continued to evolve the way it assesses Group and local Compliance departments. Review procedures have been expanded to confirm adequate compliance scope, assure adequate skills to ensure complete and effective scope coverage, and confirm compliance with global programs in addition to local specificities. While CARE is primarily a self-assessment exercise, it is reinforced with compliance reviews of operating entities, completed and coordinated by Group Compliance. Compliance reviews are completed on a risk-based, five-yearly cycle. Starting 2023, this review cycle will be reduced to a three-year cycle

Compliance Reviews are supplemented by Targeted Reviews. These assess the implementation status and effectiveness of individual programs such as Antitrust, Sales Compliance, etc. The benefit of this multi-faceted review and confirmation strategy is that operating entities are monitored more frequently and are engaged in more holistic assurance activities. Additionally, the frequent interactions with operating entities provide additional opportunities to monitor, guide and, if necessary, enforce remedial activities. An additional benefit is the ability to learn from local and Group best practices, further bolstering our overall Compliance Culture.

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

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

As part of our global compliance program, we follow international standards and applicable laws related to corruption and bribery, money laundering and terrorism financing, trade and financial sanctions, capital markets, data privacy, customer protection, antitrust, and other relevant compliance risk areas. We thoroughly investigate allegations of violations of laws as well as of breaches of Allianz-specific rules.

The Allianz Group CoC outlines the basic principles and values that guide the everyday decisions and conduct of all employees. As part of a project led by Group Compliance, the CoC was fundamentally renewed in 2020 and approved by the Board of Management. The new CoC has since then been rolled out across the Group, along with training for operating entities to raise awareness about the principles established by the CoC, namely mutual respect, integrity, transparency, and responsibility.

Our target is zero fraud and corruption across our business and our principle is zero tolerance towards fraud and corruption. We consider fraud and corruption as a serious offence. The aforementioned principle is of absolute and of a primary nature. It applies regardless of whether Allianz itself or any other internal party (such as an employee, tied agent, intermediary and/or any third parties acting on behalf of Allianz) benefits from the fraud. Allianz does not tolerate bribery and corruption. This principle expresses Allianz's stance towards the abuse of a position of power for an improper personal advantage (corruption) or when a corrupt offer, solicitation or promise is made to obtain an improper personal or business advantage (bribery). Employees are strictly prohibited from directly or indirectly offering, requesting, accepting, providing, paying, soliciting, promising, authorizing or receiving "Anything of Value" (defined broadly to include anything - monetary or non-monetary - that provides a benefit of any kind) to or from any public official or anyone in the private sector, in order to obtain or retain business or an improper personal or business advantage.

Anti-corruption training must be provided at least once every three years to all employees.

Objectives and actions: compliance/anti-corruption and bribery matters

Topic	Objectives	Progress and actions 2022
Compliance	- Complete the cycle of the integrated compliance risk scoping and assessment activities as part of the company's IRCS process. - Continue to enhance the effectiveness of local compliance organizations by enriching our compliance reviews, to bolster further the governance and processes of underlying compliance organizations across our OEs.	- Completed the 2022 integrated compliance risk scoping and assessment activities as part of the company's IRCS. - 2022 Compliance Review Plan executed.

EU Taxonomy Regulation

The EU Taxonomy Regulation (2020/852) is a "green" classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes. The regulation came into effect last year and Allianz is reporting the eligibility (described subsequently) for the second time.

Regulatory background

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

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

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

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

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

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

Taxonomy eligibility versus taxonomy alignment

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

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

Taxonomy "alignment" of an activity goes beyond taxonomy eligibility. It implies that an activity complies with the requirements defined specifically for this particular activity in the Technical Screening Criteria of the taxonomy. For example, to be "taxonomy-aligned" under the current taxonomy, an activity has to fulfill the specific criteria that determine when an economic activity makes a substantial contribution to the climate objectives as outlined in the Climate Delegated Act. For example, for an activity to be considered 'taxonomy-aligned' it must meet the specific criteria that determine when an economic activity makes a significant contribution to the climate objectives set out in the delegated act on climate. In addition, the criterion of "do no significant harm" and minimum social safeguards must be met. Allianz is reporting taxonomy eligibility for the second year. Taxonomy alignment will be reported from the financial year 2023 onwards.

Concept

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

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

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

Non-life insurance

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

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

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

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

EU Taxonomy: Eligibility in underwriting based on GWP[1]

	2022	2021
Non-life insurance and reinsurance eligible	**76.65%**	**78.74%**
Non-life insurance and reinsurance non-eligible	**23.35%**	**21.26%**
Insurance eligible	76.54%	78.72%
Insurance non-eligible	23.46%	21.28%
Reinsurance eligible	81.45%	80.06%
Reinsurance non-eligible	18.55%	19.94%

1_Based on non-consolidated LoB reporting.

Taxonomy eligibility does not give an indication of the degree to which the Allianz Group's non-life insurance activities can be considered as taxonomy-aligned, but reflects the structure of the Allianz Group's underlying business and future screening scope with respect to a substantial contribution to climate change adaptation at a broad level.

Proprietary investments & third-party assets

For investments, the Taxonomy Regulation currently limits the scope of which investments and non-financial investments, including real estate, that could generally be considered as "taxonomy-eligible" to exposures to undertakings that are obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU. This means that for taxonomy reporting as an investor, the Allianz Group can only consider reported data of economic activities of investees in scope of the NFRD that are, thus, obliged to disclose under Art. 8 of the Taxonomy Regulation.

The eligibility share includes activities of controlled subsidiaries, NFRD-related investments, and non-NFRD funds that may have underlying NFRD investments. In addition, mortgages and real estate held for investment are considered 100% eligible and are included in the reported figures. In addition, Allianz considers investments in real estate funds (with non-controlling interest) to be eligible. However, for such investments we do not expect to be able to acquire the necessary information to assess their taxonomy-alignment, hence we expect to report them as non-aligned due to lack of data.

Additionally, several asset classes, which are material for the Allianz Group, cannot be considered taxonomy-eligible as of now, such as sovereign bonds or non-EEA investments (except for own investments, for example in real estate and mortgages). This applies for both proprietary and third-party assets.

The Allianz Group uses Moody's Analytics to source listed asset eligibility data, and uses only reported data (no estimated data is used). For single listed asset products, Allianz employs a data hierarchy prioritizing data reported at an issuer level. If reported data is not available at issuer level, then parent level data is sourced. And in case that is unavailable, Allianz uses reported data of the ultimate entity. Taxonomy eligibility is considered only for NFRD companies that publish reported data.

The taxonomy eligibility share for the Allianz Group's proprietary investments is based on listed equities and corporate bonds from NFRD companies, where reported data is available. In addition, we assessed controlled listed or unlisted assets and debt instruments that are held by our (internal) asset managers, or other subsidiaries (e.g., real estate investments or mortgages) and where Allianz has control under IFRS.

For investments, a look-through approach applies for investment funds and unit-linked products. However, such reporting for the financial year of 2022 is limited due to lack of available data at issuer level (see more detail in the "Limitations of reported numbers" section).

In order to provide transparency about the sustainability of our portfolio beyond what the taxonomy KPIs currently allow, we disclose additional voluntary information on the sustainability of our proprietary investments portfolio at Group-level, based on the definition of "Sustainable Investments" as per the Sustainable Finance Disclosure Regulation (SFDR). For more information, please refer to our Group Sustainability Report 2022 on the **Allianz company website**, section 02.2.1.6.

With regard to third-party assets, the taxonomy eligibility share is based on listed equities and corporate bonds from NFRD companies, where reported data is available. In addition, the mortgages portfolio was assessed as eligible. A look-through for fund investments was applied on a limited basis, where data was available. The table below provides insights into the respective asset classes, where the exposure to undertakings, which are obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, represents the part for which a screening for taxonomy eligibility based on data reported by investees can take place going forward.

The main eligibility KPIs for 2022 include eligibility based on turnover, and eligibility based on CAPEX (new for 2022). Each KPI is determined using only reported data for the investee. If, for example, Allianz has an investment in a company with a turnover eligibility of 10%, and the book value of the investment is 100, Allianz would report a turnover eligibility balance of 10. And if Allianz has a coverage ratio of 200 (see EU Taxonomy template for row reference), then the final eligibility share based on turnover would be 10/200, or 5%. The total eligibility based on turnover additionally includes eligibility shares from mortgages and real estate held for investment. The total eligibility KPI based on CAPEX is determined in the same way.

For 2022, Allianz has followed the disclosure guidance for insurer investment KPIs under Annex IX/X. The main changes to the EU Taxonomy disclosure for 2022 were:

- the introduction of eligibility based on CAPEX KPI;
- the use of reported data for our listed asset portfolio;
- limited fund look-through capability (versus no look-through capability for 2021 reporting).

Furthermore, the extension of scope of eligible activities via the complementary delegated act (CDA) for certain nuclear and gas activities was assessed for Allianz's own portfolio. As for the CDA applicability to third party investments, since the CDA was invoked from 2022, the reported figures are generally from the reporting year 2021 when nuclear and gas activities were non-eligible. Hence, Allianz assessments relate to own non-financial assets or looked-through to non-financial assets. The result of this assessment was no eligibility could be attained for the Allianz Group.

Limitations of reported numbers

Taxonomy eligibility does not assess alignment of the Allianz Group's underwriting or investment activities, i.e., it does not serve as a proxy of how sustainable our activities are. Numbers reported in the table below and in the section "Underwriting" above describe the structure of the Allianz Group's non-life insurance and investment portfolio and define the scope of future taxonomy alignment assessment applying Taxonomy Regulation as of the balance sheet date.

Non-eligibility rows in the EU Taxonomy disclosure include the portion of non-eligibility based on the difference between the eligibility share that Moody's Analytics provides for listed assets and 100 percent. The non-eligibility share is not explicitly reported by Moody's Analytics.

For Investment funds, Allianz uses a fund look-through approach where possible to report fund eligibility, leveraging data in the Tripartite Template (TPT). However, look-through coverage of companies was limited for 2022 due to limited adoption of the TPT, and inability to obtain underlying investment eligibility. In addition, the aforementioned data hierarchy approach is suppressed for investment funds: if investment level look-through data is not available, eligibility is assumed to be zero. This is a conservative approach designed to mitigate the risk of reporting eligibility figures that may not be representative of the underlying investments. Going forward, Allianz aims to expand its look-through capability for investment funds.

Under regulation (EU) 2020/852, our business strategy, product design processes, and engagement with clients and counterparties concept is not yet integrated into our business activities, as it is still evolving and can only be seriously considered when we have established alignment reporting.

Eligibility for proprietary investments & third-party assets for financial year 2022

Allianz Group reporting under the Taxonomy Regulation	Taxonomy KPIs for insurance undertakings – Allianz Group proprietary investments		Taxonomy KPIs for asset managers – Allianz Group third-party investments	
€ bn	Ratios (relative to total assets)	Monetary amounts (voluntary reporting)	Ratios (relative to AuM)	Monetary amounts (voluntary reporting)
Total assets / Total assets under management (AuM)	n/a	1,021.5	n/a	1,635.1
Exposures to central governments, central banks and supranational issuers[1]	16.5%	168.7	26.8%	437.4
Other assets not covered by the KPI (reinsurance assets, DAC, deferred taxes, other assets[2], intangible assets)	17.4%	177.6	n/a	n/a
Total assets covered by the KPI (coverage ratio)	**66.1%**	**675.2**	**73.2%**	**1,197.7**
Non-eligible exposures (relative to coverage ratio)				
1) Exposures not covered by the Taxonomy Regulation				
Derivatives[3]	2.1%	14.1	-	0.2
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU	47.4%	320.0	66.2%	792.5
Cash & cash equivalents	3.3%	22.6	2.8%	33.8
Sum of exposures not covered by Taxonomy Regulation	**52.8%**	**356.7**	**69.0%**	**826.5**
2) Exposures covered by the Taxonomy Regulation				
Turnover data not available: Indirect investments (fund in 3rd party funds and unit-linked products)[4]	21.2%	143.1	2.3%	27.2
CAPEX data not available: Indirect investments (fund in 3rd party funds and unit-linked products)[4]	21.4%	144.8	2.3%	27.2
Weighted average value and proportion of Taxonomy-non-eligible exposures to undertakings obliged to publish non-financial information (Articles 19a or 29a of directive 2013/34/EU) relative to the value of total assets covered by the KPI based on turnover	7.9%	53.2	8.6%	102.8
Weighted average value and proportion of Taxonomy-non-eligible exposures to undertakings obliged to publish non-financial information (Articles 19a or 29a of directive 2013/34/EU) relative to the value of total assets covered by the KPI based on CAPEX	7.9%	53.6	8.5%	101.7
Total non-eligible exposure based on Turnover	**81.9%**	**553.1**	**79.9%**	**956.5**
Total non-eligible exposure based on CAPEX	**82.2%**	**555.2**	**79.8%**	**955.4**
Eligible exposures (relative to coverage ratio)				
Proportion and value of Taxonomy-eligible exposures to other activities over total assets covered by the KPI	13.2%	88.8	18.4%	220.5
Mortgages	10.5%	70.8	18.4%	220.3
Real estate held for investment	2.7%	18.0	-	0.3
Weighted average value and proportion of Taxonomy-eligible exposures to undertakings obliged to publish non-financial information (Articles 19a or 29a of directive 2013/34/EU) relative to the value of total assets covered by the KPI based on turnover[5]	4.9%	33.2	1.7%	20.6
Weighted average value and proportion of Taxonomy-eligible exposures to undertakings obliged to publish non-financial information (Articles 19a or 29a of directive 2013/34/EU) relative to the value of total assets covered by the KPI based on CAPEX[5]	4.6%	31.1	1.8%	21.7
Total eligible exposure based on Turnover	**18.1%**	**122.0**	**20.1%**	**241.2**
Total eligible exposure based on CAPEX	**17.8%**	**119.9**	**20.2%**	**242.3**

1_The definition of such exposures differs to that of sovereign exposures for other external reporting (which may include state governments or municipal securities not included in EU Taxonomy definition). In addition, € 12.1bn of exposure has been allocated to this line from unit-linked products and funds.

2_Real estate held for own use is included in the line item Other asset balances. It includes all consolidated Allianz properties (not relevant for third-party asset managers).

3_For proprietary assets: the difference to the balance sheet derivative asset exposure is due to derivative balance allocation from funds and unit-linked products (€ 4.9 bn). Only the positive values of derivatives are considered in a fund. Third-party assets consider net derivative balances in the fund, consistent with external reporting.

4_Unit-linked products are on balance sheet and not applicable for the third-party investment section. Where underlying look-through data is available for funds and unit-linked products, data is captured in eligibility and non-eligibility KPI sections.

5_Listed asset eligibility is based on reported data (not estimated or derived), on the latest reporting date. For funds, if look-through data was not available, it is assumed fund eligibility is zero (100 % non-eligible).

OTHER INFORMATION

Our steering

Board of Management and organizational structure

Allianz SE has a divisional board structure based on functional and business responsibilities. Business-related divisions reflect our business segments Property-Casualty, Life/Health, Asset Management, and Corporate and Other. In 2022, they were overseen by six board members. The following divisions focus on Group functions and come with business-related responsibilities: Chairman of the Board of Management; Finance, Controlling and Risk; Investment Management; Operations and IT; Human Resources, Legal, Compliance and M&A; and Business Transformation[1].

For further information on Board of Management members and their responsibilities, please refer to Mandates of the Members of the Board of Management.

Target setting and monitoring

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

The Allianz Group steers its operating entities and business segments via an integrated management and control process. It begins with the definition of a business-specific strategy and goals, which are discussed and agreed upon between the Holding and operating entities. Based on this strategy, our operating entities prepare three-year plans, which are then aggregated to form the financial plans for the business divisions and for the Allianz Group as a whole. This plan also forms the basis for our capital management. The Supervisory Board approves the plan and sets corresponding targets for the Board of Management. The performance-based remuneration of the Board of Management is linked to short-term and long-term targets to ensure effectiveness and emphasize sustainability. For further details about our remuneration structure, including target setting and performance assessment, please refer to the Remuneration Report.

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

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

Non-financial key performance indicators (KPIs) are used to assess the organizational health of Allianz and are reflected in the annual bonus of the Board of Management. This includes sustainability targets on customer loyalty, employee engagement, and environmental indicators. For further information on non-financial KPIs, as well as an overview of the development and expected development of these non-financial KPIs, please refer to the Non-Financial Statement.

For an overview of the development and expected development of the most important financial KPIs, please refer to the Outlook 2023 of the Allianz Group's Annual Report 2022.

Branches

In 2022, Allianz SE operated its business from Munich and from branch offices in Rome (Italy), Casablanca (Morocco), Singapore, Labuan (Malaysia), Wallisellen (Switzerland), Vienna (Austria), and Dublin (Ireland).

Takeover-related Statements and Explanations

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

Composition of share capital

As of 31 December 2022, the share capital of Allianz SE was € 1,169,920,000. It was divided into 403,313,996 registered and fully paid-up shares with no par value. All shares carry the same rights and obligations. Each no-par value share carries one vote.

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

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

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

1_This member of the Board of Management also oversees Insurance Iberia & Latin America.

2_Excluding unrealized gains/losses on bonds net of shadow accounting.

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

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

Shares with special rights conferring powers of control

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

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

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

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

Authorization of the Board of Management to issue and repurchase shares

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

It may increase the company's share capital on or before 3 May 2027, with the approval of the Supervisory Board, by issuing new registered no-par value shares against contributions in cash and/or in kind, on one or more occasions:

– Up to a total of € 467,968,000 (Authorized Capital 2022/I): In case of a capital increase against cash contribution, the Board of Management may exclude the shareholders' subscription rights for these shares with the consent of the Supervisory Board (i) for fractional amounts, (ii) in order to safeguard the rights pertaining to holders of convertible bonds or bonds with warrants, including mandatory convertible bonds, and (iii) in the event of a capital increase of up to 10%, if the issue price of the new shares is not significantly below the stock market price. The Board of Management may furthermore exclude the shareholders' subscription rights with the consent of the Supervisory Board in the event of a capital increase against contributions in kind.
– Up to a total of € 15,000,000 (Authorized Capital 2022/II): The shareholders' subscription rights are excluded. New shares may only be issued to employees of Allianz SE and its Group companies.

The company's share capital is conditionally increased by up to € 116,992,000 (Conditional Capital 2022). This conditional capital increase will only be carried out to the extent that the holders of convertible bonds, bonds with warrants, convertible participation rights, participation rights, and subordinated financial instruments issued against cash by Allianz SE or its subsidiaries, based on the authorizations granted by the General Meeting on 4 May 2022, exercise their conversion or option rights, or to the extent that conversion obligations from such bonds are fulfilled, and to such extent that treasury shares or shares from authorized capital are not used for such purpose.

Under an authorization by the General Meeting on 4 May 2022, the Board of Management may, until 3 May 2025, buy back Allianz shares corresponding to up to 10% of the lower of (i) the share capital at the moment of the shareholder resolution and (ii) the share capital at the moment of the buy-back, and to use those shares for other purposes (§71 (1) No. 8 AktG). Together with other treasury shares that are held by Allianz SE, or which are attributable to it under §§71a et seq. AktG, such shares may not exceed 10% of the share capital at any time. The shares acquired pursuant to this authorization may be used, under exclusion of the shareholders' subscription rights, for any legally admissible purposes, in particular those specified in the authorization. Furthermore, the acquisition of treasury shares under this authorization may also be carried out using derivatives, provided such derivatives do not relate to more than 5% of the share capital.

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

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

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

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

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FINANCIAL STATEMENTS OF ALLIANZ SE

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FINANCIAL STATEMENTS

BALANCE SHEET

€ thou

as of 31 December	Note	2022	2022	2021
ASSETS				
A. Intangible assets	1, 2			
I. Self-created industrial property rights, and similar rights and assets		6,345		6,539
II. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets		266		247
			6,612	6,786
B. Investments	1, 3 – 6			
I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE		289,056		277,002
II. Investments in affiliated enterprises and participations		76,780,134		76,508,910
III. Other investments		27,375,524		32,269,137
IV. Funds held by others under reinsurance business assumed		13,885,007		13,919,954
			118,329,721	122,975,004
C. Receivables				
I. Accounts receivable on reinsurance business		1,329,231		1,092,571
thereof from affiliated enterprises: € 601,099 thou (2021: € 558,756 thou)				
thereof from participations[1]: € 3,469 thou (2021: € 1,227 thou)				
II. Other receivables	7	4,414,781		4,225,587
thereof from affiliated enterprises: € 4,181,503 thou (2021: € 3,985,134 thou)				
thereof from participations[1]: € 72 thou (2021: € 76 thou)				
			5,744,012	5,318,158
D. Other assets				
I. Tangible fixed assets and inventories		14,085		15,871
II. Cash with banks, checks, and cash on hand		255,161		282,118
III. Miscellaneous assets	8	1,179,713		625,670
			1,448,959	923,659
E. Deferred charges and prepaid expenses	9			
I. Accrued interest and rent		161,472		184,424
II. Other deferred charges and prepaid expenses		96,653		107,191
			258,124	291,615
Total assets			125,787,428	129,515,222

1_Companies in which we hold a participating interest.

€ thou

as of 31 December	Note	2022	2022	2022	2021
EQUITY AND LIABILITIES					
A. Shareholders' equity	**11**				
I. Issued capital		**1,169,920**			**1,169,920**
Less: mathematical value of own shares		5,003			684
			1,164,917		**1,169,236**
II. Additional paid-in capital			**28,035,065**		**28,035,065**
III. Revenue reserves					
1. Statutory reserve		1,229			1,229
2. Other revenue reserves		5,995,557			6,802,397
			5,996,786		**6,803,626**
IV. Net earnings			**4,929,827**		**5,021,300**
				40,126,595	**41,029,227**
B. Subordinated liabilities	**12, 15**			**17,053,842**	**15,780,844**
C. Insurance reserves	**13**				
I. Unearned premiums					
1. Gross		2,360,125			2,259,274
2. Less: amounts ceded		23,418			20,870
			2,336,707		**2,238,404**
II. Aggregate policy reserves					
1. Gross		1,824,034			2,005,106
2. Less: amounts ceded		1,439,513			1,510,103
			384,521		**495,003**
III. Reserves for loss and loss adjustment expenses					
1. Gross		18,439,173			18,184,772
2. Less: amounts ceded		3,465,648			3,431,905
			14,973,525		**14,752,867**
IV. Reserves for premium refunds					
1. Gross		38,694			42,685
2. Less: amounts ceded		-			8
			38,694		**42,677**
V. Claims equalization and similar reserves			**2,520,837**		**3,006,370**
VI. Other insurance reserves					
1. Gross		25,469			59,985
2. Less: amounts ceded		-			-
			25,469		**59,985**
				20,279,753	**20,595,306**
D. Other provisions	**14**			**11,343,798**	**10,097,804**
E. Funds held with reinsurance business ceded				**2,694,202**	**2,848,253**
F. Other liabilities					
I. Accounts payable on reinsurance business			**416,064**		**420,739**
thereof to affiliated enterprises: € 68,620 thou (2021: € 236,844 thou)					
thereof to participations[1]: € 35,406 thou (2021: € 5,725 thou)					
II. Bonds	**15**		**2,723,784**		**2,734,133**
thereof to affiliated enterprises: € 2,723,784 thou (2021: € 2,734,133 thou)					
III. Liabilities to banks	**15**		**430**		**145**
IV. Miscellaneous liabilities	**15**		**31,142,411**		**35,998,203**
thereof for taxes: € 15,268 thou (2021: € 22,320 thou)					
thereof for social security: € 195 thou (2021: € 191 thou)					
thereof to affiliated enterprises: € 29,290,981 thou (2021: € 34,758,016 thou)					
				34,282,690	**39,153,220**
G. Deferred income				**6,548**	**10,567**
Total equity and liabilities				**125,787,428**	**129,515,222**

1_Companies in which we hold a participating interest.

INCOME STATEMENT

€ thou

	Notes	2022	2022	2022	2021
I. Technical account					
1. Premiums earned (net)					
a) Gross premiums written	17	13,223,733			12,151,007
b) Ceded premiums written		(1,217,077)			(1,134,293)
			12,006,656		11,016,714
c) Change in gross unearned premiums		(99,289)			(100,743)
d) Change in ceded unearned premiums		1,684			(1,448)
			(97,605)		(102,191)
Premiums earned (net)				**11,909,051**	**10,914,523**
2. Allocated interest return (net)	**18**			**11,772**	**16,156**
3. Other underwriting income (net)				**-**	**(761)**
4. Loss and loss adjustment expenses (net)	**19**				
a) Claims paid					
aa) Gross		(8,669,262)			(7,072,006)
ab) Amounts ceded in reinsurance		978,737			874,263
			(7,690,525)		(6,197,743)
b) Change in reserve for loss and loss adjustment expenses (net)					
ba) Gross		(193,866)			(2,098,654)
bb) Amounts ceded in reinsurance		(51,471)			934,040
			(245,337)		(1,164,614)
Loss and loss adjustment expenses (net)				**(7,935,862)**	**(7,362,357)**
5. Change in other insurance reserves (net)	**20**			**47,991**	**68,271**
6. Expenses for premium refunds (net)				**3,952**	**(18,901)**
7. Underwriting expenses (net)	**21**			**(3,312,270)**	**(3,135,186)**
8. Other underwriting expenses (net)				**(23,164)**	**(23,315)**
9. Subtotal (net underwriting result)				**701,469**	**458,431**
10. Change in claims equalization and similar reserves				**485,532**	**(434,606)**
11. Net technical result				1,187,001	23,826
II. Non-technical account					
1. Investment income	**22**	**10,480,823**			**9,229,975**
2. Investment expenses	**23**	**(4,378,409)**			**(1,640,778)**
3. Investment result			**6,102,415**		**7,589,197**
4. Allocated interest return			**(30,519)**		**(33,875)**
				6,071,896	**7,555,322**
5. Other income			**5,257,296**		**2,875,636**
6. Other expenses			**(7,729,875)**		**(5,298,616)**
7. Other non-technical result	**24**			**(2,472,580)**	**(2,422,980)**
8. Non-technical result				3,599,316	5,132,342
9. Net operating income				**4,786,318**	**5,156,167**
10. Income taxes	**25**	**(532,225)**			**(351,963)**
Amounts charged to other Group companies		550,002			543,194
			17,777		**191,231**
11. Other taxes			**(12,249)**		**3,823**
12. Taxes				**5,528**	**195,054**
13. Net income				**4,791,846**	**5,351,221**
14. Unappropriated earnings carried forward				**637,981**	**420,079**
15. Transfer to revenue reserves					
To other revenue reserves			(500,000)		(750,000)
				(500,000)	**(750,000)**
16. Net earnings	**26**			**4,929,827**	**5,021,300**

NOTES TO THE FINANCIAL STATEMENTS

NATURE OF OPERATIONS AND BASIS OF PREPARATION

Nature of operations

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

The annual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group are published digitally in the company register ("Unternehmensregister").

Basis of preparation

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

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

ACCOUNTING, VALUATION, AND CALCULATION METHODS

Intangible assets

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

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

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

Investments in affiliated enterprises and participations

Shares in affiliated enterprises and participations

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

Impairments are measured either as the difference between the acquisition cost and the respective value, in accordance with IDW RS HFA 10 in conjunction with IDW S1, or as the difference between the acquisition cost and the lower share price as of 31 December 2022, or in some cases as the difference between the acquisition cost and the net asset value.

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

Loans in affiliated enterprises and participations

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

Other investments

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

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

Registered bonds, debentures, and loans

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

Assets to meet liabilities resulting from retirement provision commitments

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

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

Tangible fixed assets, inventories, and miscellaneous assets

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

Deferred tax assets

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

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

Remaining assets

These consist of the following:

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

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

Insurance reserves

These consist of the following:

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

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

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

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

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

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

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

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

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

Other provisions

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

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

§253(6) sentence 2 of the German Commercial Code states that a positive difference resulting from the calculation of pension obligations with the discount rate of 7-year average versus 10-year average is earmarked for profit distribution.

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

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

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

Remaining liabilities

These consist of the following:

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

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

Prepaid expenses and deferred income

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

Currency translation

Transactions are generally recorded in the original currency and converted into euro at the relevant daily rate (middle forex spot rate).

Loans to affiliated enterprises denominated in foreign currencies are converted into euro using the middle forex spot rate as of the reporting date, and applying the strict lower of cost or market value principle.

The valuation of foreign currency shares in affiliated enterprises and participations, stocks, interests in funds, and other variable and fixed-income securities is performed by converting their value from the original currency into euro, using the middle forex spot rate as of the reporting date.

Comparing the acquisition cost in euro with the value in euro as described above, the moderate lower-value principle is applied for affiliated enterprises and participations. For other investments, the strict lower of cost or market value principle is applied.

As a result of this valuation method, currency gains and losses are not separately determined and shown as foreign-exchange gains/losses in the other non-technical result. Instead, the net effect of both changes (exchange rate and value in original currency) is reflected in the impairments/reversals of impairments and in the realized gains/losses calculated for these asset classes and is disclosed in the investment result.

Issued debt securities and borrowings denominated in foreign currencies are converted into euro at the middle forex spot rate as of the reporting date. Unrealized losses are recognized immediately in the income statement, while unrealized gains are not.

All other monetary assets and liabilities with a remaining term of one year or less recorded in foreign currency are valued at the middle forex spot rate as of the reporting date. Both unrealized losses and gains resulting from the valuation of these foreign currency positions are reflected immediately in the other non-technical result, as according to § 256a of the German Commercial Code neither § 253 (1) sentence 1 nor § 252 (1) number 4 clause 2 of the German Commercial Code are applicable.

Valuation units

Allianz SE made use of the option of forming valuation units as defined in § 254 of the German Commercial Code. This option is used for derivative contracts in which Allianz SE acts as an intra-group clearing agency. In this function, Allianz SE enters into derivative transactions with other Group companies and hedges the exposure resulting from these transactions by entering into mirror positions with the same term and structure but with different partners. Opposing positions whose performances completely offset each other have been combined into valuation units and form a perfect micro hedge.

When accounting for valuation units, we apply the “freezing” method, which means that mutually offsetting changes in value of opposing positions (i.e., within valuation units) are not recorded in the income statement. More details regarding derivative transactions combined into valuation units are explained in note 16 to our financial statements.

SUPPLEMENTARY INFORMATION ON ASSETS

1 _ Change of assets A., B.I. through B.III.

		Values stated as of 1 January 2022	
		€ thou	%
A.	**Intangible assets**		
	1. Self-created industrial property rights, and similar rights and assets	6,539	
	2. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets	247	
	Subtotal A.	6,786	
B.I.	**Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE**	**277,002**	**0.3**
B.II.	**Investments in affiliated enterprises and participations**		
	1. Shares in affiliated enterprises	74,091,322	67.9
	2. Loans to affiliated enterprises	1,218,351	1.1
	3. Participations	1,196,084	1.1
	4. Loans to participations	3,153	-
	Subtotal B.II.	**76,508,910**	**70.2**
B.III.	**Other investments**		
	1. Stocks, interests in funds, and other variable-income securities	1,949,893	1.8
	2. Debt securities and other fixed-income securities	26,954,249	24.7
	3. Other loans		
	a) Registered bonds	1,996,105	1.8
	b) Loans and promissory notes	198,304	0.2
	4. Bank deposits	1,170,586	1.1
	Subtotal B.III.	**32,269,137**	**29.6**
	Subtotal B.I. – B.III.	109,055,050	100.0
Total		**109,061,836**	

2 _ Intangible assets

The book value of intangible assets totaled € 7 mn (2021: € 7 mn) and mainly consists of internally generated software.

