ALLIANZ SE

Courage to move forward

Annual Report 2023

▸ To go directly to any chapter, simply click on the headline or the page number.

▸ All references to chapters, notes, web pages, etc. within this report are also linked.

CONTENT

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

TO OUR INVESTORS

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's statutes and applicable law in the financial year 2023. It monitored the activities of the company's Board of Management, addressed the succession planning for the Board of Management and the Supervisory Board, and advised the Board of Management on business management issues.

Overview

In the financial year 2023, the Supervisory Board held six meetings and adopted one written resolution. The meetings took place in February, March, May, June, September, and December. The written resolution was adopted in October. All meetings were held as in-person meetings.

At all 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 the planning as well as deviations of actual business developments from the planning. In this context, the Board of Management also regularly discussed the adequacy of capitalization, the solvency ratio of Allianz SE and the Group, and the corresponding stress and risk scenarios with the Supervisory Board. The annual and consolidated financial statements, including the respective auditor's reports, the half-year report as well as quarterly earnings releases were reviewed in detail by the Supervisory Board after preparation by the Audit Committee.

In the first half of 2023 in particular, the meetings again focused on the review of the Structured Alpha matter in close dialogue with the Board of Management, assisted by the law firm mandated by the Supervisory Board. The reports and deliberations also focused on the impact of rising inflation rates and interest rates on the overall economy and the insurance sector as well as a range of strategic topics, including the risk strategy and IT strategy, and the Board of Management's planning for the financial year 2024. The status of the digital implementation of the Allianz Customer Model by means of the Allianz Business Master Platform and the merger of the global MidCorp business with the business of Allianz Global Corporate & Specialty SE under the trading name Allianz Commercial was reported on at several meetings. Another regular item discussed was cyber risk security. The Supervisory Board also 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 in particular the Personnel Committee and Sustainability Committee 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, including between meetings. 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 talks 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.

Once again in 2023, individual and group training sessions were implemented 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 cybersecurity, the sales strategy, and the auditing of financial statements.

Issues discussed in the Supervisory Board plenary sessions

At the meeting on 16 February 2023, the Supervisory Board dealt extensively with the preliminary business figures for the financial year 2022 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 also discussed the status of the measures taken to implement results from the audit carried out by the Federal Financial Supervisory Authority (BaFin) regarding the Group steering processes and the System of Governance. Comprehensive discussions were also held on the status of implementation of the actions adopted by the Board of Management following the Structured Alpha matter. The Supervisory Board also obtained a detailed report on the status of the investigations carried out by the external lawyers into the question of potential misconduct at the level of subsidiaries in connection with the Structured Alpha matter. The Board of Management also reported on PIMCO's Asset Management business, focusing in particular on governance topics. 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 2022, subject to the approval of the annual financial statements. In this context, the Supervisory Board decided to make use of its discretion to take unforeseeable extraordinary developments into account in determining target achievement and to use the net income attributable to shareholders, adjusted for the effects of Allianz's divestment in Russia, as the basis for target achievement. Against the backdrop of the Structured Alpha matter, the Supervisory Board once more 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. The independent investigations of potential breaches of duty by members of the Board of Management had already concluded in December 2022 that there were no indications of misconduct by any members of the Board of Management of Allianz SE. Hence there was no reason to apply the compliance caveat. As part of the performance assessment, the Supervisory Board carried out a fit and proper assessment of the members of the Board of Management. The Supervisory Board also dealt with succession planning for the Supervisory Board. At the end of the meeting, the Supervisory Board held an executive session without the Board of Management members being present and discussed questions relating to succession planning for the Board of Management as well as the talks of the Supervisory Board Chairman with investors and proxy advisors.

At the meeting on 2 March 2023, the Board of Management first reported on the business developments to that date in the financial year 2023. The Board of Management also presented its report on the development of risks and solvency in the financial year 2022 and the outlook for 2023. The annual reports from Internal Audit and Compliance were also presented and discussed at the meeting. The Supervisory Board then discussed the audited annual and consolidated financial statements and the Management and Group Management Report, including the Non-Financial Statement and the Remuneration Report, the solvency statements for Allianz SE and the Allianz Group, as well as the Board of Management's recommendation for the appropriation of earnings. The auditor confirmed that there had been no discrepancies since their February report and issued an unqualified auditor's report for the individual and consolidated financial statements and for the solvency statements. The auditor did not have any reservations, either, regarding the audit of the Non-Financial Statement and the Remuneration Report, which partly went beyond legal requirements. The Supervisory Board then approved the audited annual and consolidated financial statements. It approved the Board of Management's proposal for the appropriation of earnings for the financial year 2022, the Remuneration Report and the Supervisory Board Report, the Corporate Governance Statement, and the Non-Financial Statement. Furthermore, the Board of Management reported on the status of investigations into potential misconduct at the level of subsidiaries in relation to the Structured Alpha matter. In addition, the Supervisory Board resolved, at the recommendation of the Audit Committee, to propose to the Annual General Meeting the election of PwC as auditor for the 2023 individual and consolidated financial statements and for the review of the half-year financial report for 2023, and to mandate PwC with the supplementary audit of the Remuneration Report and the Non-Financial Statement for the financial year 2023. Moreover, the Supervisory Board reviewed the agenda and proposals for resolution for Allianz SE's 2023 Annual General Meeting (AGM) and approved the stipulations of the Board of Management for the virtual AGM. It also obtained extensive information on the status of implementation of the Allianz Business Master Platform. Lastly, the Supervisory Board dealt with succession planning for the Supervisory Board and the Board of Management.

On 4 May 2023, just before the Annual General Meeting, the Board of Management briefed the Supervisory Board on business developments in the first quarter of 2023, as well as on the current situation of both the Allianz Group and Allianz SE, in particular with regard to the development of the Group's solvency. The Supervisory Board also once again dealt with the status of the measures initiated by the Board of Management following the Structured Alpha matter and the status of the measures to implement results of the audit carried out by the BaFin regarding the Group steering processes and the System of Governance.

The meeting on 23 June 2023 was held at Allianz UK in London. At the meeting, the Board of Management provided a comprehensive report on the business developments in the financial year 2023 to that date. The Supervisory Board also dealt with BaFin's findings from the review of the implementation of the insurance supervisory law requirements for IT and the measures initiated by the Board of Management in response to these findings. Furthermore, given the substantial progress in implementing the measures initiated following the Structured Alpha matter, and at the recommendation of the lawyers mandated by the Supervisory Board, the Supervisory Board decided to dissolve the Audit Committee working group specifically set up for this purpose in 2021 and to return to regular reporting. In addition, the Supervisory Board obtained a comprehensive report on the status of the merger of the global MidCorp business with the business of Allianz Global Corporate & Specialty SE under the trading name Allianz Commercial. The Board of Management also reported in detail on the current concept of the Allianz Business Master Platform and its implementation status. Other topics covered by reports included the Board of Management's decision to leave the Net-Zero Insurance Alliance, and the business of Allianz UK, which was reported on by the CEO of Allianz UK. In addition, the Board of Management provided its regular status report on cyber risks and cybersecurity at Allianz as well as its annual report on Group data privacy. Finally, the Supervisory Board again dealt with succession planning for the Board of Management and Supervisory Board. The mandates of Board of Management members Dr. Karuth-Zelle and Mr. Townsend were each extended by five years up until 31 December 2028. At the end of the meeting, the Supervisory Board held an executive session without the members of the Board of Management being present and informed itself about the mid-year talks held between the Chairman of the Supervisory Board and the members of the Board of Management. Furthermore, the Supervisory Board discussed the assessment of Allianz made by an external finance and insurance analyst from the independent analyst firm Autonomous Research with that analyst.

At the meeting on 28 September 2023, the Board of Management firstly again reported on the business developments in the financial year 2023 to that date, focusing in particular on the effects of damages from natural catastrophes. One of the key items discussed at the meeting was the Board of Management's IT strategy, and, in that context, the implementation status of the current strategy to launch the Business Master Platform. The Board of Management also reported on the motor vehicle liability insurance segment in Germany and provided an update on the business of Allianz Direct. The Supervisory Board also dealt with the status of business activities in the Latin America region. Moreover, the Supervisory Board discussed the upcoming decisions regarding personnel matters relating to the Board of Management, and – in accordance with the proposal submitted by the Personnel Committee – approved Mr. Terzariol's resignation from the Board of Management and the termination of his service contract by way of mutual agreement with effect from 31 December 2023. The Supervisory Board appointed Ms. Claire-Marie Coste-Lepoutre to the Board of Management of Allianz SE to succeed Mr. Terzariol with effect from 1 January 2024. Subsequently, the Supervisory Board discussed the results of the self-evaluation of the Supervisory Board required by supervisory law and the resulting development plan, which includes training programs on accounting and the internal model for the financial year 2024. The Supervisory Board also discussed the succession planning for the Supervisory Board. The Supervisory Board then held its executive session without the members of the Board of Management being present.

On 1 October 2023, the Supervisory Board extended the mandate of Mr. Bäte as member and Chairman of the Board of Management until the end of the day of the Annual General Meeting resolving on the approval of the actions of the Board of Management for the financial year 2027 by way of a written resolution. In the same circular resolution, the Supervisory Board extended the mandate of Dr. Wimmer as member of the Board of Management up until 30 September 2029.

At the meeting on 14 December 2023, the Board of Management first informed the Supervisory Board about the results for the third quarter, the further business developments, and the situation of the Allianz Group. Furthermore, the Supervisory Board discussed the risk strategy for the financial year 2024 and, closely linked with the risk strategy, the planning for the financial year 2024. It also obtained a report from the Board of Management on the status of implementation of the Allianz Commercial project and on the Asset Management business of Allianz Global Investors. The Board of Management also presented its regular status report on cyber risk security, dealing in particular with global staff shortages in IT. The Board of Management also reported on the M&A strategy and current M&A transactions. At that meeting, the Supervisory Board again discussed succession planning for the Board of Management. It also reviewed the appropriateness of the Board of Management's remuneration and set the targets for the variable remuneration for the members of the Board of Management for 2024. The appropriateness of the remuneration for the Supervisory Board members was also reviewed on the basis of an external benchmark analysis. The Supervisory Board also dealt with the Declaration of Conformity with the German Corporate Governance Code. The Supervisory Board then discussed the results of the self-assessment of its own activities (so-called efficiency review), once again carried out using an internal questionnaire in 2023. The Supervisory Board also discussed succession planning for the Supervisory Board. The Supervisory Board then held an executive session without the members of the Board of Management being present and discussed the planning of Supervisory Board activities for the financial year 2024.

Declaration of Conformity with the German Corporate Governance Code

On 14 December 2023, the Board of Management and the Supervisory Board issued the Declaration of Conformity in accordance with section 161 of the German Stock Corporation Act ("Aktiengesetz") and posted it on the company website, where it is available 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. 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 2023, all of which 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. The committee also dealt with the preparation of and follow-up to the Annual General Meeting, extensively deliberating on the format for the Annual General Meeting. The Standing Committee also prepared the Supervisory Board self-evaluation as required by supervisory law and the associated development plan. Collective and, if necessary, individual training measures are continuously carried out as part of the implementation of the development plan. The Standing Committee also reviewed the appropriateness of the remuneration of the members of the Supervisory Board. Regarding the Supervisory Board's annual efficiency review, the committee also discussed the implementation of the results of the efficiency review conducted in 2022 and prepared the efficiency review for 2023. As planned, the review was implemented without any external support. Lastly, the Standing Committee prepared the analysis of the results of the efficiency review 2023 by the Supervisory Board.

The Personnel Committee held four regular meetings and one extraordinary meeting in 2023. The regular meetings were held in person, while the extraordinary meeting took place in a virtual format. At the meetings, the committee discussed in detail the preparatory review of the Remuneration Report for 2022 and target achievement of the members of the Board of Management for the financial year 2022, including the annual Fit & Proper assessment of each member of the Board of Management. As part of the target-assessment process, the Personnel Committee discussed in particular the adjustment of the net income, as a target performance indicator for variable remuneration, to reflect the extraordinary charges resulting from the divestment of the Russian business. The Personnel Committee also prepared the annual review of the appropriateness of the remuneration of the Board of Management and dealt with potential amendments to the remuneration system for the Board of Management. Furthermore, discussions focused on the preparation of the target setting for the variable remuneration for 2024. The committee also dealt with the departure of Mr. Terzariol from the Board of Management. Against this background and in light of the expiry of various mandates at the Board of Management, the Personnel Committee intensively dealt with succession planning for the Board of Management. Lastly, it discussed individual issues related to mandates or contracts of (former) Board of Management members.

The Audit Committee held five meetings in 2023. All meetings were held in person. In the presence of the auditor, the committee discussed both Allianz SE's annual financial statements and the Allianz Group's consolidated financial statements, the management reports including non-financial reporting, the respective solvency statements, and the half-year financial report as well as the Remuneration Report. The auditor presented his respective audit reports. Reviews by the Audit Committee 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 rise in inflation rates, the divestment of the majority stake in Allianz's Russian business, and the implementation of the new accounting standards IFRS 9 and 17.

At all meetings, the Audit Committee also reviewed and monitored the status of the processing of the Structured Alpha matter. The focus of its deliberations in this context was on the status of implementation of the measures taken in response to the Structured Alpha matter to remedy the deficiencies identified. The Supervisory Board was regularly briefed on this matter 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 the framework of these monitoring activities, the Committee also discussed the appropriateness and completeness of these measures. With the support of the lawyers mandated by the Board of Management and the lawyers commissioned by the Supervisory Board, the Audit Committee also comprehensively dealt with the question of potential claims for damages against employees working for subsidiaries in connection with the Structured Alpha matter, and prepared the discussion of this topic at the plenary meetings of the Supervisory Board. The Audit Committee's special working group specifically set up for this purpose also met twice in

February and April 2023 before this working group was dissolved by the Supervisory Board in June 2023.

In addition, the committee dealt with the proposal to the Annual General Meeting for the appointment of the auditor and, following the Annual General Meeting, the awarding of the audit mandates and determined key audit areas for the financial year 2023. At Group level, the focus was on governance processes in connection with ESG commitments. A review of the design and effectiveness of control functions, which were transferred to Allianz Technology together with a large number of IT services, was established as another key audit area at Group level. Other key audit areas were the review of controls over non-financial reporting and the assessment of the appropriateness of horizontal monitoring by Compliance. The results of the audits of the key audit areas were subsequently reported by the auditor at individual meetings. The Audit Committee discussed the assessment of the audit risk, the audit strategy, and the audit planning with the auditor. In addition, the Audit Committee held several discussions with the auditor in the absence of the Board of Management. Moreover, the Audit Committee conducted an assessment of the quality of the audit and discussed the auditor's fees. It also dealt with the awarding of non-audit services to the auditor and approved an updated positive list of pre-approved audit and non-audit services. As before, the Audit Committee obtained a separate report from the PwC auditors in charge of the Asset Management.

Furthermore, the Audit Committee was regularly informed by the Board of Management about the status of implementation of the measures taken by the Board of Management in response to the results of a review by BaFin of the implementation of the insurance supervisory law requirements for IT.

In addition, the Audit Committee dealt extensively with the internal control systems, the accounting process and internal controls in the context of financial reporting, the annual review of the Group's system of governance and the audit plan prepared by Internal Audit for 2024. The committee also received reports on the implementation of the requirements of the German Supply Chain Act and discussed the Board of Management's further planning with regard to the Allianz Customer Model and the Business Master Platform with the auditor. At all meetings, reports on legal and compliance issues within the Group, operational risks, the work performed by Internal Audit, 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.

The Risk Committee held two meetings in 2023, both of which were held in person. At both meetings, the committee discussed the current risk situation of the Allianz Group and Allianz SE with the Board of Management. At 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 acknowledged with approval. The appropriateness of the early risk detection system at Allianz SE and the Allianz Group and the result of further risk assessments by the auditor were also discussed. A recommendation was provided to the Audit Committee to include the Risk Report, as presented and discussed, in the Annual Report.

At both meetings, the Risk Committee 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, the committee discussed the current implementation status of enhancements of the risk and control framework. The committee also obtained reports 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 again dealt with the war in Ukraine, in particular with regard to possible scenarios for its further development, and its potential impact on the risk situation of Allianz. In addition, the Risk Committee intensively dealt with the impact of rising interest rates and inflation. In this context, discussions with the Board of Management and the head of the risk function focused, in particular, on potential effects on policy-holder termination behavior, as well as – with a view to liquidity risks – stress scenarios for the life insurance segment and the asset management segment as well as possible countermeasures. Furthermore, the Risk Committee dealt with the newly developed risk metrics for considering the asset management segment when establishing the risk capital requirements and obtained reports on the real estate portfolio, its quality, as well as current risk management measures. In addition, its deliberations focused on the respective implementation status of the transformation program for the Business Master Platform and the measures taken by the Board of Management in response to the BaFin's findings as part of a review of the implementation of the insurance supervisory law requirements for IT.

The Technology Committee held two meetings in the financial year 2023, both of which were held as in-person meetings. At these meetings, the committee extensively discussed the Business Master Platform and technological innovations. Detailed discussions were held regarding process mining, data analytics, and artificial intelligence, as well as the operational implications and profit contribution potential of these topics. In this context, the Technology Committee also dealt with the strategy for the use of data and artificial intelligence. Lastly, the Technology Committee received a report from the Board of Management on regulatory issues, for instance on the implementation of the Digital Operational Resilience Act (DORA).

The Nomination Committee held five meetings in the financial year 2023, all of which were held in person. A major focus was on succession planning for the Supervisory Board, in particular with regard to the elections to the Supervisory Board due in the next few years. The Nomination Committee intensively discussed potential candidates to succeed the members of the Supervisory Board who will be retiring in the coming years. Excellently suited candidates were identified for each retiring member of the Supervisory Board. They have all declared their willingness to stand for election to the Supervisory Board at the Annual General Meetings in 2024, 2025, and 2026. In addition, the Nomination Committee, together with the Board of Management and in consultation with BaFin, agreed on specific measures to prepare the candidates at an early stage for the duties of members of the Supervisory Board of Allianz SE. These measures include, for example, preparing candidates in the framework of a mandate or a guest role on the Supervisory Board of a European subsidiary of Allianz SE, or other suitable measures, as well as the early identification of training measures, taking particular account of the fitness requirements communicated by BaFin. The Nomination Committee also prepared the discussions regarding the composition of the Supervisory Board committees from the 2024 Annual General Meeting onwards.

The Sustainability Committee held four meetings in the financial year 2023. One meeting was held as a video conference, while three meetings were held in person. The committee prepared the assessment of target achievement by the Board of Management regarding the sustainability targets for the financial year 2022 and the definition of sustainability targets for the financial year 2023 by the Personnel Committee and the Supervisory Board. In addition, the committee dealt in detail with sustainability-related reporting (Sustainability Report, Non-Financial Statement and Tax Transparency Report, each for the financial year 2022), including the planned amendments resulting from an E.U. Directive (Corporate Sustainability Reporting Directive – CSRD). At the September meeting, the committee also held discussions with the Board of Management on the Allianz Group's long-term climate targets resulting from the published "Net-zero plan with interim targets for 2030 for key business areas", and prepared the setting of sustainability targets for 2024 by the Personnel Committee. The committee also focused on the ongoing development of the sustainability strategy, particularly with regard to the general socio-political and business environment, as well as on the application of new artificial intelligence technologies for data usage in customer products. In view of the particular importance of the latter topic for the Allianz Group's business activities, also with regard to aspects of data ethics, the members of the Technology Committee also participated in the discussion of this topic at the relevant meeting.

The Supervisory Board obtained regular and comprehensive information on the work performed by the committees.

Overview of members' participation in Supervisory Board and committee meetings in the financial year 2023

Individualized publication of members' participation in meetings

	Presence	%
Plenary sessions of the Supervisory Board		
Michael Diekmann (Chairman)	6/6	100
Gabriele Burkhardt-Berg (Vice Chairwoman)	6/6	100
Herbert Hainer (Vice Chairman)	6/6	100
Sophie Boissard	6/6	100
Christine Bosse	6/6	100
Rashmy Chatterjee	6/6	100
Dr. Friedrich Eichiner	6/6	100
Jean-Claude Le Goaër	6/6	100
Martina Grundler	6/6	100
Frank Kirsch	6/6	100
Jürgen Lawrenz	6/6	100
Primiano Di Paolo	6/6	100

	Presence	%
Standing Committee		
Michael Diekmann (Chairman)	5/5	100
Sophie Boissard	5/5	100
Jean-Claude Le Goaër	5/5	100
Herbert Hainer	5/5	100
Jürgen Lawrenz	5/5	100
Personnel Committee		
Michael Diekmann (Chairman)	5/5	100
Gabriele Burkhardt-Berg	5/5	100
Herbert Hainer	5/5	100
Audit Committee		
Dr. Friedrich Eichiner (Chairman)	5/5	100
Sophie Boissard	5/5	100
Michael Diekmann	5/5	100
Jean-Claude Le Goaër	5/5	100
Martina Grundler	5/5	100
Risk Committee		
Michael Diekmann (Chairman)	2/2	100
Christine Bosse	2/2	100
Dr. Friedrich Eichiner	2/2	100
Frank Kirsch	2/2	100
Primiano Di Paolo	2/2	100
Technology Committee		
Rashmy Chatterjee (Chairwoman)	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)	5/5	100
Christine Bosse	5/5	100
Dr. Friedrich Eichiner	5/5	100
Sustainability Committee		
Christine Bosse (Chairwoman)	4/4	100
Sophie Boissard	3/4	75
Gabriele Burkhardt-Berg	4/4	100
Michael Diekmann	4/4	100
Frank Kirsch	3/4	75

Audit of annual accounts and consolidated financial statements

Upon a proposal submitted by the Supervisory Board, the company's Annual General Meeting held on 4 May 2023 appointed PwC as auditor for the annual and consolidated financial statements as well as the review of the half-year Financial Report 2023. 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 each also contain the Non-Financial Statement. 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-year Financial Report. In addition, PwC was also mandated to perform an audit of the solvency statements according to Solvency II as of 31 December 2023 for Allianz SE and the Allianz Group. Furthermore, PwC was commissioned to conduct an audit 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 21 February 2024, as well as in the Supervisory Board's plenary session on 22 February 2024. The finalized financial statements and PwC's audit reports (dated 26 February 2024) were reviewed by the Audit Committee on 5 March 2024 and discussed in the Supervisory Board plenary session on 6 March 2024. 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 2023 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 and consolidated financial statements, the management and Group management reports, and the recommendation for the appropriation of earnings, the Supervisory Board has not raised any objections and agreed with the results of PwC's audit. It approved the annual 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

There were no changes in the composition of the Supervisory Board in the financial year 2023.

With effect from 1 January 2024, Claire-Marie Coste-Lepoutre was appointed as a member of the Board of Management. She succeeds Giulio Terzariol, who resigned from office as of 31 December 2023.

Munich, 6 March 2024

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

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
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 Clariane SE
Membership in other statutory supervisory boards and SE administrative boards in Germany
Korian Deutschland GmbH (Clariane Group Company)
Korian Management AG (Clariane Group Company, Chairwoman)
Membership in comparable[1] supervisory bodies
Korian Belgium (Clariane Group Company)
Segesta SpA (Clariane Group Company)

Christine Bosse

Member of various Supervisory Boards
Membership in comparable[1] supervisory bodies
Coop Amba
until 28 April 2023
DNB ASA
since 25 April 2023

Rashmy Chatterjee

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 I.A.R.D. S.A.
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

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

Employee of Allianz Technology 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 comparable[1] supervisory bodies
Coalition, Inc.
since 28 November 2023

Sirma Boshnakova
Insurance Western & Southern Europe, Allianz Direct, Allianz Partners
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Holding France SAS
Allianz Sigorta A.S.
since 7 March 2023
Allianz Yasam ve Emeklilik A.S.
since 7 March 2023

Claire-Marie Coste-Lepoutre
since 1 January 2024
Finance, Risk Actuarial, Legal, Compliance

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)
Membership in comparable[1] supervisory bodies
Membership in Group bodies
Allianz Partners S.A.S.

Dr. Klaus-Peter Röhler
Insurance German Speaking Countries, Central Europe, Global P&C
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

Giulio Terzariol
until 31 December 2023
Finance, Risk Actuarial, Legal, Compliance

Dr. Günther Thallinger
Investment Management
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Investment Management SE (Chairman)
Allianz Lebensversicherungs-AG
until 10 March 2023
Allianz Private Krankenversicherungs-AG
Allianz Versicherungs-AG
until 9 March 2023

Christopher Townsend
Global Insurance Lines, Reinsurance, Anglo Markets, Iberia, Latin America, Africa
Membership in other statutory supervisory boards and SE administrative boards in Germany
Membership in Group bodies
Allianz Global Corporate & Specialty SE (Chairman)
Membership in comparable[1] supervisory bodies
Sanlam Allianz Africa (Pty) Ltd. (Chairman)
since 5 September 2023
Membership in Group bodies
Allianz Australia Ltd.
Allianz Plc
Euler Hermes Group SAS (Chairman)

Renate Wagner
Asia Pacific, Mergers & Acquisitions, People and Culture
Membership in comparable[1] supervisory bodies
Bajaj Allianz General Insurance Company Ltd.
Bajaj Allianz Life Insurance Company Ltd.
UniCredit S.p.A.
Membership in Group bodies
Allianz Australia Ltd.
since 15 May 2023
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
Membership in Group bodies
Allianz Lebensversicherungs-AG
since 10 March 2023
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

	2023	2022	Change
Gross premiums written	**14,714**	**13,224**	**1,491**
Premiums earned (net)	12,966	11,909	1,057
Claims (net)	(9,450)	(7,936)	(1,514)
Underwriting expenses (net)	(3,749)	(3,312)	(436)
Change in other technical reserves (net)	(8)	41	(48)
Net underwriting result	(240)	701	(942)
Change in claims equalization and similar reserves	(193)	486	(678)
Net technical result	(433)	1,187	(1,620)
Investment result	8,791	6,102	2,688
Allocated interest return	(31)	(31)	(1)
Other non-technical result	(640)	(2,473)	1,832
Non-technical result	8,119	3,599	4,520
Net operating income	**7,686**	**4,786**	**2,900**
Taxes	365	6	359
Net income	**8,051**	**4,792**	**3,259**

Net underwriting result

Gross premiums written increased by 11.3 % to € 14,714 mn (2022: € 13,224 mn). € 1,158 mn of the increase resulted from growth in volume from the intra-group reinsurance business mainly coming from Property-Casualty. There was also an increase of € 332 mn in the external reinsurance business, primarily stemming from the following reinsurance lines of business: other property reinsurance, liabilty reinsurance and life reinsurance. In total, € 13,765 mn (2022: € 12,383 mn) of gross premiums were attributable to Property-Casualty reinsurance and € 949 mn (2022: € 840 mn) to Life/Health reinsurance.

With 90.4 % (2022: 90.8 %), the net retention ratio remained almost unchanged compared to the previous year. Premiums earned (net) increased to € 12,966 mn (2022: € 11,909 mn).

The accident year claims[1] ratio (net) in Property-Casualty reinsurance increased slightly to 76.9 % (2022: 76.7 %). The losses from natural catastrophe events in 2023 were mainly driven by floods and storms in Italy. The recoveries under our retrocession program for losses from natural catastrophes increased slightly to € 284 mn (2022: € 281 mn), however, net losses from natural catastrophes after retrocession were higher than in the previous year.

The run-off result (net) in Property-Casualty reinsurance amounted to € 548 mn (2022: € 1,201 mn) and was mainly influenced by fire and property reinsurance (€ 162 mn), credit and bond reinsurance (€ 110 mn), marine and aviation reinsurance (€ 88 mn) as well as personal accident reinsurance (€ 82 mn). Overall, the calendar year claims ratio (net) in Property-Casualty reinsurance increased to 72.5 % (2022: 66.2 %).

The expense ratio (net) in Property-Casualty reinsurance increased to 29.3 % (2022: 28.2 %), driven by a higher commission ratio of 28.6 % (2022: 27.4 %). The administrative expense ratio remained constant at 0.8 % (2022: 0.8 %).

In Life/Health reinsurance, the net underwriting result slightly decreased to € 37 mn (2022: € 43 mn).

The total net underwriting result amounted to € (240) mn (2022: € 701 mn), mainly driven by the development of the calendar year loss ratio and expense ratio (net) in Property-Casualty reinsurance in 2023.

Net technical result

In 2023, the change in claims equalization and similar reserves amounted to € (193) mn (2022: € 486 mn). This was mainly driven by a strengthening of the claims equalization and similar reserves in the liability as well as credit and bond reinsurance business. On the other hand, a release of the claims equalization and similar reserves occurred in particular in the fire reinsurance line of business.

Thus, the net technical result amounted to € (433) mn (2022: € 1,187 mn).

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

Non-technical result

Investment result

€ mn

	2023	2022	Change
Investment income			
Income from profit transfer agreements	2,945	2,219	725
Income from affiliated enterprises and participations	6,468	7,051	(583)
Income from other investments	884	480	404
Realized gains	133	669	(536)
Income from reversal of impairments	728	61	666
Subtotal	11,158	10,481	677
Investment expenses			
Expenses for the management of investments, interest, and other investment-related expenses	(1,575)	(1,000)	(575)
Depreciation and impairments of investments	(237)	(2,758)	2,521
Realized losses	(231)	(477)	246
Expenses for losses taken over	(323)	(143)	(180)
Subtotal	(2,367)	(4,378)	2,011
Investment result	**8,791**	**6,102**	**2,688**

The investment result increased by € 2,688 mn to € 8,791 mn.

Income from profit transfer agreements grew by € 725 mn to € 2,945 mn, primarily due to higher profit transfers from Allianz Deutschland AG and from Allianz Global Corporate & Specialty SE, which rose by € 505 mn to € 1,943 mn and by € 390 mn to € 393 mn. This was partially offset by a lower profit transfer from Allianz Asset Management GmbH, which declined by € 171 mn to € 609 mn.

Income from affiliated enterprises and participations decreased by € 583 mn to € 6,468 mn, mainly driven by lower dividend payments from our subsidiaries Allianz Holding France SAS and Allianz Holding Eins GmbH, which went down by € 193 mn to € 537 mn and by € 50 mn to € 500 m, respectively, as well as the fact that no dividend payment was collected from Allianz Finance II Luxembourg S.A.R.L. in 2023 (2022: € 278 mn). Several further decreases in this position amounting to € 240 mn were partially offset by a higher dividend payment from our Group company Allianz Europe B.V., which rose by € 150 mn to € 5,300 mn.

Income from other investments climbed by € 404 mn to € 884 mn, mainly consisting of income from bonds (€ 347 mn), funds held by others under reinsurance business assumed (€ 169 mn), intra-group cash pooling (€ 161 mn), and loans (€ 90 mn).

Realized gains went down by € 536 mn to € 133 mn and were primarily related to the sale of bonds (€ 71 mn) and shares in affiliated enterprises (€ 52 mn).

Income from reversal of impairments increased by € 666 mn to € 728 mn, mainly driven by write-ups on bonds (€ 651 mn), reflecting a partial recovery of fair values in our bond portfolio in 2023 after the significant decline of bond prices in the previous year.

Expenses for the management of investments, interest, and other investment-related expenses rose by € 575 mn to € 1,575 mn, driven by higher interest expenses (€ 558 mn) particularly related to intra-group cash pooling (€ 428 mn).

Depreciation and impairments of investments significantly decreased by € 2,521 mn to € 237 mn, primarily because write-downs on bonds went down to € 23 mn in 2023 compared to the extraordinary high amount of write-downs recorded in the previous year (€ 2,222 mn) as a result of the sharp rise in interest rates. Further impairments in 2023 were particularly attributable to write-downs on investment funds (€ 175 mn).

Realized losses declined by € 246 mn to € 231 mn and were primarily related to the sale of bonds (€ 209 mn).

Expenses for losses taken over increased by € 180 mn to € 323 mn, mainly due to higher losses taken over from our service provider Allianz Technology SE and from Allianz Direct Versicherungs-AG, which rose by € 64 mn to € 158 mn and by € 66 mn to € 93 mn, respectively.

Other non-technical result

The other non-technical result improved significantly by € 1,832 mn to € (640) mn. This development is mainly due to a strong improvement by € 1,273 mn in the result from derivatives, which is attributable to gains from forward currency contracts and a balanced net result from interest rate swaps after considerable losses in both positions in the previous year. In addition, the improvement in the currency translation result by € 290 mn had a positive impact on the development of the other non-technical result. The improved currency translation result is primarily due to foreign currency translation gains related to liabilities denominated in USD after corresponding losses in the previous year. The decrease of pension expenses by € 282 mn also contributed to an improvement in the other non-technical result. The decrease can predominantly be explained by the fact that in the reporting year, and contrary to the previous year, there was no one-time expense as a result of an increase of the pension trend for the years 2022 to 2024.

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 € (92) mn (2022: € (532) mn). Moreover, Allianz SE received a tax allocation of € 407 mn (2022: € 550 mn) from Allianz SE tax group companies that recorded taxable income. Taking into account other taxes, the income from taxes amounted to € 365 mn (2022: € 6 mn).

Net income increased by € 3,259 mn to € 8,051 mn (2022: € 4,792 mn).

Economic outlook[1]

2024 is likely to be another year of interest rate reversals, but this time in the opposite direction: the leading central banks will likely start to cut key interest rates in the second half of the year. On the one hand, this reflects the expectation that inflation is largely under control, as annual average inflation will probably be within striking distance of inflation targets in both the United States (2.3 %) and the eurozone (2.5 %). On the other hand, it is a reaction to the continued weakness in demand, which is fed by several sources: the delayed effect of interest rate hikes on investment, declining fiscal policy support, and depleted savings reserves. Overall, we therefore expect economic growth to decline in 2024, falling by 0.3 percentage points to 2.4 % worldwide; for the United States, we expect it to decline to 1.4 % (-1.0 percentage points). Only the eurozone is likely to reach around the previous year's level with a rate of 0.8 %, as a return to positive growth is assumed for Germany. China will also face headwinds, not least due to its structural problems: we expect rather modest growth of 4.6 %.

Ongoing uncertainty about the timing and extent of the next interest rate moves means volatility in the financial markets will remain high in 2024. As the expected cuts in interest rates have already been anticipated in many market prices, disappointment and corresponding market reactions cannot be ruled out. Overall, equities and bonds are likely to move more or less sideways.

The outlook for 2024 is subject to a special caveat since it is a super election year. Citizens will go to the polls in countries that account for 60 % of global economic output – from India to the United States – with election results significantly impacting the economic and geopolitical constellation. First and foremost, this applies to the U.S. elections in November. The associated global political uncertainty is fostering a wait-and-see-attitude among companies and households. There is also the threat of rising political and social tensions as a result of increasing polarization in a weak economic environment.

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

Insurance industry outlook

Inflation will remain a dominant topic for the insurance industry in 2024, as claims inflation is unlikely to fall as quickly as consumer price inflation, mainly due to rising wages. However, continued premium increases mean that pressure on underwriting results should ease. On the other hand, the challenging macroeconomic and geopolitical environment is hampering premium growth.

In view of the increasing geopolitical upheavals, climate-related natural hazards, and technological risks worldwide, the need for risk protection and prevention remains high. Thanks to its financial strength, the insurance industry can meet these needs with innovative solutions, so its role as a partner for strengthening social resilience will continue to grow in importance.

Despite ongoing high volatility, the investment environment should remain relatively friendly in 2024. The higher interest rate level offers good opportunities for long-term investors, and insurers' investment income is likely to continue to rise.

Premium growth in the property-casualty insurance sector will continue at a slower pace; however, as in the previous year it is likely to be driven primarily by rising prices. At the same time, claims development remains challenging, with structural factors such as increasing climate-related natural catastrophes also playing a role. Investment income is expected to increase. As higher wages are putting pressure on operating costs, increasing productivity through fully digitalized processes is essential.

In the life insurance sector, providers are increasingly reflecting the higher interest rate level in their products, which should benefit demand for savings and pension products. This is possible because awareness of the need for protection in old age not only remains high but should also continue to rise in the future. The same applies to demand in the risk business. Furthermore, 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 1.091.

Allianz SE provides a wide range of reinsurance coverage, primarily to the 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.

Compared to the plan for 2023 which was compiled in 2022, net premiums earned were 8 % higher than expected, mainly due to higher than planned net quota share cessions from European Allianz entities. The net underwriting result was negatively impacted by natural catastrophe as well as man-made large losses, which were above the historical average. Overall, the combined ratio was higher than plan due to higher accident year losses despite positive prior year reserve releases.

Following many years of low profitability in the industry, rates started hardening in 2020 and are expected to further increase in 2024 supported by a high demand for reinsurance protection, general market conditions and rising reinvestments yields. Headwinds from high inflation are expected to slightly ease in 2024. The geopolitical environment and its impact on the overall economic development remain challenging.

Against this background, Allianz SE's technical result is planned to increase in 2024 due to rate increases and higher cessions from European Allianz entities in particular through net quota share programs. Profitability is expected to further improve due to higher attachment points in the assumed business and the cancellation of some reinsurance structures not meeting our profitability expectations. Outgoing reinsurance protection remains broadly stable versus 2023. The actual technical result, however, 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 lower net technical result was more than offset by a positive development in our investment result as well as other non-technical result for 2023. As a result, net income as well as net earnings were above our expectations. For 2024, we plan both net income as well as net earnings to moderately decrease. Based on our current expectations, a significantly higher underwriting result, partially offset by the development of the equalization reserve, and a largely stable other non-technical result will be more than offset by a moderately lower investment result. 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 the Allianz Group. For more detailed information on our dividend policy, see the Allianz Group's Annual Report 2023 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 11.3 % to € 14,714 mn (2022: € 13,224 mn). All in all, 83.2 % (2022: 84.4 %) 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 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	
	2023	2022	Change	2023	2022	2023	2022	2023	2022
	€ mn	€ mn	%[1]	%	%	€ mn	€ mn	€ mn	€ mn
Motor	5,760	5,060	13.8	104.5	101.5	-	885	(264)	811
Fire and property reinsurance	4,256	3,769	12.9	104.1	95.5	19	(92)	(135)	69
thereof:									
Household and homeowner	1,405	1,225	14.7	103.3	101.8	-	-	(43)	(18)
Fire	1,003	936	7.1	105.2	82.9	18	(92)	(25)	35
Engineering	470	413	13.8	89.1	77.3	-	-	47	100
Business interruption	237	285	(16.9)	68.3	58.6	-	-	61	109
Other property reinsurance	1,141	910	25.5	117.7	124.0	-	-	(175)	(158)
Liability	1,216	1,138	6.9	94.7	74.9	(52)	(4)	10	255
Life	671	584	14.9	-	-	-	-	26	42
Personal accident	435	427	1.7	79.0	85.8	4	(3)	98	58
Marine and aviation	354	331	6.8	88.2	72.1	(17)	(39)	15	39
Credit and bond	332	313	6.2	98.3	71.0	(47)	(80)	(60)	(1)
Legal expenses	308	295	4.4	90.5	94.2	(34)	(22)	(5)	(5)
Health	279	257	8.6	-	-	-	-	11	1
Other lines	1,104	1,050	5.1	106.6	91.6	(65)	(160)	(129)	(82)
Total	**14,714**	**13,224**	**11.3**	**101.9**	**94.4**	**(193)**	**486**	**(433)**	**1,187**

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

..

Gross premiums written in motor reinsurance increased by 13.8% to € 5,760 mn (2022: € 5,060 mn). The increase was mainly driven by internal reinsurance business. The combined ratio increased to 104.5 % (2022: 101.5 %), mainly due to a worsening of the accident year claims ratio to 80.9% (2022: 78.7%). The expense ratio remained almost stable at 24.7% (2022: 24.6%). The equalization reserve was fully released in the previous year (2022: release of € 885 mn). This led to a net technical result of € (264) mn (2022: € 811 mn).

The household and homeowner reinsurance portfolio increased by 14.7 % to gross premiums written of € 1,405 mn (2022: € 1,225 mn), mainly from business with Allianz Versicherungs-AG. The combined ratio grew to 103.3 % (2022: 101.8 %), driven by an increase in the calendar year claims ratio to 73.0% (2022: 71.6%). The net technical result decreased to € (43) mn (2022: € (18) mn).

The growth of the fire reinsurance portfolio was mainly caused by growth of internal business volume. The combined ratio deteriorated to 105.2 % (2022: 82.9 %), driven by an increase of the calendar year claims ratio to 77.2 % (2022: 55.9 %). After a release of the equalization reserve of € 18 mn (2022: strengthening by € (92) mn), the net technical result amounted to € (25) mn (2022: € 35 mn).

Engineering reinsurance gross premiums increased by 13.8%. The combined ratio worsened and amounted to 89.1 % (2022: 77.3 %), driven by a deterioration of the run-off result by € 56 mn. The net technical result declined to € 47 mn (2022: € 100 mn).

The premiums written in the business interruption reinsurance decreased by 16.9% to € 237 mn (2022: € 285 mn), mainly due to external business volume. The combined ratio increased to 68.3 % (2022: 58.6%) which was primarily driven by a higher accident year claims ratio of 70.0 % (2022: 58.3 %). As a result, the net technical result went down to € 61 mn (2022: € 109 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 25.5%, mainly due to external business volume. Despite a decline of the run-off result by € 189 mn (2022: positive run-off result of € 80 mn), the combined ratio improved to 117.7% (2022: 124.0%). This was owed to a decrease of the accident year claims ratio to 84.5% (2022: 108.9%) and a decrease of the expense ratio to 22.0% (2022: 27.1%). The net technical result amounted to € (175) mn (2022: € (158) mn).

Premiums written for liability reinsurance increased by 6.9% to € 1,216 mn (2022: € 1,138 mn), mainly driven by external cessions. The combined ratio rose to 94.7% (2022: 74.9%), mainly due to an increased calendar year claims ratio of 59.9% (2022: 44.3%). After a further strengthening of the equalization reserve by € (52) mn (2022: € (4) mn), the net technical result amounted to € 10 mn (2022: € 255 mn).

In life reinsurance, the premium revenue increased to € 671 mn (2022: € 584 mn); this was mainly driven by external business. The net technical result decreased to € 26 mn (2022: € 42 mn).

The premium revenue of personal accident reinsurance increased by 1.7%. This development results in particular from internal reinsurance business. The combined ratio improved to 79.0% (2022: 85.8%), mainly driven by a better run-off result. The net technical result thus increased to € 98 mn (2022: € 58 mn).

The gross premiums written in marine and aviation reinsurance increased to € 354 mn (2022: € 331 mn). The combined ratio rose, mainly due to a higher expense ratio of 37.9% (2022: 26.8%).). Despite a further strengthening of the equalization reserve by € (17) mn (2022: € (39) mn), the net technical result remained positive at € 15 mn (2022: € 39 mn).

Gross premiums written in credit and bond reinsurance increased by 6.2% to € 332 mn (2022: € 313 mn), which was mainly caused by growing premium income from Allianz Trade. Due to a worsening of the calendar year claims ratio to 45.1% (2022: 30.4%) and a worsening of the expense ratio to 53.2% (2022: 40.5%), the combined ratio increased to 98.3% (2022: 71.0%). The net technical result amounted to € 60 mn (2022: € (1) mn), following a further strengthening of the equalization reserve by € (47) mn (2022: € (80) mn).

The premium revenue of legal expenses reinsurance increased by 4.4% to € 308 mn (2022: € 295 mn). The combined ratio improved to 90.5% (2022: 94.2%) due to a better run-off result. A strengthening of the equalization reserve by € (34) mn occurred in the financial year (2022: € (22) mn), leading to the net technical result remaining stable at € (5) mn (2022: € (5) mn) compared to the previous year.

In health reinsurance, the premium revenue increased by 8.6% to € 279 mn (2022: € 257 mn), mainly driven by external business. The net technical result increased to € 11 mn (2022: € 1 mn).

Other reinsurance lines include:

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

Other reinsurance recorded an increase in premium volume of 5.1% to € 1,104 mn (2022: € 1,050 mn). Following a decrease in the run-off result, mainly in other property and casualty business reinsurance, the combined ratio increased from 91.6% to 106.6%. In total, the underwriting result of € (129) mn (2022: € (82) mn) remained below the previous year's level.

BALANCE SHEET REVIEW

Condensed balance sheet

€ mn

as of 31 December	2023	2022
ASSETS		
Intangible assets	6	7
Investments	120,602	118,330
Receivables	7,253	5,744
Other assets	986	1,449
Deferred charges and prepaid expenses	247	258
Total assets	**129,094**	**125,787**
EQUITY AND LIABILITIES		
Shareholders' equity	41,437	40,127
Subordinated liabilities	17,636	17,054
Insurance reserves	23,083	20,280
Other provisions	10,618	11,344
Funds held with reinsurance business ceded	2,479	2,694
Payables on reinsurance business	812	416
Other financial liabilities	33,026	33,867
Deferred income	4	7
Total equity and liabilities	**129,094**	**125,787**

Investments

€ mn

as of 31 December	2023	2022
Real estate	309	289
Investments in affiliated enterprises and participations	76,781	76,780
Other investments	28,510	27,376
Funds held by others under reinsurance business assumed	15,001	13,885
Total investments	**120,602**	**118,330**

The book value of **investments in affiliated enterprises and participations** remained stable at € 76.8 bn, with offsetting book value increases and decreases of shares in affiliated enterprises amounting to € 1.0 bn, respectively, which mainly resulted from capital increases and decreases as well as merger transactions.

Other investments rose from € 27.4 bn to € 28.5 bn, primarily driven by an increase in debt securities by € 1.5 bn, which was partially offset by decreases in loans (€ 0.3 bn) and deposits with banks (€ 0.1 bn).

As of 31 December 2023, € 23.0 bn of other investments were invested in debt securities, of which € 9.8 bn were government bonds, which rose by € 2.0 bn compared to 31 December 2022. As of 31 December 2023, government bonds from France (€ 2.5 bn), Japan (€ 2.0 bn), Germany (€ 1.2 bn), and Spain (€ 0.7 bn) represented the largest exposures in our government bonds portfolio.

Funds held by others under reinsurance business assumed increased to € 15.0 bn (2022: € 13.9 bn). This increase was mainly driven by internal reinsurance business volumes as well as a new internal reinsurance contract.

As of 31 December 2023, the fair value of investments amounted to € 125.8 bn (2022: € 124.2 bn), compared to a carrying amount of € 120.6 bn (2022: € 118.3 bn). The decrease of valuation reserves to € 5.2 bn (2022: € 5.9 bn) is primarily driven by lower net asset values of our shares in affiliated enterprises.

Receivables

Receivables increased from € 5.7 bn to € 7.3 bn, driven by a growth of € 1.0 bn in other receivables and a growth of € 0.5 bn in receivables from reinsurance business. The increase in other receivables results from higher profit transfer agreements (€ 0.5 bn), higher tax receivables (€ 0.4 bn) and higher receivables of cash pool (€ 0.3 bn).

Shareholders' equity

As of 31 December 2023, our **shareholders' equity** amounted to € 41.4 bn (2022: € 40.1 bn). A buy-back of own shares at acquisition costs of € 2.2 bn led to a decrease.[1] This decrease was more than offset by a rise of € 3.5 bn, due to net income being higher than the dividend paid. The net income increased by € 3.3 bn to € 8.1 bn (2022: € 4.8 bn). € 2.5 bn (2022: € 0.5 bn) was transferred from the net income to the revenue reserves.

The Board of Management proposes to use the net earnings of € 5,939 mn for dividend payments in the amount of € 5,402 mn.[2] The unappropriated earnings of € 537 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_Shares repurchased with acquisition costs of € 2.5 bn were cancelled without reducing the issued capital at the end of November. € 2.2 bn of this related to buy backs in the 2023 financial year and € 0.3 bn to buy backs in 2022.
2_The proposal reflects the number of shares entitled to the dividend as of 31 December 2023.

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 2022	403,313,996	1,169,920	(5,003)	28,035,065	5,996,786	4,929,827	40,126,595
Own shares: cancellation	(11,595,013)	-	-	-	(2,497,125)	-	(2,497,125)
Own shares	-	-	4,226	-	291,342	-	295,568
Own shares: realized gains	-	-	-	2,520	-	-	2,520
Dividend payment for 2022	-	-	-	-	-	(4,541,494)	(4,541,494)
Net income	-	-	-	-	2,500,000	5,550,813	8,050,813
as of 31 December 2023	**391,718,983**	**1,169,920**	**(778)**	**28,037,586**	**6,291,003**	**5,939,146**	**41,436,877**

Insurance reserves and other provisions

The development of the insurance reserves was mainly driven by the reserves for loss and loss adjustment expenses. The other provisions declined by € 726 mn. This drop resulted mainly from the reduction of the provisions for anticipated losses, which fell by € 502 mn and was exclusively driven by derivative transactions. The tax provisions decreased by € 126 mn and the pension liabilities went down by € 70 mn in total.

Financial liabilities

As of 31 December 2023, Allianz SE had the following outstanding financial liabilities:

Financial liabilities
€ mn

as of 31 December	2023	2022
Third-party subordinated liabilities	17,636	17,054
Subordinated liabilities	17,636	17,054
Bonds issued to Group companies	3,170	2,724
Other intra-group financial liabilities	27,756	29,291
Other third-party financial liabilities	2,099	1,851
Other financial liabilities	33,026	33,867
Total financial liabilities	**50,662**	**50,920**

Of these financial liabilities, € 30.9 bn (2022: € 32.0 bn) were intra-group liabilities.

Subordinated liabilities increased to € 17.6 bn (2022: € 17.1 bn), primarily driven by the issuance of new subordinated bonds with a total volume of € 2.15 bn, which was partially offset by the redemption of a bond with a volume of € 1.5 bn.

Bonds issued to Group companies increased to € 3.2 bn (2022: € 2.7 bn) due to new bonds issued with a total volume of € 0.5 bn.

Other intra-group financial liabilities decreased to € 27.8 bn (2022: € 29.3 bn) and were composed of the following positions:

Other intra-group financial liabilities
€ mn

as of 31 December	2023	2022
Intra-group loans	15,569	16,788
Cash pool liabilities	11,142	11,704
Miscellaneous	1,045	799
Other intra-group financial liabilities	**27,756**	**29,291**

While liabilities from intra-group loans declined from € 16.8 bn to € 15.6 bn and liabilities from intra-group cash pooling went down from € 11.7 bn to € 11.1 bn, miscellaneous intra-group liabilities slightly increased from € 0.8 bn to € 1.0 bn.

In 2023, other third-party financial liabilities amounted to € 2.1 bn (2022: € 1.9 bn). This increase was mainly driven by higher short-term liabilities from unsettled security transactions, which grew by € 0.4 bn to € 0.9 bn. Lower margin payments in connection with financial derivative transactions, which went down by € 0.2 bn to € 0.1 bn, partially offset the increase.

LIQUIDITY AND FUNDING RESOURCES

The main responsibility for managing the funding needs of the 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 buybacks 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 2023, the share capital registered at the Commercial Register was € 1,169,920,000. This was divided into 391,718,983 no-par value shares. As of 31 December 2023, Allianz SE held 260,394 (2022: 1,724,834) own shares.

Allianz SE has the option to increase its share capital base according to authorizations provided by the Annual General Meeting (AGM). The following table outlines Allianz SE's capital authorizations as of 31 December 2023:

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 2023, we issued a € 1.25 bn subordinated bond. In the second half-year of 2023, we issued another USD 1.0 bn subordinated bond and called a € 1.5 bn subordinated bond. Overall, subordinated liabilities increased to € 17.6 bn (2022: € 17.1 bn) at year-end.

Other financial liabilities decreased compared to the previous year to € 33.0 bn (2022: € 33.9 bn), mainly due to lower liabilities from intra-group cash pooling.

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 the fact that business decisions to achieve our set targets are taken 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, Allianz SE considers 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, the 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, respectively Allianz SE's, existence and business continuity.
- Ensuring compliance with applicable laws and regulations.
- 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.
- Providing the management bodies with the relevant information for their decision-making processes.

Notwithstanding the oversight exercised by the Supervisory Board of Allianz SE, controls are performed within the 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 frameworks 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 the Allianz Group, respectively Allianz SE, 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, data privacy, customer protection, and protection/resilience. These are supplemented by management reports.

Integrated Risk and Control System for financial and non-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 and hierarchy-linked procedures.

Control system for financial and non-financial reporting

Specific internal controls for financial reporting, which follow the Non-Financial Risk Management (NFRM) framework – embedding the Integrated Risk and Control System (IRCS) approach – are integrated 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 balance sheet positions. This risk catalog is the starting point for the definition of the Group's as well as Allianz SE's scope of financial reporting risks.
- 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. When a potential risk is detected, 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. Controls to address non-financial reporting risks have been introduced and will be expanded going forward.
- 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 both a set of principles for specifically addressing the operational and reputational risks stemming from non-compliance with laws, regulations, and other external requirements that represent a significant compliance risk (hereafter referred to as "compliance risks"), as well as their reflection in internal corporate rules.

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 the 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. It has no indication that, as of 31 December 2023, our risk management system or internal control system is inappropriate or ineffective, 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 promptly 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 the 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.
- In addition, external auditors are independently and regularly reviewing Allianz SE's risk governance as well as performing quality reviews of risk processes, including the ICS, and risk early warning systems.
- 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.

Allianz will be required to comply with Corporate Sustainability Reporting Directive (CSRD) regulations by the end of the financial year 2024. As new CSRD reporting requirements are being established, our internal control system is undergoing continuous enhancements. A dedicated project helps to ensure diligent preparation for CSRD implementation, including the early identification of where improvements are necessary.

Our strategy

Allianz SE's business strategy is aligned with the business aspirations and strategy of the Allianz Group. Allianz SE's main activities are the steering of legal entities owned, as well as the provision of central

1_Unaudited.

finance functions. This includes the provision of central services to legal entities through various functions. As a reinsurer, Allianz offers reinsurance services to mostly internal but also external counterparties.

The 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 that 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, among others, 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 aiming to grow 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) by 2024. 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.

The Allianz Group, and therefore Allianz SE, faces 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. Coverages for large accumulation scenarios for natural catastrophes and man-made exposures are experiencing an increased demand in a volatile market environment, e.g., business areas such as cyber coverage.

The 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 the 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, while 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 the Allianz SE business strategy – includes in particular providing central financing functions to Allianz Group companies, and acting as a reinsurer with predominantly group-internal business, but also pursuing opportunities with external clients. 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.
- Provision of reinsurance solutions to business partners outside the Allianz Group to support growth.

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 a 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.

1_Based on IFRS 4.

2_Mid-point of our EPS target range.

In 2023, Allianz SE also supported Group efforts for simplification and digitalization, among others, by further developing centralized expertise in product development and digital distribution platforms.

Risk governance structure

Supervisory Board and Board of Management

Our approach to risk governance permits the 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 the Board of Management of Allianz SE have both Allianz SE and group-wide responsibilities.

The Board of Management formulates business objectives and sets a corresponding business strategy, risk strategy, and investment strategy. It also defines risk limits and allocates risk capital to the business activities within the Allianz Group and specifically also for Allianz SE. The core elements of the risk framework are set out in the Allianz Group Risk Policy and approved by the Board of Management. The Board of Management reports to the Supervisory Board.

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 risk strategy is aligned with the business strategy.

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

Group Finance and Risk Committee

In the context of the Group's Committee Framework, the Group Finance and Risk Committee (GFRC) reports to the Board of Management and 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 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

Via the Policy Framework, 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 (e.g., to the Board of Management via the Management Reporting) and a disciplined approach towards decision-making and execution at both the global level (Board of Management of Allianz SE) and local levels (i.e., the Operating and Legal Entities).

In the Three Lines of Defense model, 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 global oversight functions including Risk, Actuarial, Compliance, and Legal, which support the Board of Management in defining the risk frameworks within which the business can operate. Group 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.

To ensure the effectiveness of our Internal Control System, all functions are obliged to cooperate and exchange necessary information and advice. Given that control activities may be exercised by staff in different organizational units, appropriate mechanisms are in place between the control functions to allow fully informed and educated decision-making.

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 related 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 across all risk categories 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 Management 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 Compliance has defined preventive, detective, and responsive controls for the assigned compliance risk areas, which are based on requirements specified in the compliance standards and Code of Conduct. A compliance control catalog, including the development of control objectives arising from the various corporate compliance guidelines, as well as a cataloguing of normative risk scenarios and defined key control activities, are available.

Group Actuarial 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. The latter includes joining Group Risk in a discipline to regularly monitor internal risk capital models, assumptions, and parameters – as well as their changes. It also includes providing support regarding capital efficiency management, contributing to the modeling of insurance risk capital, and supporting the identification of underwriting risks via independent reserve reviews.

For the modeling of Allianz SE's risk capital, various risk modules are used from Group central model components as well as Allianz SE specific adaptations, e.g., for the reinsurance business. Model ownership is dedicated to the Allianz SE departments with the respective expertise, such as actuarial or the department for NatCat modeling. Furthermore, a comprehensive risk modeling oversight is performed by the risk controlling departments of Allianz SE to ensure full compliance with the Allianz Standard for Internal Model Governance, summarized in the annual validation report for Allianz SE.

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 Allianz Group and Allianz SE, 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 business segment is steered – in addition to the Return on Equity – by a return on risk capital[2] (RoRC) approach for new business at the product level, while for the Property-Casualty business segment a return on equity (RoE insurance) at the portfolio level is used.

RoRC and 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 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 the steering of the insurance business, 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 the 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 volatilities, and currency values, which might impact the value of our assets and liabilities.

To measure these market risks, real-world stochastic models[3] 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).

1_From a formalistic perspective, the German Supervisory Authority deems our model to be "partial" because not all our entities use the internal model. Some of our smaller insurance entities report under the standard formula and others apply third country equivalence. For asset management, banking, and Institutions for Occupational Retirement Provision (IORP), sectoral requirements are applied. 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.

3_Internal pensions are evaluated and modeled based on deterministic cash flow models, following IAS 19 principles.

Strategic asset allocation benchmarks and risk limits – including stand-alone 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 material M&A transactions of Allianz SE is managed 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 and a duration gap 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. Measures have been taken to manage currently observed elevated inflation levels. On the Property-Casualty side, this includes continuous monitoring of claims inflation, sufficient provisioning, and timely adjustments of premium rates to reflect both actual and expected inflation.

Equity risk

Allianz SE's equity risk predominantly results from the performance of our strategic insurance participations. Other equity risk stems from 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.

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 the Allianz Group's and Allianz SE's 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 originates from three sources: our investment portfolio, guarantees and retrocession.

- Investment portfolio: Credit risk results from our investments in fixed-income bonds, loans, derivatives, cash positions, and receivables whose value may decrease depending on the credit quality of the obligor.
- Guarantees: Credit risk is caused by the potential default of Group companies on commitments from contracts with external stakeholders, which are backed by guarantees from Allianz SE.
- Retrocession: Credit risk to external reinsurers arises when parts of Allianz SE's reinsurance business are retroceded to external reinsurance companies to mitigate risks. Credit risk arises from potential losses from non-recoverability of reinsurance receivables, or due to default on benefits under in-force reinsurance treaties. Our retrocession partners are carefully selected by a team of specialists. Besides focusing on companies with a strong credit rating, we may further require letters of credit, cash deposits, 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, but also 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 cedants and provide reinsurance protection in return. Premium risk is the risk that actual claims for the business in the current year turn out adversely relative to expected claims ratios used for pricing.

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, e.g., in the form of Underwriting File Reviews. 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 stand-alone basis (i.e., before diversification effects) within an Allianz Group global limit framework in order to avoid substantial losses from single events, such as natural catastrophes, and from man-made catastrophes, such as terror or large industrial risk accumulations.

Premium risk is subdivided 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 gain or loss dependent on the assumptions applied for the estimate. In addition, the risk of inflation volatility deviating from historical observations and of changes in yield curves is covered in the specific market risk modules.

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.

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

1_Credit Risk Platform.

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, such as 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.

The potential interaction between market risks (in particular interest rate risk) and lapse risk is covered by two different modelling aspects:

- Financial rationality: The Life/Health cash flow models generally contain a dynamic modeling of lapse where the best estimate lapse rate is increased if market returns are significantly higher than the overall return of the insurance policy and vice versa.
- Cross effects: This part takes into account that a combined impact of a market rate change and a lapse rate change could deviate significantly from the sum of the two impacts.