Additions (+)	Transfers	Disposals (-)	Revaluation (+)	Depreciation (-)	Net additions (+) Net disposals (-)	Values stated as of 31 December 2022	
€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	%
1,888	-	157	-	1,926	(194)	6,345	
12	384	10	-	366	19	266	
1,900	384	167	-	2,292	(174)	6,612	
18,682	**-**	**430**	**-**	**6,199**	**12,054**	**289,056**	**0.3**
712,660	34,986	112,714	-	250,007	384,926	74,476,248	71.3
-	-	35,551	-	-	(35,551)	1,182,800	1.1
50,225	(34,986)	139,237	61,019	13,760	(76,739)	1,119,345	1.1
1,088	-	2,500	-	-	(1,412)	1,741	-
763,972	**-**	**290,002**	**61,019**	**263,766**	**271,223**	**76,780,134**	**73.5**
2,809,106	-	1,788,142	-	266,460	754,504	2,704,397	2.6
33,499,197	-	36,716,463	151	2,221,672	(5,438,787)	21,515,462	20.6
775,934	-	1,284,165	-	-	(508,231)	1,487,874	1.4
124,734	-	29,476	-	-	95,258	293,562	0.3
203,643	-	-	-	-	203,643	1,374,229	1.3
37,412,615	**-**	**39,818,246**	**151**	**2,488,133**	**(4,893,613)**	**27,375,524**	**26.2**
38,195,269	-	40,108,677	61,170	2,758,098	(4,610,335)	104,444,715	100.0
38,197,169	**384**	**40,108,844**	**61,170**	**2,760,389**	**(4,610,510)**	**104,451,326**	

3 _ Market value of investments

Fair values and carrying amounts of the investments, subdivided into individual asset categories, were as follows:

Book values and market values of investments
€ bn

	Book value		Market value		Valuation reserve	
as of 31 December	2022	2021	2022	2021	2022	2021
Real estate	0.3	0.3	1.2	1.1	0.9	0.8
Equity securities						
Shares in affiliated enterprises	74.5	74.1	78.9	92.5	4.5	18.4
Participations	1.1	1.2	1.7	2.2	0.6	1.0
Stocks, interests in funds, and other variable-income securities	2.7	1.9	2.7	2.0	-	-
Subtotal equity securities	78.3	77.2	83.3	96.7	5.0	19.5
Debt securities	21.5	27.0	21.6	27.9	0.1	1.0
Loans						
Loans to affiliated enterprises	1.2	1.2	1.1	1.3	(0.1)	0.1
Other loans	1.8	2.2	1.7	2.2	-	-
Subtotal loans	3.0	3.4	2.9	3.5	(0.1)	0.1
Bank deposits	1.4	1.2	1.4	1.2	-	-
Funds held by others under reinsurance business assumed	13.9	13.9	13.9	13.9	-	-
Total	**118.3**	**123.0**	**124.2**	**144.4**	**5.9**	**21.4**

Valuation methods used to determine the market value

Real estate

Land and buildings are valued using the Discounted Cash Flow method, or at cost for new buildings. The fair value is determined during the financial year.

Equity securities

Investments in companies quoted on the stock exchange are generally measured by the stock exchange price quoted on the last trading day of 2022. Non-quoted companies are generally valued at their net asset value, calculated using the German Association for Financial Analysis and Asset Management's (DVFA) method. The transaction prices are used for recent transactions. In individual cases, market-based valuation models based on market multiples of relevant peers or internal valuation models considering the individual conditions defined in shareholder agreements are applied.

Debt securities

These items are measured at the stock exchange value quoted on the last trading day of 2022 or, if there is no active market, at the prices obtained from brokers or pricing services.

Loans

Loans are valued using the Discounted Cash Flow method. Relevant discount rates are derived from observable market parameters and reflect the remaining life and credit risk of the instruments. In exceptional cases, the carrying amount is used as fair value.

Bank deposits and funds held by others under reinsurance business assumed

There are no differences between the book value and the fair value of these items.

Details in accordance with §285 No. 18 of the German Commercial Code on investments where the book value exceeds the market value

We disregarded market value declines of € 108 mn for loans with a book value of € 2,920 mn. Based on the expected development of market conditions, the decline in market value is not expected to be of an enduring nature. We intend to hold loans until maturity in order to ensure a repayment at par value.

4 _ Real estate, real estate rights and buildings

The book value of own property for own use amounted to € 164 mn (2021: € 147 mn).

5 _ Investments in affiliated enterprises and participations

€ bn

as of 31 December	2022	2021	Change
Shares in affiliated enterprises	74.5	74.1	0.4
Loans to affiliated enterprises	1.2	1.2	-
Participations	1.1	1.2	(0.1)
Total	**76.8**	**76.5**	**0.3**

The book value of shares in affiliated enterprises went up by € 0.4 bn to € 74.5 bn (2021: € 74.1 bn). This increase resulted from the following:

- Acquisition of 100% of the Greek insurer European Reliance General Insurance Company SA via various share purchase agreements and a combined voluntary tender offer for a total purchase price of € 0.2 bn.
- Various capital increases of Group companies amounting to € 0.4 bn, partially offset by a € 0.3 bn book value decrease due to impairments.

The book value of participations decreased by € 0.1 bn to € 1.1 bn (2021: € 1.2 bn), driven by the sale of our 11.72% in Zagrebačka banka dioničko društvo ("Zaba") to UniCredit and the disposal of our 24.9% in the joint venture Enhanzed Reinsurance Ltd., Hamilton, decreasing the book value by € 0.1 bn, respectively. This decrease was partially offset by the reversal of an impairment raising the book value by € 0.1 bn.

6 _ Interests in investment funds

Details on interests in investment funds in accordance with §285(26) of the German Commercial Code:

€ thou

as of 31 December 2022	Book value	Fair value	Valuation reserve	Dividend distribution
Equity funds				
Allianz China Healthy Living Fund	4,383	4,383	-	-
Subtotal equity funds	4,383	4,383	-	-
Bond funds				
Allianz RE Asia Fund	1,236,604	1,236,604	-	12,911
Allianz SE – PD Fund	1,375,203	1,375,203	-	-
Allianz SE Ashmore Emerging Markets Corporates Fund	86,380	86,380	-	-
Subtotal bond funds	2,698,187	2,698,187	-	12,991
Total	**2,702,570**	**2,702,570**	**-**	**12,991**

Allianz SE holds more than 10.0% of the respective shares of these investment funds. The fund shares can be redeemed each trading day.

7 _ Other receivables

As of 31 December 2022, other receivables amounted to € 4,415 mn (2021: € 4,226 mn). They mainly comprise receivables from profit transfer agreements amounting to € 2,677 mn (2021: € 2,855 mn), receivables from cash pooling of € 1,288 mn (2021: € 853 mn), and tax receivables of € 54 mn (2021: € 218 mn).

8 _ Miscellaneous assets

At the end of the financial year, this position mainly included variation margins paid in connection with financial derivative transactions (€ 1,170 mn).

9 _ Deferred charges and prepaid expenses

This item includes accrued interest in the amount of € 161 mn (2021: € 184 mn), which mainly results from our investments in debt securities and loans as well as other deferred charges and prepaid expenses amounting to € 97 mn (2021: € 107 mn). The latter comprise the discount on borrowings from affiliated enterprises, issued bonds, and subordinated liabilities, and a lump-sum payment for advertising agreements.

10 _ Collateral

Assets amounting to € 263 mn (2021: € 154 mn), of which € 48 mn (2021: € 49 mn) were in favor of affiliated enterprises, were pledged as collateral for liabilities.

SUPPLEMENTARY INFORMATION ON EQUITY AND LIABILITIES

11 _ Shareholders' equity

Issued capital

Issued capital as of 31 December 2022 amounted to € 1,169,920,000, divided into 403,313,996 fully paid registered shares. The shares have no-par value but a mathematical per-share value as a proportion of the issued capital.[1]

Authorized capital

As of 31 December 2022, Allianz SE had authorized capital with a notional amount of € 467,968,000 for the issuance of new shares until 3 May 2027 (Authorized Capital 2022/I). The shareholders' subscription rights can be excluded for capital increases against contribution in kind. For a capital increase against contributions in cash, the subscription rights can be excluded: (i) for fractional amounts, (ii) to the extent necessary to grant a subscription right for new shares to the holders of bonds that carry conversion or option rights or provide for mandatory conversion, and (iii) if the issue price is not significantly below the market price and the shares issued under exclusion of the subscription rights pursuant to § 186 (3) sentence 4 of the German Stock Corporation Act (Aktiengesetz) do not exceed 10 % of the share capital, neither on the date on which this authorization takes effect nor on the date of exercise of this authorization. The sale of treasury shares shall be counted towards this limitation, provided that the sale occurs during the term of this authorization, subject to the exclusion of subscription rights in the corresponding application of § 186 (3) sentence 4 AktG. Furthermore, such shares shall count towards this limitation that are to be issued to service bonds (including participation rights) with conversion or option rights and/or conversion obligations, provided that these bonds (including participation rights) were issued during the term of this authorization subject to exclusion of subscription rights in the corresponding application of § 186 (3) sentence 4 AktG. The subscription rights for new shares from the Authorized Capital 2022/I and the Conditional Capital 2022 may only be excluded for the proportionate amount of the share capital of up to € 116,992,000 (corresponding to 10 % of the share capital at year-end 2022).

In addition, Allianz SE has authorized capital (Authorized Capital 2022/II) for the issuance of new shares against contributions in cash until 3 May 2027. The shareholders' subscription rights are excluded. The new shares may only be offered to employees of Allianz SE and its Group companies. As of 31 December 2022, the Authorized Capital 2022/II amounted to € 15,000,000.

Conditional capital

As of 31 December 2022, Allianz SE had conditional capital totaling € 116,992,000 (Conditional Capital 2022). This conditional capital increase shall be carried out only if conversion or option rights attached to bonds (including participation rights) which Allianz SE or its Group companies have issued against cash payments according to the resolutions of the Annual General Meeting (AGM) on 4 May 2022 are exercised or the conversion obligations under such bonds are fulfilled, and only to the extent that the conversion or option rights or conversion obligations are not serviced through treasury shares or through shares from authorized capital.

Changes in the number of issued shares outstanding

Number of issued shares outstanding

	2022	2021
Number of issued shares outstanding as of 1 January	408,219,153	412,045,639
Changes in number of treasury shares	(1,486,114)	8,769
Cancellation of issued shares	(5,143,877)	(3,835,255)
Number of issued shares outstanding as of 31 December	401,589,162	408,219,153
Treasury shares[1]	1,724,834	238,720
Total number of issued shares	**403,313,996**	**408,457,873**

1_Thereof 1,724,834 (2021: 238,720) own shares held by Allianz SE.

Proposal for appropriation of net earnings

The Board of Management and the Supervisory Board propose that the net earnings ("Bilanzgewinn") of Allianz SE of € 4,929,826,777.05 for the 2022 fiscal year shall be appropriated as follows:

- Distribution of a dividend of € 11.40 per no-par share entitled to a dividend: € 4,578,116,446.80
- Unappropriated earnings carried forward: € 351,710,330.25.

The proposal for appropriation of net earnings reflects the 1,724,834 treasury shares held directly and indirectly by the company as of 31 December 2022. Such treasury shares are not entitled to the dividend pursuant to § 71b of the German Stock Corporation Act (AktG). Should there be any change in the number of shares entitled to the dividend by the date of the Annual General Meeting, the above proposal will be amended accordingly and presented for resolution on the appropriation of net earnings at the Annual General Meeting, with an unchanged dividend of € 11.40 per each share entitled to dividend.

Treasury shares

As of 31 December 2022, Allianz SE held 1,724,834 (2021: 238,720) treasury shares. Of these, 54,482 (2021: 38,720) were held for covering future subscriptions by employees in Germany and abroad in the context of Employee Stock Purchase Plans. 200,000 (2021: 200,000) were held as a hedge for obligations from the Allianz Equity Incentive Program and 1,470,352 treasury shares were acquired in the course of the Share Buy-Back Program 2022/II (these shares will be redeemed until the end of 2023).

In 2022, 964,487 (2021: 676,669) treasury shares were transferred to employees of Allianz SE and its subsidiaries in Germany and abroad. This includes 87,172 shares granted as part of the so-called

1_Mathematical per-share value € 2.90 (rounded).

"free share program" ("Gratisaktienprogramm"). The 38,720 residual treasury shares earmarked for these purposes of Employee Stock Purchase Plans from the previous year were fully consumed and, in addition, 980,249 treasury shares were acquired from the market for this purpose. As in the previous years, no capital increase for the purpose of Employee Stock Purchase Plans was carried out in 2022. Employees of the Allianz Group purchased approximately 75% of the shares of the purchase plan at a reference price of € 164.61 (2021: € 197.82) per share and were allocated one additional share per three shares purchased, which is equivalent to a discount of approximately 25%. The shares were sold to employees at a mean price of € 123.46 (2021: € 148.37). As of 31 December 2022, the remaining treasury shares of Allianz SE held for covering subscriptions by employees in the context of the Employee Stock Purchase Plans of Allianz SE and its subsidiaries in Germany and abroad amounted to 54,482 shares.

In the year ending 31 December 2022, the total number of treasury shares of Allianz SE increased by 1,486,114 (2021: a decrease of 8,769), which corresponds to € 4,310,870.71 (2021: € 25,116.49) or 0.37% (2021: 0.002%) of issued capital as of 31 December 2022.

The treasury shares of Allianz SE and its subsidiaries represented € 5,003,341.85 (2021: € 683,750.57) or 0.43% (2021: 0.06%) of the issued capital as of 31 December 2022.

Share Buy-Back Program 2022

In its meeting on 17 February 2022, the Board of Management of Allianz SE resolved to carry out a share buy-back program in an amount of up to € 1 bn within a period between March 2022 and 31 December 2022 (Share Buy-Back Program 2022/I), based on the authorization granted by the Annual General Meeting on 9 May 2018. In the period between 8 March 2022 and 15 July 2022, a total of 5,143,877 treasury shares with a market value of € 999,999,803.07 were acquired for an average price of € 194.41.

All of the treasury shares acquired within the Share Buy-Back Program 2022/I have been redeemed according to the simplified procedure without reduction of the share capital.

In its meeting on 9 November 2022, the Board of Management of Allianz SE resolved to carry out an additional share buy-back program in an amount of up to € 1 bn within a period between mid-November 2022 and 31 December 2023 (Share Buy-Back Program 2022/II), based on the authorization granted by the Annual General Meeting on 4 May 2022. In the period between 21 November 2022 and 15 December 2022, a total of 1,470,352 treasury shares were acquired already.

Until the authorization for issue of the financial statements by the Board of Management on 14 February 2023, 1,659,683 treasury shares with a market value of € 365,341,591.57 were acquired.

Additional paid-in capital
€ thou

As of 31 December 2021	28,035,065
As of 31 December 2022	**28,035,065**

Revenue reserves
€ thou

as of 31 December	2021	Own shares exceeding mathematical value	Own shares: realized losses	Own shares: cancellation[1]	Transfer to revenue reserves	2022
1. Statutory reserve	1,229	-	-	-	-	1,229
2. Other revenue reserves[2]	6,802,397	(297,132)	(10,348)	(999,360)	500,000	5,995,557
Total	**6,803,626**	**(297,132)**	**(10,348)**	**(999,360)**	**500,000**	**5,996,786**

1_Share Buy-Back Program 2022: acquisition costs for the repurchased and cancelled Allianz SE shares.
2_Thereof reserves for own shares € 5,003 thou (2021: € 684 thou).

Restrictions on dividend payout

The unappropriated reserves plus the unappropriated earnings carried forward are not fully available for the distribution of a dividend due to legal restrictions.

The unappropriated reserves of Allianz SE correspond to the other revenue reserves.

Of the unappropriated reserves plus the unappropriated earnings carried forward, a total of € 504,117 thou (2021: € 777,748 thou) is exempt from dividend distribution. Of this amount, € 490,731 thou (2021: € 764,978 thou) are due to the legal requirement for discounting pension obligations according to § 253 (2) sentence 1 in connection with § 253 (6) of the German Commercial Code.

Another € 6,345 thou (2021: € 6,539 thou) account for internally generated intangible assets according to § 268 (8) sentence 1 of the German Commercial Code, and € 2,038 thou (2021: € 5,547 thou) account for the surplus of the fair value of pension plan assets and phased-in early retirement plan assets compared to the acquisition costs according to § 268 (8) sentence 3 of the German Commercial Code.

Another € 5,003 thou (2021: € 684 thou) correspond to the mathematical value of own shares deducted from issued capital according to § 272 (1a) of the German Commercial Code.

12 _ Subordinated liabilities

Subordinated liabilities increased to € 17.1 bn in 2022 (2021: € 15.8 bn) and are exclusively attributable to external subordinated liabilities resulting from bonds directly issued by Allianz SE. In 2022, Allianz SE placed two subordinated bonds, each with a volume of € 1.25 bn, and repaid a € 1.5 bn subordinated bond. € 0.2 bn foreign currency translation effects related to our bonds denominated in USD added to the overall book value increase of this position.

13 _ Insurance reserves

€ thou

as of 31 December 2022	Unearned premiums	Aggregate policy reserves	Reserves for loss and loss adjustment expenses	Reserves for premium refunds	Claims equalization and similar reserves	Other insurance reserves	Total
Motor	905,105	-	5,230,665	-	-	11,063	6,146,833
Fire and property reinsurance	658,391	-	2,679,143	10,832	860,327	7,271	4,215,963
Liability	236,065	-	4,225,727	3,522	491,479	1,676	4,958,469
Life	74,844	342,423	259,952	784	-	-	678,003
Personal accident	46,308	40,827	724,186	793	3,840	2,429	818,384
Marine and aviation	33,762	-	422,047	-	160,889	356	617,054
Credit and bond	15,072	-	371,247	22,687	431,683	62	840,751
Legal expenses	51,519	-	468,753	-	22,016	425	542,713
Health	1,343	1,271	25,551	-	-	(17)	28,148
Other lines	314,298	-	566,253	76	550,603	2,205	1,433,436
Total	**2,336,707**	**384,521**	**14,973,525**	**38,694**	**2,520,837**	**25,469**	**20,279,753**

The development of the insurance reserves was mainly driven by a release of the claims equalization and similar reserves.

Aggregate policy reserves

Aggregate policy reserves declined by € 110 mn to € 385 mn, which was mainly attributable to the life reinsurance.

Reserves for loss and loss adjustment expenses

Reserves for loss and loss adjustment expenses increased by 1.5% to € 14,974 mn, mainly driven by motor reinsurance.

Claims equalization and similar reserves

In 2022, claims equalization and similar reserves decreased by € 486 mn to € 2,521 mn. This was mainly driven by the full release of the claims equalization reserve for motor reinsurance, since the conditions for setting up a claims equalization reserve according to §29 RechVersV were no longer met.

A strengthening of the claims equalization and similar reserves occurred in other lines of reinsurance, mainly due to lower loss ratios compared to the historical average loss ratio.

14 _ Other provisions

Development of other provisions
€ thou

	Provision	Use	Release[1]	Additions[1]	Reversal of discounting	Provision
	1 January 2022	(-)	(-)	(+)	(+)	31 December 2022
Provisions for pensions and similar liabilities	8,556,671	322,929	-	442,141	267,032	8,942,915
Tax provisions	639,982	48,493	816	198,985	-	789,658
Miscellaneous						
1. Anticipated losses	413,608	225,077	4,671	925,543	-	1,109,403
2. Remaining provisions	487,544	213,559	52,863	280,384	316	501,822
Total	**10,097,804**	**810,058**	**58,349**	**1,847,053**	**267,348**	**11,343,798**

1_Including currency translation effects.

The total of other provisions rose by € 1,246 mn. This growth resulted mainly from the additions to the provisions for anticipated losses, which went up by € 696 mn and resulted exclusively from derivative transactions. The pension liabilities increased by € 386 mn in total and the tax provisions grew by € 150 mn.

Allianz SE has made pension promises for which pension provisions are recognized. Part of these pension obligations are secured by "Contractual Trust Arrangements" (Methusalem Trust e.V.). Nearly all of these trust assets constitute offsettable plan assets, with the asset value/market value being used as the fair value.

In 1985, the pension provisions of the German subsidiaries were centralized by transferring the corresponding assets to Allianz SE. As a result, Allianz SE has a joint liability for a large part of these old pension promises. The German subsidiaries reimburse the costs, with Allianz SE assuming responsibility for settlement. Consequently, these pension provisions are reported by Allianz SE.

As of 1 January 2015, Allianz SE completely assumed the obligations resulting from the agents pension fund ("Vertreterversorgungswerk – VVW") from Allianz Beratungs- und Vertriebs-AG. Effective from 1 January 2017, the German subsidiaries only reimburse the service costs for their employees. There is no longer any cost reimbursement for the risks arising from changes in interest rate, inflation, and mortality tables.

The following table shows a breakdown of pension provisions:

Settlement amount of the offset liabilities
€ thou

as of 31 December	2022	2021
Old pension promises of the German subsidiaries	2,235,075	2,131,370
Pension promises of Allianz SE		
agents pension fund (VVW)	6,602,289	6,351,427
old pension promises to employees	300,958	271,834
contribution-based pension plans	372,538	332,225
deferred compensation	143,429	147,521
Total	**9,654,289**	**9,234,377**

The settlement amount is calculated on the basis of the projected unit credit method and/or reported as the present value of the entitlements acquired. In the case of security-linked pension plans, the fair value of the offset assets is shown.

On 30 April 2021, the Institute of Public Auditors in Germany, Incorporated Association (Institut der Wirtschaftsprüfer in Deutschland e.V., IDW) passed RH FAB 1.021 for the commercial valuation of provisions for pension obligations from reinsured direct commitments. The company has decided to apply RH FAB 1.021 for the first time as of 31 December 2022 on the basis of the asset primacy.

Due to the fact that there is no employment relationship between the tied agents and Allianz SE, and since Allianz Beratungs- und Vertriebs-AG no longer reimburses any costs, the pension obligations resulting from the VVW are recorded at their full present value.

Actuarial parameters
%

as of 31 December	2022	2021
Applied discount rate (10-year average)	1.79	1.87
Applied discount rate (7-year average)	1.45	1.35
Rate of pension trend[1]	2.00	2.00
Rate of salary increase (including average career trend)	3.25	3.25

1_Due to high inflation, an increased pension trend of 5.5 % per year from 2022 until 2024 was introduced for the first time.

Contrary to the above rates, part of the pension promises are calculated using a guaranteed pension increase rate of 1.00 % p.a..

The mortality tables used are the Heubeck's RT2005G tables, which have been adjusted with respect to mortality, disability, and labor turnover to reflect company-specific circumstances. The adjustment was installed in 2010, and reviewed and revised in 2018. The retirement age applied is the contractual or legal retirement age.

Supplementary information
€ thou

as of 31 December	2022	2021
Historical costs of the offset assets	709,440	675,051
Settlement amount of the offset liabilities	9,654,288	9,236,648
(-) Fair value of the offset assets	711,373	679,977
Provisions for pensions and similar liabilities	**8,942,915**	**8,556,671**

Allianz SE has obligations resulting from jubilee payments, birthday payments, early retirement, phased-in early retirement, and from a long-term credit account, which are reported under remaining provisions. These obligations are basically calculated in the same way as pension obligations, using the same actuarial assumptions (except for the discount rate).

Offsettable plan assets are held at Methusalem Trust e.V. to secure the phased-in early retirement and long-term credit account obligations. The asset value/market value is used as the fair value.

The following table shows a breakdown of the offset assets and liabilities that result from phased-in early retirement and long-term credit account obligations.

Information on the offset assets and liabilities
€ thou

as of 31 December	2022	2021
Historical costs of the offset assets	32,603	26,014
Settlement amount of the offset liabilities	32,589	26,618
Fair value of the offset assets	32,708	26,635

15 _ Maturity of financial liabilities

The residual terms of subordinated liabilities, bonds issued, and miscellaneous liabilities are as follows:

Maturity table as of 31 December 2022
€ thou

	Total	Term < 1 year	Term 1 – 5 years	Term > 5 years
Subordinated liabilities (B.)				
Subordinated bonds issued by Allianz SE	17,053,842	243,700	-	16,810,143
Subtotal subordinated liabilities (B.)	17,053,842	243,700	-	16,810,143
Bonds (intra-group – F.II.)	2,723,784	127,784	137,000	2,459,000
Liabilities to banks (F.III.)	430	430	-	-
Miscellaneous liabilities (F.IV.)				
Intra-group transmission of proceeds from third-party financing	6,884,144	1,019,740	3,000,000	2,864,404
Other intra-group liabilities[1]	22,406,837	14,299,473	2,545,000	5,562,364
Subtotal intra-group miscellaneous liabilities	**29,290,981**	**15,319,213**	**5,545,000**	**8,426,767**
Liabilities to third parties	**1,851,431**	**1,851,431**	**-**	**-**
Subtotal miscellaneous liabilities (F.IV.)	31,142,411	17,170,644	5,545,000	8,426,767
Total	**50,920,468**	**17,542,558**	**5,682,000**	**27,695,910**

1_As of 31 December 2022, other intra-group liabilities due within one year amounted to € 14.3 bn. Thereof, cash pool and intra-group loans accounted for € 11.7 bn and € 2.0 bn respectively. Upon maturity, intra-group loans are rolled forward by Allianz SE on a regular basis.

Maturity table as of 31 December 2021
€ thou

	Total	Term < 1 year	Term 1 – 5 years	Term > 5 years
Subordinated liabilities (B.)				
Subordinated bonds issued by Allianz SE	15,780,844	187,779	-	15,593,064
Subtotal subordinated liabilities (B.)	15,780,844	187,779	-	15,593,064
Bonds (intra-group – F.II.)	2,734,133	138,133	137,000	2,459,000
Liabilities to banks (F.III.)	145	145	-	-
Miscellaneous liabilities (F.IV.)				
Intra-group transmission of proceeds from third-party financing	8,452,337	1,809,055	3,000,000	3,643,283
Other intra-group liabilities[1]	26,305,679	19,543,315	200,000	6,562,364
Subtotal intra-group miscellaneous liabilities	**34,758,016**	**21,352,370**	**3,200,000**	**10,205,646**
Liabilities to third parties	**1,240,187**	**1,240,187**	**-**	**-**
Subtotal miscellaneous liabilities (F.IV.)	35,998,203	22,592,557	3,200,000	10,205,646
Total	**54,513,324**	**22,918,614**	**3,337,000**	**28,257,711**

1_As of 31 December 2021, other intra-group liabilities due within one year amounted to € 19.5 bn. Thereof, cash pool and intra-group loans accounted for € 12.2 bn and € 6.8 bn respectively. Upon maturity, intra-group loans are rolled forward by Allianz SE on a regular basis.

16 _ Information about derivative financial instruments

Options dealing in shares and share indices as of 31 December 2022

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long call	45,232	11,341	4,815	Share index	Assets D.III.
Short call	45,232	(11,341)	4,815	Share index	Liabilities F.IV.
Long put	50,059	3,119	3,614	Share index	Assets D.III.
Short put	50,059	(3,119)	3,614	Share index	Liabilities F.IV.

The options on share indices are held in the context of hedging activities of Allianz companies with Allianz SE. Allianz SE hedged these positions by entering into countertrades at the market. Both intra-group and group-external positions were combined to valuation units ("Bewertungseinheiten"). The average remaining term of the call options is five years. The average remaining term of the put options is seven months.

European-type options are valued using the Black-Scholes model, and American-type options using the binomial model; both based on the closing price on the valuation date. Yield curves are derived from the swap rates prevailing on the valuation date. The future dividend yield is estimated on the basis of market information on the valuation date. Volatility is estimated based on currently traded implicit volatility, taking into account the residual term, and the ratio between the strike price and the prevailing share price.

Forward contracts in shares, share indices, and hedge RSU as of 31 December 2022

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	447,560	68,473	–	Allianz SE share	–
Long forward	614,968	239,671	–	UniCredit S.p.A. share	–
Short forward	614,968	(239,671)	–	UniCredit S.p.A. share	–
Hedge RSU	316,485	(375,322)	375,429	Allianz SE share	Liabilities F.IV.

Positions in long forwards on Allianz SE shares and in hedge RSU are held in the context of hedging the Allianz Equity Incentive Plans.

For the purpose of hedging the share price risk, our subsidiary Allianz Finance II Luxembourg S.à.r.l. entered into short forwards on UniCredit S.p.A. shares with Allianz SE. Allianz SE hedged these positions by entering into countertrades at the market. Both intra-group and group-external positions were combined to valuation units. The remaining term of these forwards is less than one year.

The fair value of a forward contract is determined as the difference between the underlying closing price on the valuation date and the discounted forward price. The net present value of dividend payments due before maturity of the forward contract is also taken into account, unless the dividends are subject to a pass-through agreement. Liabilities from hedge RSU, which the Group companies acquire from Allianz SE in order to hedge their liabilities from the Group Equity Incentive programs, are valued on the basis of the Allianz closing price on the valuation date, minus the net present value of estimated future dividends due before maturity of the respective hedge RSU. Applicable discount rates are derived from interpolated swap rates.

Forward currency contracts as of 31 December 2022

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	22,781,126	(375,973)	124,414	AED, AUD, BRL, CAD, CHF, CNY, COP, CZK, DKK, GBP, HKD, HUF, ILS, INR, JPY, KRW, NOK, PLN, RON, SAR, SEK, SGD, TRY, TWD, USD, ZAR	Liabilities D.
Short forward	28,609,393	71,671	347,774	AED, AUD, BRL, CAD, CHF, CZK, DKK, GBP, HKD, HUF, JPY, KRW, NOK, PLN, RON, SAR, SEK, SGD, TRY, USD, ZAR	Liabilities D.

Allianz SE holds long and short positions in various currencies in order to manage foreign exchange risks within Allianz SE and other entities of the Allianz Group.

The fair value of a forward currency contract is the difference between the discounted forward price and the spot rate in euro. The discounted forward price is calculated by applying the euro interest rate as a discount rate and the foreign currency interest rate as a compound interest rate.

Long forwards and short forwards with a nominal value of € 14.5 bn, and a fair value of € 285.8 mn respectively, were aggregated to valuation units, each comprising intra-group positions offset by countertrades at the market. The average remaining term of the forwards in valuation units is less than one year.

Interest rate swap contracts as of 31 December 2022

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Receiver swap EUR	3,000,000	(640,706)	637,216	Long-term interest rate positions	Liabilities D.

Allianz SE holds EUR receiver swaps for the purpose of managing duration and hedging interest rate risk arising from interest rate positions in the pension portfolio of Allianz SE.

The fair value of an interest rate swap is the aggregate net present value of all expected incoming and outgoing cash flows of the respective swap transaction.

Our financial participations include put and call options on company shares, which are linked to certain conditions. Due to the lack of quoted prices on active markets for these financial participations, and the uncertainty regarding the occurrence of the option conditions, the fair value of such options cannot be determined reliably. Wherever feasible, contractual arrangements including the option agreements were taken into account when determining the fair value of the financial participation. However, no standalone valuation of the options as derivative financial instruments was performed.

Embedded in a retrocession agreement covering the retrocession of life business to an external reinsurance partner, Allianz SE has provided the retrocessionaire with credit protection related to the issuer risk associated with ceded future cash flows arising from a corporate bond. The agreement obliges Allianz SE to pay an amount of € 87 mn to the retrocessionaire as compensation for safeguarding the reinsurance partner against default risk arising from a bond. At the end of 2022, the fair value of this credit derivative amounted to € 3.8 mn.

SUPPLEMENTARY INFORMATION ON THE INCOME STATEMENT

17 _ Gross premiums written

€ thou

	2022	2021
Property-Casualty reinsurance	12,383,372	11,480,478
Life/Health reinsurance	840,361	670,529
Total	**13,223,733**	**12,151,007**

Gross premiums written increased by 8.8% to € 13,224 mn. The increase in the Property-Casualty reinsurance is particularly attributable to fire and property reinsurance as well as motor reinsurance. In life reinsurance, gross premiums written increased by € 105 mn.

18 _ Allocated interest return (net)

The allocated interest return (net) mainly corresponds to the agreed interest rate for deposited provisions and is therefore transferred from the non-technical section to the technical section. It amounts to € 12 mn (2021: € 16 mn).

19 _ Run-off result

In 2022, the run-off result in Property-Casualty reinsurance amounted to € 1,201 mn (2021: € 439 mn). The positive run-off result was mainly due to group-internal quota share reinsurance treaties, primarily with Allianz Versicherungs-AG, Allianz Global Corporate & Specialty SE, and Allianz Trade, as well as the recovery under our retrocession program.

20 _ Change in other insurance reserves (net)

€ thou

	2022	2021
Change in aggregate policy reserves (net)	13,502	40,229
Other insurance reserves (net)	34,489	28,043
Total	**47,991**	**68,271**

The change in aggregate policy reserves (net) was mainly driven by life reinsurance.

The other insurance reserves (net) mostly include reserves for motor reinsurance.

21 _ Underwriting expenses (net)

€ thou

	2022	2021
Gross underwriting expenses	(3,488,029)	(3,240,647)
Less: commission received on retroceded business	175,759	105,461
Net	**(3,312,270)**	**(3,135,186)**

The increase of underwriting expenses (net) mainly followed the increase in premium development and therefore resulted in higher commissions. The expense ratio (net) in Property-Casualty reinsurance decreased to 28.2% (2021: 29.0%), driven by a lower commission ratio of 27.4% (2021: 28.2%).

22 _ Investment income

€ thou

	2022	2021
a) Income from participations thereof from affiliated enterprises: € 6,908,596 thou (2021: € 6,104,422 thou)	7,051,064	6,156,356
b) Income from other investments thereof from affiliated enterprises: € 217,059 thou (2021: € 211,457 thou)		
aa) Income from real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE	16,225	16,697
bb) Income from other investments (see below)	464,135	469,784
c) Income from reversal of impairments	61,170	17,780
d) Realized gains	668,750	273,988
e) Income from profit transfer agreements	2,219,478	2,295,371
Total	**10,480,823**	**9,229,975**

	2022	2021
bb) Income from other investments		
Debt securities	195,308	206,656
Funds held by others under reinsurance business assumed	94,522	129,633
Receivables from intra-group cash pooling	86,583	47,342
Loans to affiliated enterprises	66,642	68,570
Interests in funds	12,991	12,814
Other	8,089	4,769
Total	**464,135**	**469,784**

23 _ Investment expenses

€ thou

	2022	2021
a) Expenses for the management of investments, interest, and other investment-related expenses		
aa) Interest expenses (see below)	(921,393)	(801,143)
ab) Other	(78,620)	(132,289)
b) Depreciation and impairments of investments	(2,758,098)	(500,452)
c) Realized losses	(477,031)	(148,456)
d) Expenses from losses taken over	(143,266)	(58,438)
Total	**(4,378,409)**	**(1,640,778)**

	2022	2021
aa) Interest expenses		
Subordinated bonds issued by Allianz SE	(571,813)	(487,510)
Liabilities from intra-group loans	(154,929)	(185,436)
Liabilities from intra-group cash pooling	(120,499)	(8,357)
Liabilities from intra-group bonds	(55,627)	(56,177)
Intra-group subordinated liabilities (intra-group transmission of proceeds from third-party financing)	-	(56,497)
Other	(18,525)	(7,166)
Total	**(921,393)**	**(801,143)**

Depreciation and impairments of investments include unscheduled write-downs of € 250 mn (2021: € 139 mn) on holdings in affiliated enterprises.

24 _ Other non-technical result

€ thou

	2022	2021
Other income		
Gains on derivatives	2,855,313	1,571,379
Currency gains	1,917,937	700,251
Other service revenues from Group companies	393,736	305,694
Income from the release of other provisions	42,324	55,904
Intercompany income	27,240	30,261
Interest and similar income		
thereof from affiliated enterprises: € 0 thou (2021: € 2 thou)	11,409	53,195
Service revenues from pensions charged to Group companies	7,025	8,511
Other	2,311	150,441
Total other income	5,257,296	2,875,636
Other expenses		
Expenses for derivatives	(2,900,582)	(1,379,613)
Currency losses	(2,007,239)	(1,071,349)
Anticipated losses on derivatives	(925,543)	(397,229)
Pension expenses	(477,087)	(702,992)
Other HR-related expenses	(401,928)	(364,221)
Other service expenses to Group companies	(393,736)	(305,694)
Other administrative expenses	(308,803)	(238,299)
Interest and similar expenses		
thereof from reversal of discounting miscellaneous provisions: € 7 thou (2021: € (71) thou)		
thereof from affiliated enterprises: € (88) thou (2021: € (2,676) thou)	(301,321)	(815,742)
Service expenses from pensions charged to Group companies	(7,025)	(8,511)
Other	(6,612)	(14,968)
Total other expenses	(7,729,875)	(5,298,616)
Other non-technical result	**(2,472,580)**	**(2,422,980)**

The other non-technical result amounted to € (2,473) mn after € (2,423) mn in 2021. While the foreign currency translation result improved by € 282 mn and interest expenses (net) decreased by € 473 mn, these positive contributions were overcompensated by the result from derivatives, which deteriorated by € 765 mn.

The result from foreign currency translation improved to € (89) mn following € (371) mn in the previous year, mainly driven by foreign currency translation gains of liabilities denominated in GBP (€ 107 mn) in 2022 after corresponding losses in 2021 (€ (93) mn). The foreign currency translation of liabilities denominated in USD contributed to the overall improvement, as foreign currency translation losses of USD liabilities decreased from € (294) mn to € (224) mn in 2022.

Allianz SE has a joint liability for a large part of the pension provisions of its German subsidiaries (see note 14 for more details). Expenses incurred in this context are recognized as service expenses from pension plans charged to Group companies, as they are reimbursed by the German subsidiaries according to the cost allocation contract and result in corresponding service revenues.

Out of the pension expenses of € 477 mn, € 412 mn relate to the increase in the pension trend to 5.5% per year until 2024.

The significant decrease of € 473 mn in interest expenses (net) was mainly due to € 465 mn lower interest expenses from pensions. The decrease of interest expenses from pensions was primarily caused by a lower addition to pension provisions compared to the previous year resulting from a smaller change in the discount rate.

The deterioration of the result from derivatives from € (205) mn to € (971) mn was predominantly attributable to losses from interest rate swaps held for the purpose of managing duration and hedging interest rate risk arising from the pension portfolio of Allianz SE. Due to the sharp rise of interest rates in 2022, the losses resulting from these swaps increased to € (660) mn after € (120) mn in 2021. In addition, losses from foreign currency forwards in 2022 (€ (255) mn) after gains in 2021 (€ 7 mn) added to the adverse development of the result from derivatives.

Furthermore, other income/expenses include the following offset income and expenses:

€ thou

	2022		2021	
	Pensions and similar obligations	Other obligations	Pensions and similar obligations	Other obligations
Actual return of the offset assets	14,351	215	17,784	903
Imputed interest cost for the settlement amount of the offset liabilities	(171,921)	(469)	(189,495)	(922)
Effect resulting from the change in the discount rate for the settlement amount	(109,423)	4	(559,056)	(7)
Net amount of the offset income and expenses	**(266,933)**	**(250)**	**(730,767)**	**(26)**

Fees to the auditor

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC GmbH) is the external auditing firm for the Allianz Group.

Audit services primarily relate to services rendered for the audit of the Allianz Group's consolidated financial statements, the audit of the statutory financial statements of Allianz SE and its subsidiaries, the audit of the Allianz Group's Solvency II market value balance sheet as well as those of Allianz SE and its subsidiaries. In addition, a review of the Allianz Group's consolidated interim financial statements was performed. The 2022 fees for audit services include fees for the implementation audit of IFRS 9 and IFRS 17.

Tax services primarily refer to tax compliance services, other services mainly refer to consulting services.

Details of the fees to the auditor for services to Allianz SE, pursuant to §285 No. 17 of the German Commercial Code, can be found in the notes to the Allianz Group's consolidated financial statements.

25 _ Income taxes

In 2022, our tax income, most of which is net operating income, decreased to € 17 mn (2021: € 191 mn).

As the controlling company ("Organträger") of the tax group, Allianz SE files a consolidated tax return with most of its German affiliated enterprises. The tax compensation payments received from members of the tax group increased to € 550 mn (2021: € 543 mn).

The greatest differences between accounting and tax-based valuation concern the balance sheet items "pension accruals", "reserves for loss and loss adjustment expenses", and "provisions for anticipated losses" resulting in deferred tax assets.

The valuation of the domestic deferred taxes is based on the following tax rates:

- 31.0% differences in balance sheet items,
- 15.8% corporate tax losses,
- 15.2% trade tax losses.

26 _ Net earnings

€ thou

	2022	2021
Net income	4,791,846	5,351,221
Unappropriated earnings carried forward	637,981	420,079
Transfer to other revenue reserves	(500,000)	(750,000)
Net earnings	**4,929,827**	**5,021,300**

OTHER INFORMATION

Contingent liabilities, other financial commitments, and litigation

Contingent liabilities

Guarantees

The following guarantees have been provided by Allianz SE to Allianz Group companies as well as to third parties with regard to the liabilities of certain Allianz Group companies:

- senior bonds issued by Allianz Finance II B.V. for € 8.1 bn,
- commercial papers issued by Allianz Finance Corporation. As of 31 December 2022, USD 0.2 bn in commercial papers were issued as part of the program,
- letters of credit issued to various Allianz Group companies amounting to € 1.2 bn.

Guarantee declarations totaling € 0.8 bn have also been made for life policies signed by Allianz Compañía de Seguros y Reaseguros S.A.

Contingent liabilities exist because of indirect pension promises organized via pension funds (Allianz Versorgungskasse VVaG) and support funds (Allianz Pensionsverein e.V.). Because the adjustment obligation according to § 16 of the German Occupational Pensions Act (BetrAVG) is not funded in the APV old tariff, the resulting deficit as of 31 December 2022 amounts to € 57 mn (2021: € 45 mn). In addition, Allianz SE has a joint liability of € 574 mn for a part of the pension promises belonging to its German subsidiaries.

In the context of the sale of investments, guarantees were given in individual cases to cover counterparty exposures or the various bases used to determine purchase prices.

In addition, Allianz SE has issued guarantees to various Allianz Group companies totaling € 0.5 bn.

Allianz SE enters into contingent liabilities only after careful consideration of the risks involved. On the basis of a continuous evaluation of the risk situation of the contingent liabilities entered into, and taking into account the knowledge gained up to the preparation date, it can be assumed that the obligations underlying the contingent liabilities can be met by the respective principal debtors. As of today, and to the best of our knowledge, Allianz SE assesses the probability of a loss resulting from contingent liabilities to be extremely remote.

Legal obligations

Legal obligations to assume any losses arise on account of management control agreements and/or profit transfer agreements with the following companies:

- Allianz Africa Holding GmbH,
- Allianz Asset Management GmbH,
- Allianz Climate Solutions GmbH,
- Allianz Deutschland AG,
- Allianz Digital Health GmbH,
- Allianz Direct Versicherungs-AG,
- Allianz Finanzbeteiligungs GmbH,
- Allianz Global Corporate & Specialty SE,
- Allianz Global Health GmbH,
- Allianz Investment Management SE,
- Allianz Kunde und Markt GmbH,
- Allianz Technology SE,
- Allvest GmbH,
- IDS GmbH-Analysis and Reporting Services.

Other financial commitments

There are financial obligations of € 454 mn, which result from advertising agreements (€ 436 mn), and payment obligations arising from investments (€ 18 mn).

Litigation

Allianz SE is involved in legal, regulatory, and arbitration proceedings in Germany and foreign jurisdictions, including the United States. Such proceedings arise in the ordinary course of business, including, amongst others, Allianz SE's activities as a reinsurance company, employer, investor and taxpayer. While it is not feasible to predict or determine the ultimate outcome of such proceedings, they may result in substantial damages or other payments or penalties, or result in adverse publicity and damage to Allianz SE's reputation. As a result, such proceedings could have an adverse effect on Allianz SE's business, financial condition, and results of operations. Apart from the proceedings discussed below, Allianz SE is not aware of any threatened or pending legal, regulatory or arbitration proceedings which may have, or have had in the recent past, significant effects on its financial position or profitability. Material proceedings in which Allianz SE is involved are in particular the following:

With respect to the multiple complaints which had been filed in U.S. Courts in connection with losses suffered by investors in AllianzGI U.S.'s Structured Alpha funds ("Funds") during the COVID-19 related market downturn, in the meantime all actions regarding private funds have been dismissed after settlements were reached with the respective investors.. Currently there is one putative class action pending in a U.S. Court filed by investors in mutual funds. Plaintiffs and all Defendants have reached agreement to settle the matter and the Court granted preliminary approval of the settlement. AllianzGI U.S.'s contribution to the settlement is within the respective recognized provision.

In addition, as announced by ad-hoc disclosure on 17 May 2022, AllianzGI U.S. has entered into settlements with the U.S. Department of Justice ("DOJ") and the U.S. Securities and Exchange Commission ("SEC") in connection with the Structured Alpha matter. Pursuant to the DOJ resolution, AllianzGI U.S. pleaded guilty to one count of criminal securities fraud, and pursuant to the SEC resolution the SEC found that AllianzGI U.S. violated relevant U.S. securities laws. These settlements fully resolve the U.S. governmental investigations of the Structured Alpha matter for Allianz.

As announced by ad-hoc disclosures on 17 February 2022 and 11 May 2022, Allianz recognized a provision of € 3.7 bn for the fourth quarter of 2021 and an additional provision of € 1.9 bn for the first quarter of 2022 for the Structured Alpha matter within the Allianz Group financial statements. As of 31 December 2022, the majority of the amounts provisioned have been paid out already for settlements with investors in the Funds and for payments to the U.S. authorities according to the resolutions reached with them. Allianz SE believes that the remaining provision within the Allianz Group financial statements represents a fair estimate of the financial exposure in relation to any remaining compensation payments to Structured Alpha investors. Allianz is seeking a timely resolution with remaining fund investors. For Allianz SE the Structured Alpha matter has not led to any requirement for building a provision.

In January 2023 a putative class action complaint has been filed against Allianz SE and its CEO in the United States District Court for the Central District of California. The complaint alleges violation of Federal U.S. Securities Laws by making false or misleading statements in public disclosures such as the annual reports of Allianz in the period between March 2018 and May 2022 regarding the AllianzGI U.S. Structured Alpha matter and internal controls. Allianz SE considers the action to be unfounded.

Board members

The disclosures required in accordance with §285 No. 10 of the German Commercial Code for the Supervisory Board and Board of Management can be found in the chapters Mandates of the Members of the Supervisory Board and Mandates of the Members of Board of Management.

Board of Management remuneration[1]

As of 31 December 2022, the Board of Management was comprised of eleven members. The following expenses reflect the full Board of Management active in the respective year.

The remuneration of the Board of Management includes fixed and variable components.

The variable remuneration consists of the annual bonus (short-term) and the share-based compensation (long-term). In 2022, the share-based remuneration was comprised of 118,784[2] (2021: 112,297[3]) Restricted Stock Units (RSU).

Board of Management remuneration
€ thou

	2022	2021
Base salary	(11,661)	(10,930)
Annual bonus	(11,437)	(9,629)
Perquisites	(199)	(274)
Subtotal base salary, annual bonus, and perquisites	(23,298)	(20,832)
Fair value of RSU at grant date	(18,730)	(17,862)
Subtotal share-based compensation	(18,730)	(17,862)
Total	**(42,027)**	**(38,694)**

The total remuneration of the Board of Management of Allianz SE for 2022 amounted to € 42,027 thou (2021: € 38,694 thou).

Share-based remuneration

The remuneration system as of 1 January 2019 only awards RSUs under the long-term incentive plan. For 2022, the fair value of the RSUs at the date of grant was € 18,730 thou (2021: € 17,862 thou).

Benefits to retired members of the Board of Management

In 2022, remuneration and other benefits of € 8 mn (2021: € 10 mn) were paid to retired members of the Board of Management and to surviving dependents of deceased former members of the Board of Management.

The pension obligations for former members of the Board of Management and their surviving dependents are as follows:

€ thou

as of 31 December	2022	2021
Fair value of the offset assets	149,680	155,686
Settlement amount of the offset liabilities	182,412	176,995
Pension provisions	32,732	21,309

Supervisory Board remuneration[4]

	2022		2021	
	€ thou	%	€ thou	%
Fixed remuneration	(1,776)	61.0	(1,750)	62.0
Committee remuneration	(1,059)	37.0	(1,038)	37.0
Attendance fees	(55)	2.0	(24)	1.0
Total	**(2,890)**	**100.0**	**(2,812)**	**100.0**

Average number of employees

Excluding members of the Board of Management, employees in the passive phase of early retirement and on early retirement, on maternity leave or voluntary military/federal voluntary service, trainees, and interns:

	2022	2021
Full-time staff	2,113	1,823
Part-time staff	329	260
Total	**2,442**	**2,083**

The increase in the number of employees by 359 was mainly due to further transitions of central functions of Allianz Deutschland AG to Allianz SE as part of the realignment of Allianz Deutschland AG.

1_For detailed information regarding the Board of Management remuneration, please refer to the Remuneration Report.
2_The relevant share price to determine the final number of RSUs granted is only available after the sign-off by the external auditors, thus numbers are based on a best estimate.
3_The disclosure in the Annual Report 2021 was based on a best estimate of the RSU grants. The figure shown here for 2021 now includes the actual fair value as of the grant date (4 March 2022), including the members of the Board of Management who left as of 31 December 2021. The value therefore differs from the value disclosed last year.
4_For detailed information regarding the Supervisory Board remuneration, please refer to the Remuneration Report.

Staff expenses

Including members of the Board of Management, trainees, interns, employees in the passive phase of early retirement and on early retirement, and employees on maternity leave or voluntary military/federal voluntary service:

€ thou

	2022	2021
Wages and salaries	(411,263)	(389,109)
Statutory welfare contributions and expenses for optional support payments	(39,346)	(31,715)
Expenses for pensions and other post-retirement benefits	(29,047)	(24,619)
Total expenses	**(479,655)**	**(445,443)**

Events after the balance sheet date

The Allianz SE was not subject to any subsequent events that significantly impacted Allianz SE's financial results after the balance sheet date and before the financial statements were authorized for issue.

Information pursuant to § 160 (1) No. 8 AktG

The following major shareholdings exist and were reported pursuant to § 20 (1) or (4) AktG, or pursuant to §§ 33, 34 WpHG:

By way of notification dated 11 July 2022, BlackRock Inc., Wilmington, Delaware, United States of America, informed us in the course of a voluntary group notification with triggered threshold on subsidiary level its voting rights pursuant to §§ 33, 34 WpHG as of 6 July 2022 amounted to 6.75 % (representing 27,586,790 shares); its holdings in instruments pursuant to § 38 (1) No. 1 WpHG as of 6 July 2022 amounted to 0.06 % (representing 233,827 voting rights absolute); and its holdings in instruments pursuant to § 38 (1) No. 2 WpHG as of 6 July 2022 amounted to 0.003 % (representing 12,388 voting rights absolute). The total position as notified on 11 July 2022 amounted to 6.81 %.

Declaration of Conformity with the German Corporate Governance Code

On 15 December 2022, the Board of Management and the Supervisory Board of Allianz SE issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 AktG, and made it permanently available on the **Allianz company website**.

LIST OF PARTICIPATIONS OF ALLIANZ SE, MUNICH AS OF 31 DECEMBER 2022 ACCORDING TO §285 NO. 11 AND 11B HGB IN CONJUNCTION WITH §286 (3) NO. 1 HGB

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
GERMAN ENTITIES			
Affiliates			
ACP Vermögensverwaltung GmbH & Co. KG Nr. 4 a, Munich	100.0	5,641	(5)
ADAC Autoversicherung AG, Munich	51.0	141,619	(1,012)
ADEUS Aktienregister-Service-GmbH, Munich	79.6	9,555	2,592
AGCS Infrastrukturfonds GmbH, Munich	100.0 [2]	42,341	-
AGCS-Argos 76 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	54,610	-
AGCS-Argos 86 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	112,468	-
ALIDA Grundstücksgesellschaft mbH & Co. KG, Hamburg	94.8 [3]	379,119	11,890
Allianz Africa Holding GmbH, Munich	100.0 [2]	352,405	(3,511)
Allianz Asset Management GmbH, Munich	100.0 [2,3]	3,692,097	-
Allianz AZL Vermögensverwaltung GmbH & Co. KG, Munich	100.0	409,237	(6)
Allianz Beratungs- und Vertriebs-AG, Munich	100.0	8,815	(1,379)
Allianz Capital Partners GmbH, Munich	100.0 [2,3]	27,388	-
Allianz Capital Partners Verwaltungs GmbH, Munich	100.0	56,928	1,346
Allianz Climate Solutions GmbH, Munich	100.0 [2]	90,066	-
Allianz Deutschland AG, Munich	100.0	7,426,862	-
Allianz Digital Health GmbH, Munich	100.0 [2]	25,966	-
Allianz Direct Versicherungs-AG, Munich	100.0	67,331	-
Allianz Finanzbeteiligungs GmbH, Munich	100.0 [2]	929,012	-
Allianz Focus Teleport Beteiligungs-GmbH & Co. KG, Stuttgart	100.0 [3]	10,088	(293)
Allianz Global Corporate & Specialty SE, Munich	100.0 [2,3]	1,144,237	-
Allianz Global Investors GmbH, Frankfurt am Main	100.0 [2,3]	307,838	-
Allianz Global Investors Holdings GmbH, Frankfurt am Main	100.0 [2,3]	25,439	-
Allianz Handwerker Services GmbH, Aschheim	100.0 [3]	55,266	8,582
Allianz Hirschgarten GmbH & Co. KG, Stuttgart	100.0 [3]	240,063	(29)
Allianz Investment Management SE, Munich	100.0 [2]	6,331	-
Allianz Kunde und Markt GmbH, Munich	100.0 [2]	6,849	-
Allianz Leben Direkt Infrastruktur GmbH, Munich	100.0 [2]	174,137	-
Allianz Leben Infrastrukturfonds GmbH, Munich	100.0 [2]	3,009,105	-
Allianz Leben Private Equity Fonds 2001 GmbH, Munich	100.0 [2]	10,009,801	-
Allianz Lebensversicherungs-Aktiengesellschaft, Stuttgart	100.0	2,991,344	-
Allianz NM 28 GmbH & Co. KG, Stuttgart	93.3 [3]	218,533	1,375
Allianz of Asia-Pacific and Africa GmbH, Munich	100.0	754,323	(131,306)
Allianz ONE - Business Solutions GmbH, Munich	100.0	81,764	-
Allianz Partners Deutschland GmbH, Aschheim	100.0 [3]	16,461	(12,695)
Allianz Pensionsfonds Aktiengesellschaft, Stuttgart	100.0	59,881	(1,618)
Allianz Pensionskasse Aktiengesellschaft, Stuttgart	100.0	355,192	17,100
Allianz Private Equity GmbH, Munich	100.0 [2]	18,554	-
Allianz Private Krankenversicherungs-Aktiengesellschaft, Munich	100.0 [2,3]	237,731	-
Allianz Real Estate GmbH, Munich	100.0	24,089	-
Allianz Renewable Energy Subholding GmbH & Co. KG, Sehestedt	100.0 [3]	7,283	893
Allianz Taunusanlage GbR, Stuttgart	99.5 [3]	168,933	6,205

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Allianz Technology SE, Munich	100.0 [2,3]	338,218	-
Allianz Versicherungs-Aktiengesellschaft, Munich	100.0	887,569	-
Allianz X GmbH, Munich	100.0 [3]	7,488	(176)
Allianz ZWK Nürnberg GmbH & Co. KG, Stuttgart	100.0 [3]	22,067	(192)
Allvest GmbH, Munich	100.0 [3]	5,305	-
APK Infrastrukturfonds GmbH, Munich	100.0 [2]	49,459	-
APK-Argos 65 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	11,025	-
APK-Argos 75 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	90,180	-
APK-Argos 85 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	208,110	-
APK-Argos 95 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	163,623	-
APKV Direkt Infrastruktur GmbH, Munich	100.0 [2]	36,084	-
APKV Infrastrukturfonds GmbH, Munich	100.0 [2]	356,879	-
APKV Private Equity Fonds GmbH, Munich	100.0 [2]	962,307	-
APKV-Argos 74 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	316,703	-
APKV-Argos 84 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	1,097,514	-
ARE Funds APKV GmbH, Munich	100.0 [2,3]	683,021	-
ARE Funds AZL GmbH, Munich	100.0 [2,3]	6,127,494	-
ARE Funds AZV GmbH, Munich	100.0 [2,3]	36,617	-
atpacvc Fund GmbH & Co. KG, Munich	100.0	80,738	(2,737)
Atropos Vermögensverwaltungsgesellschaft mbH, Munich	100.0	457,379	(77,859)
AV8 Ventures II GmbH & Co. KG, Munich	100.0	26,644	(1,337)
AZ ATLAS GmbH & Co. KG, Stuttgart	94.9 [3]	110,365	4,323
AZ ATLAS Immo GmbH, Stuttgart	100.0 [2,3]	142,204	181
AZ Northside GmbH & Co. KG, Stuttgart	94.0 [3]	18,520	253
AZ-Arges Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	152,158	-
AZ-Argos 88 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	90,014	-
AZL-Argos 73 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	2,380,384	-
AZL-Argos 83 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	8,434,340	-
AZL-Argos 89 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	128,271	-
AZL-Private Finance GmbH, Stuttgart	100.0 [2]	1,950,402	-
AZ-SGD Direkt Infrastruktur GmbH, Munich	100.0 [2]	36,818	-
AZ-SGD Infrastrukturfonds GmbH, Munich	100.0 [2]	220,803	-
AZ-SGD Private Equity Fonds 2 GmbH, Munich	100.0 [2]	12,676	-
AZ-SGD Private Equity Fonds GmbH, Munich	100.0 [2]	750,276	-
AZV-Argos 72 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	94,359	-
AZV-Argos 77 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	68,940	-
AZV-Argos 82 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	331,262	-
AZV-Argos 87 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	212,993	-
BrahmsQ Objekt GmbH & Co. KG, Stuttgart	94.8 [3]	75,925	2,965
ControlExpert GmbH, Langenfeld	100.0 [3]	28,410	15,627

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
ControlExpert Holding GmbH, Langenfeld	100.0 [3]	115,995	(87)
Deutsche Lebensversicherungs-Aktiengesellschaft, Berlin	100.0 [2]	49,534	-
EASTSIDE Joint Venture GmbH & Co. KG, Frankfurt am Main	50.0 [3]	66,538	637
Euler Hermes Aktiengesellschaft, Hamburg	100.0 [3]	97,330	9,574
IconicFinance GmbH, Munich	100.0 [3]	10,573	(5,859)
IDS GmbH - Analysis and Reporting Services, Munich	100.0 [2]	9,976	-
manroland AG, Offenbach am Main	100.0 [4,5]	148,289	(179,129)
manroland Vertrieb und Service GmbH, Mühlheim am Main	100.0 [4,5]	5,155	-
MAWISTA GmbH, Plochingen	100.0 [3]	11,861	2,741
PIMCO Europe GmbH, Munich	100.0 [2]	55,889	-
Projekt Hirschgarten MK8 GmbH & Co. KG, Stuttgart	94.9 [3]	175,450	6,877
REC Frankfurt Objekt GmbH & Co. KG, Hamburg	80.0 [3]	269,683	6,903
Seine GmbH, Munich	100.0	399,763	11,753
Seine II GmbH, Munich	100.0	122,327	2,579
Spherion Objekt GmbH & Co. KG, Stuttgart	89.9 [3]	67,242	4,136
Volkswagen Autoversicherung AG, Braunschweig	100.0 [2]	139,561	-
Volkswagen Autoversicherung Holding GmbH, Braunschweig	49.0	186,795	13,996
Windpark Aller-Leine-Tal GmbH & Co. KG, Sehestedt	100.0 [3]	17,778	600
Windpark Berge-Kleeste GmbH & Co. KG, Sehestedt	100.0 [3]	5,894	930
Windpark Büttel GmbH & Co. KG, Sehestedt	100.0 [3]	16,584	1,739
Windpark Calau GmbH & Co. KG, Sehestedt	100.0 [3]	38,107	1,820
Windpark Cottbuser See GmbH & Co. KG, Sehestedt	100.0 [3]	7,350	1,435
Windpark Dahme GmbH & Co. KG, Sehestedt	100.0 [3]	13,552	740
Windpark Eckolstädt GmbH & Co. KG, Sehestedt	100.0 [3]	28,686	1,701
Windpark Freyenstein-Halenbeck GmbH & Co. KG, Sehestedt	100.0 [3]	14,033	1,383
Windpark Kesfeld-Heckhuscheid GmbH & Co. KG, Sehestedt	100.0 [3]	13,200	344
Windpark Kittlitz GmbH & Co. KG, Sehestedt	100.0 [3]	5,729	494
Windpark Pröttlin GmbH & Co. KG, Sehestedt	100.0 [3]	11,513	1,549
Windpark Quitzow GmbH & Co. KG, Sehestedt	100.0 [3]	11,135	1,462
Windpark Redekin-Genthin GmbH & Co. KG, Sehestedt	100.0 [3]	19,006	885
Windpark Schönwalde GmbH & Co. KG, Sehestedt	100.0 [3]	12,543	978
Windpark Waltersdorf GmbH & Co. KG Renditefonds, Sehestedt	100.0 [3]	7,243	414
Windpark Werder Zinndorf GmbH & Co. KG, Sehestedt	100.0 [3]	18,546	2,269

Joint ventures

	Owned[1]	Equity	Net Earnings
AQ Focus Teleport GmbH & Co. KG, Hamburg	50.0 [3]	10,430	(3,723)
Dealis Fund Operations GmbH, Frankfurt am Main	50.0 [3]	32,865	(47)
VGP Park München GmbH, Vaterstetten-Baldham	48.9 [3]	104,797	(1,174)

Associates

	Owned[1]	Equity	Net Earnings
AV Packaging GmbH, Munich	100.0	15,937	(202)
Clark Holding SE, Frankfurt am Main	21.9 [3]	89,837	(14,821)
DCSO Deutsche Cyber-Sicherheitsorganisation GmbH, Berlin	25.0 [3]	6,439	556
T&R Real Estate GmbH, Bonn	25.0 [3]	140,869	1
Verimi GmbH, Berlin	11.8 [3]	9,640	(16,018)

Other participations below 20% voting rights

	Owned[1]	Equity	Net Earnings
EXTREMUS Versicherungs-Aktiengesellschaft, Cologne	16.0 [3]	63,466	(754)
FC Bayern München AG, Munich	8.3 [3]	471,687	1,838
GDV Dienstleistungs-GmbH, Hamburg	9.1 [3]	29,653	982
La Famiglia Fonds I GmbH & Co. KG, Munich	5.9	20,995	3,256
MLP SE, Wiesloch	9.7 [3]	496,245	62,826
Mobility Trader Holding GmbH, Berlin	9.2 [3]	128,831	(68,133)
N26 GmbH, Berlin	5.4 [3]	701,680	(172,439)
Protektor Lebensversicherungs-AG, Berlin	10.0 [3]	7,854	2
Sana Kliniken AG, Ismaning	14.5 [3]	1,139,149	67,094
SDA SE Open Industry Solutions, Hamburg	11.1 [3]	8,895	(3,134)

FOREIGN ENTITIES

Affiliates

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
1800 M Street Owner LP, Wilmington, DE	100.0 [3]	195,864	7,533
1800 M Street REIT LP, Wilmington, DE	100.0 [3]	201,455	7,535
1800 M Street Venture LP, Wilmington, DE	45.0 [3]	146,622	6,546
490 Lower Unit LP, Wilmington, DE	100.0 [3]	111,508	5,924
ACRE Hinoki Pte. Ltd., Singapore	100.0 [3]	29,650	(153)
ACRE Sugi Pte. Ltd., Singapore	100.0 [3]	11,435	(47)
Aero-Fonte S.r.l., Misterbianco	100.0 [3]	14,680	(271)
Aetna Health Insurance (Thailand) Public Company Limited, Bangkok	100.0 [3]	48,832	10,771
AGA Service Company Corp., Richmond, VA	100.0 [3]	26,544	1,880
AGCS International Holding B.V., Amsterdam	100.0 [3]	1,301,376	128,853
AGCS Marine Insurance Company, Chicago, IL	100.0 [3]	143,269	7,180
Allianz - Slovenská DSS a.s., Bratislava	100.0 [3]	63,355	19,219
Allianz - Slovenská poisťovňa a.s., Bratislava	99.6 [3]	371,785	91,726
Allianz (UK) Limited, Guildford	100.0 [3]	1,919,788	139,912
Allianz Africa SAS, Paris la Défense	100.0 [3]	40,545	1,472
Allianz Alapkezelő Zrt., Budapest	100.0 [3]	5,452	2,556
Allianz Argentina Compañía de Seguros Generales S.A., Buenos Aires	100.0 [3]	161,694	5,990
Allianz Asia Holding Pte. Ltd., Singapore	100.0 [3]	41,236	(21,915)
Allianz Asset Management of America L.P., Dover, DE	100.0 [3]	670,026	1,647,689
Allianz Asset Management of America LLC, Dover, DE	100.0 [3]	6,560,564	2,069,710
Allianz Asset Management U.S. Holding II LLC, Dover, DE	100.0 [3]	249,255	90,420
Allianz Australia General Insurance Limited, Sydney	100.0 [3]	102,046	(113,997)
Allianz Australia Insurance Limited, Sydney	100.0 [3]	2,247,894	150,528
Allianz Australia Life Insurance Holdings Limited, Sydney	100.0 [3]	96,270	(21,025)
Allianz Australia Life Insurance Limited, Sydney	100.0 [3]	96,270	(21,025)
Allianz Australia Limited, Sydney	100.0 [3]	2,290,232	149,360
Allianz Australia Services Pty Limited, Sydney	100.0 [3]	24,561	127
Allianz Ayudhya Assurance Public Company Limited, Bangkok	82.8 [3]	617,814	102,080
Allianz Ayudhya Capital Public Company Limited, Bangkok	49.0 [3]	334,242	20,298
Allianz Ayudhya General Insurance Public Company Limited, Bangkok	100.0 [3]	59,774	(1,775)
Allianz Bank Bulgaria AD, Sofia	99.9 [3]	131,651	8,858
Allianz Bank Financial Advisors S.p.A., Milan	100.0	439,880	24,315
Allianz Banque S.A., Puteaux	100.0	116,423	2,454
Allianz Benelux S.A., Brussels	100.0 [3]	874,887	140,192
Allianz Bulgaria Holding AD, Sofia	66.2 [3]	64,333	12,701
Allianz Cameroun Assurances SA, Douala	75.4 [3]	13,292	1,294
Allianz Cameroun Assurances Vie SA, Douala	76.4 [3]	5,516	1,989
Allianz Capital Partners of America LLC, Dover, DE	100.0 [3]	8,267	3,648
Allianz Carbon Investments B.V., Amsterdam	100.0 [3]	13,727	2,869
Allianz Cash SAS, Paris la Défense	100.0	6,679	297
Allianz Chicago Private Reit LP, Wilmington, DE	100.0 [3]	225,599	3,041
Allianz China Insurance Holding Limited, Shanghai	100.0 [3]	641,669	(7,667)
Allianz China Life Insurance Co. Ltd., Shanghai	100.0 [3]	509,495	82,288
Allianz Colombia S.A., Bogotá D.C.	100.0 [3]	97,429	4,148
Allianz Compañía de Seguros y Reaseguros S.A., Madrid	99.9 [3]	463,976	134,834