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, IT risks (such as a cybersecurity incident causing limited availability, loss of confidentiality or integrity, or regulatory fines[1]), IT-related risks (such as improper delivery/design or operational stability), a potential failure at our outsourcing partners causing a disruption to our working environment, etc.

In the last year, the following two IT-related operational risks in particular have gained in importance:

- The first operational risk results from fast developments in the area of artificial intelligence (AI) including generative AI. AI can help Allianz to further improve customer services and internal processes but comes also with new operational risks: Public and regulatory concerns about discriminating AI and "Black Box AI" triggered various regulatory initiatives by supervisory authorities and regulators across the globe, especially the upcoming European Union AI Act, which is expected to be published in 2024. Allianz addresses these new legal and reputational risks seriously with its AI governance framework, which is already rolled out in various operating entities. It basically includes a practical guidance for AI promoting transparency, privacy, fairness, human agency and accountability in the development and deployment of AI solutions. Privacy and ethics impact assessments help to implement these AI principles on a case-by-case basis. These activities are supported by various training and awareness campaigns for Allianz employees, and by a data advisory board preparing decisions for the Board of Management in the area of AI and data ethics. The Allianz AI governance framework will be further adjusted, especially to implement the European Union AI Act in its final version and structurally rolled out in the operating entities.
- The second operational risk is compliance with rising regulatory requirements on the management of IT risks. In the second quarter 2022, BaFin conducted an audit on the implementation of the supervisory requirements for insurance on IT (VAIT), with the new version published on 3 March 2022 at Allianz SE. To address the findings, Allianz SE has set up a program under the lead of the division "Operations, IT and Organization" and approved and submitted to BaFin a corresponding remediation plan. The remediation plan has been accepted by BaFin.

Additional recent examples are the European Commission's Digital Operational Resilience Act (DORA) and similar requirements from local regulators relevant for the Allianz Group. To achieve compliance with the large number of very granular DORA standards, an extensive program coordinated by Group Protection & Resilience was initiated during 2023. Target of the program is to implement adequate solutions by January 2025, when the requirements set by the act need to be effectively met by Allianz. Group Risk is participating in the project and is actively involved in contributing to the design required by DORA.

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.

1_For further information on cyber risk, see section "Cybersecurity" in the Non-Financial Statement.

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.

With regards to the last year, in particular IT risk management and information and cybersecurity were further improved via implementation of the following strategic themes, which were derived from both observed and anticipated risks, considering the strategic outlook of information security, the threat landscape, and industry trends: (1) protection of digital identity, (2) security service health, (3) cyber resilience.

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 Non-Financial Risk Management (NFRM) framework, which is progressively replacing the Integrated Risk and Control System (IRCS) framework. If correctly implemented, these frameworks ensure that risks are identified in time, and controls are appropriately set up and tested frequently to identify potential weaknesses or gaps in the internal control system.
- Monitoring the resolution of identified weaknesses in the internal control system.

NFRM strengthens 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, with close monitoring by Group Risk and Group Compliance. Insurance and Asset Management entities of the first two waves – 44 operating entities out of 67 – have already undergone important implementation steps in 2023 to further bolster assurance activities. Operating entities part of the last wave 3 have continued to apply the IRCS framework and will implement NFRM in 2024.

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.

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

The NFRM is the framework by which the second Line of Defense supports and facilitates the fulfillment of first Line of Defense responsibility to implement an adequate and effective system for managing Non-Financial Risks. The NFRM aims to strengthen the control system by using a harmonized methodology to:

- Achieve a consistent and commonly accepted definition of risks that fall under the category Non-Financial Risk, via establishing a set of non-financial risk vectors.
- Facilitate the implementation of adequate controls via an NFRM control catalog, consisting of control objectives, risk scenarios, and exemplary key controls.
- Ensure a robust testing of these controls, using a systematic risk-based approach.

To achieve these targets, NFRM has connected and evolved already existing pillars and tools of the Allianz Risk Management and Internal Control System framework, e.g., the Top Risk Assessment (TRA) methodology, the Integrated Risk and Control (IRCS) framework, and the use of internal and external operational loss events.

The NFRM framework has the following key features:

- Objective data is used through a consistent methodology to facilitate a baseline assessment of non-financial risks.
- An assessment of top non-financial risks prioritizes risks to better allocate resources.
- A process-level view is used to approach risks and controls from a business view, and to facilitate integrated assurance.
- Standardized key controls are defined to support compliance and risk management by design, and to enforce integrated assurance and testing rigor.

Fundamental to the NFRM is the concept of a holistic approach. While there are several different sources of operational risks, the process towards the management of the risks always follows the same core principle. This is that operational risks must be identified, assessed, and prioritized, and underlying mitigating controls have to be effective. This is the basic premise behind establishing an integrated approach.

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 internal control effectiveness at the Allianz SE level, an IRCS Rating is compiled as an integral part of the NFRM framework. Based on the 2023 rating, we have no indication that the IRCS is not adequately designed or to a material degree ineffective. Wherever shortcomings in design or effectiveness have been identified, remediation has been addressed. No material weaknesses have been identified.

Allianz SE is conducting an NFRM full run for the business year 2023, which incorporates the above conclusions.

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 risk.

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.

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 the eyes of internal or external stakeholders.

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 main reputational risks faced by Allianz SE and the Allianz Group are related to strategy execution, environmental, social and governance (ESG) risks, cyber risks, litigation risks, and compliance risks. Reputational risk can also arise from sensitive issues within any Allianz entity, which can impact the reputation of the holding company, Allianz SE.

To manage these risks, Allianz has defined sensitive business areas and corresponding risk guidelines that are binding for Allianz SE and its affiliated companies . All relevant functions within Allianz SE cooperate in identifying reputational and ESG-related risks, with Group Communications (GCOM) and Group Sustainability assessing potential risks on a group-wide basis.

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. This relates especially to:

- Coverage of various types of catastrophes in the Property-Casualty business, with the frequency of such events anticipated to increase going forward as a result of the unfolding climate change effects;
- Mass lapse events or rising lapse rates in the Life/Health insurance business, especially in combination with changes in the relevant capital market environment.

Major risks can also result from derivative transactions used by Allianz to hedge specific market risks.

Allianz is exposed to liquidity risk as well due to large operational risk events, which may potentially result in significant cash outflows.

Another source of liquidity risk for Allianz are potential regulatory actions by local supervisors, which may reduce dividends from subsidiaries to the Group (e.g., due to global events such as partially observed during the COVID-19 crisis).

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 liquidity plan, and under systemic as well as Allianz SE-specific adverse liquidity scenarios.

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

Allianz SE's short-term liquidity is managed within Allianz SE's cash pool, which 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 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. Triggers for increased contingent liquidity requirements include amongst others 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 the 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.

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 the Group 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 for steering the integration of ESG aspects into core investment and insurance activities.

At the Allianz SE level, these responsibilities hold accordingly.

For a broader perspective on our key ESG integration processes, please refer to the Non-Financial Statement.

Climate change

Within the broad scope of ESG, climate change is currently the ESG factor of primary emphasis, both in terms of regulatory focus and potential to materially influence our risk profile over a short- to mid-term and long-term horizon. Commensurate with this emphasis, an assessment of Allianz's climate change-related risks has been conducted during 2023, including both a qualitative risk assessment following the structure of the ESG risk inventory, as well as quantitative scenario analyses and stress-testing.

For information about the climate change risk management methodology, the outcome of the assessments and next steps, please refer to 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 by comprising 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 impact 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 the Allianz Group, as well as its activities as a reinsurer.

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

Until the third quarter of 2023, Allianz SE represented the solvency capital requirements for certain minor insurance entities outside the European Economic Area (EEA), with only immaterial impact on the Allianz SE's risk profile, by a book value deduction approach.[1] Due to regulatory requirements, starting from the fourth quarter of 2023, the book value deduction method will no longer be used for these entities. Instead, the majority of these entities will be treated as strategic participations. Some entities that are not fully consolidated and immaterial will be treated as investments.

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) 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,

1_Therefore, both capital requirements and own funds of those entities did not enter Solvency II capitalization figures, as Allianz made use of the book value deduction approach.

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 to be 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 to apply a meaningful mark-to-market approach. For such assets we apply a mark-to-model approach. For some of our liabilities, the accuracy of their values 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.

Regulatory and model changes in 2023

In 2023, 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.

The net impact of regulatory and model changes on the Solvency II risk capital of Allianz SE in 2023 was € 2,223 mn.

The most important changes are:

- Treatment of certain minor, previously not included non-EEA insurance entities mainly as strategic participations, and of some not fully consolidated and immaterial entities as investments (€ 2.0 bn, + 2 % p on Solvency II ratio);
- Dynamic Inflation Extrapolation, which improves the inflation modeling by refining both the coverage of the term structure and the extrapolation to the central bank's long-term inflation target (€ 0.2 bn).

In the subsequent sections, the risk figures for 2022 after regulatory and model changes will form the basis for the analysis of the changes in our risk profile in 2023.

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

as of 31 December	2022[1]	2022[2]
Market risk	30,256	28,142
Credit risk	531	524
Underwriting risk	3,406	3,442
Business risk	145	145
Operational risk	531	531
Diversification	(3,177)	(3,314)
Tax	(206)	(206)
Total Allianz SE	**31,486**	**29,263**

1_2022 risk profile figures recalculated based on model and regulatory changes in 2023.
2_2022 risk profile figures as reported previously.

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

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

Market, credit, and underwriting risk

Due to regulatory requirements, starting from the fourth quarter of 2023, certain minor, previously not included non-EEA insurance entities, which were formerly represented by a book value deduction approach, are treated as participations (some not fully consolidated and immaterial entities are treated as investments). Together with the major model change for inflation risk (introduction of additional inflation risk factors and dynamic inflation extrapolation) and further model changes, this adjustment increased the market risk by € 2,114 mn.

Diversification

Diversification between risk categories decreased by € 137 mn, which was primarily driven by the increase of market risk as well as the decrease of underwriting risk following the regulatory and model changes. In particular, the major inflation model change triggered an update of the risk factor correlation matrix impacting the diversification.

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 reports can be interpreted as a “look-through” into 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 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 equity risk from strategic participations in Allianz Group subsidiaries, a moderate exposure to underwriting risk, and relatively low exposures to operational risk, credit risk and business risk (i.e., measured as a share of 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 group-internal and external reinsurance 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.
- 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), Non-Financial Risk Management (NFRM), Reputational Risk Management Framework, and Liquidity Risk Management.

Potential risks in the financial markets and in our operating environment

Allianz faces a challenging financial market and operating environment.

Markets are characterized by the risk of persistently high volatility. Interest rates have further increased, reflecting continued monetary policy tightening by key central banks to counter current inflation rates and long-term inflation expectations being above central banks’ long-term inflation targets. Bonds and equity markets are fragile, as inflation and economic growth prospects for Europe and the United States are still impacted by repercussions from the war in Ukraine and supply chain disruptions from the COVID-19 pandemic, and there is the risk of further global political and economic destabilization.

Lasting geopolitical and new regional political crises dominate the political and economic agenda. There is no clear resolution on the horizon for the lasting war in Ukraine. In addition, the Israel-Hamas war in Gaza risks escalating into a regional military conflict with the involvement of Iran and the United States, encompassing new risks for energy prices and inflation. Furthermore, there is the risk of a deterioration in the United States-China relationship, 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 a persistent high financial market volatility. Lasting momentum for populist and radical parties in the Americas, in Europe, and around the globe could make international cooperation and coordination more challenging and complex, leading to a lower chance of impactful political action on geopolitical and regional crises, as well as on issues such as climate change, due to conflicting objectives. The risk factors also include further disruptions to global supply chains, which weigh on global trade, with the potential to prompt long-term structural shifts in these chains. Lasting risk factors include the challenges of implementing long-term structural reforms in key eurozone countries.

The increasing reliance on digital technologies, combined with the rising use of artificial intelligence, increases the risk of technology obsolescence, cyberattacks, data breaches, system failures, negative impacts from the use of deepfake tools on political and business processes, as well as the risk of non-compliance with increasing regulation covering IT-related business processes.

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

Regulatory developments

Our approved partial internal model has been applied since the beginning of 2016 when Solvency II came into effect. There is some uncertainty whether the provisional equivalence of the United States solvency regime for Solvency II purposes will be extended beyond 2025, as well as about future regulatory requirements resulting from the potential introduction of future global capital requirements, and from the current Solvency II review.

The Solvency II concept of "equivalence" allows third country solvency regimes to be recognized and used for Solvency II purposes. Most relevant for Allianz today, it allows the integration of Allianz Life Insurance Company of North America into the Group capital calculation based on United States solvency requirements. The current provisional equivalent treatment of the United States expires at the end of 2025 and there is some risk that the equivalence will not be extended beyond 2025, with a potential negative impact to the solvency ratio of Allianz Group.

The framework for potential future capital requirements for Internationally Active Insurance Groups (IAIGs) is yet to be finalized by the International Association of Insurance Supervisors (IAIS) and the Financial Stability Board (FSB).

In addition, in the last years the European Commission reviewed the Solvency II directive as foreseen in European legislation. The review has been politically agreed by the trilogue parties (European Commission, European Parliament and European Council) in December 2023, and the final text of the directive is expected to be published in the official journal of the European Union in the second or the third quarter 2024. The corresponding update of Level 2 legislation (Solvency II regulation) as well as EIOPA guidelines will be performed by the European Commission and EIOPA during 2024 and 2025 and will cover outstanding technical details as delegated by the directive. The application of the new rules will start 24 months after their publication in the official journal of the European Union, i.e., for the second quarter 2026 at the earliest.

Finally, the potential for a multiplicity of different regulatory regimes, capital standards, and reporting requirements, based on a parallel application of a global capital framework (Insurance Capital Standard – ICS) as well as Solvency II, could 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 2023.
- 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. In addition, Allianz is carefully monitoring especially the development of the war in Ukraine, geopolitical tensions and regional political crises, 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

The Own Funds and capital requirements are based on the market value balance sheet approach, which is 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		2023[1]	2022[2]
Own funds	€ bn	87.9	76.7
Capital requirement	€ bn	33.1	29.3
Capitalization ratio	%	265	262

1_Excluding the application of transitional measures for the valuation of technical provisions at other Allianz Group companies.
2_2022 risk profile figures as reported previously.

As of 31 December 2023, the Solvency II capitalization of Allianz SE stands at 265%. The increase of 3 percentage points in 2023 results from an increase in own funds by 15% and a relatively lower increase in solvency risk capital by 13%, both mainly driven by higher 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 € 98.1 bn and € 36.5 bn, leading to a Solvency II ratio of 269%. 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.

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.

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

The Allianz SE diversified risk is broken down as follows:

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

as of 31 December	2023	2022[1]
Market risk	31,428	30,256
Credit risk	471	531
Underwriting risk	4,293	3,406
Business risk	192	145
Operational risk	623	531
Diversification	(3,891)	(3,177)
Tax	-	(206)
Total Allianz SE	**33,116**	**31,486**

1_2022 risk profile figures adjusted based on the 2023 model changes and regulatory changes.

As of 31 December 2023, Allianz SE's diversified risk capital amounted to € 33.1 bn (2022: € 31.5 bn). The increase in Solvency II capital requirements is mainly due to higher market risk and higher underwriting risk.

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

Market risk

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

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

as of 31 December	2023	2022[1]
Interest rate	12	73
Inflation	(379)	(257)
Equity & Equity volatility	30,896	29,744
Credit spread	267	329
Real estate	153	158
Currency	479	210
Total Allianz SE	**31,428**	**30,256**

1_2022 risk profile figures adjusted based on the 2023 model changes and regulatory changes.

For Allianz SE, the pre-diversified market risk as of year-end 2023 amounts to € 31,428 mn. The increase of € 1,172 mn is driven by higher equity risk.

Interest rate risk

In 2023, the interest rate risk increased the market risk by € 12 mn. The change in comparison to the previous year (€ (61) mn) is driven by changes in diversification effects due to an increasing dominance of equity risk.

As of 31 December 2023, Allianz SE's interest-rate-sensitive assets amounting to a market value of € 42.5 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

Similar to previous years, inflation risk leads to a relief in market risk. As of 31 December 2023, the relief amounts to (€ (379) mn).

Equity risk and equity volatility risk

In 2023, the contribution of equity risk and equity volatility risk to market risk amounts to € 30,896 mn. The increase in contribution of € 1,152 mn in comparison to 2022 is mainly due to higher market values of participations in Group companies and reduced equity put hedges.

Credit spread risk

At the end of 2023, credit spread risk increased the market risk by € 267 mn. The decrease of € 61 mn compared to the previous year is mainly due to a lower average maturity of the bond portfolio.

Real estate risk

The burden on market risk from real estate risk is at a similar level as in 2022 and amounts to € 153 mn.

Currency risk

At year-end 2023, currency risk contributed € 479 mn to market risk. The increase of € 269 mn in comparison to the previous year is mainly driven by higher market values of participations in non-eurozone Group companies.

Credit risk

The € 60 mn decrease in credit risk is driven by lower credit risk from the reinsurance business, mainly due to lower retrocession exposures.

Underwriting risk

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

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

as of 31 December	2023	2022[1]
Premium natural catastrophe	514	358
Premium non-catastrophe and terror	2,184	1,816
Reserve	1,477	1,165
Biometric	118	67
Total Allianz SE	**4,293**	**3,406**

1_2022 risk profile figures adjusted based on the 2023 model changes.

For Allianz SE, the pre-diversified underwriting risk showed an increase of € 887 mn, primarily driven by an increase in reserve risk and premium risk for non-catastrophe.

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 € 65 mn (2022: increase of € 89 mn), premium non-catastrophe and terror risk increased by € 363 mn (2022: € 416 mn), reserve risk increased by € 18 mn (2022: decrease of € 124 mn), while biometric risks decreased by € 33 mn (2022: increase of € 15 mn) due to this reallocation.

Property-Casualty

Premium risk

In 2023, Allianz SE's natural catastrophe risk increased by € 156 mn, mainly due to the new retrocession structure for natural catastrophe risks.

The top five scenarios contributing to Allianz SE's natural catastrophe risk as of 31 December 2023 were a windstorm in Europe, an earthquake in Australia, a flood in Australia, a flood in Germany and a hailstorm in Germany.

Allianz SE's non-catastrophe and terror premium risk increased by € 368 mn in 2023, mainly due to additional Allianz intra-group reinsurance transactions.

Reserve risk

The increase by € 312 mn in Allianz SE's reserve risk in 2023 is mainly due to significant natural catastrophe events and reduced retrocession assets.

Life/Health

In 2023, Allianz SE's biometric risk increased by € 51 mn compared to 2022. The main driver is an increase in mortality and mortality calamity risk due to an increase in Canadian exposure.

Business risk

The business risk has increased by € 48 mn in 2023, also driven by the increase of the Canadian portfolio's exposure.

Operational risk

End of 2023, Allianz SE's operational risk was € 623 mn. The € 91 mn increase in operational risk resulted primarily from an increase in the operational risk categories "Suppliers" & "System Failures".

Liquidity risk

Detailed information regarding our liquidity risk exposure, liquidity, and funding – including changes in cash and cash equivalents – is provided in Liquidity and Funding Resources. As can be inferred from the section on the management of liquidity risks, while these are quantified and monitored through regular stress test reporting as well as properly managed, they 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 – SEBG"), 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 solvency statement. 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"), as amended from time to time. There are no statutory provisions on the basis of which recommendations of the Code are not applicable to Allianz SE. On 14 December 2023, 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

Since issuing the last Declaration of Conformity on 15 December 2022, Allianz SE has complied with all recommendations of the German Corporate Governance Code Commission in the version of 28 April 2022, and will comply with the recommendations in the future.

Munich, 14 December 2023
Allianz SE

On behalf of the Board of Management:
Signed Oliver Bäte Signed Giulio Terzariol

On behalf of 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**.

Board of Management

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, and the interim reports.

Composition and operations of the Board of Management

The Board of Management of Allianz SE currently has nine members. As a general rule, its members may not be older than 62. Further information on the members of the Board of Management can be found in Mandates of the Members of the Board of Management. The composition is also available on the **Allianz company website**, which also provides the CVs of the members of the Board of Management.

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. They consult with the Chairperson of the Board of Management on important issues. The Chairperson of the Board of Management is also responsible for coordinating the departments.

Divisional responsibilities for business segments and/or functional responsibilities are assigned to the individual departments. The latter include, inter alia, Finance, Risk Management and Controlling Functions, Investments, Operations and IT, Human Resources, Legal, Compliance, Internal Audit, and Mergers & Acquisitions. Business division responsibilities focus on geographical regions or global lines. Rules of procedure specify the inner organization of the Board of Management as well as the departmental responsibilities.

The meetings of the Board of Management are convened and chaired by the Chairperson. In addition, any member of the Board may request a meeting, stating the proposed subject of discussion. As a rule, a meeting of the Board of Management was held every two weeks in the financial year 2023.

The Board of Management has a quorum if all members of the Board of Management have been invited to a meeting and at least half its members – including the Chairperson or a member of the Board of Management appointed by him – attend the meeting. Unless otherwise stipulated by law, the full Board of Management takes decisions with a simple majority of participating members. In the event of a tie, the Chairperson of the Board of Management has the deciding vote. The Chairperson can also veto decisions, but he cannot enforce a decision against the majority vote of the Board of Management.

Composition and operations of the Board of Management committees and the Group committees

The Board of Management has formed committees from among its members. The task of these committees is to coordinate and decide on matters of the Board of Management referred to them, to prepare decisions for the Board of Management reserved to it, and to submit proposals for resolutions. The committees advise the full Board of Management. The responsibilities and composition of the committees are defined in the respective rules of procedure.

In the financial year 2023, 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, Dr. Andreas Wimmer.	Preparing the capital and liquidity planning for the Group and Allianz SE; implementing and overseeing the principles of group-wide capital and liquidity management; defining risk standards and preparing the risk strategy; approving key financial transactions and pension-related transactions; preparing 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.
Group IT Committee Dr. Barbara Karuth-Zelle (Chairwoman), Sirma Boshnakova, Dr. Klaus-Peter Röhler, 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, Giulio Terzariol, Dr. Andreas Wimmer.	Managing and overseeing Group M&A transactions, including approval of individual transactions within certain thresholds.

As of 31 December 2023

In addition to Board of Management committees, there are also Group committees. They, too, are responsible for coordinating and deciding on matters of the Board of Management referred to them, for preparing decisions for the Board of Management of Allianz SE, reserved to it, and submitting proposals for resolutions. They are also responsible for ensuring a smooth flow of information within the Group.

In the financial year 2023, 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 entities, particularly in relation to alternative assets; monitoring 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 proprietary investments.

As of 31 December 2023

Diversity concept for the Board of Management and succession planning

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 via the appointment procedure for members of the Board of Management by the Supervisory Board. For the purpose of long-term succession planning, a list of candidates is prepared and updated on an ongoing basis by the Chairperson of the Board of Management in consultation with the Chairperson of the Supervisory Board. It is ensured that lists of successors will comprise appropriate percentages of 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 in the Board of Management. In the event of a vacancy on the Board of Management, the Personnel Committee, after a thorough examination, recommends a suitable candidate to the Supervisory Board plenary session. It also 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 four female members, accounting for 44.4 %. Four members of the Board of Management have international backgrounds based on their origin. There is an adequate degree of diversity with regard to educational and professional backgrounds. The Board of Management of Allianz SE is thus composed in accordance with the diversity concept.

Remuneration of the Board of Management

The Supervisory Board of Allianz SE has adopted a clear and comprehensible system for the remuneration of the members of the Board of Management. The Board of Management remuneration system must be submitted to the General Meeting for approval whenever a material amendment is planned to be effected, but at least every four years. The most recent submission of the remuneration system for the Board of Management of Allianz SE to the General Meeting for approval was on 5 May 2021.

In addition, the Board of Management and Supervisory Board must prepare a clear and comprehensible annual report on the remuneration of current and former Board members, which must be submitted to the General Meeting for approval each year.

The current remuneration system for the Board of Management and the Remuneration Report, including the auditor's report, are available on the **Allianz company website**.

Cooperation with the Supervisory Board

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 General Meeting. Supervisory Board approval is required, for example, for certain capital measures, 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 thresholds. 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.

Supervisory Board

The Supervisory Board oversees and advises the Board of Management on managing the business. It is also responsible for appointing the members of the Board of Management, determining their overall remuneration, succession planning for the Board of Management, and reviewing Allianz SE's and the Allianz Group's annual financial statements. The Supervisory Board's activities in the financial year 2023, including an individualized disclosure of the meeting participation, are described in the Supervisory Board Report.

Composition and operations of the Supervisory Board

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

The Supervisory Board comprises twelve members, including six shareholder representatives appointed by the General Meeting. The six employee representatives are appointed by the SE Works Council. The specific procedure for their appointment is laid down in the SE Agreement, which stipulates that the six employee representatives must be allocated in proportion to the number of Allianz employees in the different countries. The Supervisory Board currently in office includes four employee representatives from Germany – including one trade union representative – and one each from France and Italy. According to § 17 (2) SEAG, the Supervisory Board of Allianz SE shall comprise 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. Moreover, a staggered board with different appointment periods was introduced with the elections to the Supervisory Board on 4 May 2022.

The composition of the Supervisory Board is presented in the Supervisory Board Report. Further information on the Supervisory Board members is presented in Mandates of the Members of the Board of Management. Furthermore, the composition and a general description of the operations of the Supervisory Board are available on the **Allianz company website**, which also provides the CVs of the Supervisory Board members.

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 there is a tie and the Chairperson is not present, the casting vote lies with the vice chairperson elected at the shareholder representatives' proposal. A second vice chairperson is elected at the employee representatives' proposal.

The Supervisory Board regularly reviews the efficiency of its activities and the activities of its committees in the framework of a so-called self-assessment. The self-assessment is carried out either by means of an internal questionnaire or by consulting an external consultant. In 2023, the self-assessment was carried out using an internal questionnaire. The Supervisory Board plenary session discusses recommendations for improvements and adopts appropriate measures on the basis of recommendations from the Standing Committee. In addition, the fitness and propriety of the individual members of the Supervisory Board are reviewed as part of an annual self-evaluation required by supervisory law, and a development plan for the Supervisory Board is drawn up on this basis. The Supervisory Board and the Audit Committee also hold regular sessions that are not attended by any of the members of the Board of Management.

Composition and operations of the Supervisory Board committees

Part of the Supervisory Board's work is carried out by its committees. The Supervisory Board receives regular reports on the activities of its committees. The composition of committees and the tasks assigned to them are 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 which require the approval of the Supervisory Board, e.g., capital measures, acquisitions, and disposals of participations. – Preparation of the Declaration of Conformity pursuant to § 161 of the German Stock Corporation Act and review of corporate governance. – Preparation of the self-assessment of the Supervisory Board.
Audit Committee 5 members – Chairperson: appointed 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 Non-financial Statement and Risk Report) and the proposal for the appropriation of net earnings, review of half-yearly reports and, where applicable, quarterly financial reports or statements. – Monitoring of the financial reporting process, the effectiveness of the internal control and risk management system, internal 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 evaluate the audit risk, audit strategy, and audit planning.
Risk Committee 5 members – Chairperson: appointed 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 consolidated financial statements as well as management reports, 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 resolutions on setting of the total compensation of Board of Management members. – Preparation of the Remuneration Report. – Conclusion, amendment, and termination of contracts with 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 concrete objectives for the composition of the Supervisory Board. – Establishment of selection criteria for shareholder representatives on the Supervisory Board in compliance with the Code's recommendations on the composition of the Supervisory Board. – Selection of suitable candidates for election to the Supervisory Board as shareholder representatives.
Technology Committee 5 members – Chairperson: appointed 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 the oversight of the implementation of the Board of Management's technology and innovation strategy.
Sustainability Committee 5 members – Chairperson: appointed 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 the oversight of the execution of the Board of Management's sustainability strategy. – Support of the Personnel Committee of the Supervisory Board in the preparation of the ESG-related target setting as well as the assessment of the fulfillment of the set targets for the Board of Management's remuneration.

As of 31 December 2023

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 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 Committee,
- 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 E.U. 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 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).

The members of the Audit Committee as a whole are familiar with the sector in which the company operates. 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.

The Chairperson 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 also acquired extensive knowledge and experience in both of these areas during her many years as a member of the Audit Committee and as part of her role 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 Chairperson 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.

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 met. In addition, the Supervisory Board has five members with international backgrounds.

The skills profile is also met by the Supervisory Board as a whole. 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	Hainer	Boissard	Bosse	Chatterjee	Eichiner	Burkhardt-Berg	Le Goaër	Grundler	Kirsch	Lawrenz	Di Paolo
Tenure	Joined Board in	2017	2017	2017	2012	2022	2016	2012	2018	2016	2018	2015	2022
Personal Appropriateness	Regulatory Requirement (Fit & Proper)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Independence[1]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No Overboarding[1]	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity	Gender	male	male	female	female	female	male	female	male	female	male	male	male
	Nationality	German	German	French	Danish	Singaporean	German	German	French	German	German	German	Italian
Expertise	Accounting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Insurance Actuarial Practice	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Investment Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Digital Transformation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employee Engagement	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Regional Expertise	North America	✓	✓	-	-	✓	✓	-	-	-	-	-	-
	Growth Markets	✓	✓	-	-	✓	✓	-	-	-	-	-	-
	Europe (E.U.)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

✓ Criteria met. Expertise criteria based on annual self-evaluation by the Supervisory Board. 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 regularly attended by all members of the Supervisory Board. On a scale from A-E this requires at least grade B.

1_According to the German Corporate Governance Code.

Supervisory Board remuneration

The remuneration of the Supervisory Board is laid down in the Statutes of Allianz SE. The most recent resolution on Supervisory Board remuneration was passed at the Annual General Meeting on 4 May 2023. The corresponding resolution of the Annual General Meeting and the Remuneration Report, including the auditor's report, are available at the **Allianz company website**.