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Allianz Côte d'Ivoire Assurances SA, Abidjan	74.1 [3]	12,547	5,221
Allianz Côte d'Ivoire Assurances Vie SA, Abidjan	71.0 [3]	12,208	3,967
Allianz Digital Services Pte. Ltd., Singapore	100.0 [3]	5,697	142
Allianz Direct S.p.A., Milan	100.0 [3]	488,887	6,775
Allianz do Brasil Participações Ltda., São Paulo	100.0 [3]	684,249	(57,651)
Allianz Eiffel Square Kft., Budapest	100.0 [3]	98,860	3,100
Allianz Elementar Lebensversicherungs-Aktiengesellschaft, Vienna	100.0	66,989	9,745
Allianz Elementar Versicherungs-Aktiengesellschaft, Vienna	100.0 [3]	538,652	170,019
Allianz Engineering Inspection Services Limited, Guildford	100.0 [3]	15,052	8,131
Allianz Equity Investments Ltd., Guildford	100.0 [3]	157,412	7
Allianz Europe B.V., Amsterdam	100.0 [3]	44,340,144	3,934,628
Allianz Europe Ltd., London	100.0 [3]	3,956,696	77,134
Allianz Finance II B.V., Amsterdam	100.0 [3]	11,858	320,748
Allianz Finance II Luxembourg S.à r.l., Luxembourg	100.0 [3]	4,341,938	(59,156)
Allianz Finance IX Luxembourg S.A., Luxembourg	100.0 [3]	3,288,672	7,143
Allianz Finance VII Luxembourg S.A., Luxembourg	100.0 [3]	3,350,551	82,917
Allianz Finance VIII Luxembourg S.A., Luxembourg	100.0 [3]	1,010,393	25,396
Allianz Fire and Marine Insurance Japan Ltd., Tokyo	100.0 [3]	19,662	982
Allianz France Investissement OPCI, Paris la Défense	100.0	88,678	35,160
Allianz France Real Estate Invest SPPICAV, Paris la Défense	100.0 [3]	1,287,160	17,324
Allianz France Richelieu 1 S.A.S., Paris la Défense	100.0	389,599	36,355
Allianz France S.A., Paris la Défense	100.0	6,131,602	854,506
Allianz France US REIT LP, Wilmington, DE	100.0 [3]	118,764	3,214
Allianz Fund Investments Inc., Wilmington, DE	100.0 [3]	277,080	4,566
Allianz General Insurance Company (Malaysia) Berhad, Kuala Lumpur	100.0 [3]	471,374	67,738
Allianz Global Corporate & Specialty do Brasil Participações Ltda., Rio de Janeiro	100.0 [3]	34,600	(327)
Allianz Global Corporate & Specialty of Africa (Proprietary) Ltd., Johannesburg	100.0 [3]	6,798	-
Allianz Global Corporate & Specialty South Africa Ltd., Johannesburg	100.0 [3]	11,740	602
Allianz Global Investors (Schweiz) AG, Zurich	100.0 [3]	10,990	7,775
Allianz Global Investors Asia Pacific Ltd., Hong Kong	100.0 [3]	107,031	77,679
Allianz Global Investors Asset Management (Shanghai) Limited, Shanghai	100.0 [3]	6,054	(3,324)
Allianz Global Investors Distributors LLC, Dover, DE	100.0 [3]	31,393	567
Allianz Global Investors Japan Co. Ltd., Tokyo	100.0 [3]	31,057	10,888
Allianz Global Investors Singapore Ltd., Singapore	100.0 [3]	37,681	13,450
Allianz Global Investors Taiwan Ltd., Taipei	100.0 [3]	46,565	25,592
Allianz Global Investors U.S. Holdings LLC, Dover, DE	100.0 [3]	216,569	170,640
Allianz Global Investors U.S. LLC, Dover, DE	100.0 [3]	147,381	159,323
Allianz Global Life dac, Dublin	100.0 [3]	152,560	21,173
Allianz Global Risks US Insurance Company Corp., Chicago, IL	100.0 [3]	1,684,707	(15,837)
Allianz Hayat ve Emeklilik A.S., Istanbul	89.0 [3]	7,396	(331)
Allianz Hedeland Logistics ApS, Copenhagen	100.0 [3]	119,225	(4)
Allianz Hellas Single Member Insurance S.A., Athens	100.0 [3]	169,179	4,442
Allianz Hold Co Real Estate S.à r.l., Luxembourg	100.0 [3]	300,293	1,546
Allianz Holding eins GmbH, Vienna	100.0	5,055,674	497,043
Allianz Holding France SAS, Paris la Défense	100.0	7,903,007	159,146
Allianz Holdings p.l.c., Dublin	100.0 [3]	61,518	-
Allianz Holdings plc, Guildford	100.0 [3]	2,873,838	187,309
Allianz Hrvatska d.d., Zagreb	100.0 [3]	135,360	14,152
Allianz Hungária Biztosító Zrt., Budapest	100.0 [3]	196,262	62,876
Allianz HY Investor LP, Wilmington, DE	100.0 [3]	328,728	(4,121)
Allianz I.A.R.D. S.A., Paris la Défense	100.0	1,913,741	447,056
Allianz Infrastructure Holding I Pte. Ltd., Singapore	100.0 [3]	1,361,882	119,497
Allianz Infrastructure Luxembourg Holdco I S.A., Luxembourg	100.0 [3]	2,676,723	94,033
Allianz Infrastructure Luxembourg Holdco II S.A., Luxembourg	100.0 [3]	559,148	19,575
Allianz Infrastructure Luxembourg Holdco III S.A., Luxembourg	100.0 [3]	1,445,115	(97)
Allianz Infrastructure Luxembourg Holdco IV S.A., Luxembourg	100.0 [3]	356,861	(52)
Allianz Infrastructure Luxembourg I S.à r.l., Luxembourg	100.0 [3]	3,802,301	146,551
Allianz Infrastructure Luxembourg II S.à r.l., Luxembourg	100.0 [3]	1,847,171	45,718
Allianz Infrastructure Norway Holdco I S.à r.l., Luxembourg	100.0 [3]	33,052	5,771
Allianz Infrastructure Spain Holdco I S.à r.l., Luxembourg	100.0 [3]	33,036	18,764
Allianz Infrastructure Spain Holdco II S.à r.l., Luxembourg	100.0 [3]	393,814	20,046
Allianz Insurance Asset Management Co. Ltd., Beijing	100.0 [3]	8,129	(5,386)
Allianz Insurance Company - Egypt S.A.E., New Cairo	95.0 [3]	33,733	8,750
Allianz Insurance Lanka Limited, Colombo	100.0 [3]	53,296	4,378
Allianz Insurance Laos Co. Ltd., Vientiane	51.0 [3]	6,588	2,201
Allianz Insurance plc, Guildford	100.0 [3]	1,090,638	25,824
Allianz Insurance Singapore Pte. Ltd., Singapore	100.0 [3]	24,283	(8,775)
Allianz Inversiones S.A., Bogotá D.C.	100.0 [3]	5,061	84
Allianz Invest Kapitalanlagegesellschaft mbH, Vienna	100.0	12,096	6,547
Allianz Investment Management LLC, St. Paul, MN	100.0 [3]	12,912	39,176
Allianz Investment Management U.S. LLC, St. Paul, MN	100.0 [3]	5,786	(1,697)
Allianz Investments III Luxembourg S.A., Luxembourg	100.0 [3]	1,717,067	78,652
Allianz Jingdong General Insurance Company Ltd., Guangzhou	53.3 [3]	179,414	346
Allianz Leasing Bulgaria AD, Sofia	100.0 [3]	5,497	876
Allianz Leben Real Estate Holding I S.à r.l., Luxembourg	100.0 [3]	885,334	4,762
Allianz Leben Real Estate Holding II S.à r.l., Luxembourg	100.0 [3]	5,306,217	59,355
Allianz Lietuva gyvybės draudimas UAB, Vilnius	100.0 [3]	16,363	11,651
Allianz Life Assurance Company - Egypt S.A.E., New Cairo	100.0 [3]	91,850	21,675
Allianz Life Financial Services LLC, Minneapolis, MN	100.0 [3]	38,351	(36,168)
Allianz Life Insurance Company Ltd., Moscow	100.0 [3]	85,596	14,324
Allianz Life Insurance Company of Ghana Limited, Accra	100.0	5,305	772
Allianz Life Insurance Company of Missouri, Clayton, MO	100.0 [3]	338,537	16,228
Allianz Life Insurance Company of New York, New York, NY	100.0 [3]	199,557	35,181
Allianz Life Insurance Company of North America, Minneapolis, MN	100.0 [3]	12,214,455	1,316,340
Allianz Life Insurance Lanka Ltd., Colombo	100.0 [3]	5,755	345
Allianz Life Insurance Malaysia Berhad, Kuala Lumpur	100.0 [3]	335,810	30,492
Allianz Life Luxembourg S.A., Luxembourg	100.0 [3]	123,767	6,312
Allianz Malaysia Berhad, Kuala Lumpur	75.0 [3]	220,985	46,473
Allianz Marine (UK) Ltd., London	100.0 [3]	11,534	-
Allianz Maroc S.A., Casablanca	98.9 [3]	80,470	6,727
Allianz MENA Holding (Bermuda) Limited, Hamilton	100.0 [3]	112,932	3,187
Allianz México S.A. Compañía de Seguros, Mexico City	100.0 [3]	193,206	19,406
Allianz Nederland Groep N.V., Rotterdam	100.0 [3]	2,019,167	301,300
Allianz New Zealand Limited, Auckland	100.0 [3]	39,837	479
Allianz Nigeria Insurance Limited, Lagos	100.0	31,492	(6,672)
Allianz Nikko Pte. Ltd., Singapore	100.0 [3]	17,787	(180)
Allianz Nikko1 Pte. Ltd., Singapore	100.0 [3]	17,772	(21)
Allianz of America Inc., Wilmington, DE	100.0	20,127,368	6,406,144
Allianz p.l.c., Dublin	100.0 [3]	368,426	44,663

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Allianz Partners S.A.S., Saint-Ouen	100.0 [3]	1,012,298	91,176
Allianz PCREL US Debt S.A., Luxembourg	100.0 [6]	83,017	(442)
Allianz Pensionskasse Aktiengesellschaft, Vienna	100.0 [3]	13,182	1,478
Allianz penzijní spolecnost a.s., Prague	100.0 [3]	55,643	8,822
Allianz Perfekta 71 S.A., Luxembourg	94.9 [3]	7,605	757
Allianz PNB Life Insurance Inc., Makati City	51.0 [3]	35,185	1,848
Allianz pojistovna a.s., Prague	100.0 [3]	309,026	64,234
Allianz Polska Services Sp. z o.o., Warsaw	100.0 [3]	14,025	217
Allianz Presse Infra S.C.S., Luxembourg	92.4 [3]	125,560	7,186
Allianz Presse US REIT LP, Wilmington, DE	92.4 [3]	74,007	(594)
Allianz Properties Limited, Guildford	100.0 [3]	247,870	31,686
Allianz Re Argentina S.A., Buenos Aires	100.0 [3]	23,774	2,301
Allianz Re Dublin dac, Dublin	100.0 [3]	3,795,719	189,638
Allianz Real Estate Asia Pacific Pte. Ltd., Singapore	100.0	7,507	(1,236)
Allianz Real Estate Hedeland 2 ApS, Copenhagen	100.0 [3]	234,786	(10,085)
Allianz Real Estate Hedeland 4 ApS, Copenhagen	100.0 [3]	14,736	-
Allianz Real Estate Investment S.A., Luxembourg	100.0 [3]	424,924	(43,109)
Allianz Real Estate of America LLC, Wilmington, DE	100.0 [3]	7,049	(215)
Allianz Reinsurance America Inc., Petaluma, CA	100.0 [3]	259,336	32,368
Allianz Renewable Energy Partners I LP, London	100.0	101,675	25,882
Allianz Renewable Energy Partners II Limited, London	100.0	99,806	320
Allianz Renewable Energy Partners III LP, London	99.3	101,164	24,826
Allianz Renewable Energy Partners IV Limited, London	99.3	686,963	2,961
Allianz Renewable Energy Partners Luxembourg II S.A., Luxembourg	100.0 [3]	185,651	5,484
Allianz Renewable Energy Partners Luxembourg IV S.A., Luxembourg	99.3 [3]	1,172,931	(27,266)
Allianz Renewable Energy Partners Luxembourg V S.A., Luxembourg	100.0 [3]	585,385	2,154
Allianz Renewable Energy Partners Luxembourg VI S.A., Luxembourg	100.0 [3]	875,459	1,452
Allianz Renewable Energy Partners Luxembourg VIII S.A., Luxembourg	100.0 [3]	342,879	4,152
Allianz Renewable Energy Partners of America 2 LLC, Wilmington, DE	100.0	295,719	14,952
Allianz Renewable Energy Partners of America LLC, Wilmington, DE	100.0	710,964	19,091
Allianz Renewable Energy Partners V Limited, London	100.0	43,683	9,023
Allianz Renewable Energy Partners VI Limited, London	100.0	387,220	2,105
Allianz Retraite S.A., Paris la Défense	100.0	439,787	45,675
Allianz Risk Transfer (Bermuda) Ltd., Hamilton	100.0 [3]	125,186	17,315
Allianz Risk Transfer AG, Schaan	100.0 [3]	623,206	149,127
Allianz Risk Transfer Inc., New York, NY	100.0 [3]	7,030	94
Allianz S.p.A., Milan	100.0 [3]	2,016,607	464,540
Allianz Sakura Multifamily 1 Pte. Ltd., Singapore	100.0 [3]	287,547	(398)
Allianz Sakura Multifamily 2 Pte. Ltd., Singapore	100.0 [3]	244,083	(511)
Allianz Sakura Multifamily Lux SCSp, Luxembourg	100.0 [3]	342,464	(329)
Allianz Saúde S.A., São Paulo	100.0 [3]	18,377	(10,530)
Allianz Saudi Fransi Cooperative Insurance Company, Riyadh	51.0 [3]	166,599	1,462
Allianz Seguros de Vida S.A., Bogotá D.C.	100.0 [3]	56,719	3,525
Allianz Seguros S.A., Bogotá D.C.	100.0 [3]	43,404	919
Allianz Seguros S.A., São Paulo	100.0 [3]	674,668	(57,823)
Allianz Sénégal Assurances SA, Dakar	83.4 [3]	6,620	996
Allianz Services Private Ltd., Thiruvananthapuram	100.0 [3]	28,595	8,462
Allianz Sigorta A.S., Istanbul	96.2 [3]	279,833	129,751
Allianz SNA s.a.l., Beirut	100.0 [3]	35,015	10,137
Allianz Société Financière S.à r.l., Luxembourg	100.0 [3]	1,182,219	3,726
Allianz Soluciones de Inversión AV S.A. , Madrid	100.0 [3]	10,983	(2,008)
Allianz South America Holding B.V., Amsterdam	100.0 [3]	1,152,966	57,142
Allianz Sp. z o.o., Warsaw	100.0 [3]	5,778	(1,541)
Allianz Strategic Investments LLC, St. Paul, MN	100.0 [3]	96,351	36,523

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Allianz Strategic Investments S.à r.l., Luxembourg	100.0 [3]	895,300	165,583
Allianz Suisse Immobilien AG, Wallisellen	100.0 [3]	6,134	3,957
Allianz Suisse Lebensversicherungs-Gesellschaft AG, Wallisellen	100.0 [3]	859,994	84,984
Allianz Suisse Versicherungs-Gesellschaft AG, Wallisellen	100.0 [3]	925,930	404,452
Allianz Taiwan Life Insurance Co. Ltd., Taipei	99.7 [3]	652,938	54,812
Allianz Technology (Thailand) Co. Ltd., Bangkok	100.0 [3]	9,368	2,029
Allianz Technology AG, Wallisellen	100.0 [3]	12,434	3,921
Allianz Technology GmbH, Vienna	100.0	21,836	(2,025)
Allianz Technology S.L., Barcelona	100.0 [3]	72,762	6,870
Allianz Technology S.p.A., Milan	100.0 [3]	7,853	2,869
Allianz Technology SAS, Saint-Ouen	100.0 [3]	49,175	537
Allianz Tiriac Pensii Private Societate de administrare a fondurilor de pensii private S.A., Bucuresti	100.0 [3]	17,479	8,604
Allianz Underwriters Insurance Company Corp., Chicago, IL	100.0 [3]	56,910	2,188
Allianz US Debt Holding S.A., Luxembourg	100.0 [3]	244,977	(38)
Allianz US Investment LP, Wilmington, DE	100.0 [3]	4,668,386	233,789
Allianz US Private REIT LP, Wilmington, DE	100.0 [3]	3,954,317	232,696
Allianz Vermogen B.V., Rotterdam	100.0 [3]	13,443	3,086
Allianz Vie S.A., Paris la Défense	100.0	2,683,126	184,490
Allianz Viva S.p.A., Milan	100.0 [3]	163,416	1,182
Allianz Vorsorgekasse AG, Vienna	100.0	46,150	6,900
Allianz X Euler Hermes Co-Investments S.à r.l., Luxembourg	100.0 [3]	42,589	(435)
Allianz Yasam ve Emeklilik A.S., Istanbul	80.0 [3]	93,266	64,698
Allianz ZB d.o.o. Mandatory and Voluntary Pension Funds Management Company, Zagreb	51.0	20,570	6,568
Allianz-Tiriac Asigurari SA, Bucharest	52.2 [3]	202,169	24,338
American Automobile Insurance Company Corp., O'Fallon, MO	100.0 [3]	74,611	2,362
APK US Investment LP, Wilmington, DE	100.0 [3]	127,095	9,718
APKV US Private REIT LP, Wilmington, DE	100.0 [3]	549,974	36,642
Appia Investments S.r.l., Milan	57.6	805,590	46,410
Arges Investments I N.V., Amsterdam	100.0 [3]	51,382	321
Asit Services S.R.L., Bucharest	100.0 [3]	28,851	566
Assurances Médicales SA, Metz	100.0	9,733	1,410
AWP Australia Holdings Pty Ltd., Brisbane	100.0 [3]	17,901	-
AWP Australia Pty Ltd., Brisbane	100.0 [3]	9,617	(17,537)
AWP Austria GmbH, Vienna	100.0 [3]	13,397	3,351
AWP Business Services Co. Ltd., Beijing	100.0 [3]	19,789	(3,517)
AWP France SAS, Saint-Ouen	95.0 [3]	29,030	3,727
AWP Health & Life S.A., Saint-Ouen	100.0 [3]	396,111	24,857
AWP MEA Holdings Co. W.L.L., Manama	100.0 [3]	8,000	8,073
AWP P&C S.A., Saint-Ouen	100.0 [3]	368,257	(33,667)
AWP Service Brasil Ltda., São Bernardo do Campo	100.0 [3]	17,165	(7,374)
AWP Services NL B.V., Amsterdam	100.0 [3]	19,157	(4,733)
AWP USA Inc., Richmond, VA	100.0 [3]	310,120	(1,453)
AZ Euro Investments II S.à r.l., Luxembourg	100.0 [3]	667,336	40
AZ Euro Investments S.A., Luxembourg	100.0 [3]	3,456,273	270,949
AZ Jupiter 10 B.V., Amsterdam	100.0 [3]	508,713	7,593
AZ Jupiter 11 B.V., Amsterdam	97.8 [3]	369,029	3,482
AZ Jupiter 8 B.V., Amsterdam	100.0 [3]	2,851,378	(3,122)
AZ Jupiter 9 B.V., Amsterdam	100.0 [3]	125,880	(6,976)
AZ Vers US Private REIT LP, Wilmington, DE	100.0 [3]	176,131	4,108
AZ-CR Seed Investor LP, Wilmington, DE	100.0 [3]	94,867	(3,680)
AZGA Service Canada Inc., Kitchener, ON	55.0 [3]	23,620	(6,867)
AZL PF Investments Inc., Minneapolis, MN	100.0 [3]	538,579	-
Barcelona Sea Offices S.A., Barcelona	100.0 [3]	22,253	(3,222)
BBVA Allianz Seguros y Reaseguros S.A., Madrid	50.0 [3]	551,931	5,849

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
BCP-AZ Investment L.P., Wilmington, DE	98.0 [3]	49,012	(3,391)
Beleggingsmaatschappij Willemsbruggen B.V., Rotterdam	100.0 [3]	98,385	2,677
Beykoz Gayrimenkul Yatirim Insaat Turizm Sanayi ve Ticaret A.S., Ankara	100.0 [3]	81,347	20,312
BN Infrastruktur GmbH, St. Pölten	74.9 [3]	49,686	-
C.E.P.E. de la Forterre S.à r.l., Versailles	100.0 [3]	12,416	885
C.E.P.E. de Vieille Carrière S.à r.l., Versailles	100.0 [3]	5,905	(802)
C.E.P.E. du Bois de la Serre S.à r.l., Versailles	100.0 [3]	5,452	(587)
Calobra Investments Sp. z o.o., Warsaw	100.0 [3]	126,467	(5,922)
CAP, Rechtsschutz-Versicherungsgesellschaft AG, Wallisellen	100.0 [3]	24,828	2,294
Caroline Berlin S.C.S., Luxembourg	93.2 [3]	164,062	862
Castle Field Limited, Hong Kong	100.0 [3]	11,480	1,601
CELUHO S.à r.l., Luxembourg	100.0 [3]	335,888	(47)
Central Shopping Center a.s., Bratislava	100.0 [3]	54,243	1,769
CEPE de Langres Sud S.à r.l., Versailles	100.0 [3]	27,633	4,436
CEPE de Mont Gimont S.à r.l., Versailles	100.0 [3]	25,476	4,506
CEPE de Sambres S.à r.l., Versailles	100.0 [3]	8,598	(3,090)
CEPE des Portes de la Côte d'Or S.à r.l., Versailles	100.0 [3]	11,527	(51)
Chicago Insurance Company Corp., Chicago, IL	100.0 [3]	64,886	1,229
CIC Allianz Insurance Ltd., Sydney	100.0 [3]	27,428	39
Climmolux Holding SA, Luxembourg	100.0 [3]	71,816	2,329
Columbia REIT - 221 Main Street LP, Wilmington, DE	100.0 [3]	335,798	12,613
Columbia REIT - 333 Market Street LP, Wilmington, DE	45.0 [3]	506,590	13,563
Columbia REIT - University Circle LP, Wilmington, DE	100.0 [3]	476,242	9,454
Companhia de Seguros Allianz Portugal S.A., Lisbon	64.8 [3]	209,080	39,428
ControlExpert Colombia SAS, Bogotá D.C.	90.0 [3]	179,221	25,237
ControlExpert Holding B.V., Amsterdam	95.0 [3]	190,136	(40)
Corn Investment Ltd., London	100.0	22,500	(26,498)
Cova Beijing Zpark Investment Pte. Ltd., Singapore	98.0 [3]	8,792	2,712
CPRN Thailand Ltd., Bangkok	100.0 [3]	100,553	23,685
Darta Saving Life Assurance dac, Dublin	100.0 [3]	535,408	120,418
Delta Technical Services Ltd., London	100.0 [3]	51,291	1,858
Diamond Point a.s., Prague	100.0 [3]	11,770	243
Dresdner Kleinwort Pfandbriefe Investments II Inc., Wilmington, DE	100.0 [3]	680,851	6,819
Elite Prize Limited, Hong Kong	100.0 [3]	27,084	4,703
Elix Vintage Residencial SOCIMI S.A., Madrid	100.0 [3]	159,388	(11,888)
Enertrag-Dunowo Sp. z o.o., Szczecin	100.0 [3]	229,059	12,155
Eolica Erchie S.r.l., Lecce	100.0 [3]	13,502	3,937
Euler Hermes Acmar SA, Casablanca	55.0 [3]	8,535	3,029
Euler Hermes Collections North America Company, Owings Mills, MD	100.0 [3]	9,626	1,759
Euler Hermes Collections Sp. z o.o., Warsaw	100.0 [3]	12,867	5,651
Euler Hermes Crédit France S.A.S., Paris la Défense	100.0 [3]	121,124	127
Euler Hermes Group SAS, Paris la Défense	100.0 [3]	3,831,626	112,679
Euler Hermes Luxembourg Holding S.à r.l., Luxembourg	100.0 [3]	102,488	(453)
Euler Hermes North America Holding Inc., Wilmington, DE	100.0 [3]	174,880	707
Euler Hermes North America Insurance Company Inc., Owings Mills, MD	100.0 [3]	270,463	83,353
Euler Hermes Patrimonia SA, Brussels	100.0 [3]	122,767	(1,136)
Euler Hermes Ré SA, Luxembourg	100.0 [3]	74,143	13,088
Euler Hermes Real Estate SPPICAV, Paris la Défense	60.0 [3]	273,135	8,427
Euler Hermes Recouvrement France S.A.S., Paris la Défense	100.0 [3]	8,477	3,211
Euler Hermes Reinsurance AG, Wallisellen	100.0 [3]	1,067,326	148,810
Euler Hermes S.A., Brussels	100.0 [3]	737,328	6,858
Euler Hermes Seguros S.A., São Paulo	100.0 [3]	6,215	1,907
Euler Hermes Service AB, Stockholm	100.0 [3]	54,292	6,750
Euler Hermes Services Italia S.r.l., Rome	100.0 [3]	9,293	7,319
Euler Hermes Services North America LLC, Owings Mills, MD	100.0 [3]	18,150	3,867
Euler Hermes Serviços de Gestão de Riscos Ltda., São Paulo	100.0 [3]	8,213	2,412
Euler Hermes Sigorta A.S., Istanbul	100.0 [3]	6,544	4,443
Euler Hermes Singapore Services Pte. Ltd., Singapore	100.0 [3]	6,154	(434)
Euler Hermes South Express S.A., Ixelles	100.0 [3]	29,279	444
Eurl 20-22 Rue Le Peletier, Paris la Défense	100.0	51,123	2,235
European Reliance General Insurance Company S.A., Chalandri	100.0 [3]	136,962	13,739
Eurosol Invest S.r.l., Udine	100.0 [3]	11,381	1,080
Expander Advisors Sp. z o.o., Warsaw	100.0 [3]	28,904	3,694
Fairmead Insurance Limited, Guildford	100.0 [3]	172,979	(11,385)
Fénix Directo Compañía de Seguros y Reaseguros S.A., Madrid	100.0 [3]	38,704	(6,239)
FinOS Technology Holding Pte. Ltd., Singapore	100.0 [3]	15,869	(2,168)
Fireman's Fund Indemnity Corporation, Liberty Corner, NJ	100.0 [3]	14,208	246
Fireman's Fund Insurance Company Corp., Petaluma, CA	100.0 [3]	1,187,925	35,533
Flying Desire Limited, Hong Kong	100.0 [3]	72,156	(7)
Foshan Geluo Storage Services Co. Ltd., Foshan	100.0 [3]	35,060	1,364
Fragonard Assurances S.A., Saint-Ouen	100.0 [3]	118,967	33,313
Franklin S.C.S., Luxembourg	94.5 [3]	82,987	4,498
Galore Expert Limited, Hong Kong	100.0 [3]	35,975	5,589
Generation Vie S.A., Paris la Défense	52.5	110,198	10,498
Global Azawaki S.L., Madrid	100.0 [3]	377,759	734
Global Carena S.L., Madrid	100.0 [3]	172,973	3,458
Global Transport & Automotive Insurance Solutions Pty Limited, Sydney	100.0 [3]	14,674	7,843
Grupo Multiasistencia S.A., Madrid	100.0 [3]	16,775	1,227
GT Motive S.L., San Sebastian de los Reyes	86.0 [3]	6,755	(2,727)
Gurtin Fixed Income Management LLC, Dover, DE	100.0 [3]	7,203	23,997
Harro Development Praha s.r.o., Prague	100.0 [3]	64,286	325
Highway Insurance Company Limited, Guildford	100.0 [3]	252,783	(23,529)
Highway Insurance Group Limited, Guildford	100.0 [3]	231,332	-
Humble Bright Limited, Hong Kong	100.0 [3]	71,927	(5)
ICON Immobilien GmbH & Co. KG, Vienna	100.0 [3]	268,993	9,003
ICON Inter GmbH & Co. KG, Vienna	100.0 [3]	24,950	375
Immovalor Gestion S.A., Paris	100.0	15,515	9,525
ImWind PDV GmbH & Co. KG, Pottenbrunn	100.0 [3]	13,132	2,019
Insurance CJSC "Medexpress", Saint Petersburg	100.0 [3]	9,707	(1,218)
Interstate Fire & Casualty Company, Chicago, IL	100.0 [3]	68,913	2,729
Investitori SGR S.p.A., Milan	100.0 [3]	16,064	4,768
Järvsö Sörby Vindkraft AB, Danderyd	100.0 [3]	102,003	10,174
Jefferson Insurance Company Corp., New York, NY	100.0 [3]	324,655	13,004
Joukhaisselän Tuulipuisto Oy, Oulu	100.0 [3]	13,052	2,620
Jouttikallio Wind Oy, Kotka	100.0 [3]	9,061	(58)
JSC Insurance Company Allianz, Moscow	100.0 [3]	167,615	11,905
Jubilee Allianz General Insurance (K) Limited, Nairobi	66.0	20,292	4,399
Jubilee Allianz General Insurance Company Limited, Kampala	66.0	10,732	1,544
KAIGO Hi-Tech Development (Beijing) Co. Ltd., Beijing	100.0 [3]	21,030	5,032
KaiLong Greater China Real Estate Fund II S.C.Sp., Luxembourg	100.0 [3]	214,855	6,191
Keyeast Pte. Ltd., Singapore	100.0 [3]	71,929	(18)
Kiinteistöosakeyhtiö Eteläesplanadi 2 Oy, Helsinki	100.0 [3]	30,834	1,476
Kohlenberg & Ruppert Premium Properties S.à r.l., Luxembourg	100.0 [3]	105,186	4,393
Kuolavaara-Keulakkopään Tuulipuisto Oy, Oulu	100.0 [3]	26,493	5,119
Lincoln Infrastructure USA Inc., Wilmington, DE	100.0	154,882	(11,294)