General Meeting

Shareholders exercise their rights at the General Meeting. The General Meeting elects the shareholder representatives of the Supervisory Board and decides on the approval of the actions taken by the Board of Management and the Supervisory Board. It decides, in particular, on the appropriation of net earnings, capital measures, the election of the auditor, and approval of intercompany agreements. It also decides on the approval of the remuneration system for the members of the Board of Management presented by the Supervisory Board, the remuneration of the Supervisory Board, 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 General Meeting shall be passed, unless mandatory legal provisions require otherwise, by a simple majority of the votes cast. In accordance with European regulations and the Statutes, amendments to the Statutes require at least a two-thirds majority of the votes cast if less than half of the share capital is represented at the General Meeting. In addition, such resolutions require the simple majority of the capital stock represented at the time of the resolution, unless higher thresholds are stipulated by law. When adopting resolutions, each share confers one vote.

Each year, an Annual General Meeting is held, at which the Board of Management and Supervisory Board give an account of the preceding financial year. For special circumstances, the German Stock Corporation Act provides for the convening of an Extraordinary General Meeting. If authorized by the Statutes, general meetings can also be held in virtual format.

Corporate governance practices

Internal control system and risk management system

The Allianz Group has an appropriate and effective internal control system for reviewing 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 retain the confidence of the capital market, our customers, and the public. An assessment of the appropriateness 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 appropriate 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 underpins 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 of Allianz, 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 form the basis for our compliance programs. The Code of Conduct is available on the **Allianz company website.**

Directors' Dealings

Members of the Board of Management and the Supervisory Board, as well as persons closely associated with them, are obliged by the E.U. Market Abuse 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 € 20 thou in total within a calendar year. These disclosures are published on the **Allianz company website**.

Accounting and auditing

The Allianz Group prepares its accounts according to §315e HGB on the basis of the International Financial Reporting Standards (IFRS) as applicable in 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 Annual General Meeting on 4 May 2023. The audit of the financial statements covers the individual financial statements of Allianz SE and the consolidated financial statements of the Allianz Group. In addition, the auditor audits the (Group) Management Report, including the Non-Financial Statement. In accordance with regulatory requirements, the solvency statements are also audited by the auditor, who also has to audit the Remuneration Report.

The Non-Financial Statement and the Remuneration Report for the financial year 2023 were also subjected to a substantive audit by the auditor, in addition to the statutory audit scope.

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 made 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 Annual General Meeting, at conference calls for analysts and journalists, and on the corporate website. The **Allianz company website** also provides a financial calendar listing the dates of major publications and events, such as annual reports, half-yearly financial reports, quarterly statements, Annual General Meetings, and analyst conference calls as well as financial press conferences.

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

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

Pursuant to § 17 (2) SEAG, 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 fulfills this requirement as it includes five women (41.7%) and seven men (58.3%).

Pursuant to § 16 (2) SEAG, 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 statutory requirement is met by the current Board of Management of Allianz SE. As at 31 December 2023, the proportion of women on the Board of Management was 33.3%. Since 1 January 2024, the proportion of women on the Board of Management has been 44.4%.

With regard to 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% for each, to be met by 31 December 2024. As at 31 December 2023, this target was already met for the first management level with a percentage of women of 34.2%, but was not yet met for the second level with a percentage of 28.6%.

With regard to the Supervisory Boards of the subsidiaries concerned, the target quotas for nine of those eleven subsidiaries 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. Eight of the eleven subsidiaries reached this target ahead of the due date as at 31 December 2023.

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 2023. For the subsidiaries concerned, the respective Boards of Management have 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. Due to internal restructurings, one of the eleven subsidiaries no longer has any employees below the level of the Board of Management. Therefore, reference will only be made to ten subsidiaries in the following paragraph.

As at 31 December 2023, the targets were met by four of the ten subsidiaries concerned for the first management level, while two of the ten 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 transposed into German law via §§315d, 289f HGB.

Allianz will be required to report under the new sustainability reporting regime of Corporate Sustainability Reporting Directive (CSRD) in its sustainability statement for financial year 2024. We are moving towards compliance with the CSRD with our financial year 2023 reporting for "Climate change" (European Sustainability Reporting Standards (ESRS) E1) and "Own workforce" (ESRS S1), in terms of anticipating structural and many content requirements of CSRD. All material topics will be covered as per the CSRD as of financial year 2024 reporting. Going forward, the focus for Allianz will shift from reporting in accordance with Global Reporting Initiative (GRI) towards full CSRD compliance for financial year 2024.

The topics "Climate change" and "Own workforce" are strategic sustainability focus areas at the Allianz Group, supported by our 2021 GRI materiality assessment and confirmed by the 2023 Corporate Sustainability Reporting Directive (CSRD) materiality assessment.

The concepts and key performance indicators (KPIs) that reflect our material sustainability matters, based on the 2021 GRI materiality assessment, have been prepared in accordance with the latest GRI standards. For further information on our materiality assessment, please refer to section "06.6" in our Group Sustainability Report 2023 on the **Allianz company website**.

This non-financial chapter of our 2023 Annual Report covers the entire Allianz Group. All measures, activities, and key figures refer to the 2023 financial year (1 January 2023 to 31 December 2023). For targets relevant for the remuneration of the Board of Management, we disclose the targets that were set for this year, the achievements from this year and the targets for next year. 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 statutory audit by 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).

The governance process for non-financial reporting is aligned with financial reporting and follows the same review principles as the Annual Report, engaging with the Board of Management and Supervisory Board.

The Non-Financial Statement has the following main chapters:

- Company description
- Corporate sustainability governance and strategy,
- Environmental matters,
- Social matters,
- Responsible consumer/sales,
- Cybersecurity,
- Human rights matters,
- Employee matters,
- Compliance/anti-corruption and bribery matters,
- EU Taxonomy Regulation,
- Outlook.

Company description

The Allianz Group is one of the world's leading insurers and asset managers with around 125 million private and corporate customers[1] in almost 70 countries.

Our customers benefit from a broad range of personal and corporate insurance services. This includes property, life and health insurance, assistance services, credit insurance, and global business insurance.

As one of the world's largest investors, Allianz manages around € 737 bn on behalf of its insurance customers. Our asset managers – PIMCO and Allianz Global Investors – manage € 1.7 tn of third-party assets.

For further information on our business model, see our Business Operations chapter in the Allianz Group's Annual Report 2023 and section "01.2" of our Group Sustainability Report 2023 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 interactions with our customers, partners, employees, investors, governments, regulators, society, people with disabilities and 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 maintaining environmental barriers.

1_Including non-consolidated entities with Allianz customers.

Governance

We are dedicated 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. 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 (investments, insurance, asset management), and maintaining oversight of and steering overarching sustainability matters.

Allianz established a Sustainability Committee (as a committee of the Supervisory Board) to strengthen the integration and implementation of our sustainability strategy throughout the organization and business functions.

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 conducting 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 2023, the Sustainability Committee prepared the recommendation of the sustainability-related targets for the members of the Board of Management of Allianz SE, reviewed the respective achievements of the Board of Management, and gave its recommendation to the Personnel Committee of the Supervisory Board. The Sustainability Committee was kept informed on the sustainability strategy and provided advice and guidance on critical issues.

Global Sustainability was established in 2021 and supports the Group Sustainability Board in the execution of its responsibilities. This includes preparation, coordination, and implementation of the decisions by the Group Sustainability Board. It supports Allianz's Group Centers and operating entities to effectively integrate the Group's sustainability strategy into their business processes and policy framework. Global Sustainability drives the integration of sustainability-related matters across the organization and business to ensure Allianz plays a role in shaping the societies and economies in which it operates.

Group Centers take responsibility for sustainability within their functions with the purpose of embedding sustainability across the Allianz organization and business. Global Sustainability and Group Centers work with an extensive 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 strategy, shares best practice 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 and strategies.
- The Group Investment Committee focuses on fundamental investment-related topics, including sustainability-related matters.

While many operating entities (OEs) had already established local responsibilities for sustainability integration, this was formalized during 2023 with mandatory roles. Each OE must nominate one Board member to be responsible for sustainability, who will be supported by at least one Sustainability Lead.

In 2023 and for 2024, the targets for the Board of Management have been further developed to reflect sustainability priorities. The table below describes the targets in more detail. Minor wording changes were applied compared to the publications last year to create consistency with the Allianz SE Board Member target letters. The underlying targets remain unchanged compared to last year.

Sustainability-related targets linked to the remuneration of the Board of Management

Our Targets		Board Targets 2023	Achievement 2023	Board Targets 2024	More Details
Overarching		Achieve strong sustainability position (top performance in DJSI, MSCI)	DJSI/S&P Global CSA[1]: 3rd MSCI[2]: AA	Achieve strong sustainability position (top performance in DJSI, MSCI)	For further insights, please refer to section Corporate sustainability governance and strategy
		Ensure sustainable solutions in proprietary investments and products	Sustainable Investments scope grew with the addition of sub-sovereigns, active increase, market value growth and further scope expansion; framework for sustainable Life savings products established and growth plan for Sustainable Insurance Solutions in Property-Casualty developed	Ensure sustainable solutions in proprietary investments and products	For further insights, please refer to section Environmental matters and EU Taxonomy Regulation
		Define positioning on Social in line with Allianz purpose focusing on Sustainable Development Goal 8 (SDG 8)	Social positioning defined with focus on societal resilience, (financial-) education and employability, including Lifelong Learning	n.a.	For further insights, please refer to section Social matters
Environmental	Decarbonization	50 % reduction of GHG (greenhouse gas) emissions per employee from Operations by 2023 (vs 2019) and 100 % renewable electricity (RE) as share of total electricity consumption in 2023	GHG emissions from Operations reduced (-62 %) and renewable electricity share increased to 100%[3]	Follow through on the transition plan to reach the net-zero commitments from our business and operations	For further insights, please refer to section Environmental matters
		Follow through on net-zero ambition, in particular in line with our Net-Zero Alliances commitments	GHG emissions from Proprietary Investments reduced ahead of target (exceeding 40 %); Additionally, Allianz Net Zero Transition Plan published, including 2030 targets for Proprietary investments, Property-Casualty and Operations		For further insights, please refer to section Environmental matters
Social	Customer Loyalty	Digital Net Promoter Score (dNPS) development against previous year and overall ambition level	Achieved 59 % Loyalty Leaders across all business segments[4]	Digital Net Promoter Score (dNPS) development against previous year and overall ambition level	For further insights, please refer to section Responsible consumer/sales
	Employee Engagement	Inclusive Meritocracy Index (IMIX) and Work Well Index+ (WWI +) development against previous year and overall ambition level	IMIX: 81 % (2022: 79 %) WWI +: 76 % (2022: 71 %)	Inclusive Meritocracy Index (IMIX) and Work Well Index+ (WWI +) development against previous year and overall ambition level	For further insights, please refer to section Employee matters
	Employability & Lifelong Learning	n.a.	n.a.	Ensure Lifelong Learning	For further insights, please refer to section Employee matters
Governance		Leadership Contribution with particular focus on Allianz People Attributes (Customer & Market Excellence, Collaborative Leadership, Entrepreneurship and Trust)	All board members fully meet leadership standards and requirements based on the evaluation of extensive 360 degree feedback (incl. peers, reporting lines and other personnel)	Leadership Contribution with particular focus on Allianz People Attributes (Customer & Market Excellence, Collaborative Leadership, Entrepreneurship and Trust)	For further insights, please refer to section Employee matters

1_Top 5 of assessed companies, which are DJSI eligible at industry level; 3rd highest score among the insurance industry with 82/100 – score date 31 December 2023.
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. 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_For more details about the sources of the renewable electricity, please refer to section Energy consumption & mix.
4_Loyalty Leadership is a category within dNPS describing the performance of Allianz versus the rest of market at a local level. Loyalty Leadership is the best of four categories in the rating systematic (Below Market/At Market/Above Market/Loyalty Leader).

In 2023, the variable component of the board members´ remuneration (individual contribution factor) considered a range of sustainability-related targets, as shown in the table above.

For further information on the targets and achievements, please refer to the respective sections. These KPIs are also used for steering local entities. For further information on the remuneration system, please refer to the Remuneration Report. 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.

Target and achievements: sustainability ratings

Rating	Board targets 2023	Achievements 2023
DJSI/ S&P Global CSA	Top 5	3rd[1] (2022: 3rd)
MSCI[2]	AA - AAA	AA (2022: AA)

1_Top 5 of assessed companies, which are DJSI eligible at industry level; 3rd highest score among the insurance industry with 82/100 – score date 31 December 2023.
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. 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.

Materiality

Having an in-depth understanding and being able to appropriately respond to the changing context in which we operate is fundamental to us, both to have a positive impact and to manage any potentially adverse impacts. To this end and to stay abreast of the trends that are most relevant to our stakeholders and our business, as well as to align our sustainability strategy, implementation measures, and reporting, we assess the materiality of sustainability matters on a regular basis.

In 2023, we carried out a robust and comprehensive double materiality assessment process (in accordance with the CSRD) and accompanying European Sustainability Reporting Standards (ESRS)[1], accounting for the evolving methodology to cover financial materiality (risks and opportunities from a business perspective) and impact materiality (impacts on people and planet). This has allowed us to deepen our understanding of matters previously identified as being material to our key stakeholders. It also enabled us to extend our assessment to those sustainability matters that have not been focus areas so far, but are now moving more into focus, as data, methodologies, and overall research and regulatory guidance evolve. The process, methodology, and outcome of the double materiality assessment were thoroughly reviewed and endorsed by our Group Sustainability Board and the Board of Management. In addition, Board of Management approval has been granted via the Allianz Group Annual Report sign-off process.

The CSRD double materiality assessment (CSRD DMA) will form the basis of our future reporting and will be reviewed annually. It has also been used to test our 2021 materiality assessment, which was based on the GRI Standards. This GRI materiality assessment, which identified 19 material issues, is still applicable. Topics were ranked and presented in a materiality matrix based on key stakeholder views on their importance to society and our business. The highest-ranked topics under the GRI materiality assessment were:

- Climate change,
- Ethics and responsible business,
- Cybersecurity.

For further details on the GRI materiality assessment, please refer to the "06.6" section in the Group Sustainability Report 2023 on the **Allianz company website**.

The CSRD DMA confirms the relevance of the previously identified topics. In addition, it forms the basis for introducing further topics to our sustainability reporting going forward, primarily from more broadly looking into impacts in the value chain. Regarding sustainability-related risks, the CSRD DMA does not identify additional principal risks with expected significant adverse impacts on Allianz (as according to the German Commercial Code (Handelsgesetzbuch – HGB). For further information on (potential) sustainability-related risks, please refer to the section "Outlook".

While taxation is not covered under CSRD, it remains a relevant topic for Allianz in 2023 under the NFRD and is reported based on GRI 207-Tax. The respective information can be found in the section "04.5" in our Group Sustainability Report 2023 on the **Allianz company website** as well as in our Group Tax Strategy published separately on the **Allianz company website**.

Partnerships also remain a relevant topic; going forward, respective details will be covered under the CSRD topic to which a partnership relates.

The topics "Climate change" (ESRS E1) and "Own workforce" (ESRS S1) are strategic sustainability focus areas at the Allianz Group, supported by the GRI materiality assessment and confirmed by the CSRD DMA. As such, we chose to already converge towards the CSRD with our financial year 2023 reporting for these two topics, in terms of anticipating its structural and many of its content requirements. For all material matters, disclosures in accordance with the topical ESRS and the cross-cutting ESRS will be fully covered as per the CSRD as of financial year 2024 reporting. As at financial year-end 2023, the stakeholder engagement process was still ongoing, so that reporting on this process and reflection of the results will be introduced next year.

For a description of the CSRD DMA process and outcome for the financial year 2023, please refer to the section "Outlook".

Sustainability approach

Our purpose drives our sustainability priorities. This means supporting the transformation of economies that do not breach environmental 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).

We prioritize three UN 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, to guide our work. We believe that delivering the sustainability agenda is only possible if stakeholders work together. This is why we also prioritize SDG 17, Partnership for the goals.

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

1_It should be noted that the national transposition of the CSRD is still outstanding. The materiality assessment conducted for the financial year 2023 and described in this section and the Outlook section is based on the guidance from the European Financial Reporting Advisory Group (EFRAG) available as at December 2023. In the event of changes to the CSRD upon becoming national law, those changes will be reflected in next year's reporting.

Social: our priority is Decent work and economic growth/SDG 8, including education upskilling and employability. We want to be a partner to our stakeholders, among them customers, governments, regulators, and societies. Our goal is to support the next generations and persons 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.

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 2023 on the **Allianz company website**.

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 further information on climate-related risks, please refer to the Risk and Opportunity Report. Our concepts for all other matters for which reporting is required will be addressed in subsequent sections. The ESG approach provides part of the foundation for these concepts and is managed by Global Sustainability.

We continue to expand and strengthen our sustainability risk management framework. Understanding the requirements and limitations of our operating entities helps us to develop global sustainability processes that can be integrated into local processes and systems.

Sustainability integration approach

Our commitment to tackling sustainability topics applies to our own operations and our insurance, investment, and asset management activities.

As a global insurer, investor and asset manager, understanding and addressing sustainability issues helps us to reduce risks and capitalize on impacts and opportunities in all areas of our business.

As well as managing risks, sustainability integration directs us to create products and services that add value to society. We collaborate with clients and investee companies to deliver real-world benefits, and channel capital flows towards sustainable outcomes for all stakeholders.

Sustainability opportunities and risks

As an insurance company that manages risks ranging from single events to decades, it is important for Allianz to make a holistic assessment of risk.

In the Allianz Group Risk Policy, we define sustainability risks as events or conditions that could have significant negative impacts on the assets, liabilities, profitability, or reputation of the Allianz Group or one of its companies. Examples include environmental and climate change risks, human rights violations, risks to local communities, and workforce risks.

If sustainability risks are not identified and managed effectively, they can have significant repercussions for Allianz and our customers, suppliers, investee companies and other stakeholders These repercussions include impacts on our reputation, supply chains, business continuity, quality, operations, and finances.

By screening insurance, investment, and asset management projects from a sustainability perspective, we extend our understanding of risks and can exploit potential business opportunities to benefit shareholders, customers, and other stakeholders.

Our group-wide rules and processes

Our group-wide corporate rules and sustainability processes apply to all relevant underwriting, proprietary investment, and operations activities. They require strong collaboration between relevant functions and business areas.

Key processes are included in the internal Allianz Standard for Reputational Risk Management (AS RRIM) and other corporate rules such as the Allianz Standard for P&C Underwriting and Allianz ESG Functional Rule for Investments. A new corporate rule, the Allianz Standard for Integration of Sustainability (ASIS), captures and updates some of the sustainability components of the AS RRIM in effect from 1 January 2024.

The publicly available Allianz Sustainability Integration Framework provides transparency around our sustainability-related processes and guidelines. We published the fifth version of the Framework in 2023 on the **Allianz company website**.

Our asset management units have developed processes, rules, and governance for integrating sustainability into their investment activities.

Consistent application of sustainability processes in our own business operations, insurance, and proprietary investment activities is crucial to mitigate risks and exploit the opportunities from the transition to a sustainable economy and society. It is also essential to our transformation into a sustainable financial service provider.

Regulation as a driver of sustainability integration

We welcome sustainability regulation as a major driver for fair competition and a level playing field. We believe that sound regulation can improve the structure and clarity of sustainability information.

In 2023, we also actively engaged in and supported regulatory developments. For example, we are a member of the European Commission's Platform on Sustainable Finance and have contributed to the work of the European Financial Reporting Advisory Group (EFRAG) on EU sustainability reporting standards. Until April 2022, we did this via in-kind membership of the Project Task Force on European Sustainability Reporting Standards (PTF-ESRS). Since May 2022, when the new EFRAG governance was set up, our contribution has been via an in-kind membership representing the EU insurance industry in the Sustainability Reporting Technical Expert Group (SR TEG).

In this context, Allianz aims to contribute expert input with respect to the insurance industry, such as on the dual role of insurers as preparers and users of sustainability information, as well as on existing interconnected regulation.

We aim to leverage regulation on sustainability by ensuring consistent implementation across all Allianz businesses. At the same time, we aim to build business opportunities in line with regulatory concepts.

Allianz has established a Sustainable Finance Regulation implementation project at Group level to drive this. Internal guidance is designed in close interaction with Group Centers and Operating Entities, to ensure consistent interpretation and implementation. The focus in 2023 was on the implementation of Sustainable Finance Disclosure Regulation (SFDR), namely regarding pre-contractual and periodic product disclosure as well as website disclosure in consideration of "Principal Adverse Impact" for the Life-Asset product offering.

In 2023, Allianz started convergence into future CSRD reporting with a respective implementation project. The project is managed by the Group Accounting and Reporting function and defines policies, processes and reporting content in line with future ESRS requirements. The Group Sustainability Board oversees progress and deliverables of the project and provides directional guidance. The CSRD project is underpinned by the ambition to implement ESRS requirements with the same quality and diligence as for financial reporting processes.

Environmental matters

The net-zero challenge

Human-made climate change, one of the greatest global challenges of our time, has already caused far-reaching negative consequences and losses for nature and people. Various human and natural systems are being stressed beyond the limits of their adaptive capacity. Therefore, irreversible damage has already started to occur.

In order to mitigate these developments, the 2015 Paris Agreement set the goal of limiting global warming to a maximum of 1.5 °C by the end of the century. This has resulted in a fixed greenhouse gas emissions (GHG) budget; i.e., an upper limit for global emissions that may still be released. Based on modeled emission pathways from the Intergovernmental Panel on Climate Change (IPCC) **6th Assessment Report**, emissions need to be almost halved every decade to restrict warming to 1.5 °C with limited or no overshoot, with a 50% probability of success. This would allow carbon (CO_2) emissions to reach net-zero by 2050, meaning that residual emissions would be balanced by atmospheric carbon removal. Climate scientists estimate that halting GHG emissions on a net level would subsequently put a stop to further warming.

In 2022, however, annual energy-related carbon emissions reached a record level of 37 billion tons according to the **International Energy Agency**. If current trends continue, the GHG budget will be exceeded way before 2030 and the target of 1.5 °C will be overshot significantly. This increases the need for an even more rapid transition later on, as well as the use of atmospheric carbon removal – i.e., negative emission solutions – to bring warming back to 1.5 °C by the end of this century. **Recent research** has shown this is still possible but requires urgent action by companies and policymakers alike.

Transition plan and strategy

Our approach to climate change is grounded in the Allianz Group Climate Change Strategy. First published in 2005, it steers our response to climate-related impacts, risks, and opportunities in our insurance and investment business. Since 2015, the Climate Change Strategy has been built around our efforts to anticipate climate risks, care for our customers, and enable the net-zero transition.

Since 2018, our Climate Change Strategy has committed us to contribute to pursuing efforts that limit global warming to 1.5 °C by the end of the century. To anticipate and enable this transition, Allianz has committed to net-zero greenhouse gases (GHG) for our proprietary investments, Property-Casualty insurance, and our own operations. In September 2023, we published our Inaugural Net-Zero Transition Plan on the **Allianz company website**, which describes our intermediary targets for 2030 and key actions to achieve them. This approach builds on the previously released 2025 emissions targets for proprietary investments and own operations.

Our priorities include quantitative emission targets, strategic growth of financing and insuring of low-carbon technologies that support net-zero, targeted restrictions for fossil fuel-based business models to manage transition risks, and a systemic approach to investee engagement and policy advocacy, supported by climate action in our own operations.

These elements, which address the impacts, risks, and opportunities of climate change, are explained in more detail in the subsequent sections on insurance, investments, own operations, and risks. Our ambition is to be a trusted partner for our customers and investee companies across different sectors in their transition toward net-zero.

Since the net-zero transition is a systemic issue, it requires a whole-of-society response. Therefore, we are also seeking to join forces with other stakeholders. Our approach on the investment side builds on the work of the U.N.-convened Net-Zero Asset Owner Alliance, which Allianz co-founded and currently chairs. Furthermore, we encourage companies to implement net-zero strategies via our participation in The B Team, Climate Action 100+, the Transition Pathway Initiative, and the Principles for Responsible Investment.

For further information and a full list of sustainability related memberships, please refer to the section "06.3" in our Group Sustainability Report 2023 on the **Allianz company website.**

Climate-related opportunities

Our materiality analysis under CSRD found climate-related opportunities to be material for the Property-Casualty insurance and proprietary investments. Our business strategy and our net-zero transition plan aim to systematically leverage opportunities to finance and insure a low-carbon and climate-resilient future, e.g., by investing in renewable energy, energy efficiency in real estate, and electric vehicle infrastructure.

We have strategically insured and invested in low-carbon assets for over a decade. With our 2023 Inaugural Net-Zero Transition Plan, we have also set quantitative targets for investing and insuring solutions that are needed in the net-zero transition. Our Sustainable Solutions program provides products and services that aim to create positive impacts with our (re-)insurance activities and investments. Growing sustainable solutions is among the topics included in the annual financial planning processes of our operating entities, in order to systematically identify growth and profitability potential. For further information on sustainable solutions, please refer to the section EU Taxonomy for non-life insurance.

We believe our intermediate climate targets will help us realize growth potential. For commercial insurance in particular, our transition plan includes a target to achieve 150% profitable growth in revenues from renewable energy and low-carbon technology solutions by 2030.

Climate policy dialogue

We can achieve our targets only jointly with public policy and the real economy, as the necessary changes require broad support. For instance, sufficient frameworks and market incentives are required to bring down demand for emission-intensive products and to allocate capital in line with a 1.5 °C trajectory. The private sector, including insurers, can play an important role in raising awareness and making the business case for getting on track to limit global warming. To that end, we also work with policymakers and regulators to support sustainable financing and achieve the goals laid down in the Paris Agreement. We are advocating for global effective climate policy which should achieve the following:

- Embedding "net-zero by 2050" in short and long-term governmental climate targets, climate strategies, and emissions reduction plans, following the latest climate science in line with pathways of no or low overshoot of a 1.5 °C temperature rise.
- Developing sector policies to promote a swift and socially fair transition, including the development of more granular short-, medium- and long-term net-zero infrastructure plans.
- Implementing stringent carbon pricing to internalize the external costs of pollution, including a phase-out of direct and indirect fossil fuel subsidies.
- Protecting nature and supporting regenerative forestry and agriculture. Supporting and redirecting fossil fuel-related subsidies to scale up new technologies that will provide solutions in hard-to-abate sectors, e.g., carbon capture and storage, and green hydrogen.
- Promoting mandatory assured climate disclosure, including transition plans, GHG emissions, associated reduction targets, and alignment with 1.5 °C trajectories, ideally aligned internationally.
- Ensuring sustainable finance regulation that provides a defined, science-based, and reliable framework via a common taxonomy of sustainability, clarification of asset managers' duties, inclusion of sustainability in prudential regulation, and enhanced transparency of corporate reporting.

1.5 °C alignment of targets

Our emission targets are aligned with credible, science-backed climate scenarios – such as those provided by the IPCC[1] – that limit global warming in 2100 to 1.5 °C with only a limited or no overshoot of this temperature during this century. While the individual scenarios differ in their assumptions and narratives, they agree on a necessary emission reduction range for CO_2 emissions of 36% to 69% from 2020 to 2030, with a median reduction of 48%.[2] All our existing sub-portfolio targets with a global focus are in line with this. For our motor retail portfolio, the targeted reductions, which apply to nine European markets, are aligned with respective net-zero pathways.[3]

Our target year 2030 is defined as year-end 2029. Our base years for the 2030 targets in proprietary investments and operations continue to be the base year 2019 (building on existing 2025 targets). This also allows us to filter out the temporary effects of the COVID-19 pandemic. The approach taken for our P&C insurance targets was to focus on the most recent year for which data was available, this being 2022.

Decarbonization levers

For our portfolio targets, there are generally two levers for decarbonization, that is reducing GHG emissions: either our portfolio companies – i.e., the customers we insure or the companies we invest in – reduce their GHG emissions, or we change the composition of our portfolio over time.

The former relies directly on GHG emission reductions in the real economy, which is not under our control. The latter can also occur naturally as part of typical insurance and investment business cycles in different lines of business, sectors, and individual customers, and is generally more under our control.

We aim to achieve GHG emission reductions through actions such as engaging customers, increasing exposures to lower-carbon business, and setting targets for lower-carbon technologies, as well as reducing our exposure to defined fossil-fuel business such as thermal coal. For our own operational GHG emissions, the main levers for reduction are Electricity, Buildings as well as Fleet, Business Travel, and Procurement. These elements are described in more detail in the following sections.

We apply both absolute and intensity GHG emission targets. Absolute GHG emissions refer to an absolute amount of GHG emissions associated with the respective business activity such as investing or insuring; absolute GHG emission targets seek to reduce the absolute amount of GHG emissions. GHG emission intensity and associated targets, on the other hand, harmonize the GHG emissions through a denominator that relates to a business activity. For example, GHG emissions per million invested or per million of premium.

Property-Casualty insurance

The GHG emissions associated with our commercial portfolio will be reduced as we continue the planned implementation of our underwriting guidelines for coal as well as for oil and gas in line with announced thresholds and timelines. Our portfolio will also change as we continue to expand our risk appetite in the segment of renewable energy, low-carbon, and transition technologies. We will also benefit from GHG emission reductions in the real economy that our corporate customers pursue as part of their own net-zero strategies as required by governments, investors, and other stakeholders, and in addition, enabled by us as an insurer. A supportive policy environment is crucial here and is an important lever both for the net-zero transition in the global economy and for our target achievement.

The GHG emissions associated with our motor retail portfolio are planned to be reduced through various initiatives; firstly, by increasing our share of battery electric vehicles for our markets in scope. It is also clear from **market research** that customers want to drive less, so we will encourage sustainable behaviors by providing offerings that reward these lifestyle changes. Another key lever will therefore be providing further incentives for reducing GHG emissions via mileage-based product offerings. When considering potential initiatives we took into account future projections in each of the countries for which we have set targets, including energy usage, vehicle usage and vehicle types. Our incentives will therefore balance the improvements we expect to see in the respective markets with Allianz actions aimed at closing the gap to our stated targets. We will therefore actively steer our in-scope portfolios to be more sustainable whilst benefiting from changes we predict to observe in market behavior.

We will also engage with customers to support their transition to electric mobility and meet their changing needs. We are committed to offering comprehensive insurance products for battery electric vehicles and the related ecosystem, and to supporting our customers in transitioning to new forms of mobility.

1_6th Assessment Report. Further scenarios used include the IEA's Net-Zero by 2050 and the One Earth Climate Model.

2_For GHG emissions, the range is 34 to 60, with a median of 43.

3_Target applies to the most relevant markets for Allianz, where adequate and reliable data is available.

Proprietary investment

Our investment management function allows us to influence our portfolio allocation by setting targets and frameworks for our asset managers. These include defining concrete decarbonization targets for individual mandates, excluding certain high-emitting companies without reduction plans, and increasing target volumes for investments in climate solutions.

In order to achieve GHG emission reductions in the companies in our portfolio, we cultivate all types of engagement: bilateral, multilateral, and asset manager engagement. As part of our multilateral engagement activities, the transition of whole sectors is a particular focus.

Own operations

As the specific definition of net-zero is still evolving for financial institutions and we anticipate CSRD requirements, we are no longer referring to the 2030 target for our Own Operations as a net-zero commitment. We will instead refer to it as a 2030 intermediate target. The rest of the decarbonization and removal targets for Own Operations remain as communicated in the Inaugural Net-Zero Transition Plan.

By 2025 we aim to reduce GHG emissions per employee by 50% versus a 2019 baseline across Scope 1, Scope 2, and selected Scope 3 emissions (for further information, please refer to the section "Own Operations"). For year-end 2030, we target GHG emission reductions of 70% and for year-end 2029, 65%[1] versus a 2019 baseline.

To address the remaining 30%[2] of the emissions we will use high-quality carbon removal solutions.

Key levers for GHG emission reduction will be the areas of Renewable Electricity, Buildings, as well as Fleet, Business Travel, and Procurement. In the area of Renewable Electricity, we source 100% renewable electricity from 2023 onwards and implement energy efficiency measures.[3] For Buildings, we have developed a Buildings Standards Catalogue that includes various measures addressing GHG emission reduction. For Fleet and Business Travel, we aim to shift to a fully electric corporate car fleet by 2030 at the latest, achieve a 40% reduction of GHG emissions from travel activities by 2025 compared to a 2019 baseline, and purchase sustainable aviation fuel (SAF) in order to address GHG emissions from air travel. For Procurement, we will ask 100% of global framework vendors in our supply chain that provide services globally to establish a public commitment to net-zero GHG emissions in line with the 1.5 °C path by 2025.

Carbon removal and carbon credits

In the past reporting year, we did not use carbon removal and associated carbon credits when accounting for our GHG and the associated reduction targets. Our net-zero targets will likely require the use of atmospheric carbon removal in the respective net-zero targets year. For this, we expect to only use high-quality carbon removal. Our focus remains on GHG emission reductions.

Governance

Ultimate responsibility for all matters relating to sustainability, including climate, resides with the Board of Management of Allianz SE as the Group's parent company. This includes climate change and the net-zero transition plan, which has been approved by the Board of Management. Climate-related matters are typically part of all Group Sustainability Board meetings, which are held at least quarterly. For further information, please refer to the section "Corporate sustainability governance and strategy".

Our Climate Change Strategy is rooted in the established sustainability governance (for further information, please refer to the section "Corporate sustainability governance and strategy") and its associated policies on sustainability, climate, and the energy sector. For further information, please refer to the section "Overarching Policies".

Progress

In the following sections on insurance, investments, and operations, we report on the details and progress of the implementation of the transition plan.

Overarching policies

The Allianz sustainability approach integrates climate and sustainability-related considerations by applying group-wide corporate rules and sustainability instruments across underwriting and investment activities. Key processes include the internal Allianz Standard for Reputational Risk Management (AS RRIM) and other corporate rules, such as the Allianz Standard for P&C Underwriting (ASU) and Allianz ESG Functional Rule for Investments (EFRI).

The AS RRIM has been in place since 2013 and establishes a core set of principles and processes for the management of reputational risks and sustainability issues within the Group. It is owned by Group Risk, authorized by the Group Finance and Risk Committee and acknowledged by the Allianz SE Board of Management. The objective of the Standard is to proactively identify business decisions and business activities with the potential to trigger reputational issues and, where appropriate, take action to minimize their probability and/or impact. This Standard is mandatory for all operating entities of the Allianz Group. For 2024, the intention is for it to be superseded by the Allianz Standard for Communications and the Allianz Standard for Integration of Sustainability.

Furthermore, Allianz has four energy-related guidelines in place: **thermal coal**, **oil sands**, **oil & gas**, and **renewable/low-carbon energy**. The guidelines are owned by Global Sustainability and authorized by the Allianz SE Board of Management. They apply to proprietary investments and P&C insurance, including facultative reinsurance. Their common goals are to contribute to the transition from fossil fuels to cleaner energy technologies, to manage sustainability and reputational risks, and to achieve our net-zero related targets. The three fossil fuel guidelines define business practices and business models where we do not provide further services or investments along defined technical exclusion criteria. They typically differentiate between single-site restrictions – which apply to stand-alone P&C covers as well as direct project investments – and restrictions on company-level exposures. Purely to support renewable and low-carbon technologies, we allow ring-fenced coverages of and investments into projects and subsidiaries of companies that are otherwise restricted due to the fossil-related energy guidelines. This is described in the Renewable/Low-Carbon Energy Guideline. The guidelines were introduced in 2015 (thermal coal), 2021 (oil sands), 2022 (oil & gas), and 2023 (renewable/low-carbon) respectively.

As in previous years, we report on the exemptions granted based on the rules outlined in the guideline to companies breaching thermal coal thresholds. In 2023, we received two coal-related requests from our operating entities to exempt corporate clients from company-based restrictions related to both P&C insurance and proprietary investment segments. Of these, one was granted and one was not granted. The granted one was a 1.5 °C exemption, which means that the company was assessed to be on a 1.5 °C pathway despite its coal exposure. The option to grant a grace period of one year for

1_The strategy review for own operations is currently ongoing and will be updated accordingly in 2024.

2_Remaining 30 % means, that if we achieve 70 % reduction by year-end 2030, we will remove 30 %. If the reduction target is overachieved, then we remove the remaining gap to 100 %.

3_For more details about the sources of the renewable electricity, please refer to section "Energy and consumption mix".

companies aligned with well below 2 °C was granted four times in 2022. As of January 2023, this was no longer possible as per the guideline's rules. The requirement to refer business for so-called green exemptions – i.e., permission to underwrite or invest in renewable energy projects of companies restricted based on the coal guideline, for example – was removed in February 2023 when the new Renewable/Low-Carbon Energy Guideline was published. As a result, there is no further reporting on those exemptions.

The publicly available 5th version of the Allianz Sustainability Integration Framework (formerly the ESG Integration Framework) on the **Allianz company website**, lays out these main internal policies and processes related to our overarching sustainability risk approach.

The subsequent sections will outline specific policies applicable to proprietary investments and insurance.

Insurance

Current emissions

According to the GHG protocol, reporting on emissions associated with insurance underwriting activities is optional. In our motor retail and commercial insurance portfolios, we have made important progress in measuring insurance-associated emissions and we set inaugural emission reduction targets in 2023. For these targets, we follow the methodology of the Partnership for Carbon Accounting Financials (PCAF) Insurance-Associated Emissions Standard.[1]

According to the standard, insurance-associated emissions (IAE) for commercial lines are calculated by multiplying an attribution factor (i.e., for commercial lines this is the insurance premium divided by insured customer's revenue) by the absolute GHG emissions of the re/insured customer or asset. The attribution factor determines what share of the absolute emissions of an insured customer or asset is attributable to re/insurance.

For the portfolio in scope of the emission reduction target for commercial insurance, the baseline insurance-associated emissions in 2022 was 1.00 mn t CO_2e and the insurance-associated emission intensity was 0.26 kt CO_2e/€ mn GWP.[2] Given the lack of reliable and comparable data on customer Scope 3 emissions, our commercial baseline currently only covers our customers' Scope 1 and Scope 2 emissions.

For motor retail, the calculation considers the Scope 1 and 2 emissions of insured vehicles within a portfolio and multiplies them by an attribution factor. The attribution factor represents the insurance industry's share of the total cost of ownership of a vehicle, which includes other costs such as depreciation, fuel, and maintenance. The carbon emissions of the insured vehicles are multiplied by the industry attribution factor (calculated by PCAF as 6.99 % for 2023) to calculate the insurance-associated emissions.

For the motor retail portfolios covered by the emission reduction target, the baseline for absolute insurance-associated emissions in 2022 was 2.10 mn t CO_2[3] (Scope 1 and Scope 2 emissions) in line with the PCAF standard.

Overall GHG emission reduction target

For commercial insurance, we are setting an intensity target for the sub-portfolio of large companies in all sectors, which is managed by Allianz Global Corporate and Specialty. We are focusing on those companies for which GHG emission data is available. For the 2022 baseline, this cohort represented 13 % of the premiums in the commercial segment for which emission accounting methodologies are currently available.[4] Our target is to reduce the emission intensity of this sub-portfolio by 45 % by 2030 against our 2022 baseline (see table "2030 Targets for insurance-associated emissions").

Our target of a 45 % emission intensity reduction for this sub-portfolio refers to emission intensity as the main KPI and not to the absolute insurance-associated emissions (in tonnes of CO_2e). Emission intensity shows the volume of customer-generated emissions associated with every € 1 million of premium we write (tonnes CO_2e/million EUR). While defining an intensity target allows us to reflect the expected growth of our portfolio by 2030 in a dynamic way, our targeted reduction is still within the scenario range of necessary absolute reduction to limit global warming to 1.5 °C. For further information, please refer to section "Transition Plan & Strategy". In addition to factoring in expected portfolio growth, our target definition was also informed by the anticipated real economy decarbonization, which we modeled using authoritative scenarios such as the Stated Policies Scenario (STEPS) of the International Energy Agency.

Our first intermediary target for commercial lines targets the sub-portfolio with the largest climate impact and adequate GHG data quality. This will allow us to steer our portfolio and measure our progress based on reasonable and verifiable GHG emission data, rather than overly relying on sector estimates.

For retail insurance, we are setting a target to reduce the absolute carbon emissions within our motor retail portfolio. For the motor retail portfolio, the target covers nine key European markets, namely: Austria, Belgium, France, Italy, Germany, the Netherlands, Spain, Switzerland, and the UK. Our target is to reduce the absolute carbon emissions within our in-scope portfolios by 30 % by 2030 against our 2022 baseline. Portfolios classified as in scope are aligned with the PCAF standard for personal motor.

For the 2022 baseline, the in-scope portfolios within these markets represent 55 % of the motor retail premiums. The target focuses on the most relevant motor markets for Allianz where the biggest impact can be made. This includes where there is adequate and reliable data available, in order for emissions to be measured and progress against our target to be accurately tracked.

In addition, our target setting is aligned with limiting global warming to 1.5 °C and was informed by the anticipated real economy decarbonization, which we modeled using scenarios from external data partners.

2030 Targets for insurance-associated emissions

	Unit of targets	Target 2030	Baseline 2022	Delta target 2030 vs Baseline 2022 (%)
Commercial	kt CO_2e/€ mn GWP	0.14	0.26	(45.0)
Retail motor	mn t CO_2[1]	1.47	2.10	(30.0)

1_Motor retail target is CO_2 emissions only, not CO_2e, to be consistent with the data which is currently available.

1_For further details on the methodology please refer to the explanatory notes on the **Allianz company website**. An exception to the application of the PCAF standard is made for the calculation of Insurance-Associated Emissions (IEAs) for insurance policies as defined in the Allianz Statement on renewable/ low-carbon energy, as the standard does not yet specify accounting rules for the measurement of IEAs related to these types of assets.

2_With an average data quality score of 2.41. For more details on the calculation of the data quality score following the PCAF standard, please refer to the explanatory notes **on the Allianz company website**.

3_With an average data quality score of 2.61. For more details on the calculation of the data quality score following the PCAF standard, please refer to the explanatory notes on the **Allianz company website**.

4_In line with Lines of Business currently covered by the PCAF Standard. Scope coverage is unchanged compared to the Inaugural Net-Zero Transition Plan. Share of premiums related to GHG reduction target follows IFRS definition of gross written premiums and deviates from PCAF, which excludes external acquisition costs; following PCAF definition of insurance premiums, scope coverage represents roughly 16 % of the eligible premiums in the commercial segment. More details can be found in the explanatory notes.

Decarbonization levers

Insured customers decarbonization

In the commercial insurance business, our aim is to drive decarbonization across all industry sectors and partner with our customers on their net-zero journeys by leveraging collaboration, sustainability expertise, and best practice, as well as our influence as a major global insurance company.

To this end, we will proactively approach customers to foster dialogue and encourage a shift toward science-based net-zero strategies. Firstly, each year we will engage with the top 100 customers, selected by premium size and average industry sector emission intensity, who do not currently have an emissions reporting or a disclosure approach and are therefore currently not in scope for our emission reduction target. By taking this step, we are endeavoring to raise awareness for increased transparency and data exchange and ultimately aiming to close the GHG reporting gap in our portfolio. Secondly, we will engage with customers within the transportation industry – specifically aviation and marine – by leveraging best-practice exchanges on decarbonization strategies for these sectors. Thirdly, we will seek dedicated exchanges with two to three companies per year on their net-zero strategies. For this engagement category, we will screen our portfolio to identify high-emitting companies who have not yet developed science-based net-zero strategies. Sustainability teams within AGCS will support in the selection of engagement candidates and prepare the engagement dialogues, which will be conducted jointly with the distribution and underwriting teams.

For motor retail insurance, we will also actively engage with our customers to encourage the transition to net-zero. We aim to engage with 20 million current and potential customers by 2030 to support their transition to electric mobility, mainly through Allianz-developed online platforms, newsletters and advertising. The 20 million target reflects the current and estimated future number of customers in the markets defined as in scope, who do not own a battery electric vehicle (BEV). Engagement will include focusing on the benefits of switching to electric mobility and the practicalities of doing so, for example home charging infrastructure and insurance options.

To increase our share of sustainably-minded customers, we will offer mileage-based products to reward customers who are actively seeking to reduce their emissions. Our aim in offering such solutions is to encourage change across the insurance sector in how we, as an industry, approach motor insurance.

By offering mileage-based products, we will ensure fair and risk-adequate pricing for our customers that aligns with our technical excellence program. Increasing our market share of BEVs will enable us to collect more data and thus improve the accuracy of our risk models. We are committed to understanding the risks, gathering data, and being actively involved in research in order to ensure our net-zero plan invests in society to the benefit of all.

To support the implementation of our actions, a dedicated team within Global P&C at Allianz SE will support engagement activities, which will be achieved in collaboration with OEs.

Portfolio steering

Furthermore, for commercial portfolios, we are committing to actively supporting the net-zero transition by fostering profitable growth and scaling up of renewable energy, low-carbon and other transition technologies that are a key element of the net-zero transformation. Concretely, we aim to profitably grow revenues in Property Damage (PD) and Business Interruption (BI) coverages related to these transition solutions[1] by 150 % by 2030 compared to 2022.

In addition, we are applying the energy-related guidelines as laid out in the section "Overarching Policies". The focus on these high-emitting sectors is an important lever and contributor to the targeted reduction of emissions intensity at portfolio level.

Restricted companies are listed in the Global ESG Risk List, which is available to all underwriters globally. Training on the application of the policies is offered regularly to support underwriting teams with their implementation.

To ensure we deliver on our targets, we have clearly defined roles and responsibilities to allow for ownership of the topics and monitoring of progression toward completion. Although targets are stated as 2030, there are clear internal interim timelines and reporting processes that will allow for regular monitoring of progress.

Additionally, to support the implementation of our decarbonization strategy for commercial lines, we have set up two dedicated sustainability teams in the AGCS Chief Technical Office (CTO). The Sustainability Governance team oversees the implementation of portfolio strategy, target setting, monitoring, and reporting. The Sustainability Solutions team focuses on business growth and expansion in line with our "insuring the transition" actions. Both teams work closely together and support our distribution and underwriting teams. In addition, our Allianz Risk Consulting teams continue to provide expertise on emerging technology requirements and challenges.

To further support the transition to net-zero within our motor retail portfolio, we aim by 2030 to insure a larger percentage of BEVs in the Allianz portfolios compared to the share of BEVs in the respective in-scope markets.

To enable this portfolio change, we are committed to offering comprehensive insurance products for BEVs and the related ecosystem, in order to support our customers in transitioning to this new technology. Our ambition is to be a market leader for BEVs and we have implemented a mobility strategy in order to support this transition. This strategy is an ongoing project with key deliverables and drives our ambition to be a market leader through strategy development, global exchanges, monitoring, and reporting.

A workstream within the technical area oversees the implementation of our mobility strategy. This workstream has a focus on technical leadership in electric vehicles, supporting our markets in the development and implementation of action plans to meet our targets, as well as ensuring the regular delivery and monitoring of key performance indicators. It also utilizes Allianz's global presence through regular exchanges with OEs as part of internal Mobility Smart Circle meetings and optimizing the pooling of mobility data across countries, leveraging the Group's expertise.

Additionally, to support the implementation of the overall decarbonization strategy for motor retail, a dedicated team within Global P&C at Allianz SE oversees target and strategy development, portfolio steering, reporting and monitoring, data maintenance, and quality assurance.

Insurance-specific policies

All relevant aspects of our insurance portfolios are governed by the Allianz Standard for P&C Underwriting (ASU). Ownership and execution of the Standard sits with Global P&C and is governed by the Group Underwriting Committee (GUC). However, ultimate responsibility resides with the Allianz SE Board of Management. The ASU governs the rules and principles for P&C Underwriting within the Allianz Group and is an integral part of the overall Group risk

1_Transition solutions include the technologies mentioned in the Allianz Renewable/Low-Carbon Energy Statement, as well as waste to energy, carbon capture and storage (CCS)/direct air capture, battery storage and grid-stability-related investments, smart grids and electrification, electric transportation, EV and battery manufacturing plants, electric mass transit infrastructure construction (rail), certified green buildings, industry projects related to energy transition (ammonia and bio-based/synthetic fuels), and green shipping. We have started working on harmonizing terminology and underlying eligible technologies related to the targets for climate solutions (currently used for proprietary investments) and transition solutions (currently used for P&C insurance). We expect to conclude this work and report on it in 2024 fiscal year.

architecture. Its rules and principles focus on underwriting sustainable and profitable business. The ASU includes our principles for sustainability and codifies roles and responsibilities within operating entities related to the decarbonization of underwriting portfolios.

The objectives of the Sustainable Insurance section of the ASU include: developing sustainable business opportunities, building resilience and anticipating future developments and adapting to them, safeguarding against reputational risks, and taking adequate corporate responsibility for our planet.

The ASU is published in the Allianz Corporate Rules Book and is available to all relevant internal stakeholders.

Investments

Current emissions

For our proprietary investment portfolio, we are calculating financed GHG emissions according to PCAF guidance and expanding the methodology to asset classes not yet covered by PCAF. Although we aspire to calculate financed GHG emissions for as much of our portfolio as possible, we are constrained by the development of methodologies and availability of data. Nevertheless, we remain committed to progressively expanding the coverage of our portfolio over time.

We do not calculate financed GHG emissions for covered bonds, ABS/MBS and cash as there is no methodology available yet for these asset classes. To see these asset classes, please see lines "no methodology" in table "Financed emissions".

We calculate three types of financed GHG emissions defined by the underlying investment: 1) Corporates, which includes all investees with a balance sheet, i.e., – in PCAF terminology – listed equity and corporate bonds, business loans and unlisted equity, as well as project finance; 2) Real Estate, which includes commercial real estate loans and real estate equity investments; and 3) Public Debt, which includes sovereign debt, sub-sovereign debt, and supranational debt. As there is no specific PCAF guidance on carbon accounting for sub-sovereigns and supranationals, we have adapted the methodology for sovereign debt to these two asset classes. We do not cover 100 % of our exposure in these three types of financed GHG emissions (i.e., Corporates, Real Estate and Public Debt) due to the lack of relevant emission data information. To see this data coverage gap, please see column "coverage" in table "Financed emissions".

For a detailed description of our carbon accounting methodology, please refer to our explanatory notes on the **Allianz company website**.

In 2023, our total financed GHG emissions were 57.3 mn t CO_2e compared to 46.4 mn t CO_2e in 2022 (see table "Financed emissions"). The increase was driven in particular by adding new asset classes like sub-sovereigns, supranationals, and infrastructure debt.

Our total coverage of financed GHG emissions increased from 59.6 % to 62.1 %.

The table below shows the book value, financed GHG emissions, and coverage (i.e., percentage of book value for which financed GHG emissions are calculated) per carbon footprint methodology and is split into IFRS 9 asset classes.

Financed emissions

	2023				2022			
	Book value (€ bn)	Absolute financed emissions (mn t CO_2e)	Carbon intensity (t CO_2e/€ mn invested)	Coverage (%)	Book value (€ bn)	Absolute financed emissions (mn t CO_2e)	Carbon intensity (t CO_2e/€ mn invested)	Coverage (%)
Corporates	294.2	20.1	64.7	90.6	194.3	16.6	75.1	-
Public debt	166.6	36.7	204.1	99.5	130.8	29.5	192.6	99.7
Real estate	110.6	0.4	9.7	22.9	35.0	0.3	10.5	74.3
No methodology yet[1]	165.4	-	-	-	343.3	-	-	-
Total	**736.8**	**57.3**	**77.6**	**62.1**	**703.3**	**46.4**	**115.8**	**59.6**
Corporates	237.6	18.1	70.5	94.5	161.9	14.5	77.3	-
Public debt	159.3	35.8	204.9	99.5	122.3	28.1	194.9	-
Real estate	68.6	0.0	6.2	1.0	0.0	0.0	49.3	-
No methodology yet[1]	69.1	-	-	-	231.5	-	-	-
Debt investments measured at fair value through other comprehensive income	534.7	53.9	93.5	71.8	515.6	42.6	128.4	-
Corporates	25.3	1.1	48.7	90.8	21.2	1.1	52.4	-
Real Estate	0.7	0.0	2.1	-	-	-	-	-
No methodology yet[1]	1.0	-	-	-	5.5	-	-	-
Equity investments designated at fair value through other comprehensive income	26.9	1.1	46.5	85.3	26.6	1.1	52.4	-
Corporates	7.3	0.3	34.8	64.4	4.1	0.3	69.1	-
Real estate	10.7	0.3	24.9	77.1	9.1	0.2	20.5	-
No methodology yet[1]	3.3	-	-	-	9.3	-	-	-
Shares in affiliates and associated enterprises	21.2	0.6	26.9	60.9	22.4	0.5	35.7	-
Real estate	23.9	0.1	4.2	64.9	25.9	0.1	4.9	-
Real estate held for investment	23.9	0.1	4.2	64.9	25.9	0.1	4.9	-
Corporates	7.3	0.0	0.8	9.5	0.0	0.0	1.5	-
Public debt	-	-	-	-	-	-	-	-
Real estate	0.4	-	-	-	-	-	-	-
No methodology yet[1]	65.9	-	-	-	66.6	-	-	-
Investment funds measured at fair value through profit or loss	73.6	0.0	0.1	0.9	66.6	0.0	1.5	-
Corporates	17.4	0.7	39.1	80.3	7.1	0.7	87.9	-
Public debt	6.0	0.9	175.0	99.6	8.5	1.4	153.5	-
Real estate	6.0	0.0	2.4	12.6	-	-	-	-
No methodology yet[1]	27.1	-	-	-	30.5	-	-	-
Other (book value < € 20 bn and cash)	56.5	1.6	37.7	36.7	46.1	2.1	121.7	-

1_This includes asset classes for which no methodology exists yet, e.g. covered bonds.

Target setting for GHG emission reduction – introduction

We deem the framework laid out by the UN-convened Net-Zero Asset Owner Alliance (NZAOA) for target setting for GHG emission reduction to be best practice. Thus we in general follow the recommendations of the NZAOA for setting intermediate decarbonization targets. While the NZAOA Target Setting Protocol (NZAOA TSP) defines targets for engagements, sectors and financing the transition, we display these as actions in line with ESRS E1. The NZAOA TSP was aligned with all relevant stakeholders and vetted in a public consultation and was developed with a strong reference to the 1.5°C no/low overshoot climate scenarios in the latest report of the IPCC. For further information, please see section "The scientific basis for establishing net-zero targets" of the **NZAOA TSP**[1].

We have already reached our intermediate 2025 decarbonization target for corporate bonds and listed equities in 2023 as we reduced our financed GHG emissions by 44% against the target of a 25 % reduction. For full 2025 target reporting, please refer to the section "03.2" in our Group Sustainability Report 2023 on the **Allianz company website**. We have also reached our targets for engagements and financing the transition. For further information, please refer to the section "Decarbonization Levers".

We have therefore decided to update our complete range of targets in 2023 and define new targets for 2030. When setting these targets, we considered potential future developments in large industries, especially the E.U. and the U.S., based on the latest climate law and regulation; i.e., "Fit for 55" and the "Inflation Reduction Act". We also wanted our new targets to include what we have learned from previous years; e.g., related to data availability. The targets remain in line with the latest science (IPCC report) and industry best practice (NZAOA TSP) and are broader in terms of coverage and depth. For a detailed explanation of our 2030 targets, please refer to Explaining Allianz Intermediate Climate Target Setting 2030 for Proprietary Investments[2] on the **Allianz company website**.

As of the financial year 2024, we will only report on our new 2030 targets.

Overall GHG emission reduction target

We have set an absolute GHG emission reduction target for listed corporates (corporate bonds and public equity). Our target is to reduce absolute GHG emissions in the respective asset classes by 50% by 2030 compared to the 2019 baseline emissions.

We have added a 2030 emission intensity reduction target covering all listed and unlisted corporate exposure (e.g., infrastructure debt) in the amount of 50% compared to the 2019 baseline emission intensity (see table "2030 Targets for emissions associated with proprietary investments").

A reduction of 50% is in line with latest IPCC scenarios and equals the midpoint of the respective scenario range from 40 % to 60 %. For further information, please refer to section "1.5 °C alignment of targets" and the work of the NZAOA with the IPCC scenarios[3].

For unlisted corporates, we are still in the process of gathering emission data and we do not know beforehand how many of our portfolio companies and indirect investments via funds will deliver data in the coming years until 2030. As data coverage is uncertain and changing, we cannot set a reasonable absolute GHG emission reduction target for our overall corporate portfolio. An intensity metric does not rely on coverage as absolute GHG emissions are divided by the respective portfolio exposure. We therefore decided to set an emission intensity reduction target for our listed and unlisted corporates portfolio for 2030.

We have set 2030 targets that are aligned with the Carbon Risk Real Estate Monitor (**CRREM**) for our real estate equity and debt portfolios. These sectoral decarbonization pathways are based on the latest science, supported by the Science Based Targets initiative, and widely accepted as best practice.

Our progress toward target achievement will be monitored regularly and reported in the Non-Financial Statement.

The table below shows Allianz intermediate 2030 decarbonization targets as well as the respective baseline year values, where available. We have defined GHG emission reduction targets for corporates and real estate.

2030 Targets for emissions associated with proprietary investments

	Book value 2023 (€ bn)	% of total	Unit of targets	Target 2030	Current year 2023	Baseline year 2019	Delta Target 2030 vs Baseline 2019 (%)
All Corporates (Listed and Unlisted)	294.2	39.9	t CO2e/€ mn invested	54.0	64.7	108.1	(50.0)
thereof: Listed Corporates (Traded Equity / Corporate Bonds)	192.2	26.1	mn t CO_2e	12.5	14.0	24.9	(50.0)
Real Estate (Equity and Debt)[1,2,5]	110.6	15.0	kg CO_2/m^2	ca. 25.0	33.5	-	-
No methodology[3]	165.4	22.4	-	-	-	-	-
No target yet[4]	166.6	22.6	mn t CO_2e	-	36.7	-	-
Total	**736.8**	**100.0**	**-**	**-**	**-**	**-**	**-**

1_Including 50 % of real estate funds and w/o retail mortgages.
2_Including Pimco Prime Real Estate portfolio.
3_This includes asset classes for which no methodology exists yet, e.g. covered bonds and cash.
4_This includes asset classes for which we calculate owned emissions but have no targets yet, e.g. sovereign bonds.
5_Target 2030: Exact target depends on regional and sectorial portfolio composition 12/2029.

1_AOA-Target-Setting-Protocol-Third-edition.pdf.
2_Explaining Allianz Intermediate Climate Target Setting 2030 for Proprietary Investments.
3_Target-Setting Protocol Third Edition – United Nations Environment – Finance Initiative.

Decarbonization levers

Portfolio allocation change

The scope of actions outlined below to implement portfolio allocation changes is in line with the scope of our overall GHG emission reduction targets; i.e., covering our global exposure in corporates and real estate.

As an investment management function, we have set targets and frameworks for our asset managers that will ultimately lead to a change in our portfolio allocation with respect to asset classes, investees, and sectors.

As we have set overall GHG reduction targets on a Group-wide level, we start by breaking down the global target to individual mandate level. Each asset manager is then responsible for reaching the respective mandate decarbonization target by taking appropriate actions. For real estate, for example, these actions might include tenant engagement, portfolio transactions, and deep refurbishments. We hold regular deep-dive meetings where we monitor and discuss the decarbonization performance of our asset managers against the set targets.

As well as setting decarbonization targets per mandate, we exclude certain companies in line with our global energy-related guidelines for thermal coal, oil sands, oil & gas. For further information, please refer to section "Overarching Policies". These exclusions therefore contribute to the implementation of our sector targets for oil & gas and utilities that are outlined below. All excluded companies are included in the Allianz Group Risk Global Restricted List and are shared with all asset managers on a regular basis. Asset managers are obliged to comply with these restrictions.

We aim to finance the transition of companies in the hard-to-abate cement and steel sector that are aligned with a 1.5-degree world and have well-defined decarbonization strategies. We will therefore create a separate emission bucket and adjust the sub-portfolio target for listed equity and corporate bonds to reflect additional exposure in those transition leaders included on our new steel and cement climate list.