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Liverpool Victoria General Insurance Group Limited, Guildford	100.0 [3]	1,137,892	184,035
Liverpool Victoria Insurance Company Limited, Guildford	100.0 [3]	675,586	109,388
LLC "IC Euler Hermes Ru", Moscow	100.0 [3]	20,576	3,926
LV Repair Services Limited, Guildford	100.0 [3]	8,297	15,481
Maevaara Vind 2 AB, Stockholm	100.0 [3]	26,116	3,127
Maevaara Vind AB, Stockholm	100.0 [3]	56,764	11,397
Magni Holding JV S.à r.l., Luxembourg	57.7 [3]	9,428	4
Mombyasen Wind Farm AB, Halmstad	100.0 [3]	34,713	920
Morningchapter S.A., Ourique	100.0 [3]	8,199	(374)
Multiasistencia S.A., Madrid	100.0 [3]	14,016	12,976
Multiassistance S.A., Paris	100.0 [3]	6,633	5,063
National Surety Corporation, Chicago, IL	100.0 [3]	71,139	3,390
Niederösterreichische Glasfaserinfrastrukturgesellschaft mbH, St. Pölten	100.0 [3]	20,429	(4,420)
nöGIG Phase Zwei GmbH, St. Pölten	100.0 [3]	5,969	213
öGIG GmbH, St. Pölten	80.0 [3]	35,482	(2,462)
OPCI Allianz France Angel, Paris la Défense	100.0	132,269	(166)
Orione PV S.r.l., Lecce	100.0 [3]	10,099	660
Orsa Maggiore PV S.r.l., Lecce	100.0 [3]	23,414	2,362
Orsa Minore PV S.r.l., Lecce	100.0 [3]	5,336	453
Pacific Investment Management Company LLC, Dover, DE	91.7 [3]	1,279,564	2,338,589
Parc Eolien de Chaourse SAS, Versailles	100.0 [3]	8,404	(41)
Parc Eolien de Chateau Garnier SAS, Versailles	100.0 [3]	6,148	(352)
Parc Eolien de Dyé SAS, Versailles	100.0 [3]	5,315	(895)
Parc Eolien de Fontfroide SAS, Versailles	100.0 [3]	9,194	1,040
Parc Eolien de la Sole du Bois SAS, Versailles	100.0 [3]	5,717	706
Parc Eolien des Barbes d´Or SAS, Versailles	100.0 [3]	6,612	1,431
Parc Eolien des Joyeuses SAS, Versailles	100.0 [3]	5,120	906
Parc Eolien des Quatre Buissons SAS, Versailles	100.0 [3]	5,200	356
Pet Plan Ltd., Guildford	100.0 [3]	18,241	185
PFP Holdings LLC, Wilmington, DE	100.0 [3]	1,373,986	44,809
PGA Global Services LLC, Dover, DE	100.0 [3]	11,147	4,515
PIMCO (Schweiz) GmbH, Zurich	100.0 [3]	43,361	12,581
PIMCO Asia Ltd., Hong Kong	100.0 [3]	43,212	12,736
PIMCO Asia Pte. Ltd., Singapore	100.0 [3]	20,954	15,569
PIMCO Australia Management Limited, Sydney	100.0 [3]	5,621	(525)
PIMCO Australia Pty Ltd., Sydney	100.0 [3]	38,291	29,869
PIMCO Canada Corp., Halifax, NS	100.0 [3]	39,741	42,507
PIMCO Europe Ltd., London	100.0 [3]	179,936	134,577
PIMCO Global Advisors (Ireland) Ltd., Dublin	100.0 [3]	31,711	15,945
PIMCO Global Advisors (Luxembourg) S.A., Luxembourg	100.0 [3]	5,824	264
PIMCO Global Advisors (Resources) LLC, Dover, DE	100.0 [3]	5,288	16
PIMCO Global Advisors LLC, Dover, DE	100.0 [3]	510,862	282,659
PIMCO Global Holdings LLC, Dover, DE	100.0 [3]	51,609	42,987
PIMCO Investments LLC, Dover, DE	100.0 [3]	106,358	287,174
PIMCO Japan Ltd., Road Town	100.0 [3]	55,508	39,513
PIMCO Taiwan Ltd., Taipei	100.0 [3]	7,332	(2,894)
POD Allianz Bulgaria AD, Sofia	65.9 [3]	38,515	12,356
Primacy Underwriting Management Pty Ltd., Sydney	100.0 [3]	6,448	1,495
Promultitravaux SAS, Paris	100.0 [3]	5,771	5,744
Protexia France S.A., Paris la Défense	100.0	68,808	22,588
PT Asuransi Allianz Life Indonesia, Jakarta	99.8 [3]	428,495	29,472
PT Asuransi Allianz Utama Indonesia, Jakarta	97.8 [3]	52,839	(1,600)
PTE Allianz Polska S.A., Warsaw	100.0 [3]	43,921	3,720
Q207 S.C.S., Luxembourg	94.0 [3]	85,189	955
Quality1 AG, Bubikon	100.0 [3]	5,407	2,588
Real Faubourg Haussmann SAS, Paris la Défense	100.0 [3]	1,363,401	3,885

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Real FR Haussmann SAS, Paris la Défense	100.0 [3]	63,474	3,000
Redoma 2 S.A., Luxembourg	100.0 [3]	53,435	(41)
Redoma S.à r.l., Luxembourg	100.0 [3]	5,106	(17)
Rokko Development Praha s.r.o., Prague	100.0 [3]	30,935	202
SA Carène Assurance, Paris	100.0	17,351	461
SA Vignobles de Larose, Saint-Laurent-Médoc	100.0	65,257	(65)
Saarenkylä Tuulipuisto Oy, Oulu	100.0 [3]	9,931	7,139
Santander Allianz TU na Zycie S.A., Warsaw	51.0 [3]	37,598	19,528
Santander Allianz TU S.A., Warsaw	51.0 [3]	49,816	10,542
SAS Allianz Etoile, Paris la Défense	100.0	131,956	(1,016)
SAS Allianz Forum Seine, Paris la Défense	100.0	224,931	6,872
SAS Allianz Logistique, Paris la Défense	100.0	737,948	36,969
SAS Allianz Platine, Paris la Défense	100.0	262,566	11,830
SAS Allianz Prony, Paris la Défense	100.0	39,400	844
SAS Allianz Rivoli, Paris la Défense	100.0	98,931	1,709
SAS Allianz Serbie, Paris la Défense	100.0	232,137	(268)
SAS Angel Shopping Centre, Paris la Défense	100.0	260,150	(4,558)
SAS Chaponnay Mérieux Logistics, Paris la Défense	100.0 [3]	5,144	192
SAS Madeleine Opéra, Paris la Défense	100.0	464,312	9,809
SAS Passage des princes, Paris la Défense	100.0	197,808	8,163
Sättravallen Wind Power AB, Strömstad	100.0 [3]	46,788	53,218
SC Tour Michelet, Paris la Défense	100.0	49,983	(3,699)
SCI 46 Desmoulins, Paris la Défense	100.0	103,731	(3,567)
SCI Allianz Arc de Seine, Paris la Défense	100.0	214,931	8,430
SCI Allianz Citylights, Paris la Défense	100.0 [3]	501,608	4,551
SCI Allianz Immobilier Durable 18, Paris la Défense	100.0	82,818	389
SCI Allianz Invest Pierre, Paris la Défense	100.0	1,109,412	10,868
SCI Allianz Messine, Paris la Défense	100.0	221,104	8,696
SCI Allianz Value Pierre, Paris la Défense	100.0	155,187	252
SCI Allianz Work'In Park, Paris la Défense	100.0 [3]	124,337	(208)
SCI ESQ, Paris la Défense	100.0	92,666	1,989
SCI Onnaing Escaut Logistics, Paris la Défense	100.0 [3]	28,260	(155)
SCI Pont D'Ain Septembre Logistics, Paris la Défense	100.0 [3]	68,345	(676)
SCI Réau Papin Logistics, Paris la Défense	100.0 [3]	77,340	591
SCI Via Pierre 1, Paris la Défense	100.0	258,322	16,501
Servicios Compartidos Multiasistencia S.L., Madrid	100.0 [3]	162,514	7,260
Sigma Reparaciones S.L., Madrid	100.0 [3]	6,781	6,526
Silex Gas Norway AS, Oslo	100.0 [3]	33,861	5,223
Sirius S.A., Luxembourg	94.8 [3]	295,739	147,411
Societa' Agricola San Felice S.p.A., Milan	100.0 [3]	48,925	3,141
Société d'Energie Eolienne de Cambon SAS, Versailles	100.0 [3]	9,977	1,307
Société Foncière Européenne B.V., Amsterdam	100.0 [3]	154,398	(10,561)
Sofiholding S.A., Brussels	100.0 [3]	19,739	458
South City Office Broodthaers SA, Brussels	100.0 [3]	52,599	1,695
Stam Fem Gångaren 11 AB, Stockholm	100.0 [3]	76,339	1,946
StocksPLUS Management Inc., Dover, DE	100.0 [3]	5,268	(24)
Syncier Consulting GmbH, Vienna	100.0 [3]	9,403	439
TFI Allianz Polska S.A., Warsaw	100.0 [3]	10,503	1,824
The American Insurance Company Corp., Chicago, IL	100.0 [3]	64,322	1,285
The Jubilee General Insurance Company of Tanzania Limited, Dar es Salaam	51.0	6,763	519
Thor Spain City Link HoldCo S.L., Madrid	95.0 [3]	12,628	(222)
Top Versicherungsservice GmbH, Vienna	100.0 [3]	17,843	(1,388)
TopImmo A GmbH & Co. KG, Vienna	100.0	6,094	797
TopImmo Besitzgesellschaft B GmbH & Co. KG, Vienna	100.0	9,157	1,301
Trafalgar Insurance Limited, Guildford	100.0 [3]	9,346	(50)
TU Allianz Zycie Polska S.A., Warsaw	100.0 [3]	314,944	130,390
TU Euler Hermes S.A., Warsaw	100.0 [3]	23,044	2,061
TUiR Allianz Polska S.A., Warsaw	100.0 [3]	266,533	24,540

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
UK Logistics PropCo I S.à r.l., Luxembourg	100.0 [3]	54,411	(1,436)
UK Logistics PropCo II S.à r.l., Luxembourg	100.0 [3]	50,604	603
UK Logistics PropCo III S.à r.l., Luxembourg	100.0 [3]	47,316	(1,226)
UK Logistics S.C.Sp., Luxembourg	100.0 [3]	154,976	(50)
Unicredit Allianz Assicurazioni S.p.A., Milan	50.0 [3]	135,923	33,413
Unicredit Allianz Vita S.p.A., Milan	50.0 [3]	740,160	129,512
Vailog Hong Kong DC17 Limited, Hong Kong	100.0 [3]	29,244	(6,691)
Vailog Hong Kong DC19 Limited, Hong Kong	100.0 [3]	7,149	(2,338)
Valderrama S.A., Luxembourg	100.0 [3]	183,324	(2,478)
Vintage Rents S.L., Madrid	100.0 [3]	8,677	714
Viveole SAS, Versailles	100.0 [3]	10,913	1,490
Vordere Zollamtsstraße 13 GmbH, Vienna	100.0 [3]	69,175	1,920
Weihong (Shanghai) Storage Services Co. Ltd., Shanghai	100.0 [3]	28,335	951
Weilong (Hubei) Storage Services Co. Ltd., Ezhou	100.0 [3]	9,850	(193)
Weilong (Jiaxing) Storage Services Co. Ltd., Jiaxing	100.0 [3]	20,347	784
Weiyi (Shenyang) Storage Services Co. Ltd., Shenyang	100.0 [3]	16,942	(937)
Windpark AO GmbH, Pottenbrunn	100.0 [3]	11,301	(414)
Windpark EDM GmbH & Co. KG, Pottenbrunn	100.0 [3]	13,344	1,699
Windpark EDM GmbH, Pottenbrunn	100.0 [3]	10,168	(767)
Windpark GHW GmbH, Pottenbrunn	100.0 [3]	7,700	(151)
Windpark Ladendorf GmbH, Pottenbrunn	100.0 [3]	7,321	(53)
Windpark Les Cent Jalois SAS, Versailles	100.0 [3]	7,975	629
Windpark LOI GmbH, Pottenbrunn	100.0 [3]	12,845	(13)
Windpark PDV GmbH, Pottenbrunn	100.0 [3]	8,812	(783)
Windpark PL GmbH, Pottenbrunn	100.0 [3]	5,395	-
Windpark Zistersdorf GmbH, Pottenbrunn	100.0 [3]	6,090	(371)
Windpower Ujscie Sp. z o.o., Poznan	100.0 [3]	7,535	(61)
YAO NEWREP Investments S.A., Luxembourg	94.0 [3]	244,096	5,013
Yorktown Financial Companies Inc., Minneapolis, MN	100.0 [3]	134,651	-
ZAD Allianz Bulgaria AD, Sofia	87.4 [3]	64,352	7,935
ZAD Allianz Bulgaria Life AD, Sofia	99.0 [3]	51,559	380
ZAD Energy AD, Sofia	51.0 [3]	17,518	7,025
Joint ventures			
114 Venture LP, Wilmington, DE	49.5 [3]	142,422	(11,744)
1515 Broadway Realty LP, Wilmington, DE	43.0 [3]	907,212	2,304
30 HY WM REIT Owner LP, Wilmington, DE	49.0 [3]	330,805	(1,830)
53 State JV L.P., Wilmington, DE	49.0 [3]	325,157	1,176
55-15 Grand Avenue Investor JV L.P., Wilmington, DE	49.9 [3]	74,457	61,098
A&A Centri Commerciali S.r.l., Bolzano	50.0 [3]	133,832	3,766
AA Ronsin Investment Holding Limited, Hong Kong	62.0 [3]	377,511	35,559
ACRE Acacia Management I Pty Ltd., Sydney	50.0 [3]	82,126	(11,877)
Allee-Center Kft., Budapest	50.0 [3]	115,607	11,152
Altair MF TMK, Tokyo	49.9 [3]	59,361	754
AMLI-Allianz Investment LP, Wilmington, DE	75.0 [3]	82,129	3,298
Arcturus MF TMK, Tokyo	51.0 [3]	33,312	(818)
AREAP Core I LP, Singapore	50.0 [3]	552,073	12,179
AS Gasinfrastruktur Beteiligung GmbH, Vienna	55.6 [3]	339,001	26,013
Austin West Campus Student Housing LP, Wilmington, DE	45.0 [3]	359,503	16,261
AZ/JH Co-Investment Venture (DC) LP, Wilmington, DE	80.0 [3]	250,722	5,779
AZ/JH Co-Investment Venture (IL) LP, Wilmington, DE	80.0 [3]	225,599	3,041
Bazalgette Equity Ltd., London	34.3 [3]	607,075	(12,680)
BCal Houston JV L.P., Wilmington, DE	38.4 [3]	121,994	(6,748)
BL West End Offices Limited, London	75.0 [3]	400,766	(16,283)
Chapter Master Limited Partnership, New York, NY	45.5 [3]	1,199,104	133,490
CHP-AZ Seeded Industrial L.P., Wilmington, DE	49.0 [3]	180,659	(7,492)
COSEC-Companhia de Seguro de Créditos S.A., Lisbon	50.0 [3]	53,772	5,932

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
CPIC Fund Management Co. Ltd., Shanghai	49.0 [3]	82,983	10,724
CPPIC Euler Hermes Insurance Sales Co. Ltd., Shanghai	49.0 [3]	7,306	758
Daiwater Investment Limited, Hatfield	36.6 [3]	539,057	(90,668)
Dundrum Car Park Limited Partnership, Dublin	50.0 [3]	37,516	2,503
Dundrum Retail Limited Partnership, Dublin	50.0 [3]	663,297	75,065
Elton Investments S.à r.l., Luxembourg	32.5 [3]	450,260	5,978
ESR India Logistics Fund Pte. Ltd., Singapore	50.0 [3]	156,059	14,476
Euromarkt Center d.o.o., Ljubljana	50.0 [3]	57,332	8,791
Fiumaranuova S.r.l., Milan	50.0 [3]	210,208	3,138
Floene Energias S.A., Lisbon	45.5 [3]	159,980	19,137
GBTC I LP, Singapore	50.0 [3]	281,621	37,564
GBTC II LP, Singapore	50.0 [3]	59,826	5,199
Helios SCC Sp. z o.o., Katowice	45.0 [3]	118,498	(9,725)
Hudson One Ferry JV L.P., Wilmington, DE	45.0 [3]	119,078	(7,295)
Italian Shopping Centre Investment S.r.l., Milan	50.0 [3]	27,774	13,305
LBA IV-PPI Venture LLC, Wilmington, DE	45.0 [3]	355,973	5,667
LBA IV-PPII-Office Venture LLC, Wilmington, DE	45.0 [3]	27,904	(1,328)
LBA IV-PPII-Retail Venture LLC, Wilmington, DE	45.0 [3]	36,225	(6,659)
LPC Logistics Venture One LP, Wilmington, DE	31.7 [3]	829,552	192,761
Muralis MF TMK, Tokyo	49.9 [3]	22,541	(201)
NET4GAS Holdings s.r.o., Prague	50.0 [3]	249,813	164,846
NRF (Finland) AB, Västeras	50.0 [3]	132,303	24,500
NRP Nordic Logistics Fund AS, Oslo	49.5 [3]	414,717	6,521
Ophir-Rochor Commercial Pte. Ltd., Singapore	60.0 [3]	408,607	5,161
Orion MF TMK, Tokyo	49.9 [3]	395,009	(20,333)
Piaf Bidco B.V., Amsterdam	23.9 [3]	1,509,787	(65,899)
Podium Fund HY REIT Owner LP, Wilmington, DE	44.3 [3]	706,755	(8,805)
Porterbrook Holdings I Limited, Derby	30.0 [3]	1,172,234	4,377
Queenspoint S.L., Madrid	50.0 [3]	70,480	10,488
RMPA Holdings Limited, Colchester	56.0 [3]	6,490	5,844
SCI Docks V2, Paris la Défense	50.0 [3]	27,057	(253)
SCI Docks V3, Paris la Défense	50.0 [3]	89,348	(707)
SES Shopping Center AT 1 GmbH, Salzburg	50.0 [3]	132,300	(6,579)
SES Shopping Center FP 1 GmbH, Salzburg	50.0 [3]	81,079	(1,767)
Sirius MF TMK, Tokyo	49.9 [3]	46,510	(772)
Solunion Compañía Internacional de Seguros y Reaseguros SA, Madrid	50.0 [3]	126,314	11,337
Spanish Gas Distribution Investments S.à r.l., Senningerberg	40.0 [3]	1,220,421	129,994
SPREF II Pte. Ltd., Singapore	50.0 [3]	359,946	82,189
Stonecutter JV Limited, London	50.0 [3]	164,229	1,381
Terminal Venture LP, Wilmington, DE	30.9 [3]	394,975	(5,324)
The Israeli Credit Insurance Company Ltd., Tel Aviv	50.0 [3]	66,882	10,000
The State-Whitehall Company LP, Wilmington, DE	49.9 [3]	224,532	7,553
TopTorony Ingatlanhasznosító Zrt., Budapest	50.0 [3]	24,698	942
VGP European Logistics 2 S.à r.l., Senningerberg	50.0 [3]	126,512	(1,492)
VGP European Logistics S.à r.l., Senningerberg	50.0 [3]	478,839	12,994
VISION (III) Pte. Ltd., Singapore	30.0 [3]	112,178	(12,088)
Waterford Blue Lagoon LP, Wilmington, DE	49.0 [3]	322,850	13,675
Associates			
ABT SAS, Paris	25.0 [3]	62,232	(829)
AEON Allianz Life Insurance Co. Ltd., Tokyo	40.0 [3]	41,996	(25,147)
Areim Fastigheter 2 AB, Stockholm	23.3 [3]	40,846	1,369
Areim Fastigheter 3 AB, Stockholm	31.6 [3]	156,822	2,475
Bajaj Allianz General Insurance Company Ltd., Pune	26.0 [3]	1,015,216	156,027
Bajaj Allianz Life Insurance Company Ltd., Pune	26.0 [3]	1,705,700	58,832
Best Regain Limited, Hong Kong	16.4 [3]	43,804	15,361

	Owned[1]	Equity	Net Earnings
	%	€ thou	€ thou
Blue Vista Student Housing Select Strategies Fund L.P., Dover, DE	24.9 [3]	201,093	2,076
Delgaz Grid S.A., Târgu Mures	30.0 [3]	614,992	(13,438)
Delong Limited, Hong Kong	16.4 [3]	21,542	13,281
Four Oaks Place LP, Wilmington, DE	49.0 [3]	453,803	11,044
Global Stream Limited, Hong Kong	16.4 [3]	91,375	57,587
Glory Basic Limited, Hong Kong	16.4 [3]	56,535	42,503
HUB Platform Technology Partners Ltd., London	28.6 [3]	69,768	(7,121)
Jumble Succeed Limited, Hong Kong	16.4 [3]	34,984	12,225
Long Coast Limited, Hong Kong	16.4 [3]	18,274	2,402
Luxury Gain Limited, Hong Kong	16.4 [3]	28,991	12,759
Medgulf Takaful B.S.C.(c), Manama	25.0 [3]	15,013	837
MFM Holding Ltd., London	34.8 [3]	100,502	(428)
Milvik AB, Stockholm	36.2 [3]	19,177	(16,305)
Modern Diamond Limited, Hong Kong	16.4 [3]	18,738	14,221
MTech Capital Fund (EU) SCSp, Luxembourg	27.3 [3]	56,713	(1,195)
National Insurance Company Berhad Ltd., Bandar Seri Begawan	25.0 [3]	13,507	2,513
New Try Limited, Hong Kong	16.4 [3]	44,660	26,327
Ocean Properties LLP, Singapore	20.0 [3]	1,499,043	62,746
OeKB EH Beteiligungs- und Management AG, Vienna	49.0 [3]	103,231	19,847
Pool-ul de Asigurare Impotriva Dezastrelor Naturale SA, Bucharest	15.0 [3]	43,907	9,816
Praise Creator Limited, Hong Kong	16.4 [3]	20,088	10,264
Prime Space Limited, Hong Kong	16.4 [3]	45,341	12,598
Quadgas Holdings Topco Limited, Saint Helier	13.0 [3]	4,614,102	(550,224)
Residenze CYL S.p.A., Milan	33.3 [3]	59,642	26
SAS Alta Gramont, Paris	49.0	231,031	(565)
SCI Bercy Village, Paris	49.0	37,638	8,727
Sierra European Retail Real Estate Assets Holdings B.V., Amsterdam	25.0 [3]	773,172	22,524
Sino Phil Limited, Hong Kong	16.4 [3]	46,157	24,768
SNC Alta CRP Gennevilliers, Paris	49.0	28,944	3,195
SNC Alta CRP La Valette, Paris	49.0	13,735	3,764
SNC Société d'aménagement de la Gare de l'Est, Paris	49.0	8,501	2,867
Summer Blaze Limited, Hong Kong	16.4 [3]	25,421	11,386
Supreme Cosmo Limited, Hong Kong	16.4 [3]	23,142	10,386
Sure Rainbow Limited, Hong Kong	16.4 [3]	21,739	14,837
Tikehau Real Estate III SPPICAV, Paris	12.2 [3]	240,835	28,879
UK Outlet Mall Partnership LP, Edinburgh	19.5 [3]	453,416	30,195
Wildlife Works Carbon LLC, Wilmington, DE	9.6 [3]	9,448	11,723
Other participations below 20% voting rights			
Agrupación Española de Entidades Aseguradoras de los Seguros Agrarios Combinados S.A., Madrid	7.8 [3]	13,968	1,438
AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	15.6 [3]	75,343	6,163
AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	6.4 [3]	189,855	12,597
Al-Nisr Al-Arabi Insurance Company, Amman	18.0 [3]	28,337	3,490
ALTRO Invest S.C.A., Weiswampach	19.9 [3]	5,280	(26)
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	5.6 [3]	93,619	6,458
American Well Corporation, Wilmington, DE	4.2 [3]	1,108,754	(155,100)
Autostrade per l'Italia S.p.A., Rome	6.9 [3]	1,829,209	681,876
B3i Services AG, Zurich	9.5 [3]	8,215	(7,106)
Blackstone Property Partners Asia (Lux) SCSp, Luxembourg	9.0 [3]	2,594,888	25,796
Bualuang Office Leasehold Real Estate Investment Trust, Bangkok	7.6 [3]	103,418	8,568
CapsAuto SA, Chatou	15.0 [6]	6,982	2,680
Czech Gas Networks S.á r.l., Luxembourg	18.5 [3]	828,732	175,918
European Healthcare Acquisition & Growth Company B.V., Munich	3.8 [3]	201,842	(2,526)
Formula E Holdings Limited, Hong Kong	3.8 [3]	21,099	(5,378)
Golden Ventures Leasehold Real Estate Investment Trust, Bangkok	7.1 [3]	236,655	18,982
IDI SCA, Paris	5.4 [3]	284,367	116,550
Italo - Nuovo Trasporto Viaggiatori S.p.A., Rome	10.0 [3]	1,898,912	104,372
Meiji Yasuda Asset Management Company Ltd., Tokyo	6.7 [3]	73,184	6,121
Nauto Inc., Dover, DE	3.0 [6]	22,179	(33,323)
Oddo et Cie SCA, Paris	2.2 [3]	957,449	110,805
PERILS AG, Zurich	10.0 [3]	10,807	82
Pollen Inc., Wilmington, DE	4.1	28,584	(82,140)
Portima SCRL, Brussels	10.9 [3]	11,842	753
PT GoTo Gojek Tokopedia, Jakarta	0.3 [3]	8,577,550	(1,332,795)
PT Polinasi Iddea Investama, Jakarta	1.7 [3]	66,855	(28,065)
Rothschild & Co SCA, Paris	2.5 [3]	2,048,947	140,078
SBI Bond Investment Management Co. Ltd., Tokyo	0.0 [3]	7,107	2,380
Société Africaine de Réassurance Limited, Lagos	8.4 [3]	864,080	90,218
Société Générale de Banque au Cameroun LC, Douala	16.3 [3]	159,373	23,861
Société Générale de Banques en Côte d'Ivoire S.A., Abidjan	5.7 [3]	464,959	102,809
SONACO SA, Abidjan	12.2 [3]	13,185	2,592
Tecnologías de la Información y Redes para las Entidades Aseguradoras S.A., Las Rozas de Madrid	6.0 [3]	47,857	4,166
UniCredit S.p.A., Milan	3.3 [3]	59,265,000	10,366,000
Urgent.ly Inc., Wilmington, DE	4.7	81,534	(53,487)
Wayhome Ltd., London	19.8 [6]	5,485	(3,530)
Wealthsimple Financial Corporation, Toronto, ON	8.5 [3]	265,469	(49,346)

1_Percentage includes equity participations held by dependent entities in full, even if the Allianz Group's share in the dependent entity is below 100 %.
2_Profit and loss transfer agreement.
3_As per annual financial statement 2021.
4_Insolvent. Dependent entities are shown in a way, which reflects the state as of the date of filing for insolvency.
5_As per annual financial statement 2010. This is only applicable for manroland AG and their subsidiaries.
6_As per annual financial statement 2020.

FURTHER INFORMATION

D

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Allianz SE give a true and fair view of the assets, liabilities, financial position, and profit or loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Munich, 14 February 2023

Allianz SE
The Board of Management

Oliver Bäte	Sirma Boshnakova
Dr. Barbara Karuth-Zelle	Dr. Klaus-Peter Röhler
Giulio Terzariol	Dr. Günther Thallinger
Christopher Townsend	Renate Wagner
Dr. Andreas Wimmer	

INDEPENDENT AUDITOR'S REPORT

To Allianz SE, Munich

Report on the Audit of the Annual Financial Statements and of the Management Report

Audit opinions

We have audited the annual financial statements of Allianz SE, Munich, which comprise the balance sheet as at 31 December 2022, and the income statement for the financial year from 1 January to 31 December 2022, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Allianz SE including the non-financial statement to comply with §§ [Articles] 289b to 289e HGB [Handelsgesetzbuch: German Commercial Code] included in section Non-Financial Statement for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its financial performance for the financial year from 1 January to 31 December 2022 in compliance with German Legally Required Accounting Principles,
- the accompanying management report (excluding the non-financial statement included therein) as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development; we do not express an audit opinion on those parts of the management report listed in the "Other Information" section of our auditor's report and
- the non-financial statement included in section Non-Financial Statement of the management report is prepared, in all material respects, in accordance with the applicable German legal and European requirements as well as with the specifying criteria disclosed by the Company's executive directors.

Pursuant to §322 Abs. [paragraph] 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with §317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] – (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10(2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements, on the management report and on the non-financial statement included in the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit were as follows:

- Measurement of reserves for loss and loss adjustment expenses
- Measurement of shares in affiliated companies and participations

Our presentation of these key audit matters has been structured as follows:

- Matter and issue
- Audit approach and findings
- Reference to further information

Hereinafter, we present the key audit matters:

Measurement of reserves for loss and loss adjustment expenses

Matter and issue

In the annual financial statements of the Company, technical provisions (so called "claims provisions") amounting to € 14,974 mn (11.9% of total assets) are reported under the "Reserves for loss and loss adjustment expenses" balance sheet item.

Insurance companies are required to recognize technical provisions to the extent necessary in accordance with reasonable business judgment to ensure that they can meet their obligations from insurance contracts on a continuous basis. Defining assumptions for the purpose of measuring the technical provisions requires the Company's executive directors, in addition to complying with the requirements of commercial and regulatory law, to make estimations of future events and to apply appropriate measurement methods. The gross provision is generally determined on the basis of the cedents' information or, in the case of outstanding settlements, on the basis of an estimate. The Company reviews the appropriateness of the cedents' information and, if necessary, makes appropriate increases to the amounts.

The methods used to determine the amount of the claims provisions and the calculation parameters are based on judgments and assumptions made by the executive directors. This also included the evaluation of the impact of increased inflation rates on the calculation of the reserves. In particular, the lines of products with long claims settlement periods, low loss frequency or high individual losses are usually subject to increased estimation uncertainties and usually require a high degree of judgment by the Company's executive directors.

Minor changes to those assumptions and to the methods used may have a material impact on the measurement of the claims provisions. Due to the material significance of the amounts of these provisions in relation to the assets, liabilities and financial performance of the Company as well as the considerable scope for judgment on the part of the executive directors and the associated uncertainties in the estimations made, the measurement of the claims provisions was of particular significance in the context of our audit.

Audit approach and findings

As part of our audit, we evaluated the appropriateness of selected controls established by the Company for the purpose of selecting actuarial methods, determining assumptions and making estimates for the measurement of provisions for unsettled claims in property-casualty insurance.

With the support of our property-casualty insurance valuation specialists, we have compared the respective actuarial methods applied and the material assumptions with generally recognized actuarial practices and industry standards and examined to what extent these are appropriate for the valuation. Our audit also included an evaluation of the plausibility and integrity of the data and assumptions used in the valuation including the assessment of the executive directors regarding the impact of increased inflation rates, and an analysis of the claims settlement processes and the reconciliation of the information provided by the cedents. Furthermore, we recalculated the amount of the provisions for selected lines of products, in particular lines of products with large reserves or increased estimation uncertainties. For these lines of products we compared the recalculated provisions with the provisions calculated by the Company and evaluated any differences.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are appropriate overall for measuring the technical provisions in property-casualty insurance.

Reference to further information

The Company's disclosures on the measurement of provisions for unsettled claims are contained in section Accounting, Valuation, and Calculation Methods in the notes to the financial statements.

Measurement of shares in affiliated companies and participations

Matter and issue

In the annual financial statements of the Company shares in affiliated companies and other equity instruments amounting to € 75,287 mn (59.9% of total assets) are reported under the "Investments" balance sheet item.

Shares in affiliated companies and other equity instruments are measured in accordance with German commercial law at the lower of cost and fair value. For shares in affiliated companies and other equity instruments whose valuation is not based on stock exchange prices or other market prices, the income approach is used for all significant operating companies (property insurance companies, banks and asset management companies). For life and health insurance companies, the valuation is based on the appraisal value. Companies whose business purpose is essentially limited to the management of investments (asset holding companies), the fair value is determined on the basis of the fair values of the respective underlying investment properties, which are determined using different valuation methods (e.g. net asset value, discounted cash flow method).

The measurement of the fair values is based on the business plan set up by the executive directors. In this context, the executive directors have to make significant judgements, estimates and assumptions in particular about the future development of the business and the effect of the development of macroeconomic factors on the business of the shares in affiliated companies and the companies which are other equity instruments. The discount rate used in the context of the income approach is the individually determined cost of capital for the relevant financial investment.

Small changes in the assumptions made as well as in the methods applied can have a significant effect on the measurement of the shares in affiliated companies and other equity instruments. On the basis of the values determined and supplementary documentation, write-ups amounting in total to € 61 mn and write-downs amounting in total to € 264 mn were required for the financial year. Due to the significance in terms of the amount of the shares in affiliated companies and other equity instruments for the Company's assets, liabilities and financial performance as well as the considerable judgments of the executive directors and the related estimation uncertainties, the measurement of the shares in affiliated companies and other equity instruments was of particular significance in the context of our audit.

Audit approach and findings

As part of our audit, we assessed methodology used by the Company for the purposes of the valuation and the assumptions made by the executive directors in light of the significance of the shares in affiliated companies and other equity instruments. Our assessment was based on, among other things, our knowledge of the industry, our investment valuation expertise and our industry experience. We evaluated the company's valuation process, including the design and effectiveness of the controls in place. On that basis, we performed tests of detail related to the valuation for selected shares in affiliated companies and other equity instruments. Our selection was risk-oriented with regard to the size and significance for the company's financial statements and in the case of specific indications for a permanent impairment. Our tests of detail included, among other things, the assessment of the selected valuation method, its consistent application and the arithmetical correctness of the applied procedures. In addition, we checked the assumptions underlying the valuation (planned budget, derivation of the discount rate and assumptions on the perpetual annuity) for their appropriateness.

On the basis of our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors for the measurement of the shares in affiliated companies and other equity instruments are substantiated and sufficiently documented.

Reference to further information

The Company's disclosures relating to shares in affiliated companies and other equity instruments are contained in section Accounting, Valuation, and Calculation Methods and in section "3 – Market value of investments" of the notes to the financial statements.

Other information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the management report:

- the statement on corporate governance pursuant to § 289f HGB included in section Corporate Governance Statement of the management report
- the disclosures marked as unaudited in the management report

The other information comprises further

- the remuneration report pursuant to § 162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited annual financial statements, the audited management report and our auditor's report.

Our audit opinions on the annual financial statements, on the management report and on the non-financial statement included in the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The executive directors are also responsible for the preparation of the non-financial statement included in the management report in accordance with the applicable German legal and European requirements as well as with the specifying criteria disclosed by the Company's executive directors. Furthermore, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a non-financial statement that is free from material misstatement, whether due to fraud (i.e., fraudulent reporting in the non-financial statement) or error.