We have set sector targets for the high-emitting sectors listed below. These targets will trigger three types of actions supporting our overall GHG emission reduction target: sector engagements (for further information, please refer to section "Portfolio company decarbonization"), exclusions, and moving from climate laggards to climate leaders within the respective sectors:

- Oil & Gas (coverage Allianz O&G 100 list):
  - Scope 1, 2 and 3 (cat 11): 43.07 g CO_2e/MJ in line with IEA Net-Zero GHG Emissions by 2050 scenario
  - 100 % of AuM to set net-zero targets across all 3 emission scopes (target year 2025)
- Utilities (Coverage Transition Pathway Initiative (TPI)):
  - Scope 1: 0.17 t CO_2e/MWh in line with IEA Net-Zero GHG Emissions by 2050 scenario
  - Coal phase out in line with 1.5-degree pathway
- Steel (Coverage TPI):
  - Scope 1 and 2: 1.18 t CO_2e/t steel in line with IEA Net-Zero GHG Emissions by 2050 scenario
- Automobile (Coverage TPI):
  - Scope 3 (cat 11): 41.68 g CO_2e/km in line with IEA Net-Zero GHG Emissions by 2050 scenario

In 2023, we added the sectors Steel and Automobile. For both sectors, we are currently implementing data flows as a first step.

Portfolio decarbonization will also be fostered by increasing our share in Sustainable Investments. We have achieved our 2025 target for financing the transition; i.e., we have created between 4 and 5 new blended finance vehicles and have made initial investments in forestry and hydrogen.

We have therefore included a quantitative 2030 target for investments in climate solutions, which is to increase climate solution investments by at least € 20 bn by 2030, subject to market environment and constraints.

As a first step to reach this target, we have defined all low-carbon technologies that qualify as climate solutions[1]. We need to develop a process to align and agree on concrete volumes per annum with all relevant stakeholders: operating entities, asset managers, and relevant Group centers.

We have defined two additional requirements for our investments. Firstly, we will predominantly invest in Article 8 or Article 9 funds (or equivalent) as defined by the EU Sustainable Finance Disclosure Regulation (SFDR). Secondly, we will require a credible transition plan for all unlisted direct investment with a carbon intensity above 100 t CO_2e/€ mn invested.

Portfolio company decarbonization

The extent to which we can achieve reduction of GHG emissions for our investee companies and real estate investments depends on the respective ownership structure. For example, in the case of fully-owned real estate assets, we can directly influence GHG emissions by deep refurbishments. However, if we are only a minority owner, we are restricted to indirectly impacting GHG emissions through engagement, for example, or proxy voting (public equity).

One indirect lever to reach our 2030 GHG emission reduction targets is therefore continued engagement and support of our portfolio companies. We have consequently implemented a systematic and strong engagement approach across all types of engagements: bilateral, multilateral, and asset manager. For further information on our engagement approach, please refer to our 2023 – Allianz Investment Management – Our Engagement Approach on the **Allianz company website**.

We have already achieved our 2025 engagement targets in 2023 as we have engaged the top 30 (non-aligned) emitters in our portfolio, increased our engagement activities by 100 %, and fully participated in all NZAOA sector and asset manager engagements.

1_We have started working on harmonizing terminology and underlying eligible technologies related to the targets for climate solutions (currently used for proprietary investments) and transition solutions (currently used for P&C insurance). We expect to conclude this work and report on it in FY2024.

We have therefore updated our engagement targets earlier than originally planned. By 2030 (versus September 2023), we firstly want to engage with all external asset managers who are "below expectations" based on a systematic assessment. In order to reach this target, we initially need to perform a systematic sustainability assessment of all of our public and private asset managers. If an asset manager does meet our minimum expectations, we will start engagement to close identified gaps. We regularly review our public equity asset managers against best practice guidance (e.g., NZAOA guidance on best practice for proxy voting and climate lobbying).

Secondly, we want to participate in 30 multilateral engagements (at least 15 of them with a focus on climate), either as the lead organization or as a member. In order to reach this target, we will continuously review existing or new multilateral engagement initiatives. In 2023, we joined the collaborative engagement initiative "Investor Initiative on Hazardous Chemicals" (IIHC).

Thirdly, we aim to engage with 15 non-multilaterally engaged portfolio emitters among the top 100. We will screen the financed GHG emissions of our portfolio companies to identify those qualifying for engagement; i.e., those with the highest financed GHG emissions that are not already engaged.

As many of our high emitters in the portfolio can only decarbonize properly if the whole sector – including the value chain – decarbonizes, we are also active in sector engagements via multilateral engagement initiatives. Sector engagements are supporting our sector targets for 2030, in particular in the oil & gas and steel sectors. For more information on our sector targets, please refer to the section "Portfolio allocation changes".

The whole investment management function of Allianz is responsible for implementing climate topics in the existing processes and hence in the investment portfolio.

Proprietary investment specific policies

We are committed to managing climate change risk identified as a material risk for our proprietary investment portfolio. To align our investment management function with this commitment, we have set ambitious GHG emission reduction targets that incentivize respective decision-making (see table "2030 Targets for emissions associated with proprietary investments"). Our Allianz ESG Functional Rule for Investments (EFRI) sets out the rules, principles, and processes that govern the integration and application of climate topics to the Insurance Investment Assets of Allianz.

The EFRI provides a detailed description of all relevant processes for integrating climate into the investment processes and managing climate risk:

- Selecting and monitoring asset managers: Asset managers need to adhere to their own qualified sustainability policy including climate as a key topic. Regular review meetings with asset managers covering sustainability topics need to be performed.
- Systematic evaluation and scoring of investments: For unlisted assets, a case-by-case evaluation needs to be performed to identify potential sustainability risks. For listed assets, sustainability criteria based on MSCI data are used to screen all investments and inform our investment decision-making.
- Active engagements: As an integral part of our strategy, we perform bilateral engagements based on systematic sustainability scoring, multilateral engagements, and asset manager engagements.
- Exclusions of certain sectors, companies and sovereigns: Certain investments need to be excluded based on the Allianz guidelines for Oil and Gas and Coal-based business models. Some exclusions are triggered by engagement.
- Sustainable Investments: We define sustainable investments in line with the SFDR Article 2 (17) and actively pursue investment opportunities that support solutions to environmental and societal challenges, aligned with the U.N. Sustainable Development Goals (U.N. SDGs).
- Risk management: The Allianz Climate Change Risk Solution (ACCRiS) tool must be used to assess physical climate change risk for fully-owned real estate and prospectively for all single location assets. Whenever a certain level of physical risk is identified, a climate change adaptation plan needs to be implemented.

For further details, please refer to section "02.2.1" in our Group Sustainability Report 2023 on the **Allianz company website**.

The EFRI applies to all proprietary investment assets excluding unit-linked assets and is owned by the Sustainable Investing team. It is authorized by the respective Allianz SE Board Member responsible for Investments. The EFRI is published in the Allianz Corporate Rules Book and is available to all relevant stakeholders.

The EFRI is mandatory within the Allianz Group for all insurance and reinsurance legal entities, including related pension schemes and all types of investment assets. Sustainability governance is fully integrated into existing governance structures and makes use of existing committees (e.g., the Group Investment Committee).

Own operations

Current emissions

In our own operations, we aim to reduce our environmental footprint over time. We have established a dedicated unit – Group Sustainable Operations – within Group Operations & IT to align the strategic approach across all Allianz entities, with the aim of reducing their environmental footprint and accelerating impact through setting clear targets and sharing best practice. The main operations in scope are Travel and Fleet, Procurement, Facility Management, and IT.

The total GHG emissions arising from Allianz Operations were 136,448 t CO_2e in 2023. Of that, 31,774 t CO_2e result from Scope 1, 7,929 t CO_2e from Scope 2, and 96,745 t CO_2e from Scope 3. Included Scope 3 GHG emissions from categories 3.1, 3.3, 3.6 and 3.7 cover fuel- and energy-related emissions, business travel, remote working, public cloud, and paper use. Scope 3 GHG financed emissions which fall under category 3.15 are excluded. For further information, please refer to the section "Insurance Overarching" and the section "Investments Overarching". For further details on 2023 GHG emissions and a comparison to 2022 GHG emissions, please see table "Greenhouse gas emissions".

Greenhouse gas emissions

t CO_2e

	2023	2022	Delta (%)
Gross Scope 1 GHG emissions	31,774	30,953	2.7
Gross market-based Scope 2 GHG emissions	7,929	30,490	(74.0)
Gross location-based Scope 2 GHG emissions[1]	112,228	138,339	(18.9)
Gross Scope 3 GHG emissions (selected)[2]	96,745	92,467	4.6
Total emissions from own operation and further value chain	**136,448**	**153,910**	**(11.3)**

1_Not included in the calculation of total emissions.
2_Including fuel- and energy- related activities, business travel, remote working, paper and public cloud.

Own operations GHG emission reduction target

As explained in the "Transition Plan & Strategy" section, anticipating CSRD, we are no longer referring to the 2030 target for our Own Operations as a Net-Zero commitment. We will instead refer to it as a 2030 intermediate target.

Our decarbonization and removal targets for Own Operations remain as communicated in the Inaugural Net-Zero Transition Plan.

By 2025 we aim to reduce GHG emissions per employee by 50% versus a 2019 baseline across Scope 1, Scope 2, and selected Scope 3 emissions (see section "Current Emissions"). For year-end 2030, we target GHG emission reductions of 70% and for year-end 2029, 65% versus a 2019 baseline. The target was defined in alignment with the latest climate science. The progress towards our 2030 target is assessed on a yearly basis as part of our annual reporting cycles. In 2023, we made progress by reducing our GHG emissions by 62% per employee compared to our 2019 baseline.

Greenhouse gas emission targets

t CO_2e per employee

	Emissions Target 2030	Emissions Target 2025	Target 2023	Achievement 2023	Emissions current year 2023	Emissions Baseline 2019	Delta Target 2030 vs Baseline 2019	Delta Target 2025 vs Baseline 2019
Scope 1, 2 and selected scope 3 emissions[1]	0.828	1.183	We expect in 2023 emissions at a comparable level to 2022 with some post COVID-19 corrections.	Our carbon footprint per employee was 0.9 tons (2022: 1.0). This represents a 62 % reduction (2022: 57 %) against a 2019 baseline. This reduction was mainly the result of sourcing 100% renewable electricity[2] for our office buildings and data centers and a reduction in our energy consumption, which balanced increasing business travel post COVID-19.	0.894	2.367	(65.0) %	(50.0) %

1_Scope 3 includes fuel- and energy- related activities, business travel, remote working, paper and public cloud.
2_For more details about the sources of the renewable electricity, please refer to section "Energy & consumption mix".

Energy consumption & mix

In 2023, we had a total energy consumption of 1,574,357 GJ.

We achieved a 47 % reduction in energy consumption in our office buildings per employee against a target reduction of 20 % by year-end 2025 against a 2019 baseline (2022: 32 % reduction).

100%[1] of the electricity we used in our office buildings and data centers came from renewable, low-carbon sources (2022: 89%).

The above was achieved through a combination of green tariffs (65.7 %), expanding the use of on-site renewable technologies (0.2 %), and sourcing unbundled renewable Energy Attribute Certificates (EACs) (34.1 %). For a comprehensive overview of our energy consumption and mix, please see table "Energy consumption and mix".

1_For more information, please refer to the section "Decarbonization levers – Renewable Electricity".

Energy consumption and mix

As of 31 December		2023	2022	Delta (%)
Energy consumption from office buildings	GJ	1,232,510	1,578,675	(21.9)
Energy consumption from data centers	GJ	286,312	325,212	(12.0)
Total energy consumption[1]	**GJ**	**1,574,357**	**1,965,294**	**(19.9)**
Energy consumption from office buildings per employee	GJ/employee	8.1	10.4	(22.3)
Energy reduction in office buildings per employee since 2019	%	(47)	(32)	(15.1) %-p

1_The total energy consumption includes also energy from remote working.

Energy source

%

As of 31 December	2023	2022	Delta
Electricity	72.5	67.4	5.1 %-p
Fossil fuels	9.6	12.4	(2.8) %-p
Long distance heating	16.8	18.8	(2.0) %-p
Other sources (incl. energy from own sources including photovoltaic, internal waste heat)	1.1	1.4	(0.3) %-p

Renewable electricity

As of 31 December		2023[1]	2022	Delta (%)
Renewable electricity	GJ	1,122,821	1,153,987	(2.7)
Renewable electricity as a share of all electricity	%	100	89	11 %-p

1_For more information, please refer to the section "Decarbonization levers – Renewable Electricity".

To achieve our GHG emission reduction targets, we have the following decarbonization levers.

Decarbonization levers

Renewable electricity

As a signatory of the RE100 initiative, we have committed to sourcing 100% renewable electricity (RE) for our group-wide operations and data centers by 2023. RE100 is a global initiative bringing together businesses committed to 100% renewable electricity.

Energy sourcing has been a strategic procurement function since 2021 and plays a key role in our transition toward 100% renewable electricity, mainly by shifting energy procurement from locally driven to globally driven processes. Activities in 2023 included leveraging opportunities to agree green tariffs with local power providers and holding conversations with landlords supported by green lease clauses. We encourage green tariffs and local direct investments in Allianz-owned self-generation, centrally supported by PIMCO Prime Real Estate. Furthermore, renewable Energy Attribute Certificates have played a role in the transition to 100% renewable electricity as an interim solution for markets and Allianz entities with limited access to renewable electricity.

In 2023, we achieved our goal of covering 100% (2022: 89%) of our electricity for all office buildings and data centers with renewable, low carbon sources. 98.6% of this is in line with the RE100 technical criteria and 1.4% is secured via renewable Energy Attribute Certificates from neighboring countries as we operate in some countries like Ukraine, Saudi Arabia and Ghana[1] where there is currently no availability of renewable electricity meeting the RE100 criteria. We continue our efforts to cover all our renewable electricity in line with RE100 technical criteria and will closely monitor the market development in the respective countries.

Buildings

Embedding sustainability in our buildings encompasses energy efficiency and reduction. We aim to reduce the energy consumption in our office buildings per employee by 20 % by year-end 2025 against a 2019 baseline.

We implement environmental management systems (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. Some locations also pursue certifications such as LEED, BREEAM[2], etc. To address energy efficiency and reduction holistically, our operating entities are encouraged to develop approaches to reduce energy consumption.

We have set up a Buildings Standards Catalogue to harmonize Allianz's approach to sustainability in buildings. This comprehensive listing of minimum standards includes elements of governance-/certifications, furnishings, construction/renovations, renewable energy, energy efficiency, water, waste, food, and commuting, as well as guidance on green lease selection criteria.

In 2023, we achieved a 47 % reduction in energy consumption in our office buildings per employee compared to our 2019 baseline (2022: 32 %).

Fleet and business travel

When it comes to fleet and business travel, our aim is to continuously reduce corresponding GHG emissions now that COVID-19 measures have been lifted and business trips are permitted again. We aim to reduce our GHG emissions from business travel by 40 % by 2025 against a 2019 baseline. As a signatory of the EV100 initiative, Allianz has committed to fully electrify the company fleet by 2030 at the latest.

The current travel regulation is under review and – once updated in 2024 – will encompass climate-related topics for business travel. In addition, our travel tools offer a sort and filter function based on CO_2 emissions for flight searches. Further, meetings should be held digitally whenever possible.

In 2023, GHG emissions from business travel were reduced by 44 % per employee against a 2019 baseline[3] (2022: 47 %). As of 2023, 22 % of our fleet vehicles are electrified[4] (2022: 11%).

Procurement

With regard to our supply chain, our target is to ensure that 100% of global framework vendors – i.e., vendors providing products and services for Allianz globally – have made a public commitment to net-zero GHG emissions in line with a 1.5 °C path by 2025.

The procurement function sources services and products for the Allianz Group by partnering with thousands of vendors all around the world for activities such as IT, professional services, and marketing. Our procurement policy and processes are reviewed regularly. In 2022, they were updated to align with the Allianz Group sustainability strategy and to embed the operations sustainability strategy across procurement activities. To ensure our IT partners are following our decarbonization ambition, we have implemented sustainability criteria in all Requests for Information (RFIs)/Requests for Proposal (RFPs) and tenders. The catalogue of questions covers environmental aspects in four categories (Hardware, Software, Application/ Infrastructure & Communication) and produces a rating based on defined sustainability criteria.

Our assessment indicates that, in 2023, 76 % of global framework vendors had an existing net-zero commitment (2022: 65%).

Sustainability incentive schemes

Sustainability forms part of the individual contribution factor of the remuneration of each member of the Allianz SE Board of Management. This extends to the decarbonization targets of proprietary investments as well as own operations. For further information, please refer to Remuneration Report and the section "Corporate responsibility governance and strategy".

Climate-related risks

Climate change will materially affect global economies and Allianz, with its international footprint and many different lines of business, is no exception – as already highlighted in the section on materiality analysis. The risks and opportunities emerging today will evolve and increase over the mid to long term. They include acute and chronic physical impacts on property and human health, such as increasing temperatures, extreme weather events, rising sea levels, intensifying heatwaves, droughts, and potential changes in vector-borne diseases.

Risks and opportunities also result from the cross-sectoral structural change stemming from the transition to a low-carbon economy. These transition risks include the impacts of changes in climate policy, technology, and market sentiment, and their impact on the market value of financial assets, as well as impacts resulting from climate change litigation.

1_Full list of countries: Hong Kong, Bahrain, Cameroon, Ghana, Tunisia, Ivory Coast, Kenya, Lebanon, Senegal, Madagascar, Laos, Myanmar, Qatar, Reunion Island, Saudi Arabia, Ukraine.

2_LEED (Leadership in Energy and Environmental Design) and BREEAM (Building Research Establishment Environmental Assessment Methodology) are certifications assessing the sustainability of buildings based on a rating system.

3_GHG emissions from business travel were restated for 2019 (new absolute: 140,787 t CO_2e, new relative: 1.0 t CO_2e per employee). For air travel emissions, 2022 emission factors were applied to consider post-Covid air travel load factors and to ensure comparability.

4_Including battery electric and plug-in hybrid vehicles.

Impact on and impact of our business

The Allianz Group is exposed to risks that are influenced by climate change in a multitude of ways. Our core business activities mean that we are affected in two key ways, both of which can influence the ability of assets to generate long-term value:

– As an insurer providing insurance policies – e.g., covering health impacts, property damage, or litigation claims – and through changes in the sectors and business models we underwrite.
– As a large-scale institutional investor with significant interests in various economies, companies, infrastructure, and real estate that might be affected by the physical impact of climate change and the transition to a low-carbon economy.

As well as being impacted by climate change, the choices Allianz makes about how to conduct our business have an impact on climate change, e.g., by investing in or insuring activities that either cause or reduce GHG emissions. To manage potentially detrimental impacts on both the climate and our business, we have committed to align our proprietary investment and insurance underwriting portfolios to 1.5 °C climate scenarios.

Strategy resilience, stress tests, and climate scenario analysis

Climate change considerations are an integral part of our insurance and investment strategy.

We apply various quantitative and qualitative strategies when carrying out climate stress testing and scenario analysis. Considerations in this regard include the long-term horizons over which climate change may unfold and the high level of uncertainty over the direction of future climate and economic developments. Our objective is to foster risk awareness, build expertise in the assessment of financial risks from climate change, test our business strategy resilience, and inform risk management and business decision-making.

We perform sensitivity and scenario analyses with time horizons up to 2050 and including scenarios ranging from 1.5 °C to 4 °C of average warming by the end of the century. While time horizons naturally differ depending on the lines of business under consideration, the range of scenarios we apply allows us to better assess a variety of risks associated with climate change.

When we conduct analyses that assess 1.5 °C scenario alignment, we adjust our scenario selection using guidance developed by the NZAOA that is focused on 1.5 °C scenarios with no or low overshoot of 1.5 °C of warming. This limits the need to remove GHG emissions from the atmosphere in the second half of the century.

When conducting outside-in impact scenario analysis, we use a broader range of scenarios in terms of temperature outcomes and characteristics. Qualitative assessments are conducted to explore to what extent and across which channels climate change risks affect distinct aspects of our business, unconstrained by the still limited availability of quantitative models to fully cover all aspects of climate change across our entire business activities. We deploy quantitative assessments for indicative sizing of our exposure to climate change risks. A top-down approach is developed to assess risks at the level of our balance sheet. Complementary bottom-up modeling for the most relevant exposures provides insights into climate change risks at the level of individual investment or underwriting projects and may support contextualization of results from top-down analyses.

It should be noted that the analyses included in this report reflect our current approaches to climate change risk assessments. Prevailing methodological and data limitations as well as the high degree of uncertainty inherent in any long-term analysis may still limit the decision-making usefulness of some results. However, these approaches will change over time as climate scenarios evolve in line with research, developmental-stage methods improve further, and industry best practices emerge.

Qualitative assessment of climate change risks

Approach

The guiding objective of the qualitative climate change risk assessment is comprehensiveness, whereby it is important to identify the many ways that Allianz's risk profile can be adversely affected across all areas of the business, in both the short, medium and long term. There are multiple ways in which climate change may trigger risk events, so it is essential that this understanding is established in enough detail for it to provide a solid basis for applying risk-based prioritization with the aim of evaluating mitigation effectiveness and management actions.

To achieve full coverage of Allianz's business footprint, the assessment was structured along investments, property-casualty underwriting, life/health underwriting, operations, with investments and underwriting further subdivided into asset class and line of business, respectively. For each area (or alternatively, asset class for investments, and line of business for underwriting), the main relevant climate change-related risk drivers were identified. In this context, a risk driver is any development or event wholly or primarily attributable to climate change that potentially impacts Allianz's risk profile. Such risk drivers can be categorized into technological, regulatory, legal, and consumer behavior developments (transition risks), as well as physical risks such as floods, drought, or wildfires.

For each risk driver, a range of potential short- to medium-term and long-term impacts for the insurance sector was considered, utilizing knowledge acquired via a combination of desktop research and consultation with subject matter experts both internal and external to Allianz. Lastly, the potential magnitude of each of these risk impacts was assessed against various dimensions of financial and non-financial performance.

The initial qualitative risk assessment was performed throughout 2022 at the Allianz Group level. During 2023, subsidiaries adapted the assessment according to their local risk profiles. The outcome of this exercise provides further insights into the relevance of climate change risk drivers for both the Allianz Group as a whole and individual subsidiaries, taking into account their specific business profile, geographical presence, and locally applicable regulations.

Results

For a summary of the main climate change risks faced by the Allianz Group as well as corresponding impacts derived from the qualitative risk assessment, please see tables "Key climate change transition risks" and "Key climate change physical risks".

Key climate change transition risks

Risk driver	Context	Main potential risk impacts
Emerging technologies	Climate change mitigation and adaption is driving the rapid development of new or modification of existing technologies (e.g. sustainable aviation fuels, carbon capture and storage, electric vehicles). Although many of these technologies presently face challenges in terms of quickly scaling up – whether due to prohibitive cost, an inadequate supply of raw inputs, missing infrastructure, customer skepticism or a need to further develop the technology itself – it is expected that many of these issues will be resolved over time and the technologies will become widely adopted.	Investments - Companies that fail to adopt these new technologies may face future cost disadvantages via a combination of higher energy costs, higher financing costs or costs from participation in carbon emissions trading schemes. On the revenues side, customers may become adverse towards companies that fail to adopt climate-related technologies. This risk is particularly relevant for those business sectors with a comparatively high emissions footprint, such as energy, transportation and construction. - Stranded assets are also possible, whereby technological breakthroughs render older, high emission technologies obsolete, in particular when further squeezed by decarbonization-related regulations. Conversely, it is also possible that promising technologies ultimately fail to deliver on their potential and earn a return on substantial investments in research and development. - Allianz is susceptible to financial market losses based on investment exposures to those companies and sectors most likely to be impacted by the above developments. Underwriting The introduction of new technologies may lead to more frequent and severe malfunctions, damage or process disruptions, especially in the early application phase. Areas of particular vulnerability include electric vehicles and renewable energy technologies, such as battery energy storage systems. In this context, providing insurance coverage may represent a challenge for insurers due to the lack of historical claims data as a basis for modeling and pricing, which may trigger an increase in insured manufacturers' product liability exposure.
Regulatory developments	As signatories to the Paris Agreement, many countries have adopted legally binding commitments in line with the Paris Agreement target of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels. To deliver on these commitments countries are enacting increasingly stringent regulations designed to reduce carbon emissions, such as the phase out of combustion engines, encouraging the adoption of heat pumps or increasing the share of sustainably produced energy. Given the swift and drastic reduction required, the impact of these regulations is widespread across many business sectors, although naturally most consequential for those responsible for the largest share of emissions.	Investments - Increasingly complex and partly untested regulations promoting mitigation and adaptation to climate change may trigger significant costs or losses for companies operating in high emission sectors, both in terms of implementation costs and as a direct consequence of the policies themselves. Direct consequences include write-down costs, whereby as a result of a regulatory directive, the projected financial return on company assets is diminished. - Furthermore, fragmentation of regulations at a regional and global level may lead to competitive disadvantages based on a company's geographic location, especially for companies that are highly dependent on international trade. Competitive disadvantages may result from either operating under a comparatively strict set of regulations relative to peers (e.g. carbon emission limits), or conversely, due to regulations enacted to counter such environmental arbitrage (e.g. border taxes, restricted market access for companies with poor climate practices). - Allianz is susceptible to financial market losses based on investment exposures to those companies and sectors most likely to be impacted by the above developments. Operations - Allianz is committed to full compliance with all climate-change regulations applicable to the organization. The design and implementation of processes needed to comply will require investments in employees, external expertise, 3rd party databases, IT systems and more. - Beyond the direct costs, regulations are likely to result in an increase in Allianz' operational complexity – for example in the form of expanded data gathering and reporting requirements or additional sustainability considerations to be applied in the design, marketing and service of products. This increased complexity in turn may drive an increase in the likelihood and severity of process failures and accompanying operational losses.

Risk driver	Context	Main potential risk impacts
Climate litigation	Climate change has emerged to become a source of potential high-impact litigation, whether in terms of monetary losses (e.g. fines, awarding of damages) or through court ordered changes in defendants' business practices that negatively impact profitability or – in extreme cases – viability of the business model itself. This trend is expected to continue as both litigants seek compensation for climate related damages and activists turn to court systems in response to real or perceived political and business failures to adequately address climate change.	Investments - Companies may be subject to litigation arising from discrepancies between publicly declared long-term net-zero commitments and emissions reductions that are realistically achievable based on actions taken, as well as general (vague) sustainability statements deemed misleading or otherwise not supported by actual outcomes ("Greenwashing"). - Climate attribution science supports the assignment of responsibility for climate-change related damages to those companies historically responsible for a large share of emissions, whether from the extraction and processing of fossil fuels or their consumption via production or product use (e.g. energy generation, transportation). As the confidence levels of climate attribution models improve they may increasingly be recognized by courts and juries in determining culpability and corresponding damages. Given past studies suggesting a relatively small number of companies are responsible for an outsized share of total historical emissions – primarily within the oil & gas and utility sectors – the legal exposure of these companies in particular may be quite significant. - In addition to the costs or losses directly attributable to climate-change related regulations, companies also face legal exposures for failure to comply. Against the backdrop of sweeping regulations and tight timelines for their adoption – which is unavoidable in the light of nations' legally binding emission reduction commitments – it may prove challenging for certain companies or even entire sectors to fully comply. This is relevant not only for operations and product design, but also climate-change related reporting and disclosure requirements. - Allianz is susceptible to financial market losses based on investment exposures to those companies and sectors most likely to be impacted by the above developments. Underwriting The above climate litigation drivers for investments may also adversely impact Allianz' risk profile with respect to Underwriting Risks. Greenwashing, advances in climate attribution science, new and expanded regulations and an overall increase in climate-change related litigation all introduce new and potentially significant legal exposures for many of Allianz' commercial policyholders, especially those operating in high-emission sectors such as oil & gas, energy generation or transportation. Allianz risk exposures arise from indemnity coverages for legal proceedings against these policyholders, in particular within the D&O and Liability lines of business.

Key climate change physical risks

Risk driver	Context	Main potential risk impacts
Extreme weather (acute physical risk event)	Climate change is the primary driver behind a contemporary increase in the frequency and severity of extreme weather events, which trigger losses in the form of human casualties, physical damages and disruptions to business or leisure activities.	Investments - Within the real estate sector property valuations may increasingly be dependent on exposure to extreme weather events, both from a macro- and micro-geographic perspective. The most exposed properties might experience higher losses from property damage, a loss of rental income due to business disruptions and higher insurance and financing costs. While measures may be taken to help mitigate the real estate impact of extreme weather events, such as strengthening structures against wind and flood damage, these typically require costly investments. These issues also largely apply towards the construction and infrastructure sectors as well. - At a sovereign level, government finances may become strained through an ever increasing need to finance recovery and repair efforts following catastrophic weather events. Over time this support may lead to a deterioration in the creditworthiness of sovereign debt, further compounding losses via higher debt servicing costs, or in extreme cases may even lead to default scenarios. Alternatively, governments may choose to invest in mitigation or adaption initiatives, however in many cases these solutions come with high costs that may likewise place pressure on government finances. - At a more general level, corporate bonds and equities may be impacted to various degrees depending on the sector and geographic location. For example, floods, fires, droughts and heat waves can trigger large loss events in many different sectors, such as agriculture, tourism, energy production, shipping and manufacturing. This injects a new source of risk and volatility into corporate financial outcomes, which may challenge their ability to consistently deliver reliable profits or, in extreme cases, trigger instances of bankruptcy. Ultimately these issues will be reflected in share prices and bond valuations. - Allianz is susceptible to financial market losses based on investment exposures to those companies and sectors most likely to be impacted by the above developments. Underwriting - Increases in the frequency and severity of claims are almost certain to occur across both retail and commercial P&C business lines. This projection concerns not only property claims due to direct physical damage, but other coverages as well, such as those typically contained within business interruption, accident, entertainment, and travel policies. - Claims for liability coverages may also increase insofar as policyholders are considered negligent in protecting customers or other third parties from damages caused by extreme weather events. - In addition to impacts derived from policy exposures, it may also become increasingly cost-prohibitive for Allianz to obtain reinsurance coverages in line with our risk appetite and risk bearing capacity. Such developments might restrict our ability to underwrite some risk exposures and – in extreme cases – precipitate an exit from certain insurance markets.

Risk driver	Context	Main potential risk impacts
Climate volatility (chronic physical risk event)	A meaningful portion of economic activity is dependent on the climate and susceptible to changes against the current status-quo. For example, with respect to raw materials, a volatile climate may lead to losses of arable land to desertification, losses of timber due to wildfires, reduced fishery yields due to ocean acidification or water scarcity that diminishes production capacity in high water use sectors, such as the manufacturing of apparels and textiles. Impacts beyond availability of resources include phenomena such as permanent decreases in worker productivity due to frequent heatwaves or a loss in attractiveness for those tourist destinations no longer reliably providing the desired weather.	Investments - An increased volatility in the availability – and therefore price – of raw materials has various implications at the individual company level, especially for those companies whose value generation is primarily dependent on the processing of raw materials. Collectively, these implications may have consequential impacts on overall economic activity. - Resource availability will emerge as an increasingly important consideration in the capital investment decisions of companies within certain sectors (e.g. manufacturing, timber, agriculture, fisheries). Volatility and scarcity risks in raw material inputs will increase the required risk-adjusted return on such investments, which may lead to a higher number of boardroom decisions to forego potential profit-generating opportunities (i.e. will trigger corporate retrenchment instead of expansion). - Companies may struggle to optimally price their goods against a backdrop of higher price volatility for their production inputs. Participation in commodity markets to hedge against price volatility will likely come with a higher cost than in the past, as commodity markets react to the volatility by increasing the risk premium on futures contracts. - Beyond manufacturing and raw material processing, temperature volatility may also adversely impact weather dependent sectors, such as construction, tourism and sustainable energy generation. - Allianz is susceptible to financial market losses based on investment exposures to those companies and sectors most likely to be impacted by the above developments. Underwriting - Insurance portfolios may experience consequential shifts in the risk profile for those regions or sectors with the highest exposures to climate volatility, affecting both claims and insurance demand. In contrast to acute physical risks, these risks are not attributable to individual extreme weather events, but rather reflect permanent trends or slow-developing climate change impacts. - For example, rising sea levels that make coastal areas more prone to flooding are likely to increase claims costs and expenses for both retail and commercial property coverages. On the revenues side, necessary premium increases may not be able to fully capture increased losses due to political and consumer pressure to maintain insurance affordability, while in the most exposed regions the uninsurability of certain risks may cause a reduction in the total size of the insurance market. - Overall, while climate volatility risks are generally considered more long term in nature, if not carefully managed these developments will increase the potential risk for Allianz of losing market share, premium income or profitability.

The above results demonstrate that the most relevant climate change risks for Allianz as an organization relate to proprietary investments and property-casualty underwriting. Risks related to company operations and life/health underwriting are also present, albeit to a lesser extent.

In terms of time frames, the assessment foresees transition risks as more significant in the short to medium term than in the long term under scenarios where alignment with the goals of the Paris Agreement is rigorously pursued. This reflects the view that a large proportion of measures to address climate change will need to be introduced in the next 5 to 15 years, which will constitute a comparatively dynamic period of transition risk relevance.

In terms of the most relevant physical risks, acute physical risks are likewise considered more significant over the short to medium term than the long term. While this may run contrary to the understanding that acute physical risks will continue to increase in both magnitude and frequency, the presumption is that adaptive measures will help blunt impact severity in the longer term. This includes both adaptive measures by external parties – such as regulations restricting or encouraging movement away from disaster prone areas – and mitigation measures by Allianz, such as improvements in the management of insurance risk concentrations and the pricing of insurance coverages.

When considering the above results, it is important to understand that outcomes of this qualitative process are highly dependent on the input of individual risk experts. Although the process leveraged research and statistical information where possible, professional judgment was applied in determining the impacts specific to Allianz. Provided that professional judgment is subject to various forms of bias, results are liable to change. In addition, the emergence of further statistical and other fact-based research may also influence conclusions.

For further information on mitigation measures to address and manage risk impacts, please refer to the section "Conclusion".

Quantitative assessment of climate change risks

Approach

The integrated climate change stress test presented in the following section complements the holistic qualitative risk assessment with quantitative information for a limited set of risks and risk transmission channels. It demonstrates our continuing efforts to build capabilities and capacities for quantitative climate change risk assessments and gain experience with sizing balance sheet exposures to climate change risks.

The stress test covers both sides of the balance sheet by measuring asset- or liability-specific stress impacts, as well as their dependencies for a static balance sheet. We take into account a period up to 2050, which is relevant both for the implementation of key political and business strategies linked to the Paris Climate Agreement and for the onset of increasing global warming and its negative consequences. Impacts are estimated for market stresses, as well as property-casualty and life/health underwriting stresses, using NGFS[1]/IPCC[2] scenario-based data from various sources. NGFS scenarios are selected for this analysis since they are compiled on behalf of central banks and supervisory authorities for financial stress testing, provide pathways for macroeconomic variables in a variety of scenarios representing different levels of transition and physical risk, and are available open source. IPCC Representative Concentration Pathways (RCPs) are the starting point of well-established scientific studies on the development of climate-related hazards in climate change scenarios, which can be adapted for modelling underwriting risks. All entities contributing to the Allianz Group's Solvency II model are in scope for the assessment. The main focus of the analysis is to provide a best estimate for market value balance sheet impacts.

Scenarios

For the current implementation of the integrated climate change stress test, we have considered five scenario narratives from the suite of NGFS reference scenarios. The (1) Net Zero 2050 scenario is determined by an orderly transition to net-zero emissions by 2050 following the target to limit global warming to 1.5 °C through stringent climate policies at the cost of moderate economic strain in the initial years. The (2) Below 2 °C scenario assumes an early and orderly transition to a low-carbon economy, with an unambitious policy target to limit global warming to below 2 °C by the end of the century. In this scenario, policy action has limited impact on economic growth. In the (3) Delayed Transition scenario, GHG emissions remain high until 2030, when strong policy measures are taken to limit warming to below 2 °C. Physical risks are relatively small in these scenarios over the 2050 time horizon.

The (4) Nationally Determined Contributions scenario includes all pledged climate policies, even if not yet implemented. However, these pledged policies are still insufficient to limit global warming to below 2 °C, leading to increasing physical risks. Accounting only for climate policies that were in place before 2019, the (5) Current Policies scenario is characterized by limited transition risks and high physical risks, which start to become more visible over the second half of the projection period.

Methods, assumptions & limitations

NGFS scenarios are used to obtain financial market variables for application in the market stress module of the integrated climate change stress test. The market stresses themselves are applied to market values of both assets and liabilities of in-scope entities, where a simplified approach is used to assess the mitigation of stress impacts due to policyholder profit sharing. Scenario variables used in the property-casualty and life/health underwriting stress modules are derived from hazard models that are contingent on the IPCC's RCPs 2.6, 4.5, 6.0, and 8.5. For the life/health underwriting stress module, stress variables are based on a study by Gasparrini et al.3 that projects temperature-related excess mortality under various heat and cold pathways and their net change up to the end of the century. The life/health underwriting stresses are applied to the best estimate of liabilities for biometric risk exposure. The property-casualty underwriting stress module relies on projections for Average Annual Loss under RCP scenarios for a selection of the most climate change-relevant country and peril combinations (i.e., inland flooding, hail and tropical cyclone) developed by NatCat modeling experts at Allianz Re. The property-casualty underwriting stresses are applied to the best estimate of liabilities for NatCat risk exposures.

To separate the impact of climate change risk from trend growth, stress levels are assessed relative to a baseline or counterfactual scenario as defined by the NGFS, a hypothetical scenario in which neither progression of climate change nor the implementation of transition measures is assumed. Furthermore, the calculation of stress impacts is based on instantaneous stresses on the static year-end 2023 balance sheet, without adaptation or mitigation actions from Allianz and its business partners. In particular, internal measures such as contract repricing, deployment of reinsurance strategies, or portfolio steering have not been taken into account, as well as external measures such as public investment in flood defences. Impact estimates from the different stress test modules are integrated based on a matching of global mean temperatures for 2050 between NGFS and IPCC scenarios as well as consideration of the overall scenario characteristics. No diversification between market stresses and underwriting stresses is assumed for the aggregation.

Impact estimates from the integrated climate change stress test rely on scientific research and scenario data that is available and considered relevant as of the current point in time. Nevertheless, the magnitude of outcomes has to be treated with caution when accounting for the significant uncertainties inherent in climate change modeling and the crucial role of assumptions in long-term projections. These include, but are not limited to, uncertainties in the scientific studies underlying the projected distributions of NatCat events, uncertainties in the modeling of macroeconomic impacts of physical risks, as well as uncertainties due to the limitations of climate change scenarios in capturing environmental, social, and economic cascading effects or tipping points. Uncertainties around assumptions for the counterfactual scenario can also have a critical impact on results.

Results

In terms of the aggregate market and property-casualty and life/health underwriting stress impacts, two key overarching observations may be derived. Firstly, with the exception of the Delayed Transition scenario, cumulative market value balance sheet impacts over the first 5-10 years of the projection period are largely determined by the different levels of transition risk in the scenarios, whereas impacts from physical risks are small in comparison but increase gradually. Secondly, market stress is the largest contributor to overall cumulative market value balance sheet impacts, exceeding the combined contribution from property-casualty and life/health underwriting stresses by a considerable margin.

1_NGFS: Network for Greening the Financial System.
2_IPCC: Intergovernmental Panel on Climate Change.

3_Gasparrini et. al. (2017) Projections of temperature-related excess mortality under climate change scenarios, Lancet Planet Health 1(9): e360-e367.

Expounding upon the above general observations at the individual scenario level, we note the following:

- Moderate cumulative market value balance sheet impacts are realized in the Net Zero 2050 scenario, where the initial economic strain subsides rapidly until 2030.
- The orderly implementation of the not too ambitious policy target in the Below 2 °C scenario comes with a low transition risk initially. While stress impacts in the long term in the Below 2 °C scenario are comparable to stress impacts in the Net Zero 2050 scenario, an overall negative trend compared to the 1.5 °C scenario is predicted in the second half of the century due to higher physical risk associated with higher mean temperatures.
- In the Delayed Transition scenario, very low stress impacts materialize in initial years, followed by high cumulative market value balance sheet impacts of (13.6) % after 2035 with the start of the delayed implementation of a policy ambition that is comparable to that in the Below 2 °C scenario. Economic recovery is rather slow in this scenario.
- Initial losses from transition risk in the Nationally Determined Contributions scenarios, comparable to losses in the Below 2 °C scenarios, turn into losses from physical risk in later years that gradually increase over time.
- In the absence of stringent climate policy implementation, stress impacts are relatively muted until the second half of the time horizon for the Current Policies scenario, similar to the Delayed Transition scenario, where stress impacts from physical risk phase in bringing about moderate cumulative market value balance sheet impacts of approximately (5.5) % in the long term. Beyond this period, both the Current Policies and the Nationally Determined Contributions scenarios are expected to entail even more material losses as impacts from physical risks increase and outweigh transition risk impacts.

An excerpt from the aggregated stress test results is shown in table “Estimated maximum adverse cumulative market value balance sheet impacts in NGFS/IPCC scenarios relative to a baseline scenario without climate change”. The complete analysis covers the period from now until 2050, whereas the excerpt here shows the estimated maximum adverse impacts over the 5-20 year period, taking into account, amongst other considerations, that the current NGFS scenarios are primarily aimed at modeling long-term climate-economic relationships.

Estimated maximum adverse cumulative market value balance sheet impacts in NGFS/IPCC scenarios relative to a baseline scenario without climate change
%

Scenario	Long-term 5-20 years
Net Zero 2050	(2.8)
Below 2 °C	(2.7)
Delayed Transition	(13.6)
Nationally Determined Contributions	(5.2)
Current Policies	(5.5)

Conclusion

It is apparent from a review of the results of the qualitative risk assessment and consideration of potential risk responses that while some new mitigation measures (such as processes, controls, strategies) tailored to climate change may be necessary, the current risk management approaches are generally either adequate, or only require smaller modifications. For example, with respect to property-casualty underwriting, well-established techniques such as premium adjustments, changes in coverages, exclusions, expansions, or revisions to risk limits can all be effectively utilized. Despite this conclusion, the consequences in areas where climate change is set to fundamentally transform insurance markets are less predictable and require strategic attention. Fundamental transformation includes aspects such as coverage affordability, the shrinkage of existing markets, or the emergence of new markets, as well as products or coverages encompassing difficult-to-price risks (e.g., similar to industry experience around the emergence of cyber insurance).

From the quantitative perspective, the overall impact estimates derived from the integrated climate change stress test are considered to be within Allianz’s risk tolerance, considering both the magnitude of predicted losses and the time horizon over which they materialize. Extending this analysis to a dynamic balance sheet view would further support this assessment; for example, accounting for risk mitigating management actions such as adaptation of derivatives hedging and reinsurance programs, repricing of insurance products, or strategic repositioning of investment and insurance portfolios. The approximate estimates we carried out on the effectiveness of selected management actions confirm this view.

Addressing the immediate effects of climate policy implementation requires the incorporation of climate change-specific measures. These include long-term strategies aimed at aligning investment and insurance portfolios with climate policy targets, as formulated in our transition plan, see the section “Transition plan & strategy”. However, successfully managing an economic crisis that may unfold as an indirect effect of climate policy implementation – e.g., in the Delayed Transition scenario – necessitates having well-established mitigation measures ready and operational, such as limiting or hedging equity and corporate bond exposures, or effective asset liability management.

We will continue to refine our climate change risk assessments in line with the evolving understanding of assessment methodologies and improving data availability and quality, while also accounting for a shifting climatic and political baseline.

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 United Nations Sustainable Development Goals (UN SDGs). For further information on our commitment to the UN SDGs, please refer to the sections “01.4”, “01.5” and “04.4” in our Group Sustainability Report 2023 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, our 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 future generations and persons with disabilities to overcome the economic and social impacts of social risks.

Tax transparency

At Allianz, we are continuously engaging in tax transparency. We consider taxes to be a core component of corporate responsibility and sustainability.

Our ambition is to take a responsible approach to the management of taxes. We aim for being recognized as a compliant, co-operative and reliable taxpayer in each country we operate. For a comprehensive description of our approach see our Group Tax Strategy on the **Allianz company website**.

In 2023, we have consolidated our tax transparency reporting products while keeping the same level of information. We are presenting our total tax contribution and our country-by-country reporting now in our Sustainability Report along with other information about current tax topics and developments.

Corporate citizenship

We are aware that our actions have the potential to influence the future living conditions, employability and well-being of young people and persons with disabilities and that our decisions play an integral part in determining this future.

Allianz wants to shape its social impact in a meaningful and lasting way. This social impact stems from both the nature of our business and the effect that our global organization has on the well-being of the communities it is active in.

We view supporting and upskilling young people and persons with disabilities to help them get into education and employability as one way to contribute to SDGs, and in particular to SDG 8: Decent work and economic growth.

Our ambition is shaped by our company purpose, "We secure your future", defined by our group-wide business strategy, and brought to life through our employees and the local efforts of our operating entities (OE) who actively implement our Corporate Citizenship Strategy and strengthen its alignment with the SDG 8 but also with SDG 17 via philanthropic initiatives, global partnerships and volunteerism.

In 2021, we launched the Social Impact Fund (SIF) which supports our OE's strategic opportunities by focusing on creating measurable impact through intersectoral partnerships.

On top of this social work and based on the lessons learned from existing partnerships with the International Olympic Committee (IOC) and the International Paralympic Committee (IPC) Allianz has further developed a major global initiative: Move Now is a program that prepares our focus groups for their professional future by offering opportunities to move mentally and physically. It is an initiative that OEs can run in the countries we operate in and an initiative which we support financially with our SIF.

For MoveNow, the SIF picks up and leverages existing formats from the partnerships with the IOC and the IPC. In 2023, it provided resources for 18 local partnerships that focus on the goals of SDG 8. To further support its local entities in setting their ambitions and measuring and reporting on the impact of corporate citizenship activities at a local level, Allianz has introduced the Allianz Social Impact Measurement Framework.

For further information, please refer to section "04.4" in our Group Sustainability Report 2023 on the **Allianz company website**.

Objectives and actions: societal impact

Topic	Objectives	Progress and actions 2023
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.
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 18 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-term 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 lays 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. The digital NPS paradigm 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. This year, we achieved a remarkable NPS of 59% Loyalty Leadership across all our business segments. This result exceeds our target (50% loyalty leaders by 2024) and reinforces our position as a trusted and preferred insurance and financial service partner.

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. Customers are invited to rate their satisfaction on a five-star scale after their recent experience at predefined touch points along five customer journeys. To this end, we 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 fewer, 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.

Findings from the VoC and dNPS programs also help us design the global Allianz experience for our customers. In 2023, we continued our journey to co-create and scale one global Allianz customer experience by developing additional initiatives. Firstly, we continued to implement the Annual Policy Review initiative, which was launched in November 2022, as a way to engage with customers and discuss their insurance portfolio and current needs.

Secondly, we worked together with the Allianz Behavioral Economics team to improve the policy renewal communication template by providing customers with more clarity and transparency. And thirdly, in June 2023, we launched a global Prewarning & Prevention initiative, focused on helping customers prevent damage to their property due to climate-related events. Working with climate scientists and risk experts across the Group, we co-created the Global Risk Assessment (GloRiA) tool and customer education assets, which enable users to learn more about the Nat Cat risks associated with their place of residence.

The Allianz Customer Model (ACM) is our end-to-end global business model that 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.

Within this context, the Allianz Customer Model was designed first for Retail Property and Casualty lines and then extended to Health, Life, B2B2C, MidCorp, Large Corporate and Reinsurance.

Our target has been to continuously roll out the model across Allianz operating entities. As of the second quarter of 2023, ACM has been rolled out to 39 operating entities, comprising 99% of gross written premium (GWP) for our retail Property and Casualty business.

A tangible example of how the Allianz Customer Model is transforming our business is our Master Products. A Master Product is a template available in the Allianz Product Lab with streamlined product elements that are linked to harmonized claims and pricing values. Allianz OEs can configure Master Products to create the right product for their market and make adaptations that are required by regulation. So far, we have created 21 Property-Casualty Master Products which cover more than 90% of Property-Casualty GWP in our OEs (excluding global lines). Harmonized Master Products allow us to efficiently scale essential IT assets such as Quote & Buy and First Notification of Loss in the Business Master Platform. This platform digitalizes the business requirements of the ACM. It comprises a combination of scalable technological elements, systems and services plus functionalities and configurations, to better serve our customers, intermediaries, partners, and employees.

This involves transforming the whole value chain across products, sales, claims, and operations. Our aim is to continuously roll out the model across Allianz OEs.

Rather than selling individual insurance products, our vision is to evolve our products into full ecosystems and offer customers relevant and trusted solutions. In addition, we are using the ACM to upgrade customer journeys at the Group level.

Our approach to customer responsibility and compliance is described in the section “04.3” of our Group Sustainability Report 2023 on the **Allianz company website**.

Cybersecurity

In this section, we describe 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 to meet related regulatory requirements. Our dedicated Information Security function aims to ensure the confidentiality, availability, and integrity of information across the Allianz Group.

As a core business discipline, information security is managed globally through a robust and mature governance framework aligned with international standard ISO 27001. Our approach is closely monitored by a dedicated Group Chief Information Security Officer (CISO) function and the Allianz SE 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, as well as the Information Technology and Information Security organizational framework within the Allianz Group.

The functional rules are complemented by detailed descriptions of best practices to be followed across 16 defined topics to ensure the “‘security by design’” principle. Information security is regularly audited, both internally and externally, and regular training is provided through dedicated exercises across all layers of the organization.

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 the likelihood of detection; 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. This training includes activities like simulated phishing e-mails, awareness campaigns, and dedicated information security training, with the latter being offered regularly.

We also participate in industry and global/regional initiatives to support the security of the internet ecosystem as a whole.

Further information on our commitment to information security is described in the section "05.1.1" in our Group Sustainability Report 2023 on the **Allianz company website**.

Data privacy

Protecting personal data and maintaining trust in our processes are key 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 work closely with other stakeholders involved in the update and modernization of European privacy legislation, including industry associations, members of parliament, and authorities. We also strive to communicate honestly and openly about actions that involve the personal data we process by publishing privacy notices that explain who we are, how we collect, share, and use personal data, and how individuals can exercise their privacy rights.

Our group-wide privacy program ensures compliance with all relevant data privacy laws and regulations. All data privacy matters are overseen by Group Data Privacy.

The Allianz Privacy Standard (APS) is our global standard for data privacy and the foundation of the Allianz Privacy Framework. As the highest policy document in the Allianz Privacy Framework, the APS defines rules and principles for collecting and processing personal data, including the ten privacy principles that all employees must respect wherever they are in the world:

1. Due care.
2. Data quality (purpose limitation, data minimization and storage limitation).
3. Lawful basis (personal data is only processed if we have a lawful basis to do so).
4. Transparency and openness towards employees and customers on where personal data is stored and used.
5. Relationships with data processors (ensure organizations that process personal data on our behalf adhere to our privacy requirements).
6. Adequate protection of personal data when it is transferred.
7. Security and confidentiality (appropriate technical and organizational security safeguards are in place to protect personal data).
8. Timely reporting of personal data breaches.
9. Privacy by design and default.
10. Cooperation with data protection authorities.

In addition to the APS, our data protection authority has approved our Binding Corporate Rules (BCRs), which 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 all our employees have the knowledge to properly use and safeguard personal data, they are required to complete annual privacy training. This training covers the Allianz Privacy Framework requirements in detail and provides 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 Privacy 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 required for the Privacy Champion role to ensure data protection compliance within the business.

As part of our Privacy Risk Management process, 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 also undertake 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 order to confirm an adequate level of data privacy is maintained. We designed a TIA template in our privacy management platform, which was rolled out to all our operating entities in the EEA to ensure such assessments are conducted in a consistent, semi-automated way.

In committing to the highest standards of data protection, we believe the maintenance of a state-of-the-art privacy program needs to be supported by diligent and continuous monitoring and assurance activities. Privacy reviews require every operating entity, global line, and regional office to undergo a rigorous examination of the design, implementation, and effectiveness of its local privacy program and related process and controls. The frequency of these reviews is based on risk, but they are carried out at least once every five years. As of the end of 2023, we have conducted 22 privacy reviews, including joint reviews with Information Security and peer Data Protection Officers (DPOs). This is a 37% increase compared to 2022 and concludes the five-year privacy review cycle.

For further information on our commitment to data privacy, please refer to the section "05.1.2" in our Group Sustainability Report 2023 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 as well as 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 its work to elevate and integrate data ethics into governance and decision-making, as well as to support the positioning of Allianz as both a leading insurer and investor in the data ethics space and wider sustainability efforts. In 2023, the DAB monitored the final implementation of the Allianz Practical Guidance for AI in OEs that are members of the Renewal Agenda Committee.

Furthermore, emerging risks regarding generative AI have been addressed by dedicated guidelines in further development of the Allianz Practical Guidance for AI. Training led by Group Privacy and Group Data Analytics has been expanded to target a broader employee base as well as employees who develop and/or use AI in applicable OEs.

For further information on our commitment to data ethics, please refer to the section "05.1.3" in our Group Sustainability Report 2023 on the **Allianz company website**.

Cyber risk

We are constantly developing our solutions to enable customers to manage cyber threats. As an example, Allianz (within its commercial Property-Casualty products) has eradicated around 98% of silent cyber exposure, therefore providing clarity to customers on what is and is not 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 Property-Casualty 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 further information on cyber risk, please refer to the section "05.1.4" in our Group Sustainability Report 2023 on the **Allianz company website**.

Objectives and actions: cybersecurity

Topic	Objectives	Progress and actions 2023
Information security executive accountability	- Define and include information security targets for all responsible board members, including local operating entities, 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 operating entities 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	- Ensure our Record of Processing Activities (RoPA) and Privacy Impact Assessments (PIAs) are accurate and kept up-to-date. - Deploy a rigorous training program for privacy professionals and privacy champions. - Monitor final implementation of the AI Practical Guidance in all EU Renewal Agenda Committee (RACo) operating entities. - Develop guidance for generative AI usage.	- A self-assessment on the completeness and quality of RoPA and PIAs was conducted by all operating entities and followed up with sample-based targeted reviews of 21 operating entities by Group Data Privacy. - Conducted 2 Privacy Expert Trainings and 4 Privacy Champion Trainings, attended by 33 and 203 participants respectively. - Instituted a quarterly program to train relevant employees on the Practical Guidance for AI and Guidance for Generative AI. - Monitoring program and actions for final implementation of Practical Guidance for AI in EU RACo OEs.

Human rights matters

Allianz is committed to respecting and protecting international human rights, and to ensuring that Allianz is not complicit in human rights abuses.

The following section describes how we address human rights risks in our business activities, own operations, and supply chain. The Allianz Sustainability Board oversees human rights due diligence for the Allianz Group, while Global Sustainability seeks to continuously improve human rights related governance.

Relevant frameworks

The human rights that Allianz is committed to respecting are those agreed by governments in:

- The International Bill of Human Rights: This consists of the Universal Declaration of Human Rights; the International Covenant on Economic, Social and Cultural Rights; and the International Covenant on Civil and Political Rights and its two Optional Protocols.
- The core International Labor Organization (ILO) Conventions: These include the prohibition of child labor and forced labor; freedom of association and the right to collective bargaining; occupational health and safety; and the elimination of discrimination in respect of employment and occupation.

Allianz has been a member of the U.N. Global Compact (UNGC) since 2002 and uses the UNGC principles to guide its business activities. These principles cover human rights, labor rights, environmental protection, and anti-corruption. For further information on Allianz's Communication on Progress, please refer to the **UNGC website**.

Allianz aims to identify, prevent, mitigate, or remediate adverse human rights impacts linked to our business activities and operations, including in our supply chain. Our approach is guided by the OECD Guidelines for Multinational Enterprises and the U.N. Guiding Principles on Business and Human Rights (UNGP).

Human rights in our own operations and supply chain

Allianz SE has been subject to the German Supply Chain Due Diligence Act (GSCA) since 1 January 2023. GSCA applies to large companies based in Germany and their "own business area". The own business area of Allianz SE (as the holding company of the Allianz Group) encompasses all entities that are part of the Allianz System of Governance, irrespective of location. Therefore, our GSCA risk management covers all those Allianz entities and their suppliers worldwide.

For further information, please refer to the Allianz Policy Statement on Human Rights[1] on the **Allianz company website**.

As part of GSCA implementation, Allianz has implemented further due diligence procedures that are appropriate to ensure that risks to the human rights of people working for Allianz or for our suppliers, and those whose human rights may otherwise be directly affected by the economic activities of Allianz or its suppliers are minimized, and that breaches are remedied promptly and adequately.

At the heart of our due diligence processes are annual and ad-hoc analyses of human rights risks in our own operations and supplier base worldwide. If risks are identified, we take appropriate measures to minimize them. If human rights violations are identified, we take immediate remedial action to address those violations, in line with our influence on respective suppliers.

1_As part of its human rights due diligence under the German Supply Chain Act (GSCA), Allianz SE publishes an annual Human Rights Policy Statement for the Allianz Group. This Statement covers our policies and due diligence approach on a wide range of human rights risks, including child labor, forced labor, and slavery. Until further regulatory clarification, Allianz will continue to publish, on the Allianz company website, an annual Modern Slavery Act Statement that complies with the relevant UK Act, even though the content is also covered in the GSCA Policy Statement.

Allianz SE publishes an annual human rights policy statement and reports annually to the responsible regulator (Bundesamt für Wirtschaft und Ausfuhrkontrolle) about our human rights due diligence.

A Group Human Rights Officer was appointed in 2023 to monitor the effectiveness of our risk management systems in our own operations and supply chain worldwide.

For further information on our people and culture strategies, please refer to the section "Employee matters" and the section "04.2" in our Group Sustainability Report 2023 on the **Allianz company website**.

The Allianz Group Code of Conduct reflects Allianz's values and principles and gives our employees guidance in their actions and decisions. At Allianz, we expect employees to support and adhere to human rights in alignment with international standards. For further information, please refer to the Allianz Group Code of Conduct on the **Allianz company website**.

Further measures have been implemented to minimize risks to relevant human rights and labor standards in our own operations. These include:

- The protection of human rights has been enshrined in our internal corporate rules, depending on local laws and requirements.
- Anonymous feedback tools and surveys give our employees the opportunity to evaluate issues such as workload, wages, and diversity.
- Extensive measures have been put in place to ensure the physical safety of employees, as well as to improve their health and well-being.

We at Allianz expect all our suppliers to act with integrity and to respect the rights of their own employees and other people who may be affected by the supplier's business activities. These expectations are embedded in our **Vendor Code of Conduct** and **Sustainable Procurement Charter**.

Allianz has established a worldwide complaints mechanism that is open to Allianz employees, the employees of our suppliers, and other people whose rights might be impacted by Allianz's operations and business activities.

Human rights in our business activities

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.

We use a combination of sector and country-specific approaches to identify human rights risks.

Human rights-related due diligence has been integrated into all sensitive business areas where relevant, to ensure that human rights are part of the overall risk assessment for insurance and investments in non-listed asset classes.

We maintain a mandatory referral list for sensitive countries where systematic human rights violations occur. For business transactions located in these countries, we carry out explicit due diligence in accordance with our Human Rights Guideline that covers various human rights violations.

When a human rights risk is identified by an underwriter or investment manager, a mandatory referral process starts for further due diligence by sustainability experts and the involvement of central units such as the risk and communication departments.

Where an issue is detected and the (re)insurer/investor has leverage, engagement is encouraged to address and mitigate a potential human rights risk.

If no mitigation measures exist or if leverage cannot be increased, and the risk is determined to be unacceptable, Allianz declines to engage in the business transaction.

For further information, please refer to the **Allianz Sustainability Integration Framework** and chapter "02" in our Sustainability Report 2023 on the **Allianz company website.**

Objectives and actions: regulatory requirements

Topic	Objectives	Progress and actions 2023
German Supply Chain Act	- Appropriate due diligence processes for the own operations and global supply chain of Allianz SE, with the objective to identify and minimize human rights risks and certain environmental risks	-Risk analyses conducted in own operations and supply chain, using a risk-based approach - Group Human Rights Officer monitored Allianz risk management - Human rights policy statement published

Employee matters

All employee matters are managed by the People and Culture function at Allianz Group level and across all Allianz operating entities. The KPI tables in the following sections anticipate future CSRD requirements under ESRS S1 where applicable, indicated in the table name.