The applicable requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which authoritative comprehensive interpretations have not yet been published. Accordingly, the executive directors have disclosed their interpretations of such wording and terms in the non-financial statement in section "E.U. Taxonomy Regulation" of the non-financial statement. The executive directors are responsible for the defensibility of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of these interpretations is uncertain.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report as well as of the non-financial statement included in the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, and whether the non-financial statement has been prepared, in all material respects, in accordance with the applicable German legal and European requirements and with the specifying criteria dis-closed by the Company's executive directors, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements, on the management report and on the non-financial statement.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with §317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.
- Evaluate the suitability of the criteria presented by the executive directors in the non-financial statement as a whole. As explained in the description of the responsibilities of the executive directors, the executive directors have interpreted the wording and terms contained in the relevant regulations; the legal conformity of these interpretations is subject to inherent uncertainties mentioned in this description. Those inherent uncertainties in the interpretation apply to our audit accordingly.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the assurance on the electronic rendering of the annual financial statements and the management report prepared for publication purposes in accordance with §317 Abs. 3a HGB

Assurance opinion

We have performed assurance work in accordance with §317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statement and the management report (hereinafter the "ESEF documents") contained in the electronic file Allianz SE_JA+LB_ESEF-2022-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of §328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within this renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of §328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statement and the accompanying management report for the financial year from 1 January to 31 December 2022 contains in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on any other information contained in the electronic file identified above.

Basis for the assurance opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with §317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in accordance with §317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with §328 Abs. 1 Satz 1 Nr. [number] 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of §328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of §328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance engagement. We also:

- Identify and assess the risks of material non-compliance with the requirements of §328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as at the balance sheet date on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide a XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 4 May 2022. We were engaged by the supervisory board on 10 May 2022. We have been the auditor of the Allianz SE, Munich, without interruption since the financial year 2018.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Reference to an other matter – use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with §317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Frank Trauschke.

Munich, 20 February 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Richard Burger	Frank Trauschke
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüfer (German Public Auditor)

REMUNERATION REPORT

The Remuneration Report describes the structure and arrangements of the remuneration system for the Board of Management and the Supervisory Board of Allianz SE. It explains the application of the remuneration system in the financial year 2022, using detailed and individualized specifications on the remuneration of current and former members of the Board of Management and the Supervisory Board.

The report was created jointly by the Board of Management and the Supervisory Board, taking into consideration the requirements of § 162 of the German Stock Corporation Act (AktG), and the recommendations of the German Corporate Governance Code in its currently valid version.

It was also decided to allow the auditor to carry out a comprehensive, content audit of the Remuneration Report going above and beyond the legal requirements of § 162 (3) AktG.

The remuneration year of 2022 at a glance

The political and economic environment and key remuneration issues for the Supervisory Board

2022 was significantly shaped by the war in Ukraine and its impact on the global economy, the insurance industry, and asset management. The energy crisis and rising inflation also had a significant impact on the insurance business. The potential risks of further geopolitical tensions are of growing importance. In addition, the consequences of the global COVID-19 pandemic are still being felt, which has had a lasting impact on the working lives of employees.

The Personnel Committee of the Supervisory Board has closely followed the business development from the viewpoint of potential target achievement at Group level, as well as individual remuneration targets for the first half of the year and at year-end 2022. Besides the quantitative targets for the financial year 2023, the non-financial targets for 2023 and the appropriateness of the remuneration of the Board of Management were discussed. Changes in the Board of Management were also prepared and implemented. Detailed comments on the adjustments for 2023 are provided in the Outlook.

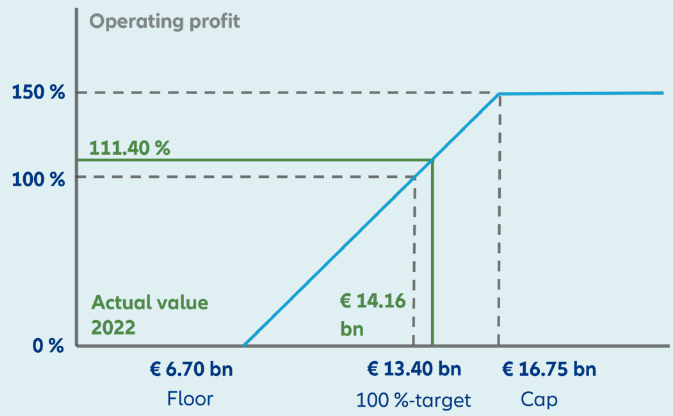
Financial Group targets

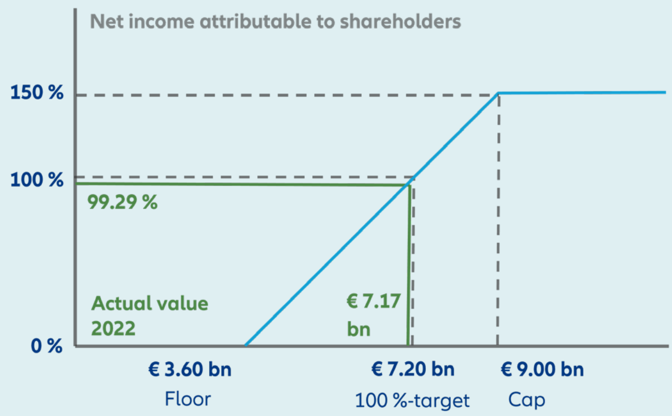
The annual bonus and the long-term incentive (LTI) allocation are based on two Group financial targets for the relevant financial year: operating profit and net income attributable to shareholders, each at 50 %.

The operating profit target of € 13.40 bn was exceeded to € 14.16 bn, as the Property-Casualty, Life/Health, and Corporate and Other business segments achieved strong growth in operating profit and more than compensated for the decline in the Asset Management business segment. This resulted in a target achievement of 111.40 % for operating profit.

As a consequence of the war in Ukraine, Allianz SE decided to withdraw from the Russian market. This decision could not have been foreseen either in the budget planning or in the actual target setting. The planned divestment of the majority stake in Allianz's Russian business resulted in extraordinary charges of € 437 mn in the financial year 2022, which are reflected in the net income attributable to shareholders. In the event of such unforeseeable extraordinary developments, it is at the discretion of the Supervisory Board to take them into account, if necessary, when determining target achievement. In order to recognize the actual performance of the Board of Management in the context of variable compensation, the Supervisory Board took into account the losses incurred as a result of this planned sale of a majority interest when it determined target achievement. Adjusted for this effect, net income attributable to shareholders in the past financial year was € 7.17 bn. This was slightly below the target of € 7.20 bn, resulting in target achievement of 99.29 %.

Overall, this results in an achievement rate of 105.35 % for the Group financial targets.





Board of Management Performance in 2022

For the financial year 2022, the financial performance of the Board of Management, based on the operating business, again has to be rated as very strong. Despite strong capital market distortions, solvency and essential credit ratings stabilized at a solid level. Almost all business divisions rendered a positive contribution and some significantly exceeded the planned target level.

The Iberia & Latin America region again failed to reach its operating target. The Asset Management business segment also missed the planned target level against the backdrop of the extremely volatile capital markets and the strong rise in interest rates.

The strong performance overall was achieved on a sustainable basis. Based on the quality indicators surveyed, both customers and employees of Allianz once again awarded the Board of Management very good ratings in the financial year 2022, as they had done in the financial year 2021. The proportion of local business segments considered as market leaders in terms of customer satisfaction, as measured by the digital Net Promoter Score, grew significantly to 58 %. The Inclusive Meritocracy Index and the Work Well Index Plus, which are used to measure employee satisfaction, also rose year-on-year from already very good levels to 79 % and 71 %, respectively. The environmental target set for reducing CO_2 emissions per employee was also clearly exceeded with a reduction of 57 % versus the baseline year 2019. As a result, the overall determination of the individual contribution factor for the Board of Management was 1.11. The individual contribution factor of each member of the Board of Management is explained in detail in the chapter on individual target achievement.

Potential application of malus and clawback

In connection with the Structured Alpha matter, both the Supervisory Board and the Board of Management initiated internal reviews and commissioned external investigations from various independent consultants. These reviews and investigations did not reveal any breaches of duty by current or former members of the Board of Management that could form the basis for a reduction in payment (malus) or a clawback of variable compensation already paid out. No other use was made of the clawback option in the financial year 2022.

Approval of remuneration system and Remuneration Report

The system for the remuneration of members of the Board of Management was approved by the Annual General Meeting on 5 May 2021 with a majority vote of 87.14 %. The remuneration system applies to all members of the Board of Management who were in office in the financial year 2022.

The Remuneration Report for 2021 was approved at the Annual General Meeting on 4 May 2022 with a majority vote of 86.7 %.

Overall, the remuneration system and the Remuneration Report are strongly supported by investors and proxy advisors. Feedback to the Supervisory Board, for example, positively emphasizes transparency and that the Allianz Remuneration Report is broadly in line with best practice standards in Germany – and even exceeds them in many respects.

With regard to the Remuneration Report, various investors and proxy advisors have requested a detailed description of how the Supervisory Board uses its discretion in the context of the individual contribution factor (ICF). Our response to this request is to provide a detailed commentary on individual target achievement for each member of the Board of Management in the section on individual compensation in the Remuneration Report. In addition, key points from the individual target achievements are clearly summarized in a new table.

Investors and proxy advisors regularly underline the importance of environmental, social, and governance (ESG) targets. The sustainability targets are a fundamental consideration in the remuneration system for members of the Board of Management and are reflected in both short- and long-term compensation. In determining the targets for 2022, even greater account was taken of the increased importance of sustainability issues. In addition to group-wide sustainability targets, individual ESG targets were again set for each member of the Board of Management for their respective areas of responsibility. Here, too, the presentation in the report has been made even more transparent and expanded to include a chart.

The Supervisory Board plans to conduct a comprehensive review of the remuneration system in 2023 and to present adaptions to the remuneration system for approval, either at the Annual General Meeting in 2024 or in 2025 at the latest. The review will include the suggestions made by investors and proxy advisors.

Changes to the composition of the Board of Management

Sirma Boshnakova has been a member of the Board of Management since 1 January 2022. She is responsible for the insurance business in the countries of Western and Southern Europe (France, Benelux, Italy, Türkiye), for the European direct insurance companies, and for the global business unit Allianz Partners. Her remuneration was set at the same level as that of the other regular members of the Board of Management.

Sergio Balbinot (63) left the Allianz SE Board of Management after his term of office expired due to retirement on 31 December 2022.

Because the Allianz Customer Model – one of Ivan de la Sota's main responsibilities – was transferred to the respective Board of Management divisions for property, life, and industrial insurance, as well as for asset management, earlier than planned, the Supervisory Board approved the early termination of Ivan de la Sota's mandate and the dissolution of the divisions he headed. Ivan de la Sota's mandate thus ended as of 31 December 2022.

Remuneration of the Allianz SE Board of Management

Key principles of the board remuneration

Remuneration is designed to be appropriate compared to peers, given the Allianz Group's range of business activities, operating environment, and business results achieved. The aim is to ensure and promote sustainable and value-oriented management of the company that is in line with our corporate strategy. The key principles are as follows:

- Support of the Group's strategy: The design of variable compensation, and in particular of performance targets, reflects the business strategy and sustainable long-term development of the Allianz Group.
- Alignment of pay and performance: The performance-based variable component of the remuneration of members of the Board of Management forms a significant portion of the overall remuneration, corresponding to 70% of the target compensation.
- Sustainability of performance and alignment with shareholder interests: A major part of the variable remuneration reflects longer-term performance, with deferred payout (64%), and is linked to the absolute and relative performance of the Allianz share price.

Key Principles of the Board Remuneration

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Support of the Group's Strategy	Alignment of Pay and Performance	Sustainability of Performance and Alignment with Shareholder Interests
The design of variable compensation, and in particular of performance targets, reflects the business strategy and sustainable long-term development of the Allianz Group.	The performance-based variable component of the board members' remuneration forms a significant portion of the overall remuneration, corresponding to 70 % of the target compensation.	A major part of the variable remuneration reflects longer-term performance, with deferred payout (64 %), and is linked to the absolute and relative performance of the Allianz share price.

Determination of the remuneration system

The Board of Management's remuneration is decided upon by the entire Supervisory Board, based on proposals prepared by the Supervisory Board's Personnel Committee. If required, the Supervisory Board may seek outside advice from independent external consultants. The Personnel Committee and the Supervisory Board consult with the Chairperson of the Board of Management in assessing the performance and remuneration of Board of Management members. The Chairperson of the Board of Management is generally not involved in the discussion about their own remuneration. The Supervisory Board designs the remuneration system for the members of the Board of Management in accordance with the requirements of the German Stock Corporation Act (AktG) in its currently valid version, as well as with regulatory requirements and the recommendations of the German Corporate Governance Code, while ensuring clarity and comprehensibility. Feedback from investors is also considered.

Determination of and adequacy of the Board of Management remuneration

Based on the remuneration system, the Supervisory Board determines the target total compensation, and regularly reviews the appropriateness of the remuneration. This is based on both a horizontal comparison (i.e., with peer companies) and a vertical comparison (in relation to Allianz employees). Again, the Supervisory Board's Personnel Committee develops respective recommendations, if necessary with the assistance of external consultants.

The structure, weighting, and level of each remuneration component should be adequate and appropriate.

Horizontal appropriateness

The Supervisory Board regularly benchmarks the remuneration of the Board of Management of Allianz SE against other DAX companies and selected international companies (including, for example, the top positions in the STOXX Europe 600 Insurance), taking into account the company's position, as well as the Allianz Group's long-term performance, relative size, complexity, and internationality.

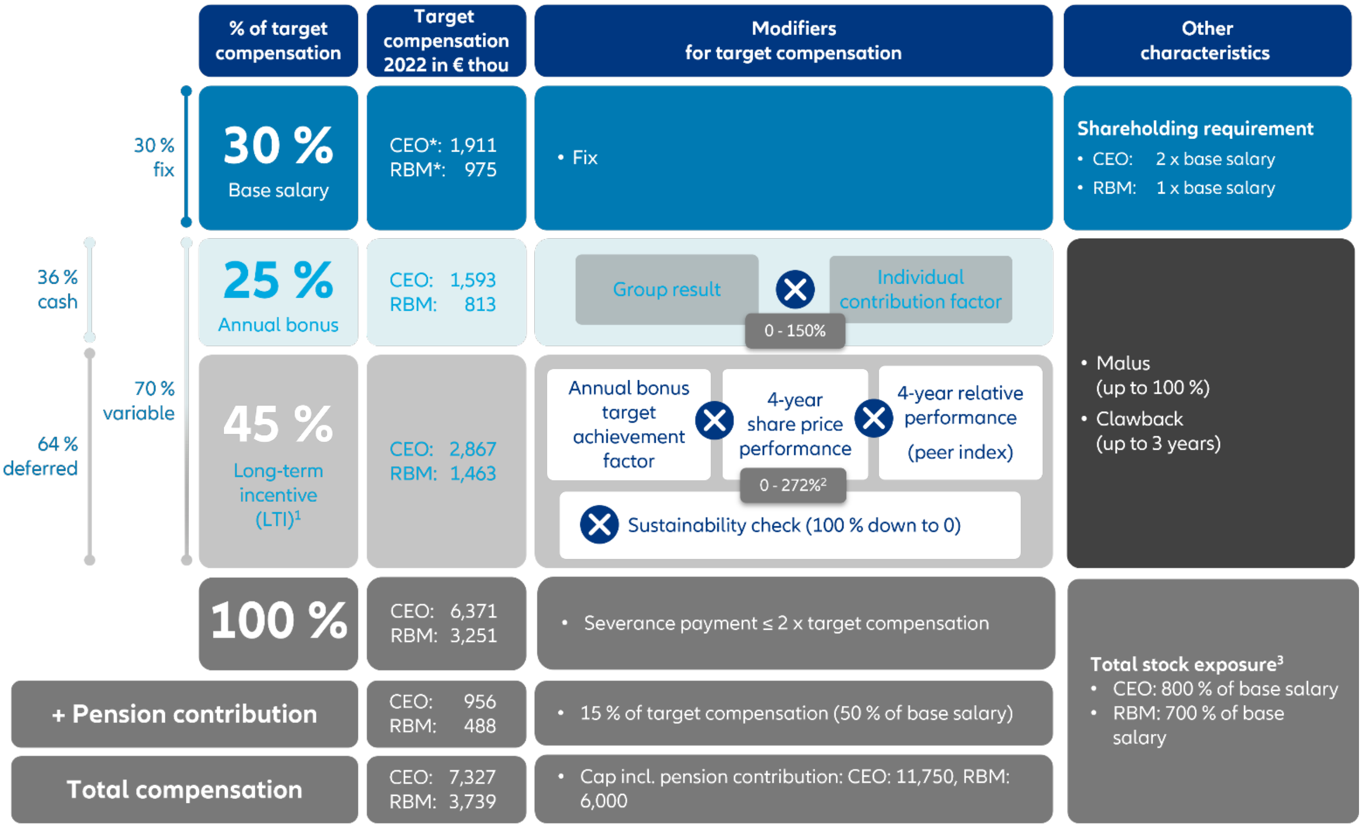
The outcome of the horizontal comparison is that Allianz SE is well above 75th percentile relative to size (revenue, number of employees, and market capitalization) compared to the DAX companies. Accordingly, the total remuneration of the members of the Board of Management is orientated on the upper quartile of the remuneration of the peer companies.

Vertical appropriateness

This comparison is based on the total direct compensation of a member of the Board of Management and the average direct compensation of an employee of the German Allianz companies. The Supervisory Board's decision in December is based on the factor resulting from this comparison for the previous financial year. For the financial year 2021, the factor for the Chairperson of Board of Management to employee was "70", and the factor for a regular board member to employee was "41". For the financial year 2022, the respective factor for the Chairperson of Board of Management to employee is "65" and the factor regular board member to employee is "37".

Overview of the remuneration system of Allianz SE

The following diagram provides an overview of the structure and amount of the target remuneration of the members of the Board of Management in the financial year 2022.



* CEO = Chief Executive Officer, RBM = regular board member.
1_For simplicity reasons, the LTI percentage as well as the LTI target amount are based on target allocation values.
2_The overall compensation cap of € 11,750 thou | € 6,000 thou including pension contributions limits the effective payout of the LTI to a maximum of 272 %.
3_Shareholding requirement plus LTI at full run-rate.

Components of the Board of Management remuneration and their relation to strategy

Fixed remuneration

The fixed remuneration components comprise the base salary, perquisites, and pension contributions. They serve to provide a competitive remuneration to attract and retain Board of Management members, whose experience and skills enable them to develop and successfully implement the Allianz Group's strategy. They secure a reasonable level of income in line with market conditions, and promote a management of the company that is commensurate with risk.

Base salary

The base salary, which is not performance-related, is paid in twelve equal monthly installments.

Perquisites

Perquisites mainly consist of contributions to accident and liability insurances, tax consultant fees, and the provision of a company car and further individual perquisites if applicable. Perquisites are not linked to performance. Each member of the Board of Management is responsible for paying the income tax due on these perquisites. The Supervisory Board regularly reviews the level of perquisites; a contractual annual cap applies. If an appointment to the Board of Management requires a change of residence, relocation expenses are reimbursed to an appropriate extent.

Pension contribution

To provide competitive and cost-effective retirement and disability benefits, company contributions to the defined-contribution pension plan "My Allianz Pension" are invested with a guarantee for the contributions paid, but no further interest guarantee.

Each year, the Supervisory Board decides whether a budget is provided and, if so, to what extent. The current pension contribution generally represents 15% of the target compensation of the board members.

Apart from cases of occupational or general disability for medical reasons, the earliest age a pension can be drawn is 62. Should board membership cease before the retirement age is reached, accrued pension rights are maintained if vesting requirements are met.

Members of the Board of Management may have additional pension entitlements under former pension plans based on previous positions in the Allianz Group or due to membership of the Board of Management prior to 2015. Payments of social insurance contributions abroad required by Allianz in individual cases may also give rise to additional pension entitlements.

Performance-based remuneration

The performance-based variable remuneration includes the short-term annual bonus and long-term share-based remuneration. The composition aims to balance short-term performance, longer-term success, and sustained value creation. The Supervisory Board ensures that the targets for the variable remuneration are challenging, sustainable, and ambitious.

Annual bonus

The annual bonus provides incentives for profitable growth and further developing the operating business by successfully implementing the business objectives for the respective financial year. In doing so, the overall responsibility for reaching the Group targets as well as the individual performance with regard to the operational responsibilities of the individual members of the Board of Management are taken into consideration.

The annual bonus is derived by multiplying the target achievement factor by the target amount for the annual bonus, and is paid out in cash after the end of the relevant financial year, with payment limited to a maximum of 150% of the target amount.

Long-term incentive – LTI

The long-term, share-based compensation is oriented mainly towards the sustainable increase in the enterprise value. Taking the share price performance in absolute and relative terms as a basis, it encourages combining the interests of the shareholders with those of the members of the Board of Management.

Other stakeholder aspects are taken into consideration by setting strategic sustainability targets, whose achievement forms the basis for the final assessment at the end of the four-year contractual vesting period.

Almost two thirds (64%) of the variable remuneration is share-based, so as to adequately reflect the long-term performance of the company in the Board of Management remuneration.

Additional remuneration principles

Shareholding obligation and shareholding exposure

The members of the Board of Management are obliged to build up the following degree of share ownership within three years:

- Chairperson of the Board of Management: two times base salary, i.e., € 3,822 thou,
- Regular Board of Management member: one time base salary, i.e., € 975 thou.

Holding is required for the entire term of service on the Board of Management. Shares will be acquired through mandatory pay component conversion. In case of a base salary increase, the shareholding obligation increases accordingly. The holding obligation ceases with the end of the mandate.

In combination with the virtual shares (RSU) accumulated over four years through the LTI plan, the Allianz SE Board of Management has significant economic exposure to the Allianz stock: It amounts to approximately 800% of base salary for the Chairperson and approximately 700% of base salary for a regular board member.

Malus/clawback

In order to ensure sustainable corporate development and to avoid taking inappropriate risks, variable remuneration components may not be paid, or payment may be restricted, in the case of a significant breach of the Allianz Code of Conduct or regulatory Solvency II policies or standards, including risk limits.

In the same way, variable remuneration components already paid may be subject to a clawback for three years after payout. Additionally, a reduction or cancellation of variable remuneration may occur if the supervisory authority (BaFin) requires this in accordance with its statutory powers.

Payout cap

In accordance with §87a (1) sentence 2 (1) AktG and the recommendations of the German Corporate Governance Code, the Supervisory Board has determined a remuneration cap.

Thus, the actual payout for the underlying financial year, comprising the base salary, variable remuneration and pension service cost, will be capped at maximum € 11,750 thou for the Chairperson of the Board of Management, and at € 6,000 thou for a regular member of the Board of Management. If the remuneration for the financial year exceeds this amount, compliance with the maximum limit will be ensured by reducing the payout of the long-term variable remuneration accordingly.

This payout cap principle was introduced for the first time for the financial year 2019. Given that the actual amount of the paid out long-term variable remuneration cannot be determined until after vesting and the final sustainability assessment, compliance with the payout cap will be reported on for the first time in the Remuneration Report for the financial year 2024.

Deviation from the remuneration system

The Supervisory Board can temporarily deviate from the remuneration system in exceptional circumstances in accordance with the statutory requirements (§87a (2) AktG), if this is necessary in the interests of the long-term welfare of the company. The assessment may take into account both macroeconomic and company-related exceptional circumstances, such as impairment of the long-term viability and profitability of the company. The deviation requires a prior proposal by the Personnel Committee.

The components of the remuneration system from which deviations may be made in exceptional cases include in particular the base salary, the annual bonus and the long-term incentive (LTI), including their relationship to each other, their respective assessment bases where applicable, the target setting and target achievement assessment principles, and the determination of any payout and payment dates. The duration of the deviation shall be determined by the Supervisory Board at its due discretion, but should not exceed a period of four years. In a crisis situation, for example, this principle is intended to allow the appointment of a new board member, e.g., with crisis management expertise, with a remuneration structure that temporarily deviates from the remuneration structure.

In the financial year 2022, the Supervisory Board did not make use of the option to deviate from the remuneration system.

Remuneration adjustment

The Supervisory Board is also entitled to take appropriate account of extraordinary unforeseeable developments when determining the amount of the variable remuneration components. This rule takes up a recommendation of the German Corporate Governance Code and allows for the adjustment of the remuneration in rare unforeseeable exceptional cases.

Conceivable cases of application include, for example, significant changes in accounting rules, or in the tax or regulatory framework, as well as catastrophic events not yet known at the time of target setting. The application of this rule may also lead to a reduction in the variable remuneration.

The Supervisory Board may also adjust the target remuneration of the members of the Board of Management, insofar as this is appropriate to ensure that the remuneration of the Chairperson of the Board of Management or a regular member of the Board of Management is appropriate with regard to their duties and performance. In doing so, it shall take into account the horizontal and vertical comparison of the Board of Management remuneration. The aim of this rule is to moderately adjust Board of Management remuneration on the basis of horizontal and vertical salary trends, and thus to avoid major salary increases.

It does not constitute an automatic adjustment, but requires a justified decision by the Supervisory Board in each case. Such a moderate adjustment of the target remuneration does not in itself represent a significant change to the remuneration system. These adjustments or deviations must be justified in detail in the respective Remuneration Report for the financial year. The Remuneration Report is prepared in accordance with ARUG II and submitted to the Annual General Meeting for approval.

Termination of service

Board of Management contracts are limited to a period of five years. For new appointments, a shorter period of up to three years is provided based on the recommendation by the German Corporate Governance Code.

Severance payment cap

Payments for early termination to board members with a remaining term of contract of more than two years are capped at twice the annual compensation, consisting of the last financial year's base salary and 100% of the variable target compensation. If the remaining term of contract is less than two years, the payment is pro-rated for the remaining term of the contract. Contracts do not contain provisions for any other cases of early termination of Board of Management service.

In the event of a contractually agreed non-compete clause, a severance payment is offset against compensation resulting from the non-compete clause in case of premature termination of service.

Transition payment

Board members appointed before 1 January 2010 are eligible for a transition payment after leaving the Board of Management. The transition payment comprises an amount corresponding to the most recent base salary (paid for a period of six months), plus a one-time payment of 25% of the target variable remuneration at notice date. Where an Allianz pension is due at the same time, such pension is deducted from the monthly transition payments. In the event of a contractually agreed non-compete clause, the remittance of the transitional payment will be offset against the payment resulting from the non-compete clause.

Miscellaneous

Internal and external board appointments

When a member of the Board of Management simultaneously holds an appointment at another company within the Allianz Group or their joint ventures with outside partners, the full amount of the respective remuneration is transferred to Allianz SE.

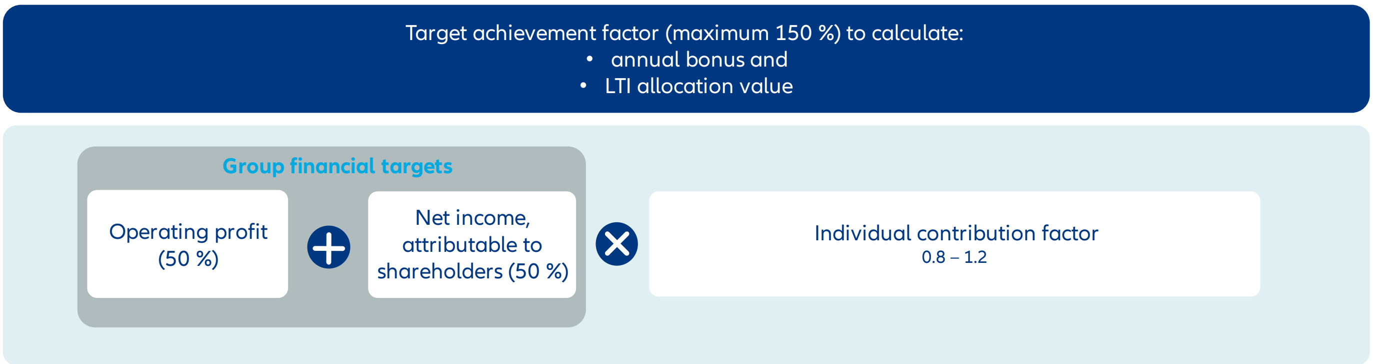
In recognition of related benefits to the organization, and subject to prior approval by the Supervisory Board of Allianz SE, board members are also allowed to accept a limited number of non-executive supervisory roles at appropriate external organizations. In these cases, 50% of the remuneration received is paid to Allianz SE.

The respective board member will retain the full remuneration for that position only if the Allianz SE Supervisory Board classifies the appointment as a personal one *(ad personam)*. Any remuneration paid by external organizations will be itemized in those organizations' annual reports; its level will be determined by the governing body of the relevant organization.

Variable remuneration system

Target achievement factor to determine the variable remuneration

In line with the overarching strategic objective "simplicity wins", the calculation of variable remuneration follows a simple system. The annual bonus and LTI allocation are based on only two Group financial targets for the relevant financial year: operating profit and net income attributable to shareholders, each at 50%. The resulting target achievement is adjusted by an individual contribution factor (ICF) in the range of 0.8 to 1.2, which reflects both the results of the business division and the performance of the individual board member. If targets are not met, the variable compensation can be reduced to zero. If targets are significantly exceeded, the target achievement is limited to 150%.



Group financial targets

The Group financial targets are based on equally weighted targets for Group operating profit and Group net income attributable to shareholders. Adjustments are only applied to acquisitions and disposals that account for more than 10% of the Group's operating profit or net income attributable to shareholders, or that have a value-adding effect from a risk management perspective (e.g., portfolio transfers) and were not yet known at the time the plan was prepared. This regulation is intended to prevent meaningful transactions from having a negative impact on the remuneration of the Management Board.

Operating profit highlights the underlying performance of ongoing core operations.

Net income attributable to shareholders is the profit after tax and non-controlling interests (minorities). Furthermore, the net income forms the basis for the dividend payout and for the return on equity calculation. Both key performance indicators (KPIs) are important steering parameters for the Allianz Group and therefore reflect the level of implementation of the Group's strategy.

The Group's financial target achievement is limited to a maximum of 150% and can drop to zero.

The minimum, target, and maximum values for the Group financial targets are set annually by the Supervisory Board. These are documented for the respective next financial year and published ex-post in the Remuneration Report.

Individual performance indicators

The Group financial target achievement is multiplied by the ICF for each member of the Board of Management. The ICF is based on an assessment by the Allianz SE Supervisory Board of performance, sustainability and strategic goals, based on KPIs reflecting the respective Board member's area of responsibility and their personal contribution.

- Strategic priority: An individual strategic priority will be set for every Board member at the beginning of each performance year, linked to a corresponding KPI and qualitatively assessed by the Supervisory Board. In addition, there are overarching strategic goals that apply to all Board members.
- Performance (Business division targets): For board members with business-related division responsibilities, the contribution to the financial performance is based on various indicators of profitability (e.g., operating profit and net income) and productivity (e.g., expense ratio) for the respective business division. For Board members with a functional focus, division-specific performance targets are determined based on their key responsibilities, and are qualitatively assessed.
- Sustainability targets: The development of strategy for sustainability in asset management and the definition of an approach and KPIs for sustainable claims management have been newly introduced across the board, and – as before – the securing of the strong sustainability positioning in three leading sustainability indices is assessed. Customer satisfaction (digital Net Promoter Score (dNPS)) and employee satisfaction (Inclusive Meritocracy Index and Work Well Index Plus) are taken into account in the sustainability social targets. With respect to Governance, management qualities are also assessed along with behavioral aspects (for example, customer orientation, personnel management, corporate behavior), and credibility (for example, social responsibility, integrity, diversity). The development of the following elements are taken into account in regard to climate protection, when assessing the ICF:

  - Decarbonizing the Allianz Group's business operations and increasing the share of renewable energy in order to reduce carbon emissions by 50% by year-end 2025 (baseline year 2019).
  - Decarbonizing the investment portfolio in line with the U.N.-Convened Net-Zero Asset Owner Alliance with the interim target of reducing emissions in listed equities and corporate bond asset classes by 25% by year-end 2024 (baseline year 2019).

Additional information can be found in the Non-Financial Statement for the Allianz Group and Allianz SE.

Determining the individual contribution factor (ICF)

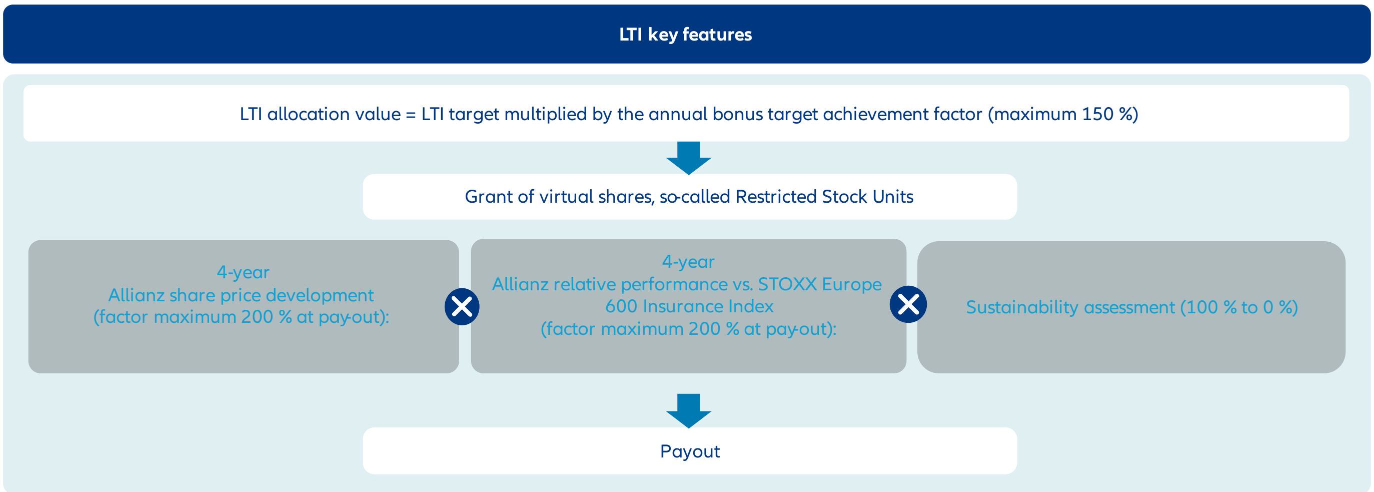
The Supervisory Board determines the ICF for each member of the Board of Management based on the fulfillment of the individual performance indicators. Most of the performance indicators are provided with quantitative criteria, and therefore offer a sufficiently concrete basis for the combined assessment.

Each ICF category – strategic priority, performance, and sustainability – has a significant weighting, and all three categories are of equal importance and contribution to the overall assessment. However, the individual indicators are not weighted on a fixed percentage basis, so that the ICF is not determined on the basis of a formulaic calculation. This allows the Supervisory Board to take appropriate consideration of the individual criteria and to react appropriately to changes in priorities during the year. In particular, significantly underperforming in one category should allow a low overall rating without being balanced out by the other indicators.

Since the performance is determined without a specified weighting, the ICF covers a narrow range of 0.8 to 1.2.

Long-term incentive (LTI) design

The long-term, share-based compensation component makes up the largest portion of variable compensation. It promotes alignment with shareholders and reflects the sustainable implementation of the company's long-term strategy. The LTI is based on the performance in absolute and relative terms (i.e., versus competitors) of the Allianz share. Furthermore, the long-term development of KPIs is reflected in the deferred sustainability assessment following the four-year contractual vesting period.



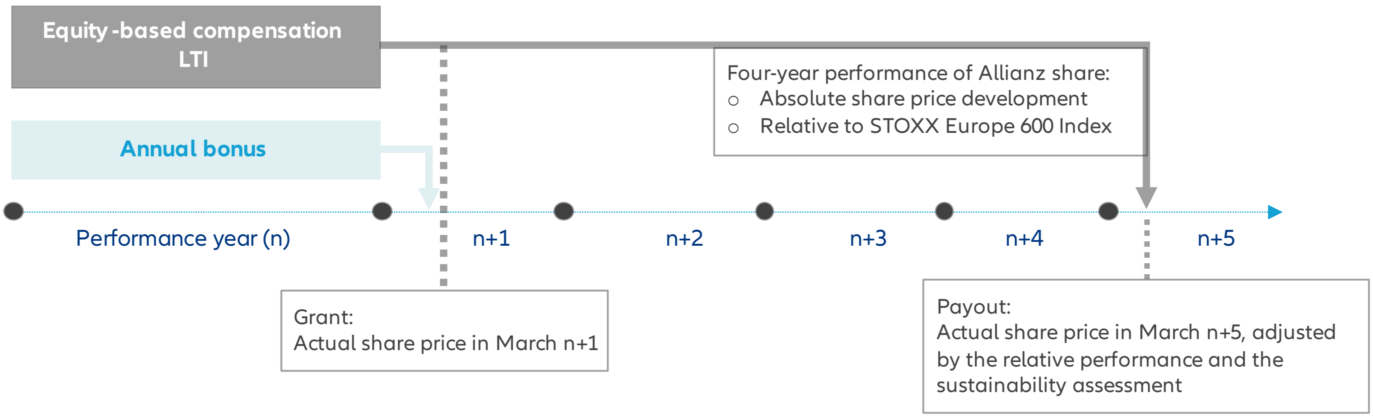
- Grant and contractual vesting period: The LTI is granted annually in the form of virtual Allianz shares, so-called restricted stock units (RSUs). The number of RSUs to be granted corresponds to the LTI allocation amount, divided by the allocation value of an RSU at grant:
  - The LTI allocation amount is derived by multiplying the LTI target amount by the annual bonus achievement factor, and capped at maximum 150% of the target level.
  - The RSU allocation value is based on the ten-day-average Xetra closing price of the Allianz stock following the annual

financial media conference[1]. As RSUs are virtual stock without dividend payments, the relevant share price is reduced by the net present value of the expected future dividend payments during the four-year contractual vesting period.

The LTI grant is followed by a contractual vesting period of four years. After that period, the LTI amount to be paid is determined based on the relative performance of the Allianz share, the relevant share price, and the results of the sustainability assessment.

- Relative performance versus peers: Besides the absolute share-price development, the LTI payout takes the relative performance of the Allianz share into account. The total shareholder return (TSR) of the Allianz share is benchmarked against the TSR of the STOXX Europe 600 insurance index by reflecting the relation of the total performance of the Allianz share ("Allianz TSR") and the total performance of the STOXX Europe 600 insurance index ("Index TSR") between the start and end of the four-year contractual vesting period. The payout is based on the TSR performance factor, which is calculated as follows:
  - At the end of the contractual vesting period, the difference between the Allianz TSR and the Index TSR is determined in percentage points; the result is multiplied by "2": As the comparison with competitors and the market is of outstanding importance, the outperformance/underperformance is weighted twofold.
  - To determine the factor, 100 percentage points are added to the result. Example: 1 percentage point outperformance results in a relative performance factor of 102%; 1 percentage point underperformance results in a relative performance factor of 98%.

  In order to avoid incentivizing excessive risk-taking, the relative TSR performance factor is limited: it can vary between zero (for underperformance of the index by -50 percentage points or lower) and 200% (for outperformance of the index by minimum +50 percentage points or higher).



- Sustainability assessment: Prior to the payout of each LTI tranche, the Supervisory Board determines, following a preliminary assessment by the Personnel Committee, whether there are any sustainability-related concerns regarding a full payout. If so, payment of the tranche may be canceled in full or in part.

  Subject of the sustainability assessment are:

  - compliance breaches,
  - balance sheet issues, such as reserve strength, solvency, indebtedness, and ratings,
  - KPIs entailed in the individual board members' targets, such as dNPS, employee satisfaction, and climate targets.

  The assessment is made applying a comparable basis; i.e., any regulatory changes, changes in accounting regulations, or changes in calculation methods for the KPIs in question are taken into account.

- Allianz share performance, payout, and cap: Following the end of the four-year contractual vesting period, the granted RSUs are settled in cash, based on the ten-day average Xetra closing price of the Allianz SE share following the annual financial media conference in the year the respective RSU plan vests, multiplied by the relative TSR performance factor, and adjusted by the sustainability assessment, if necessary. The relevant share price is capped at 200% of the grant price. Likewise, the relative TSR performance factor is capped at a maximum of 200%. Taking into account the overall compensation cap (€ 6,000 thou for a regular board member and € 11,750 thou for the Chairperson of the Board of Management), the LTI payout in relation to the LTI target – which deviates from the individual LTI component caps – is limited to 272%.

  Outstanding RSU holdings are forfeited should a board member leave at their own request or be terminated for important cause.

1_For accounting purposes, the determination of the fair value of RSUs is based on an option pricing model, taking into account additional input parameters, including the term structure of interest rates and the expected relative performance of the Allianz share price compared to the peer index. For the latter, simulation techniques are applied at the valuation date to determine the volatility of the Allianz stock, the volatility of the peer index, their correlation, and the expected dividends. The value of the RSUs used for the board members' compensation may deviate from this IFRS value, as a simplified calculation method was applied to increase transparency and traceability.

Illustrative examples:

LTI payout: performance exceeds expectation (scenario 1)

Illustrative example for RBM	%	Number RSUs	€ thou
LTI initial grant based on:			
•LTI target			1,463
•LTI allocation amount: annual bonus achievement factor applied to LTI target	110		1,609
•RSU grant (listed share price: € 220, share price relevant to the calculation of the allocation: € 170 (= reduced by the net present value of estimated future dividends of € 50))		9,466	
LTI payout at vesting based on:			
•RSUs x share price at vesting (€ 269)			2,546
•TSR relative performance factor: 2 x (TSR Allianz: 45 % – TSR Stoxx Europe 600 Insurance: 40 %) + 100 %	110		
Payout			**2,801**

LTI payout: performance remains below expectation (scenario 2)

Illustrative example for RBM	%	Number RSUs	€ thou
LTI initial grant based on:			
•LTI target			1,463
•LTI allocation amount: annual bonus achievement factor applied to LTI target	90		1,317
•RSU grant (listed share price: € 220, share price relevant to the calculation of the allocation: € 170 (= reduced by the net present value of estimated future dividends of € 50))		7,745	
LTI payout at vesting based on:			
•RSUs x share price at vesting (€ 203)			1,572
•TSR relative performance factor: 2 x (TSR Allianz: 15 % – TSR Stoxx Europe 600 Insurance: 40 %) + 100 %	50		
Payout			**786**

Application of the remuneration system in the financial year

Variable remuneration for the financial year

Financial Group targets and target achievement

The degree of target achievement for the Group's financial targets is calculated as the simple average of the target achievement of the operating profit for the year and the net income attributable to shareholders for the year. The operating profit target of € 13.40 bn was exceeded to € 14.16 bn as the Property-Casualty, Life/Health, Corporate and Other business segments achieved strong growth in operating profit and more than compensated for the decline in the Asset Management business segment. This resulted in a target achievement of 111.40% for operating profit.

As a consequence of the war in Ukraine, Allianz SE decided to withdraw from the Russian market. This decision could not have been foreseen either in the budget planning or in the actual target setting. The planned divestment of the majority stake in Allianz's Russian business resulted in extraordinary charges of € 437 mn in the financial year 2022, which are reflected in the net income attributable to shareholders. In the event of such unforeseeable extraordinary developments, it is at the discretion of the Supervisory Board to take them into account, if necessary, when determining target achievement. In order to recognize the actual performance of the Board of Management in the context of variable compensation, the Supervisory Board took into account the losses incurred as a result of this planned sale of a majority interest when it determined target achievement. Adjusted for this effect, net income attributable to shareholders in the past financial year was € 7.17 bn. This was slightly below the target of € 7.20 bn, resulting in target achievement of 99.29%.

Overall, this results in an achievement rate of 105.35% for the Group financial targets.

Group financial target achievement 2020-2022

Group financial target achievement	Operating profit			Net income attributable to shareholders			Achievement level combined in %		
Financial year	2020	2021	2022	2020	2021	2022	2020	2021	2022
Bonus curve									
0 % - Floor in € bn	6.00	6.00	6.70	4.00	3.60	3.60			
100 % - Target in € bn	12.00	12.00	13.40	7.90	7.20	7.20			
150 % - Max in € bn	15.00	15.00	16.75	9.85	9.00	9.00			
Target achievement							75.58	103.47	105.35
Achievement level in € bn	10.75	13.40	14.16	6.81	6.61	7.17			
Achievement level in %	79.19	123.33	111.40	71.97	83.60	99.29			
Weight in %	50.00	50.00	50.00	50.00	50.00	50.00			

Individual performance indicators and application of the individual contribution factor

In order to calculate the annual bonus, the target achievement level of the Group's financial targets is multiplied by the individual contribution factor (ICF). The Supervisory Board determines the ICF for each Board member in line with their achievement of the targets defined in the individual agreement on the financial and non-financial targets.

Individual performance indicators

Board members	2022 Summary of individual performance	Individual contribution factor (ICF)
Oliver Bäte	• Another record operating profit again in the crisis year of 2022. • Top results in terms of both brand strength and customer and employee satisfaction. • Swift resolution of the Structured Alpha proceedings in the United States and establishment of the partnership with Voya Investment Management.	1.16
Sergio Balbinot	• Substantial contribution to strong Group performance with the portfolio that he managed. • Crucial contribution to the further expansion of claims management expertise in the Allianz Group. • Successful induction of Ms. Boshnakova and Ms. Wagner in their new regional areas of responsibility.	1.15
Sirma Boshnakova	• Successful turnaround of Allianz Partners after the COVID-19 crisis. • Very solid results in the large companies in France and Italy, and improvements in customer satisfaction.	1.12
Dr. Barbara Karuth-Zelle	• Further progress in modernizing the architecture and management of the technology portfolio. • Improved cooperation between the technology entities and the national organizations, despite substantial challenges arising from demanding transformation projects.	1.12
Dr. Klaus-Peter Röhler	• Again very good contributions to strong financial results and the further strategic development of the Allianz Group. • Management of the crisis in Ukraine, solid results in the Property-Casualty insurance business segment, and further improvements of employee satisfaction results – all deserving of particular emphasis.	1.14
Ivan de la Sota	• Financial target achievement adversely impacted by disappointing performance of the entities in Brazil and Spain. • Progress in expanding the claims management platform; successful integration of Control€xpert and acquisition of Innovation Group. • Delivery of measurable economies of scale and economic benefit in Group-wide IT initiatives could be further improved.	0.90
Giulio Terzariol	• Significant contribution to the record operating profits again delivered in 2022. • Consistent strengthening of the solvency ratio and essential credit ratings, and safeguarding Group liquidity. • Exemplary preparations of the Allianz Group for the introduction of the new accounting standards IFRS 9 and 17 in 2023.	1.13
Dr. Günther Thallinger	• Solid investment result in an extremely difficult capital market environment and successful capital reallocation on the asset side of the balance sheet. • Excellent contributions to the expansion of the Allianz Group's leadership role in terms of sustainability matters and measures to cope with climate change.	1.13
Christopher Townsend	• Once again made delivery of significant contributions to further boost the profitability of the Commercial Lines business. • Very good progress in building the transnational Commercial Lines platform.	1.13
Renate Wagner	• Further improvements in strategic HR planning and support for employees through the flexibilization and modernization of the working environment in the Allianz Group. • Consistent improvements in Group governance and successful management of complex transactions, such as the strategic partnership with Voya Investment Management.	1.14
Dr. Andreas Wimmer	• Prudent management of the repercussions of the Structured Alpha settlement, including in the partnership with Voya Investment Management. • Improvement in governance at Allianz Asset Management Holding.	1.12

As CEO, Oliver Bäte once again led the company and his team with a steady hand to record operating profit in the crisis year 2022. In addition, both brand strength and customer & employee satisfaction reached record highs. His prudent actions were instrumental in the swift resolution of the Structured Alpha proceedings in the United States and the establishment of the partnership with Voya Investment Management to strengthen the U.S. business of Allianz Global Investors.

Through strong results in his regional portfolio, Sergio Balbinot again delivered significant contributions to the strong Group performance in 2022; not only in terms of financial results, but also with further improvements in customer satisfaction and brand strength. Beyond his own regional portfolio, Mr. Balbinot led the Group in expanding its claims management expertise and successfully supported Ms. Boshnakova and Ms. Wagner in assuming their new regional areas of responsibility. Mr. Balbinot left the Board of Management of Allianz after eight very successful years but will continue to be available to the Group in various important functions, including as Chairperson of the Board of Directors of Allianz S.p.A.. The Supervisory Board thanks Mr. Balbinot for his outstanding contributions to the sustainable success of the Allianz Group.

In her first year on the Board of Management, Sirma Boshnakova has successfully assumed leadership of her new area of responsibility and integrated well into the Board of Management team. The turnaround of Allianz Partners was successfully achieved after the challenges of the COVID-19 crisis. In addition, the large operating entities in France and Italy delivered very solid results. The improvements in customer satisfaction are particularly noteworthy, including the market leadership in the Life/Health and Property-Casualty insurance businesses in France. For 2023, the Supervisory Board expects to see an increase in the competitiveness of Allianz Direct. In addition, the new claims service platform is to be systematically established and anchored throughout the Group.

Ivan de la Sota's financial target achievement was again adversely impacted by the disappointing performance of the entities in Brazil and Spain. Progress was made, primarily in the ongoing improvement and expansion of the claims management platform, as well as the successful integration of Control€xpert and the acquisition of Innovation Group. Allianz X was also able to set important innovation stimuli in 2022. Progress in group-wide IT initiatives can be further improved. In the future, the delivery of measurable economies of scale and economic benefits, in particular, must become a stronger focus. Mr. de la Sota left Allianz after 32 years at the end of the financial year 2022. He has had a successful career in key operational roles in Spain, Portugal, and Latin America, and has held critical transformational roles in the Group. The Supervisory Board thanks Mr. de la Sota for his very good contributions to the sustainable success of the Allianz Group and wishes him all the best for his future.

Barbara Karuth-Zelle made further progress in modernizing the IT architecture and managing the technology portfolio. In addition to maintaining a consistent focus on the core business, she systematically addressed operational deficiencies in the IT infrastructure. Ms. Karuth-Zelle also further improved cooperation between the group-wide technology entities and local operating entities, despite the considerable challenges arising from the demanding transformation projects. The further increase in employee satisfaction at Allianz Technology, which also had a positive effect on the Group's results in 2022, is also impressive. The efforts undertaken by Ms. Karuth-Zelle to consistently improve IT security within the Allianz Group should also be highlighted. For 2023, the Supervisory Board expects to see improved stability of infrastructure services and user satisfaction with workplace services. At the same time, economic control of the IT budget must be systematically improved.

Klaus-Peter Röhler again delivered very good contributions to both the strong financial results and the strategic development of the Allianz Group with the portfolio that he manages. Despite considerable distortions in capital markets, spiraling inflation, and the war in Ukraine, overall target achievement was very good. The solid results in the Property-Casualty insurance business segment and the further improvement of employee satisfaction are particularly noteworthy. His handling of the effects of the war in Ukraine was excellent. For 2023, the Supervisory Board expects continued progress towards market leadership in terms of customer satisfaction, especially at Allianz Versicherungs-AG in Germany, and strengthened growth of profitable customer segments, especially in Germany and Switzerland.

As CFO, Giulio Terzariol contributed significantly to delivering the operating profit of € 14.16 bn, yet another record result. He consistently worked to strengthen the solvency ratio and key credit ratings, as well as to safeguard Group liquidity. Stringent capital management and the achievement of financial results contributed significantly to the recovery of the share price in the second half of the year. Mr. Terzariol prepared the Allianz Group in an exemplary manner for the introduction of the new accounting standard IFRS 9 and IFRS 17 in 2023. For 2023, the Supervisory Board expects the successful integration of the control functions in Mr. Terzariol's area of responsibility, the strengthening of the management of potential reputational risks, and the further development of automated transformation controlling.

Günther Thallinger again achieved a very solid investment result in an extremely difficult capital market environment, with simultaneously falling prices for equity and fixed-income securities as well as a massive inflation shock. In addition, Mr. Thallinger successfully implemented the capital reallocation on the asset side of the balance sheet. His contributions to the excellent expansion of the Allianz Group's leadership role in sustainability issues and the management of climate crisis are also particularly noteworthy. Apart from helping Allianz to maintain its top position in leading sustainability rankings, Mr. Thallinger was also personally recognized for his achievements; for example, through his re-election as Chairperson of the Net Zero Asset Owner Alliance. For 2023, the Supervisory Board expects further progress in the profitable growth of the health insurance business and the increase of risk capital efficiency.

Christopher Townsend again made strong contributions to improve the profitability of the Commercial Lines business in 2022. Both Allianz Global Corporate & Specialty and Allianz Trade delivered results that exceeded the ambitious plans. The design of a transnational Commercial Lines platform also made very good progress under his leadership. For 2023, the Supervisory Board expects to see sustainable improvements in the results of Allianz UK and further progress in the globalization of the Commercial Lines business.

Renate Wagner again made excellent progress in her areas of responsibility in 2022. In Human Resources, strategic personnel planning was further improved and support of Allianz employees was reinforced in a sustainable manner by flexibilizing working time arrangements and modernizing the working environment. In addition, Ms. Wagner consistently drove the required improvements in Group governance. Under her leadership, the M&A team successfully supported highly complex transactions, including the strategic partnership between Allianz Global Investors and Voya Investment Management. For 2023, the Supervisory Board expects to see a further expansion of strategic HR planning and recruitment, particularly in critical areas such as technology, as well as continued diversification of talent pools.

Andreas Wimmer managed the challenges in the Asset Management business segment and US Life Insurance very well against the backdrop of a very difficult capital market environment. In particular, he managed the consequences of the settlements concluded with U.S. authorities in the Structured Alpha matter with great prudence, including the negotiation and immediate implementation of the partnership with Voya Investment Management and the improvement in governance at Allianz Asset Management Holding. For 2023, the Supervisory Board expects to see a strengthening of growth through the continued transformation of the Life Insurance and Asset Management business segments, for example through cross-segmental product innovations and further build-out of distribution channels.

Overview target achievement and variable remuneration for the financial year

The following table shows the amounts for annual payout and LTI-allocation resulting from the target achievement of the financial year 2022, as well as the target, minimum, and maximum amount of the variable compensation components.

Target achievement and variable remuneration of the members of the Board of Management for the financial year

Board member		Target achievement			Annual bonus				LTI allocation[1]			
		Group financial performance	ICF	Target achievement factor	Target	Min	Max	Payout	Target	Min	Max	Allocation
Active board members in 2022		%	0.8-1.2	%	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou
Oliver Bäte	2022	105.35	1.16	122.21	1,593	-	2,390	1,947	2,867	-	4,301	3,504
Appointed: 01/2008 CEO since 05/2015	2021	103.47	1.06	109.68	1,593	-	2,390	1,748	2,867	-	4,301	3,145
	2020	75.58	1.17	88.43	1,422	-	2,133	1,257	2,559	-	3,839	2,263
Sergio Balbinot	2022	105.35	1.15	121.15	813	-	1,220	985	1,463	-	2,195	1,772
Appointed: 01/2015 End of service: 12/2022	2021	103.47	1.06	109.68	813	-	1,220	892	1,463	-	2,195	1,605
	2020	75.58	1.16	87.67	813	-	1,220	713	1,463	-	2,195	1,283
Sirma Boshnakova	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726
Appointed: 1/2022	2021	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-	-
Dr. Barbara Karuth-Zelle	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726
Appointed: 01/2021	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
	2020	-	-	-	-	-	-	-	-	-	-	-
Dr. Klaus-Peter Röhler	2022	105.35	1.14	120.10	813	-	1,220	976	1,463	-	2,195	1,757
Appointed: 04/2020	2021	103.47	1.05	108.64	813	-	1,220	883	1,463	-	2,195	1,589
	2020	75.58	1.15	86.92	611	-	917	531	1,100	-	1,650	956
Ivan de la Sota	2022	105.35	0.90	94.82	813	-	1,220	771	1,463	-	2,195	1,387
Appointed: 04/2018 End of service: 12/2022	2021	103.47	0.98	101.40	813	-	1,220	824	1,463	-	2,195	1,483
	2020	75.58	1.11	83.89	813	-	1,220	682	1,463	-	2,195	1,227
Giulio Terzariol	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Appointed: 01/2018	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
Dr. Günther Thallinger	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Appointed: 01/2017	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
Christopher Townsend	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Appointed: 01/2021	2021	103.47	1.04	107.61	813	-	1,220	875	1,463	-	2,195	1,574
	2020	-	-	-	-	-	-	-	-	-	-	-
Renate Wagner	2022	105.35	1.14	120.10	813	-	1,220	976	1,463	-	2,195	1,757
Appointed: 01/2020	2021	103.47	1.05	108.64	813	-	1,220	883	1,463	-	2,195	1,589
	2020	75.58	1.14	86.16	813	-	1,220	700	1,463	-	2,195	1,261
Dr. Andreas Wimmer[2]	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726
Appointed: 10/2021	2021	103.47	1.00	103.47	205	-	308	226	369	-	554	407
	2020	-	-	-	-	-	-	-	-	-	-	-

1_Derived by multiplying the LTI target amount by the total target achievement factor.
2_Annual bonus and LTI allocation for performance year 2021 pro rata for three months. Payout determined using the weighted average of the target achievement of Allianz Lebensversichungs-AG (126.5 %: 110 % company target achievement and 1.15 ICF) with a weighting of 30 % and the Allianz SE target achievement with a weighting of 70 %.

Individual remuneration of members of the Board of Management

The following tables show the individual remuneration of those members of the Board of Management who were active in the reporting year.

The table "Remuneration in the financial year" features the remuneration awarded and due in accordance with § 162 (1) sentence 1 AktG. It includes the payments made in the financial year for base salary, perquisites, and other remuneration. For the variable remuneration, the components for performance fully rendered in the financial year are reported. This requirement is met in case the applicable performance criteria are fulfilled and conditions subsequent and suspensive have been met or have ceased to exist. For the financial year 2022, this is the annual bonus that refers to the 2022 performance period and is paid out in March 2023. For the share-based renumeration, the payout of the RSU allocation of the Allianz Equity Incentive (AEI) for the financial year 2017, which vested in the financial year 2022, is reported.

The additional table "Remuneration for the financial year" goes above and beyond the requirements of § 162 AktG. It includes the contributions to base salary and perquisites made in the respective financial year, as well as the annual bonus for the respective financial year and the allocation amount of the share-based remuneration for the financial year.

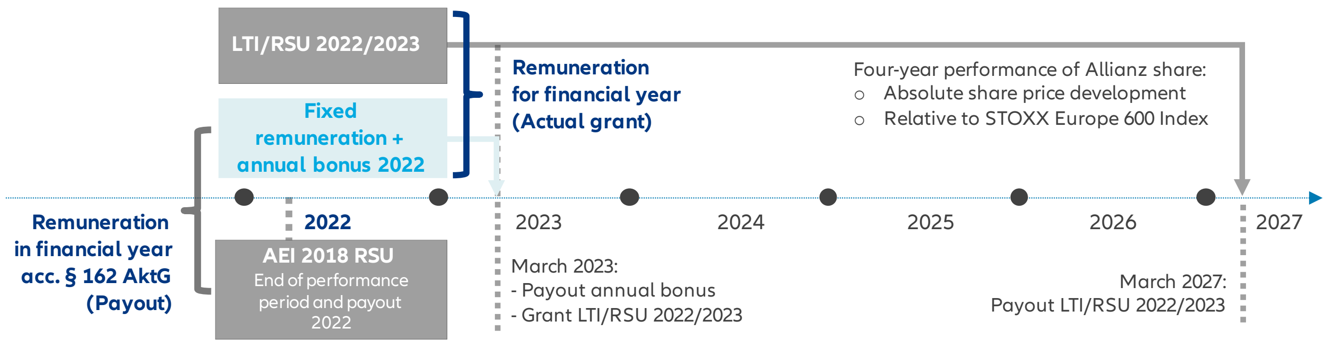
The amounts for the annual bonus and LTI allocation reported here result from the achievement of the targets for the financial year. The information therefore directly depicts the correlation between remuneration and business development.

Furthermore, the remuneration for the financial year is decisive for reviewing the retention of the general payout cap of € 11,750 thou for the Chairperson of the Board of Management and € 6,000 thou for a regular member. It is reviewed prior to the payout in 2027 and 2026 of the LTI tranches allocated for the financial year 2022 and 2021, and reported in the remuneration report for the respective financial year.

Furthermore, the pension expenses in the financial year are listed in both tables, even if these are not regarded as remuneration awarded and due in accordance with § 162 AktG. Finally, in addition to the absolute amounts, the share of the individual remuneration components relative to the total remuneration is stated.

The information provided for by the Stock Corporation Act on remuneration awarded and due to former members of the Board of Management is shown in a separate table for the sake of clarity.

The following diagram presents the allocation of the remuneration components in the two tables, using the financial year 2022 as an example:



Remuneration in the financial year

The following table shows the remuneration awarded and due in accordance with § 162 (1) sentence 1 AktG. It includes the payments made in the financial year for base salary and perquisites, the annual bonus that refers to the performance period of the financial year, and the payout amount of the share-based remuneration that vested in the financial year. Furthermore, the pension expenses in the financial year are listed, even if these are not regarded as remuneration awarded and due in accordance with § 162 AktG.

Individual remuneration: 2022 and 2021
€ thou (total might not sum up due to rounding)

Board members		Fixed compensation				Variable short-term		Variable long-term		Other compensation		Total compensation acc. § 162 AktG	Pension service cost	Total
		Base salary		Perquisites		Annual bonus		Share-based compensation						
Board members active in financial year		€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	€ thou	€ thou
Oliver Bäte	2022	1,911	34	15	-	1,947	34	1,786	32	-	-	5,660	1,122	6,782
Appointed: 01/2008 CEO since 05/2015	2021	1,911	32	11	-	1,748	30	2,242	38	-	-	5,912	1,050	6,961
Sergio Balbinot	2022	975	31	22	1	985	31	1,203	38	-	-	3,184	469	3,653
Appointed: 01/2015 end of service: 12/2022	2021	975	28	91	3	892	26	1,495	43	-	-	3,453	467	3,920
Sirma Boshnakova	2022	975	50	27[1]	1	959	49	-	-	-	-	1,961	412	2,373
Appointed: 01/2022	2021	-	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Barbara Karuth-Zelle	2022	975	50	11	1	959	49	-	-	-	-	1,945	556	2,502
Appointed: 01/2021	2021	975	52	11	1	875	47	-	-	-	-	1,861	398	2,258
Dr. Klaus-Peter Röhler	2022	975	49	19	1	976	50	-	-	-	-	1,970	533	2,503
Appointed: 04/2020	2021	975	52	30	2	883	47	-	-	-	-	1,888	540	2,428
Ivan de la Sota	2022	975	12	9	-	771	9	-	-	6,502[2]	79	8,257[3]	527	8,784[3]
Appointed: 04/2018 end of service: 12/2022	2021	975	54	15	1	824	45	-	-	-	-	1,814	535	2,349
Giulio Terzariol	2022	975	49	30	2	968	49	-	-	-	-	1,973	570	2,543
Appointed: 01/2018	2021	975	52	20	1	875	47	-	-	-	-	1,870	565	2,435
Dr. Günther Thallinger	2022	975	32	2	-	968	32	1,106	36	-	-	3,051	548	3,599
Appointed: 01/2017	2021	975	53	2	-	875	47	-	-	-	-	1,852	548	2,400
Christopher Townsend	2022	975	49	30	2	968	49	-	-	-	-	1,972	412	2,384
Appointed: 01/2021	2021	975	51	53	3	875	46	-	-	-	-	1,903	412	2,315
Renate Wagner	2022	975	49	26	1	976	49	-	-	-	-	1,977	526	2,504
Appointed: 01/2020	2021	975	52	25	1	883	47	-	-	-	-	1,883	527	2,410
Dr. Andreas Wimmer	2022	975	50	9	-	959	49	-	-	-	-	1,944	413	2,357
Appointed: 10/2021	2021	244	52	2	-	226	48	-	-	-	-	472	51	522

1_Ms. Boshnakova's perquisites include the payment by Allianz Partners of accommodation expenses totaling € 11 thou until 30 June 2022, the date of termination of her employment with Allianz Partners.
2_Due to the premature termination of his Board of Management mandate as of 31 December 2022 and applying the severance payment cap provision, Mr de la Sota received a payment amounting to twice his annual compensation to settle the remaining term of his service contract. In the above table, the amount of € 6,502 thou is disclosed as "Other compensation" for the financial year 2022, as it is considered awarded and due in financial year 2022 due to the completed performance of services in the financial year 2022 according to the interpretation used here, even though it was only paid out in January 2023.
3_The total compensation of Mr de la Sota, excluding the termination payment, amounts to € 1,755 thou excluding pension service costs, and € 2,282 thou including pension service costs.

Compliance with the maximum remuneration principles on payouts for share-based remuneration in the financial year 2022

In the financial year 2022, the RSU tranches for the financial year 2017, allocated in March 2018, were paid out to Oliver Bäte, Sergio Balbinot, and Günther Thallinger. According to the remuneration system applicable at the time of the allocation, the RSU payout is capped at 200% above the grant price. During the term of the AEI/RSU 2018 tranche, the decisive price of the Allianz share rose from € 190.87 to € 200.99. The increase, and therefore the payout, remained significantly below this cap.

Remuneration for the financial year

The following table shows the remuneration for the financial year. It contains the variable remuneration amounts resulting directly from the target achievement of the financial year: the annual bonus – as in the remuneration in the financial year table above – and the allocation amount of the LTI grant for the financial year.

Individual remuneration: 2022 and 2021

€ thou (total might not sum up due to rounding)

Board members		Fixed compensation				Variable short-term		Variable long-term				Total compen-sation	Pension service cost	Total
		Base salary		Perquisites		Annual bonus		Share-based compensation		Other compensation				
Board members active in financial year		€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	in % of TC	€ thou	€ thou	€ thou
Oliver Bäte	2022	1,911	26	15	-	1,947	26	3,504	47	-	-	7,378	1,122	8,500
Appointed: 01/2008 CEO since 05/2015	2021	1,911	28	11	-	1,748	26	3,145	46	-	-	6,815	1,050	7,864
Sergio Balbinot	2022	975	26	22	1	985	26	1,772	47	-	-	3,754	469	4,223
Appointed: 01/2015 End of service: 12/2022	2021	975	27	91	3	892	25	1,605	45	-	-	3,563	467	4,030
Sirma Boshnakova	2022	975	26	27[1]	1	959	26	1,726	47	-	-	3,687	412	4,099
Appointed: 01/2022	2021	-	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Barbara Karuth-Zelle	2022	975	27	11	-	959	26	1,726	47	-	-	3,672	556	4,228
Appointed: 01/2021	2021	975	28	11	-	875	25	1,574	46	-	-	3,435	398	3,833
Dr. Klaus-Peter Röhler	2022	975	26	19	1	976	26	1,757	47	-	-	3,727	533	4,260
Appointed: 04/2020	2021	975	28	30	1	883	25	1,589	46	-	-	3,478	540	4,018
Ivan de la Sota	2022	975	31	9	-	771	25	1,387	44	-	-	3,142	527	3,669
Appointed: 04/2018 End of service: 12/2022	2021	975	30	15	-	824	25	1,483	45	-	-	3,298	535	3,832
Giulio Terzariol	2022	975	26	30	1	968	26	1,742	47	-	-	3,715	570	4,285
Appointed: 01/2018	2021	975	28	20	1	875	25	1,574	46	-	-	3,444	565	4,009
Dr. Günther Thallinger	2022	975	26	2	-	968	26	1,742	47	-	-	3,687	548	4,235
Appointed: 01/2017	2021	975	28	2	-	875	26	1,574	46	-	-	3,426	548	3,974
Christopher Townsend	2022	975	26	30	1	968	26	1,742	47	-	-	3,714	412	4,126
Appointed: 01/2021	2021	975	28	53	2	875	25	1,574	45	-	-	3,477	412	3,889
Renate Wagner	2022	975	26	26	1	976	26	1,757	47	-	-	3,735	526	4,261
Appointed: 01/2020	2021	975	28	25	1	883	25	1,589	46	-	-	3,472	527	4,000
Dr. Andreas Wimmer	2022	975	27	9	-	959	26	1,726	47	-	-	3,670	413	4,083
Appointed: 10/2021	2021	244	28	2	-	226	26	407	46	-	-	879	51	929

1_Ms. Boshnakova's perquisites include the payment by Allianz Partners of accommodation expenses totaling € 11 thou until 30 June 2022, the date of termination of her employment with Allianz Partners.

Members who retired from the Board of Management in the reporting year

Sergio Balbinot retired from the Board of Management of Allianz SE as of 31 December 2022. On the basis of a post-contractual one-year non-competition clause already provided for in his employment contract, Sergio Balbinot is entitled to an allowance of 50% of the annual target remuneration (sum of base remuneration and variable target remuneration), i.e. a total of € 1,625.5 thou.

Ivan de la Sota left the Board of Management of Allianz SE prematurely as of 31 December 2022. In the event of premature termination of service, the remaining term of the contract is compensated with a one-time severance payment, but limited to twice the annual compensation. On the basis of his severance agreement of September 2022, Ivan de la Sota received double his annual compensation, in total an amount of € 6,502 thou in January 2023. The severance payment consists of twice the base salary of € 1,950 thou and twice the variable target compensation of € 4,552 thou. The severance pay was offset against the allowance provided for the contractual non-compete clause. The severance payment settles all future claims which may arise from the premature termination of his service contract.

Remuneration awarded and due in the financial year 2022 for former members of the Board of Management

The following table shows the components awarded and due to former members of the Board of Management in the financial year 2022, in accordance with §162 AktG, and their relative share of total remuneration.

According to §162 (5) AktG, the reporting is at individual employee level for up to 10 years after the end of the financial year in which the board member in question has ended their activity. Remuneration awarded and due totaling € 4 mn were awarded in the financial year 2022 to 14 members of the Board of Management that had left before this period.

Individual remuneration: 2022
€ thou (total might not sum up due to rounding)

	Share-based compensation		Pensions		Other compensation		Total
Former members of the Board of Management	€ thou	in % of total	€ thou	in % of total	€ thou	in % of total	€ thou
Jacqueline Hunt (until 09/2021)	1,191	41	-	-	1,713[1]	59	2,903
Dr. Christof Mascher (until 12/2020)	1,070	89	130	11	-	-	1,200
Niran Peiris (until 12/2020)	-	-	-	-	4	100	4
Dr. Axel Theis (until 03/2020)	1,142	78	329	22	-	-	1,472
Dr. Helga Jung (until 12/2019)	1,118	100	-	-	-	-	1,118
Dr. Dieter Wemmer (until 12/2017)	1,118	92	94	8	-	-	1,212
Dr. Werner Zedelius (until 12/2017)	1,070	69	476	31	-	-	1,546
Dr. Maximilian Zimmerer (until 12/2016)	-	-	279	100	-	-	279
Manuel Bauer (until 08/2015)	-	-	134	100	-	-	134
Michael Diekmann (until 04/2015)	-	-	674	100	-	-	674
Clement Booth (until 12/2014)	-	-	149	100	-	-	149

1_Jacqueline Hunt resigned from her office as member of the Board of Management with effect from 1 October 2021. The remuneration principles of the employment contract remain unchanged until the end of the employment contract as at 31 December 2022. Specifically, Ms. Hunt received the following remuneration for the 2022 financial year (percentage of total remuneration): base salary of € 975 thou (34), perquisites of € 53 thou (2), annual bonus with an individual contribution factor of 0.8 of € 685 thou (24).

Share-based remuneration

The following table shows the development of the RSU portfolios of the members of the Board of Management in the reporting year. The number of RSUs granted under the former Allianz Equity Incentive (AEI – up to and including the allocation for financial year 2018) and under the current Long Term Incentive (LTI – from financial year 2019) are displayed separately.

The reported RSU portfolios can include RSUs which have been granted prior to the appointment as member of the Board of Management of Allianz SE. The decisive price of the Allianz share at the time of payout was € 200.99.

RSU portfolio development in financial year

Board members	RSU plan	Number of RSUs on 1.1.2022	Development in financial year			Number of RSUs on 31.12.2022
			Number of RSUs allocated in March 2022	Number of RSUs settled in March 2022	Number of RSUs forfeited in 2022	
Oliver Bäte	LTI/ RSU	33,560	20,383	-	-	53,943
	AEI/RSU	19,309	-	8,887	-	10,422
Sergio Balbinot (until 12/2022)	LTI/ RSU	18,920	10,399	-	-	29,319
	AEI/RSU	12,001	-	5,985	-	6,016
Sirma Boshnakova (since 01/2022)	LTI/ RSU	-	-	-	-	-
	AEI/RSU	9,189	5,245	1,699	-	12,735
Dr. Barbara Karuth-Zelle	LTI/ RSU	-	10,203	-	-	10,203
	AEI/RSU	8,685	-	1,962	-	6,723
Dr. Klaus-Peter Röhler	LTI/ RSU	5,900	10,301	-	-	16,201
	AEI/RSU	16,186	-	4,020	-	12,166
Ivan de la Sota (until 12/2022)	LTI/ RSU	16,993	9,614	-	-	26,607
	AEI/RSU	8,977	-	4,036	-	4,941
Giulio Terzariol	LTI/ RSU	18,387	10,203	-	-	28,590
	AEI/RSU	7,846	-	2,133	-	5,713
Dr. Günther Thallinger	LTI/ RSU	18,387	10,203	-	-	28,590
	AEI/RSU	11,337	-	5,503	-	5,834
Christopher Townsend	LTI/ RSU	-	10,203	-	-	10,203
	AEI/RSU	-	-	-	-	-
Renate Wagner	LTI/ RSU	7,783	10,301	-	-	18,084
	AEI/RSU	3,818	-	1,286	-	2,532
Dr. Andreas Wimmer	LTI/ RSU	-	2,638	-	-	2,638
	AEI/RSU	7,606	3,311	1,073	-	9,844

Shareholding requirements

Under the shareholding requirements, members of the Board of Management must build share ownership within three years. The following table shows the values of the share ownership and RSU portfolios, and their proportion of base salary.

Shareholding exposure as of 31 December 2022

in € thou	Share-ownership portfolio[1]	RSU portfolio[2]	Total portfolio	Proportion of total portfolio value of base salary in %
Board members active in financial year				
Oliver Bäte	4,104	10,051	14,154	741
Sergio Balbinot	1,051	5,659	6,710	688
Sirma Boshnakova (since 01/2022)	-	2,277	2,277	234
Dr. Barbara Karuth-Zelle	506	2,798	3,304	339
Dr. Klaus-Peter Röhler	641	4,755	5,396	553
Ivan de la Sota	1,051	5,026	6,077	623
Giulio Terzariol	1,051	5,487	6,537	670
Dr. Günther Thallinger	1,051	5,511	6,562	673
Christopher Townsend	506	1,534	2,040	209
Renate Wagner	962	3,184	4,146	425
Dr. Andreas Wimmer	-	2,150	2,150	221

1_Based on the XETRA closing price of the Allianz share as of 30 December 2022. Shareholdings as of 31 December 2022: Oliver Bäte: 20,427 shares; Sergio Balbinot, Iván de la Sota, Giulio Terzariol and Dr. Günther Thallinger: 5,230 shares each, Renate Wagner: 4,789 shares, Dr. Klaus-Peter Röhler: 3,192 shares. Dr. Barbara Karuth-Zelle and Christopher Townsend: 2,519 shares each. As part of the share ownership guideline, the first acquisition for Sirma Boshnakova and Dr. Andreas Wimmer will take place in 2023.

2_Based on fair value of RSU portfolio as of 31 December 2022 shown in the table reporting the share-based compensation. The determination of the LTI fair values is based on an option pricing model taking into account additional input parameters, including the term structure of interest rates and the expected relative performance of the Allianz share price compared to the peer index. For the latter, simulation techniques are applied at the valuation date to determine the volatility of the Allianz stock, the volatility of the peer index, and their correlation.

Pensions

Company contributions to the current pension plan "My Allianz Pension" are generally 15% of total target direct compensation, reduced by an amount covering the death and occupational or general disability risk. They are invested in a fund with a guarantee on the contributions paid, but no further interest guarantee.

For members with pension rights under the now frozen defined benefit plan, the above contribution rates are reduced by 19% of the expected annual pension from that frozen plan.

In 2022, the Allianz Group paid € 6 mn (2021: € 5 mn) to increase reserves for pensions and similar benefits for active members of the Board of Management. As of 31 December 2022, reserves for pensions and similar benefits for active members of the Board of Management amounted to € 35 mn (2021: € 33 mn).

Reserves for current pension obligations and accrued pension rights for former members of the Board of Management totaled € 166 mn (2021: € 195 mn).

Individual pensions: 2022 and 2021
€ thou (total might not sum up due to rounding)

Board members		Current pension plan		Previous pension plans[1]		Total	
		SC[2]	DBO[3]	SC[2]	DBO[3]	SC[2]	DBO[3]
Oliver Bäte	2022	913	5,848	209	4,608	1,122	10,456
	2021	878	4,830	172	5,494	1,050	10,324
Sergio Balbinot	2022	466	3,429	3	39	469	3,468
	2021	465	2,885	2	45	467	2,930
Sirma Boshnakova (since 1/2022)	2022	412	739	-	-	412	739
	2021	-	-	-	-	-	-
Dr. Barbara Karuth-Zelle	2022	464	1,608	92	804	556	2,412
	2021	353	1,115	45	1,091	398	2,206
Dr. Klaus-Peter Röhler	2022	462	2,331	71	1,843	533	4,174
	2021	461	1,826	79	2,466	540	4,292
Ivan de la Sota	2022	464	2,214	63	445	527	2,659
	2021	462	1,708	73	635	535	2,343
Giulio Terzariol	2022	462	2,460	108	1,001	570	3,461
	2021	461	1,950	104	1,481	565	3,431
Dr. Günther Thallinger	2022	466	3,005	82	1,252	548	4,257
	2021	465	2,484	83	1,779	548	4,263
Christopher Townsend	2022	412	845	-	-	412	845
	2021	412	417	-	-	412	417
Renate Wagner	2022	465	1,678	61	176	526	1,854
	2021	464	1,182	63	247	527	1,429
Dr. Andreas Wimmer	2022	367	1,222	46	237	413	1,459
	2021	42	836	9	289	51	1,125

1_Previous closed and frozen plans, including transition payment for Oliver Bäte.
2_SC = service cost. Service costs are calculatory costs for the DBO related to the business year reported.
3_DBO = Defined Benefit Obligation, end of year. The figures show the obligation for Allianz resulting from defined benefit plans, taking into account realistic assumptions with regard to interest rate, dynamics, and biometric probabilities.

Comparative presentation

The following overview compares the annual development of the remuneration of the members of the Board of Management, the average remuneration of the employees, and selected earnings parameters over the last five financial years.

The remuneration of the members of the Board of Management presented in the table corresponds to the total remuneration rewarded and due in the respective financial year. The earnings development is shown using the two key performance indicators for the Group's financial target achievement – operating profit and net income attributable to shareholders, as well as net income as reported in the individual financial statements of Allianz SE. The workforce of the German companies of the Allianz Group is used to present the average employee remuneration on the basis of full-time equivalents.

It must be noted with regard to the Board of Management remuneration from 2018 to 2019 that the payout for the mid-term bonus (MTB) for 2016 – 2018 is reported in the financial year 2018.

Dr. Günther Thallinger received the share-based compensation for the first time in the financial year 2022. The significant change from 2020 to 2021 in Dr. Klaus-Peter Röhler's remuneration is explained by the fact that he joined the Board of Management during the year, so the remuneration reported for 2020 is pro rata only. The same rationale applies to the increase from 2021 to 2022 in Dr. Andreas Wimmer's remuneration, as he joined during 2021.

Remuneration awarded and due to former members of the Board of Management for the financial years following their departure comprises mainly pension payments, share-based compensation payouts, and other remuneration.

Comparative presentation

Comparative information	Development of Board of Management compensation, profit, and average compensation of employees								
Financial year	2018	Change 2018 to 2019 in %	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021	Change 2021 to 2022 in %	2022
Board of management compensation in € thou									
Board members active in financial year									
Oliver Bäte	9,634	(47)	5,058	6	5,350	11	5,912	(4)	5,660
Sergio Balbinot	4,793	(58)	2,030	80	3,644	(5)	3,453	(8)	3,184
Sirma Boshnakova (appointed: 01/2022)	-	-	-	-	-	-	-	-	1,961
Dr. Barbara Karuth-Zelle	-	-	-	-	-	-	1,861	5	1,945
Dr. Klaus-Peter Röhler	-	-	-	-	1,285	47	1,888	4	1,970
Ivan de la Sota	1,967	(7)	1,833	(6)	1,717	6	1,814	(3)	1,755[1]
Giulio Terzariol	2,622	(26)	1,946	(13)	1,694	10	1,870	6	1,973
Dr. Günther Thallinger	3,568	(46)	1,926	(13)	1,678	10	1,852	65	3,051
Christopher Townsend	-	-	-	-	-	-	1,903	4	1,972
Renate Wagner	-	-	-	-	1,708	10	1,883	5	1,977
Dr. Andreas Wimmer (appointed: 10/2021)	-	-	-	-	-	-	472	312	1,944
Former members									
Jacqueline Hunt (end of service: 09/2021)	4,135	(52)	1,967	(14)	1,699	39	2,357	23	2,903
Dr. Christof Mascher (end of service: 12/2020)	5,989	(44)	3,356	(2)	3,285	(56)	1,452	(17)	1,200
Niran Peiris (end of service: 12/2020)	2,662	(35)	1,730	(13)	1,507	-	-	-	4
Dr. Axel Theis (end of service: 03/2020)	4,729	(58)	1,988	21	2,405	(26)	1,773	(17)	1,472
Dr. Helga Jung (end of service: 12/2019)	6,313	(50)	3,135	(54)	1,428	(5)	1,354	(17)	1,118
Dr. Dieter Wemmer (end of service: 12/2017)	3,724	(56)	1,655	15	1,902	(19)	1,544	(22)	1,212
Dr. Werner Zedelius (end of service: 12/2017)	4,083	(35)	2,640	(14)	2,268	(15)	1,919	(19)	1,546
Profit development in € bn									
Operating profit	11.51	3	11.86	(9)	10.75	25	13.40	6	14.16
Net income attributable to shareholders	7.46	6	7.91	(14)	6.81	(3)	6.61	2	6.74
Net income attributable to shareholders (adjusted for Russia deconsolidation impact)	-	-	-	-	-	-	-	8	7.17
Net income acc. Allianz SE financial statement	5.36	(14)	4.60	-	4.61	16	5.35	(10)	4.79
Average employee compensation in € thou									
Average compensation based on full-time equivalent	83	4	86	(6)	81	4	84	4	87

1_In order to ensure actual comparability for Mr. de la Sota, Mr. de la Sota's compensation for the financial year 2022 is shown as € 6,502 thou, excluding the severance payment made in January 2023. Including the severance payment, his compensation amounts to € 8,257 thou, and the change 2021 to 2022 is 355 %.

Remuneration of the Allianz SE Supervisory Board

The remuneration of the Supervisory Board is governed by the Statutes of Allianz SE and the German Stock Corporation Act (AktG). The structure of the Supervisory Board's remuneration is regularly reviewed with regard to its compliance with German, European, and international corporate governance recommendations and regulations.

Remuneration principles

- The set total remuneration reflects the scale and scope of the duties of the members of the Board of Management, and is appropriate to the company's activities, and business and financial situation. The contribution to the long-term development of the company by the monitoring activity of the Supervisory Board is also reflected.
- The remuneration structure takes into account the individual functions and responsibilities of Supervisory Board members, such as Chair, Vice Chair, or committee mandates.
- The remuneration structure allows proper oversight of business as well as independent decisions on executive personnel and remuneration.
- In view of the size, complexity and the Allianz Group's long-term performance, the level of the remuneration for the Supervisory Board is based on the upper quartile of the Supervisory Board remuneration of the companies reported in the DAX.

Remuneration structure and components

The remuneration for the Supervisory Board of Allianz SE provides for a fixed remuneration. Supervisory Board members who had only served on the Supervisory Board during part of the financial year receive one twelfth of the remuneration for each month of service commenced. This shall apply accordingly for membership of Supervisory Board committees.

The Supervisory Board's Remuneration System was presented to the Annual General Meeting of Allianz SE on 5 May 2021 and was approved with a majority vote of 97.56%.

Fixed annual remuneration

The remuneration of a Supervisory Board member consists of a fixed cash amount paid pro rata temporis after the end of the respective quarter of the business year for services rendered over that period. In 2022, each regular Supervisory Board member received a fixed compensation amounting to € 125 thou per year. The Chairperson received € 250 thou, each Vice Chairperson received € 187.5 thou.

Committee-related remuneration

The Chairperson and members of the Supervisory Board committees receive additional committee-related remuneration. The committee-related remuneration is as follows:

FIXED ANNUAL REMUNERATION

Chairperson	Vice Chairperson	Regular member
€ 250 thou	€ 187.5 thou	€ 125 thou

COMMITTEE-RELATED REMUNERATION

	Audit Committee	Personnel Committee	Risk Committee	Standing Committee	Technology Committee	Sustainability Committee	Nomination Committee
Chairperson	€ 100 thou	€ 50 thou					€ 25 thou
Regular member	€ 50 thou	€ 25 thou					€ 12.5 thou

Attendance fees and expenses

In addition to the fixed and committee-related remuneration, members of the Supervisory Board receive an attendance fee of € 1,000 for each Supervisory Board or committee meeting they attend. Should several meetings be held on the same or consecutive days, the attendance fee will only be paid once. In addition, the Supervisory Board members are reimbursed for their out-of-pocket expenses. The company provides insurance coverage and technical support to the Supervisory Board members to an extent reasonable for carrying out their Supervisory Board duties.

Remuneration awarded and due

The following table shows the remuneration awarded and due in accordance with § 162 AktG. It comprises the fixed remuneration, committee remuneration, and attendance fees as well as their relative share of the total remuneration.

Individual remuneration: 2022 and 2021

€ thou (total might not sum up due to rounding)

Members of the Supervisory Board		Fixed remuneration		Committee remuneration		Attendance fees		Total remuneration	Committees[1]						
									A	N	P	R	S	T	SU
Members active in financial year		€ thou	in % of total	€ thou	in % of total	€ thou	in % of total	€ thou							
Michael Diekmann	2022	250.0	47	275.0	51	12.0	2	537.0	M	C	C	C	C	M	M
(Chairperson)	2021	250.0	47	272.9	51	8.0	2	530.9	M	C	C	C	C	M	M
Herbert Hainer	2022	166.7	76	50.0	23	4.0	2	220.7			M		M		
(Vice Chairperson: from 05/2022)	2021	125.0	71	50.0	28	1.0	1	176.0			M		M		
Jim Hagemann Snabe	2022	78.1	71	36.5	32	-	-	114.6		M			M	C	
(Vice Chairperson: until 05/2022)	2021	187.5	68	87.5	32	1.0	-	276.0		M			M	C	
Gabriele Burkhardt-Berg	2022	187.5	71	75.0	28	3.0	1	265.5			M			M	M
(Vice Chairperson)	2021	187.5	72	72.9	28	1.0	-	261.4			M			M	M
Sophie Boissard	2022	125.0	56	91.7	41	5.0	2	221.7	M				M		M
	2021	125.0	62	72.9	36	3.0	1	200.9	M						M
Christine Bosse	2022	125.0	58	87.5	41	3.0	1	215.5		M		M			C
	2021	125.0	60	83.3	40	1.0	-	209.3		M		M			C
Rashmy Chatterjee	2022	83.3	70	33.3	28	3.0	3	119.7						C	
(from 05/2022)	2021	-	-	-	-	-	-	-							
Dr. Friedrich Eichiner	2022	125.0	43	158.3	55	6.0	2	289.3	C	M		M		M	
	2021	125.0	45	150.0	54	3.0	1	278.0	C			M		M	
Jean-Claude Le Goaër	2022	125.0	61	75.0	36	6.0	3	206.0	M				M		
	2021	125.0	62	75.0	37	3.0	1	203.0	M				M		
Martina Grundler	2022	125.0	70	50.0	28	4.0	2	179.0	M						
	2021	125.0	71	50.0	28	1.0	1	176.0	M						
Godfrey Robert Hayward	2022	52.1	83	10.4	17	-	-	62.5				M			
(until 05/2022)	2021	125.0	83	25.0	17	-	-	150.0				M			
Frank Kirsch	2022	125.0	70	50.0	28	3.0	2	178.0				M			M
	2021	125.0	72	47.9	28	1.0	1	173.9				M			M
Jürgen Lawrenz	2022	125.0	70	50.0	28	3.0	2	178.0					M	M	
	2021	125.0	71	50.0	28	1.0	1	176.0					M	M	
Primiano Di Paolo	2022	83.3	81	16.7	16	3.0	3	103.0				M			
(from 05/2022)	2021	-	-	-	-	-	-	-							
Total	**2022**	**1,776.0**	**61**	**1,059.4**	**37**	**55.0**	**2.0**	**2,890.4**	-	-	-	-	-	-	-
	2021	**1,750.0**	**62**	**1,037.5**	**37**	**24.0**	**1**	**2,811.5**	-	-	-	-	-	-	-

Legend: C = Chairperson of the respective committee, M = Member of the respective committee

1_Abbreviations: A = Audit, N = Nomination, P = Personnel, R = Risk, S = Standing, T = Technology, SU = Sustainability.

Comparative presentation

The following overview compares the annual development of the remuneration of the members of the Supervisory Board, the average remuneration of the employees, and selected earnings parameters over the last five financial years. The remuneration of the members of the Supervisory Board presented in the table corresponds to the total remuneration awarded and due in the respective financial year.

The earnings development is shown using the two key performance indicators for the Group's financial target achievement – operating profit and net income attributable to shareholders, as well as net income as reported in the individual financial statements of Allianz SE. The workforce of the German companies of the Allianz Group is used to present the average employee remuneration on the basis of full-time equivalents.

Comparative presentation

Comparative information	Development of Supervisory Board compensation, profit, and average compensation of employees								
Financial year	2018	Change 2018 to 2019 in %	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021	Change 2021 to 2022 in %	2022
Supervisory Board compensation in € thou									
Active members in financial year									
Michael Diekmann	484.0	-	484.0	-	486.0	9	530.9	1	537.0
Herbert Hainer	182.0	(1)	181.0	(1)	180.0	(2)	176.0	25	220.7
Jim Hagemann Snabe (end of service 05/2022)	268.5	-	268.5	(1)	266.5	4	276.0	(58)	114.6
Gabriele Burkhardt-Berg	202.8	20	243.5	(1)	240.5	9	261.4	2	265.5
Sophie Boissard	183.0	1	184.0	(3)	178.0	13	200.9	10	221.7
Christine Bosse	156.0	-	156.0	(2)	153.0	37	209.3	3	215.5
Rashmy Chatterjee (since 05/2022)	-	-	-	-	-	-	-	-	119.7
Dr. Friedrich Eichiner	283.0	-	284.0	(1)	281.0	(1)	278.0	4	289.3
Jean-Claude Le Goaër	83.5	150	209.0	(3)	203.0	-	203.0	1	206.0
Martina Grundler	183.0	(1)	182.0	(2)	179.0	(2)	176.0	2	179.0
Godfrey Robert Hayward (end of service 05/2022)	156.0	-	156.0	(3)	152.0	(1)	150.0	(58)	62.5
Frank Kirsch	52.0	200	156.0	(1)	154.0	13	173.9	2	178.0
Jürgen Lawrenz	181.0	-	181.0	(1)	179.0	(2)	176.0	1	178.0
Primiano Di Paolo (since 05/2022)	-	-	-	-	-	-	-	-	103.0
Former members									
Rolf Zimmermann (end of service 08/2018)	162.3	-	-	-	-	-	-	-	-
Jean-Jacques Cette (end of service 07/2018)	105.1	-	-	-	-	-	-	-	-
Dante Barban (end of service 05/2017)	-	-	-	-	-	-	-	-	-
Dr. Wulf Bernotat (end of service 05/2017)	-	-	-	-	-	-	-	-	-
Prof. Dr. Renate Köcher (end of service 05/2017)	-	-	-	-	-	-	-	-	-
Dr. Helmut Perlet (end of service 05/2017)	-	-	-	-	-	-	-	-	-
Profit development in € bn									
Operating profit	11.51	3	11.86	(9)	10.75	25	13.40	6	14.16
Net income attributable to shareholders	7.46	6	7.91	(14)	6.81	(3)	6.61	2	6.74
Net income attributable to shareholders (adjusted for Russia deconsolidation impact)	-	-	-	-	-	-	-	8	7.17
Net income acc. Allianz SE financial statement	5.36	(14)	4.60	-	4.61	16	5.35	(10)	4.79
Average employee compensation in € thou									
Average compensation based on full-time equivalent	83	4	86	(6)	81	4	84	4	87

Remuneration for mandates in other Allianz companies and for other functions

Mr. Jürgen Lawrenz did not receive any remuneration for his service on the Supervisory Board of Allianz Technology SE. All current employee representatives of the Supervisory Board, except for Ms. Martina Grundler, are employed by Allianz Group companies and receive market-based remuneration for their services.

Outlook for 2023

Remuneration-relevant impact of IFRS 9 and 17

In 2022, the Board of Management and Supervisory Board regularly dealt with the impact of the new accounting standards IFRS 9 and 17 on profit steering and remuneration. The transition to IFRS 9 means a significant increase in the share of assets measured at fair value on the balance sheet in the Property-Casualty business segment and thus significantly higher volatility of the net income in combination with fewer steering options. In the medium term, the Board of Management and the Supervisory Board plan to adjust the Group's financial target of net income attributable to shareholders by eliminating certain non-operating effects such as fluctuations from market movements. The new version of the Group target as part of the remuneration system for the Board of Management is to be submitted to the 2024 Annual General Meeting – or at the latest to the 2025 Annual General Meeting – for approval. For the 2023 financial year, the bonus curve will be adjusted in order to address fluctuations in the net income that the Board of Management cannot control in either direction. For this purpose, 100% target achievement is defined as a plateau with an upward or downward fluctuation range of € 500 mn.

New target remuneration for Board of Management members

As part of the review of the appropriateness of the remuneration of the Board of Management, a need to adjust the level of remuneration for the Board members at Allianz SE was identified. The remuneration for the regular members of the Board of Management was last adjusted in 2019. In addition, the reduction of the entire Board of Management to nine members and the associated redistribution of tasks led to an increase in the workload for the remaining Board members. The tasks have been redistributed as follows:

- Allianz Group Regulatory & Public Affairs joined the Group Communications & Reputation and Group Strategy, Marketing & Distribution functions, and Group Audit in reporting to Oliver Bäte.
- Allianz's businesses in Latin America, Portugal, and Spain were added to the portfolio of Christopher Townsend.
- The Allianz Customer Model for Property-Casualty for Retail was integrated into Property-Casualty for Retail & SME; the division led by Klaus-Peter Röhler.
- Allianz's Center of Competence Life, including its corresponding Allianz Customer Model concept and Allianz Global Life (Ireland), became part of the division led by Andreas Wimmer.
- The Allianz Customer Model and Center of Competence for Global Health became part of the division led by Günther Thallinger.
- Allianz's businesses in Southeast Asia, India, China, and Australia moved to the leadership of Renate Wagner.
- Allianz Group Legal and Group Compliance became part of the finance and risk organization led by Giulio Terzariol.
- Allianz's businesses in Greece were integrated into Sirma Boshnakova's business divison.
- Allianz Group Privacy, as well as Group Data Analytics, became part of the division led by Barbara Karuth-Zelle.

The Supervisory Board viewed an increase in the annual remuneration at 100% target achievement of 5% for all Board members to be appropriate in order to remain attractive in recruiting talent. The target remuneration for regular members of the Board of Management increased from € 3,251 thou to € 3,414 thou. The target remuneration for the CEO increased from € 6,371 thou to € 6,691 thou, maintaining the ratio of the remuneration of the CEO to a regular Board member at a factor of 1.96.

The general remuneration cap of € 6,000 thou for a regular member of the Board of Management and € 11,750 thou for the CEO of the Board of Management was not increased.

The obligation to hold own shares increases with the adjustment of the remuneration, for the CEO from € 3,822 thou to € 4,013 thou and for a regular member of the Board of Management from € 975 thou to € 1,024 thou.

New target remuneration for Supervisory Board members

The last regular adjustment of the remuneration of the Supervisory Board was approved by the Annual General Meeting on 9 May 2018. Since then, the sole amendment made was the introduction of remuneration for the members of the Nomination Committee as part of the resolution on the approval of the remuneration of the members of the Supervisory Board adopted at the Annual General Meeting on 5 May 2021. In the last few years, however, the workload has increased significantly, both for the full Supervisory Board and the Supervisory Board committees, due to steadily growing legal and regulatory requirements and obligations. This applies in particular to the work performed by the Chairperson of the Supervisory Board and the members of the Audit Committee, partly driven by the changes resulting from the German Financial Market Integrity Strengthening Act (FISG) and the new version of the German Corporate Governance Code. Moreover, in view of the increased regulatory requirements regarding the qualifications of members of supervisory boards in the insurance sector, attractive remuneration is indispensable in order to be able to attract suitable candidates for the Supervisory Board of Allianz SE.

Against this background and in light of the general development of Supervisory Board remuneration in comparable companies, an adjustment of the remuneration of the Supervisory Board members shall be proposed to the Annual General Meeting to be held on 4 May 2023. The annual fixed remuneration shall be increased to € 150 thou each for regular Supervisory Board members, to € 450 thou for the Chairperson of the Supervisory Board, and to € 225 thou each for Deputy Chairpersons. At the same time, the additional annual fixed remuneration shall be increased to € 75 thou each for the members of the Audit Committee, and to € 150 thou for the Chairperson of the Audit Committee. In all other respects, the existing Remuneration System for the Supervisory Board shall remain unchanged.

AUDITOR'S REPORT ON THE REMUNERATION REPORT

To Allianz SE, Munich

Auditor's Report

We have audited the remuneration report of Allianz SE, Munich, for the financial year from 1 January to 31 December 2022 including the related disclosures, which was prepared to comply with § 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Allianz SE are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from 1 January to 31 December 2022, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 (3) AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 (1) and (2) AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Allianz SE. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Munich, 20 February 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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