Group People and Culture strategy highlights

"We secure your future" is our corporate purpose and living up to it starts with our 154,862[1] (see table "S1-6.1") employees. Our Group People and Culture strategy is based on fulfilling this purpose and on our employer value proposition "We care for tomorrow", staying true to our brand promise of expressing confidence in tomorrow, and putting our customers at the center of what we do. This is what drives our decisions and actions and we do it in line with our people attributes: Entrepreneurship, Customer & Market Excellence, Trust, and Collaborative Leadership.

Our ambition is to be the top employer in the financial services industry globally. We work to attract top talent and support our employees on their growth and development journey, delivering a strong business impact and making a positive social contribution wherever we operate.

To reach this ambition, we have based our People and Culture strategy on three pillars:

1. The Employees and Candidates pillar includes all our strategic priorities that enable us to attract top talents and to engage, retain, and develop our employees. Strong employee engagement is important to us, and we foster a culture and working environment where people and performance matter. We ensure lifelong learning and are committed to growing and developing our people to be prepared for the future. Fair remuneration as well as health and safety for our employees are of utmost importance. Accordingly, we offer a broad range of flexible work options.
2. The Business pillar includes our Diversity, Equity, and Inclusion (DEI) engagement and Strategic Workforce Planning (SWP) initiative, which fuel our business to deliver on Allianz's strategic goals. We are committed to strengthening diversity, equity, and

1_Contracted headcount working in companies fully covered under global People and Culture reporting standard. Contracted headcount working at consolidated Allianz Group operating entities: 157,883.

inclusion in the workplace by providing equal opportunities for all, fostering gender balance, and embracing a diverse workforce not only in terms of gender representation but also in terms of generations, disability, nationalities, ethnicities, religious beliefs, and LGBTQ+ identity. A diverse workforce enables us to better understand and fulfill the needs of our equally diverse customer base. Strategic Workforce Planning, on the other hand, aims to understand workforce development in response to global megatrends and how we can equip our workforce with the skills they need for today and for the future.

3. The Brand and Society pillar displays the contribution our People and Culture function makes to business and society and that we create positive social impact. Our contribution is verified and acknowledged by external certifications like Great Place to Work® (GPTW) and EDGE as well as global rankings like Refinitiv. Furthermore, we engage with the World Economic Forum, for instance, as a member of the Good Work Alliance for a more resilient, equitable, inclusive, and humane future of work. Our People and Culture operations contribute to generating sustainable and inclusive growth and help to deliver on U.N. Sustainable Development Goal 8, "Decent work and Economic growth".

Policies related to own workforce

Policies are instrumental in implementing our Group People and Culture strategy. We consider our established Allianz Corporate Rules as policies according to the ESRS' policy definition. At Allianz, we are committed to respecting the human rights outlined in the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work, and the International Bill of Human Rights. Furthermore, Allianz explicitly supports the goal of observing and implementing the fundamental rights of these external charters. For further information, please refer to the section "Compliance/anti-corruption and bribery matters", the section "Collective bargaining and social dialogue", and the section "Human Rights in own workforce".

The Allianz Group Code of Conduct reflects our values and principles and thus guides our employees in their actions and decisions. How we act, how we operate, and the decisions that we make are focused on caring for each other and treating everyone fairly and with respect. The Allianz Group Code of Conduct outlines the importance of diversity, equity, and inclusion as well as the health and safety of our employees and clearly commits to a zero-tolerance policy toward discrimination, bullying, or harassment. For further information on the Allianz Group Code of Conduct, please refer to the section "Compliances/anti-corruption and bribery matters".

The Allianz Standard for Human Resources (ASHR) establishes core rules and principles for People and Culture management, and it specifies the role of the respective Group People and Culture functions including professional, organizational, and procedural requirements. The People and Culture function is committed to these principles and acts as a service provider for the business. The Standard applies to the entire Allianz Group except Allianz Asset Management companies which are covered by separate standards aligning the general principles outlined in the ASHR. The following People and Culture topics are covered by the ASHR: Learning and development and performance management (for further information, please refer to the section "Learning and development and performance management") and health and safety (for further information, please refer to the sub-section "Health and safety"). The ASHR is reviewed once a year and considers interests of key stakeholders, particularly Allianz SE Group centers. Material changes must be approved by the respective Allianz SE Board Member in charge of People and Culture. The ASHR will be reviewed in 2024 and updated due to the requirements of CSRD and the German Supply Chain Due Diligence Act, for instance.

The Allianz Group Remuneration Policy establishes the general and specific basic principles of the remuneration system. It defines processes related to performance evaluation, the remuneration system (including remuneration plans), and corresponding roles and responsibilities.

Compliance with the Group Remuneration Policy is mandatory within the Allianz Group. The implementation of the policy is guided by the principle of proportionality, taking into account the nature of business, size, complexity, and regulation of the respective operating entity. This principle of proportionality only applies to the "how" and not to the "if" of the implementation.

The Group Remuneration Policy is reviewed once a year in accordance with the regulatory requirements under Solvency II and approved by the Allianz SE Board of Management. The review process considers the interests of key stakeholders, particularly Allianz SE Group centers.

Group People and Culture ensures consistent implementation and application of the Group Remuneration Policy. Each operating entity concerned is obliged to provide a Statement of Accountability to the management of Allianz SE to confirm local implementation of the Group Remuneration Policy. Both the ASHR and the Group Remuneration Policy are published in the Allianz Corporate Rule Book.

Our Allianz Functional Guidelines for Diversity, Equity, and Inclusion (DEI) describe our strategy, rationale, and principles for DEI. They show which targets and ambitions we have set ourselves, and how we implement and monitor those targets. In 2023, we published an update that includes our 2024 Diversity, Equity, and Inclusion targets and ambitions. The Guidelines are applicable to the entire Allianz Group except Allianz Asset Management companies, which have their own initiatives to promote equal opportunity. Our Functional Guidelines for DEI describe our commitments to the U.N. Women's Empowerment Principles, the U.N. Free & Equal LGBTQ+ Standards of Conduct, and membership of the Valuable 500.

Our Allianz Global Anti-Harassment & Anti-Discrimination Functional Guideline outlines our global zero-tolerance standard against harassment (including but not limited to sexual harassment) and discrimination. We encourage employees to speak up in line with our open communication and feedback culture and to use the Allianz Group's whistleblowing channels. For further information, please refer to the section "Compliance/anti-corruption and bribery matters". To reflect important changes, both the Allianz Functional Guidelines for DEI and the Anti-Harassment & Anti-Discrimination Functional Guideline are updated by the respective departments and subsequently approved by the Group People and Culture Officer.

All mentioned policies are reviewed once a year. If one of the mentioned policies or single items within the policy are in conflict with local law or regulations, the local law or regulations will prevail.

Beyond policies, it is crucial that targets and ambitions are implemented according to our Group People and Culture strategy. Table "S1-5" shows our targets as defined under CSRD as well as our ambitions where relevant.

Overview of Employees matters, targets and ambitions (S1-5)

	Employee matters section	Employee matters sub-section	Targets and ambitions 2023[1]	Achievements[1]	Targets and ambitions 2024[1]
1st Strategic Pillar Employees/ Candidates	Engaging with our workforce	AES Survey	Inclusive Meritocracy Index (IMIX) and Work Well Index+ (WWI +) development against previous year and overall ambition level.	81 % IMIX 76 % WWI +	Inclusive Meritocracy Index (IMIX) 75 % plus and Work Well Index+ (WWI +) development against previous year and overall ambition level.
	Learning and development and performance management	Training and skills development		50.01 hours/employee	43 hours of learning on average per employee p.a.
		Performance management	80 % of the Allianz executive[2] population complete the Personal Development Plan	83.87 % of the Allianz executive[2] population with completed Personal Development Plan	80 % of the Allianz executive population complete the Personal Development Plan 60 % of the Allianz non-executive population complete the Personal Development Plan
2nd Strategic Pillar Business	Diversity, Equity, and Inclusion (DEI)	Gender		Allianz Global Executives (AGE): 25.96 % female Allianz Senior Executives (ASE): 27.90 % female Allianz Executives (AE): 35.51 % female	Allianz Global Executives (AGE): 30 % female Allianz Senior Executives (ASE): 30 % female Allianz Executives (AE): 40 % female
		Generations		34.31 % employees < 35 years old	At least 25 % of our global workforce is younger than 35 years old
3rd Strategic Pillar Brand and Society				EDGE certification in the sub-section Fair remuneration Refinitiv in the subsection Diversity, equity, and inclusion (DEI)	Secure Allianz's position as DEI leader by global rankings and through certifications

1_Allianz Asset Management companies do not apply the Allianz Global Grading System. They have their own initiatives to promote equal opportunity.
2_Liverpool Victoria General Insurance Group Limited, Guildford and Liverpool Victoria Insurance Company Limited, Guildford are excluded from Allianz UK's data due to grading data unavailability for PDP.

Characteristics of our employees

As of 31 December 2023, 154,862[1] employees hold a working contract with Allianz (for more information on number of employees, please see table "S1-6.1" and refer to the note 8.18 to the consolidated financial statements). This contracted headcount figure is the basis for the figures in the remainder of the section "Employee matters".

The metrics in the section "Employee matters" are collected centrally by Allianz Group People and Culture according to globally defined standards. Their definitions are documented in our People and Culture metrics definition handbook.

The split into the different business segments in tables "S1-6.2" and "S1-6.4" reflects the Allianz Group structure and ensures consistency throughout the report. For further information, please refer to Business operations chapter. In addition, Germany as a country is displayed separately in accordance with CSRD requirements as it represents over 10% of the total contracted headcount.

Table "S1-6.3" shows that the majority of our employees hold a permanent contract. Temporary contracts are sometimes offered to new employees before an offer of permanent employment is made, to seasonal workers to meet customer demands, or to career entrants for summer internships in some operating entities. A minor part of our employees, for instance, those operating as medical professionals for Allianz or working students, are non-guaranteed hours employees. The majority of our active headcount are full-time employees, while some employees use the flexibility that Allianz offers to work part-time. For further information, please refer to the section "Work-life balance".

1_Number of employees in Allianz's companies fully covered under global People and Culture reporting standard (which includes all companies in and related to the insurance, asset management, and banking business). Contracted headcount working at consolidated Allianz Group companies: 157,883.

Employee headcount[1], broken down by gender (S1-6.1)

As of 31 December 2023	Number of employees (headcount)
Male	73,884
Female	80,949
Not reported as female or male[2]	29
Total employees	**154,862**

1_Number of employees in Allianz's companies fully covered under global People and Culture reporting standard (which includes all companies in and related to the insurance, asset management, and banking business). Contracted headcount working at consolidated Allianz Group companies: 157,883.
2_Comprises non-binary and not reported.

Employee headcount in Allianz's business segments and in countries with at least 10% of Allianz's total number of employees (S1-6.2)

As of 31 December 2023	Number of employees (headcount)
German Speaking Countries and Central & Eastern Europe	35,595
Western & Southern Europe, Allianz Direct and Allianz Partners	40,286
Asia Pacific	15,887
USA	2,125
Global Insurance Lines & Anglo Markets, Iberia & Latin America, Middle East and Africa	25,648
Asset Management	6,999
Corporate and Other[1]	28,322
Total employees	**154,862**
thereof: Germany[2]	38,792

1_For further information on Corporate and Other (incl. Allianz Technology) figures, please refer to note 5 to the consolidated financial statements.
2_Location of employees.

Employee headcount by contract type, broken down by gender (S1-6.3)

As of 31 December 2023	Female	Male	Not reported as female or male[1]	Total
Number of employees (headcount)	80,949	73,884	29	154,862
Number of permanent employees (headcount)	76,318	70,310	28	146,656
Number of temporary employees (headcount)	4,631	3,574	1	8,206
Number of non-guaranteed hours employees (headcount)[2]	56	27	-	83
Number of full-time employees (active headcount)[3]	62,826	68,929	29	131,784
Number of part-time employees (active headcount)[3]	14,774	3,802	-	18,576

1_Comprises non-binary and not reported.
2_Employees with a working contract but without a guaranteed number of working hours and thus not having a guaranteed salary.
3_Full-time and part-time employees are calculated based on active headcount, excluding, e.g., employees on sabbatical leave, in military or civilian service, or on parental leave.

Employee headcount by contract type, broken down by business segment (S1-6.4)

As of 31 December 2023	Number of employees (headcount)	Number of permanent employees (headcount)	Number of temporary employees (headcount)	Number of non-guaranteed hours employees (headcount)[1]	Number of full-time employees (active headcount)	Number of part-time employees (active headcount)
German Speaking Countries and Central & Eastern Europe	35,595	32,948	2,647	-	26,478	7,222
Western & Southern Europe, Allianz Direct and Allianz Partners	40,286	38,430	1,856	68	33,299	5,825
Asia Pacific	15,887	14,003	1,884	1	15,120	598
USA	2,125	2,117	8	-	2,097	20
Global Insurance Lines & Anglo Markets, Iberia & Latin America, Middle East and Africa	25,648	24,941	707	8	22,539	2,563
Asset Management	6,999	6,673	326	-	6,506	365
Corporate and Other[2]	28,322	27,544	778	6	25,745	1,983
Total Group	**154,862**	**146,656**	**8,206**	**83**	**131,784**	**18,576**
thereof: Germany[3]	38,792	35,533	3,259	9	28,805	7,948

1_Non-guaranteed hours employees are employees with a working contract but without a guaranteed number of working hours and thus not having a guaranteed salary.
2_For further information on Corporate and Other (incl. Allianz Technology) figures, please refer to note 5 to the consolidated financial statements.
3_Location of employees.

Employee turnover (S1-6.5)

As of 31 December		2023
Total external leavers[1]	#	21,181
Employee turnover rate[2]	%	13.97
Total external leavers[1] excl. employees whose temporary contract ends during the reporting period	#	19,616
Employee turnover rate[2] excl. employees whose temporary contract ends during the reporting period	%	12.94

1_Employees who left the company during the reporting period due to layoffs, (un)voluntary leaving, retirement, death, and other.
2_The employee turnover rate is defined as the number of total external leavers divided by average contracted headcount. The average contracted headcount is calculated over the four quarters of the current year and the last quarter of the previous year. Hence, it is the sum of contracted headcount of the four quarters of the current year and the last quarter of the previous year divided by 5.

Processes to remediate negative impacts and channels for own workforce to raise concerns

For further information, please refer to the section "Compliance/anti-corruption and bribery matters".

Human rights in own workforce

At Allianz, we are committed to respecting the human rights outlined in the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work, and the International Bill of Human Rights. For further information, please refer to the **Allianz company website**.

Allianz SE, as the holding company of the Allianz Group, has been subject to the Lieferkettensorgfaltspflichtengesetz (German Supply Chain Act (GSCA)) since January 2023. The GSCA requires us to establish worldwide risk management systems concerning the human rights of our own employees and the employees of our suppliers, amongst others.

In our own operations, Allianz has established a risk management system that is designed to identify, analyze, and prioritize risks to the human rights of employees. Allianz will continue to further rollout and strengthen these processes over the course of 2024.

Among protected rights listed in the GSCA, the risk categories that are most relevant for our own operations are: occupational health and safety, equal treatment (which includes DEI and equal pay), freedom of association / collective bargaining, and adequate / living wages.

If risks are identified, we take preventive measures to mitigate those risks. If violations are found, Allianz is legally obliged to remedy them promptly. The effectiveness of measures is regularly reviewed.

Our risk management system also encompasses an annual (public) Policy Statement on Human Rights, a global complaints mechanism (**SpeakUp@Allianz**), independent monitoring through the Group Human Rights Officer, and an annual (public) report to the Federal Office for Economic Affairs and Export Control.

1st Strategic Pillar: Employee and Candidates

The section "1st Strategic Pillar: Employees and Candidates" outlines the topics engaging with own workforce, learning and development and performance management, fair remuneration, benefits, social protection, health and safety, work-life balance, and collective bargaining and social dialogue.

Engaging with own workforce

Listening and engaging with our employees are the cornerstones of implementing our People and Culture strategy. The member of the Board of Management responsible for People and Culture is accountable for developing our framework for listening to employees and steering activities to ensure progress towards implementation of our ambition and reaching our ambitions. Operational responsibility is assigned to the Global People and Culture Officer and Local Human Resources Directors. Our employee listening framework consists of the annual Allianz Engagement Survey (AES) and biannual Pulse surveys.

The AES is our well-established employee platform for gathering employee feedback globally and has been in place since 2010. Our two key indicators recorded with the survey are the Inclusive Meritocracy Index (IMIX) and the Work Well Index+ (WWI +). The IMIX measures our progress in building a culture where both people and performance matter, meaning that we enable employees to unlock their full potential. The IMIX score is derived out of a basket of ten questions. In 2023, the IMIX increased by 2 percentage points to 81% (2022: 79%). Improvements in our IMIX scores demonstrate that we are making progress in the areas of leadership, performance, and corporate culture.

The WWI + measures employee well-being. A higher index score is associated with higher employee well-being. The WWI+ score rose by +5pp to 76% (2022: 71%). For further information, please refer to the section "Health and safety".

These positive 2023 results were achieved against the backdrop of deteriorating scores of external global benchmarks. We consider these good results to be a positive reflection of our ongoing follow-up activity in the aftermath of the survey and our efforts to continuously enhance the employee experience. Each Allianz entity thoroughly analyzes its results to gain an in-depth insight and agree on effective action plans with their teams. In addition, we expanded our global Engagement Matters program in 2023. This initiative provides frameworks of measures to increase employee engagement, offering support to all entities in identifying initiatives to implement on a global and local level in response to the feedback received. The focus areas identified are connected locally and globally so that Allianz operating entities can work on impactful measures.

The AES results are directly linked to the performance targets of the Allianz Board of Management. We aim to achieve an IMIX score above 75% and WWI+ development against previous year and overall ambition level in 2024.

Our global Pulse surveys constitute the second employee listening channel. Pulse surveys took place in the first and second quarters of 2023 to check the impact of engagement plans and ask our employees about focus topics including Sustainability, Health and Safety, Personal Development and Risk Culture.

Our efforts in engaging with our employees have been recognized with awards and certifications. In 2023, we proudly achieved GPTW certifications at 43 entities across 26 countries, marking a substantial leap from 15 entities certified in 2022. Allianz also reached a commendable 82% in the Trust Index and further narrowed the gap to the 86% score required for Top 25 World's Best Workplaces. Moving forward, our ambition is to increase the number of GPTW-certified entities as well as the number of OEs on the National Best Workplace lists.

For further information on our processes for engaging with our workforce, please refer to the section "Collective bargaining and social dialogue".

Learning and development and performance management

This section addresses the strategic sub-section Training and skills development including Performance management.

Training and skills development

Learning and development is a key differentiator in the financial services industry where customer need are constantly changing in response to a rapidly evolving external context, as observed in various industries. Our ambition is for employees to develop skills for today and for the future to ensure Allianz is prepared for emerging trends and opportunities and able to attract the best talent.

Allianz fosters personal, professional, and leadership skills, as well as digital skills and technical expertise, and emphasizes the development of EQ (emotional quotient, such as curiosity, resilience, "we mentality", and flexibility) as well as IQ (intelligence quotient, such as digital and data, problem-solving and business, sustainability, and leadership) skills. Allianz is committed globally to employee lifelong learning and development.

To live up to this commitment, we offer global learning through our global #learn initiative. We have set up programs targeted to key areas, such as property and casualty, life and health, IT, strategy, finance, sustainability, communications, market management, and operations. Allianz operating entities have access to global and local offers as part of their broader action plans to support employee learning and development.

A special focus in 2023 was put on the topics of IT, data, and artificial intelligence. We offered generative AI and ChatGPT training to all managers with the aim of explaining the new technology to Allianz leaders and in order to develop relevant use cases for Allianz. More than a thousand managers took part in the training between October and December 2023. Additionally, we held the inaugural global Fit4IT day in 40 operating entities, covering approximately 85% of employees. Our employees were able to invest half a day in upskilling, familiarizing themselves with various IT tools.

We are also proud of our Allianz Sustainability Training for all our employees which covers the basics on sustainability – why it is important and what Allianz is doing to integrate sustainability into our business model – and offers inspiration on how employees can contribute to a more sustainable future.

We employ a wide range of learning and development approaches including on-the-job learning, mentoring and coaching, classroom trainings, peer circles, and digital learning. We encourage employee learning in all formats, and all are included in the learning hours reported. The total hours reported in table "S1-13.1" thus include self-directed learning (such as videos and podcasts) as well as other, alternative, learning formats (such as coaching), which together account for 32.08% of total learning hours.

We have a strong focus on digital learning. Through our digital learning ecosystem, employees are able to source learning both from our AllianzU learning platform powered by Degreed and LinkedIn Learning. Our internally developed global learning offers are available in five languages and are available to all employees. Learning consumption is measured globally on a monthly basis.

Developing our leaders is of the utmost importance to us. We run five global programs every year to develop strong leaders:

- #lead Ignite is targeted at new people leaders who qualify as potential or new Allianz executives. It aims to equip them with the knowledge, mindset, and skills needed to lead at Allianz.
- #lead Empower develops the leadership capabilities needed for leaders at the future and recently identified Allianz Senior Executive level to make the transition from leading teams to leading leaders and the business.
- #lead Transform was created for future and recently appointed top executives. The program is built around our core #lead mindsets: curiosity, resilience, "we-mentality", and flexibility.
- #lead Accelerator prepares future and current board members for leading the organization with strategic project work, board exposure, peer coaching, and external insights.
- #sheleads sets the standard for effective gender balance via sponsorship, peer coaching, and learning sessions with our alumni community. The program enables our female leaders to make their next career move.

In addition to the global programs, all leaders are encouraged to obtain the Allianz Leadership Passport, which is the "license" to be a people leader at Allianz globally. The program sets minimum standards for all people leaders, with an equal focus on hard and soft skills, for our leaders to balance IQ and EQ. After obtaining their Leadership Passport, leaders must refresh their passports on a yearly basis by undertaking further training. Monitoring and reporting on the take up of the #lead passport as well as the five global programs is managed globally by Group People and Culture. We monitor usage and learning consumption on a monthly basis.

To achieve our commitment to employee lifelong learning, Allianz set the global target of a yearly minimum average of 43 hours of training per employee by 2024. In 2023, our employees learned on average for 50.01 hours, as reported in table "S1-13.1". Additionally, a commitment to lifelong learning is included in the Board of Management targets for 2024. To support strong performance in current and future responsibilities, employee upskilling and development, we offer them a minimum of one hour working time per week dedicated to training.

The training hours per employee metric is monitored on a quarterly basis.

Average training hours per employee, broken down by gender (S1-13.1)

As of 31 December	2023
Average training hours[1]	50.01
Female	47.52
Male	52.67
Not reported as female or male[2]	69.99

1_Calculated as a ratio of total training hours divided by active headcount.
2_Comprises non-binary and not reported.

Performance management

At Allianz, we are committed to developing and growing our people, including through performance management. Our performance management aims both to enhance the employees' individual performance and to align their priorities with Allianz's corporate purpose and strategic business goals. Setting priorities properly and conducting regular check-ins enables employees to let their full potential unfold, which in turn helps Allianz achieve its business ambitions. Performance management is an ongoing, continuous process of communicating on-the-job priorities, performance expectations, and development goals.

The framework for Performance Management is implemented within the Allianz Group, documented in the Allianz Group Remuneration Policy.

The global People and Culture template on our leading People and Culture IT system enables the consistent application of the key steps making up the performance management cycle. The template is available to both the executive and non-executive employee populations. Execution and outcomes of the Performance Management process are subject to local legal regulations and respective governance bodies, e.g., local or global Compensation Committees.

The key steps of the Performance Management Process at Allianz can be described as follows:

- Priority setting is the initial kick-off of the annual performance management cycle and refers to setting clear, transparent, outcome-oriented, and flexible goals to be achieved throughout the year while giving guidance on desired behaviors.

– Mid-year check-in is the time to request and provide feedback for the first half of the year. Line manager and employee reflect on priorities and behaviors, and agree on joint measures to continuously improve performance through development opportunities on the job and off the job. Mid-year check-in is supported by our Multi-Rater feedback process. The Multi-Rater feedback is a tool for getting 360-degree feedback from colleagues. It is mandatory for Allianz's executive population, whereas implementation for the non-executive population is subject to the local rules and regulations of our operating entities. Based on the "People Attributes", Multi-Rater provides employees with valuable insights into their strengths and developmental areas.
– The Personal Development Plan (PDP) lays out the employee's yearly development goals. Employees are expected to agree with their manager on their individual development measures, usually during the mid-year review discussion. The PDP helps the employee record and track progress towards their own development goals. The 2023 target of 80% PDP completion by the Allianz executive population was achieved, as displayed in table "S1-13.2". The same target is set for 2024. For the Allianz non-executive population, the 2024 target is a 60% PDP completion rate.
– Year-End-Review is the assessment of individual performance of an employee by the line manager at the end of each year. The assessment is based on a 3-point rating scale: below, at, or above target. The overall individual performance of an employee is reflected in the Individual Performance Assessment.
– Performance and Talent Dialogue is a calibration of an employee's individual performance on the basis of cross-comparison within the relevant population. This ensures the application of consistent performance standards and an appropriate level of differentiation with close attention to non-discrimination of employees in any regard.
– Communication of final Individual Performance Assessment is the feedback discussion between the line manager and employee, which normally takes place in 1Q of the following year and seeks a common understanding of accomplishments and development opportunities.

Allianz Executives and levels above[3,4] (AE+) with a Personal Development Plan (PDP), broken down by gender (S1-13.2)
in %

As of 31 December	2023
Executives with a PDP[1]	83.87
% of male executives with a PDP out of all male executives	83.31
% of female executives with a PDP out of all female executives	84.94
% of not reported as female or male executives with a PDP out of all executives not reported as female or male[2]	-

1_Includes all executive positions (Allianz Global Executive Positions, Allianz Senior Executive Positions, and Allianz Executive Positions).
2_Comprises non-binary and not reported.
3_Allianz Asset Management companies excluded from global reporting of AE and ASE cluster as Allianz Global Grading System is not applicable to them.
4_Liverpool Victoria General Insurance Group Limited, Guildford and Liverpool Victoria Insurance Company Limited, Guildford are excluded from Allianz UK's data due to grading data unavailability for PDP.

Fair remuneration, benefits, and social protection

This section summarizes the topic of Adequate Wages and outlines the strategic topic Fair remuneration. Furthermore, we will address the topics Benefits and Social Protection.

Adequate wages

In accordance with the Allianz Group Remuneration Policy, internal and external benchmarking is performed to ensure appropriateness of (individual) remuneration and general pay levels. Allianz expects all operating entities to follow the principles described in the Allianz Group Remuneration Policy.

Fair remuneration

The Allianz is committed to equity and fairness as defined in our Allianz Group Code of Conduct. This includes ensuring Allianz operating entities enforce equal pay for equal work in the same or comparable roles for all genders. This principle is outlined in our Allianz Group Remuneration Policy. An annual global equal pay review across the organization identifies equal pay gaps which can be mitigated with appropriate action.

In addition to equal pay, there is also a gender pay gap to be considered. This consists of the difference in average remuneration between men and women across a whole organization, irrespective of role or seniority. If one gender is more represented in higher paid, senior roles in one organization, for example, there will be a gender pay gap. Allianz takes several actions to foster gender equity in representation and thus close the gender pay gap. One important action is the ambition to have higher female representation in senior positions. To reach our gender representation targets, we monitor the percentage of our female employees on a quarterly basis and implement concrete actions towards target achievement. We also foster best practice exchange among operating entities to drive gender equality in representation (see also the section "Diversity, Equity, and Inclusion (DEI)").

To measure our progress towards equity and fairness and to continue to move forward on our journey, in 2021 we launched the EDGE (Economic Dividends for Gender Equality) certification process for our insurance business segment and several global lines, currently covering 73 % of the Allianz Group's global headcount. EDGE is the leading standard for diversity, equity, and inclusion and monitors companies' progress on gender equality against established criteria, including equal pay. We are proud that Allianz has been recertified by EDGE in 2023.

Benefits

Reward and recognition at Allianz go beyond remuneration. Allianz also supports its employees around the world with attractive benefits. This shows that we care about employees' Health, Money, Career, and Time and support them to find professional and personal fulfillment.

Our Global Benefits Strategy for the insurance business is structured around these four pillars. We introduced minimum standards for benefits available to employees across Allianz in 1Q 2023, and we expect our global rebranding and communication campaign to further increase the transparency and visibility of Allianz benefits among employees in 2024.

Benefits take economic, environmental, and social factors into account, and incentives are oriented towards creating long-term value and financial protection. The Allianz Employee Share Purchase Plan (ESPP) for instance offers employees Allianz shares at favorable conditions in 43 countries, allowing them to benefit from the success of the company and its long-term performance. As a token of appreciation for meeting previous year Group targets, Allianz offered one Allianz Free Share – or its cash equivalent in countries that do not offer the ESPP – to employees globally in 2023.

For further information on employee benefits, please refer to our **People Fact Book 2023** and our **Global recruiting homepage**.

Social protection

We operate in countries where our employees have at least access to social protection programs against loss of income due to major life events: sickness, unemployment, employment injury, parental leave, and retirement. In countries where social protection is not provided through public social security schemes, we aim to close potential gaps through additional offerings. Best practice examples are our entities in the United States, where Allianz provides health insurance benefits, or India, where we provide paternity, and carer leave options.[1]

Health and safety

The health, safety, physical, and mental well-being of our employees is a top priority. We aim to sustain and improve employee health and well-being across our global workforce. Two key levers to achieve this ambition are our Minimum Health Requirements and our Occupational Health and Safety (OHS) Management system.

The four Minimum Health Requirements are:

1. Professional Support: Allianz offers employees 24/7 free of charge access to professional psychological support through Employee Assistance Programs.
2. Leadership Enablement: Allianz offers targeted health and well-being training for people leaders, through both the #lead program and other platforms to ensure managers are equipped with the knowledge to sustain employee health and well-being as well as to strengthen resilience in their teams.
3. Employee Feedback: Employees have the opportunity to give once a year feedback on their health and well-being through global surveys, such as Pulse surveys. For further information, please refer to the section “Engaging with own workforce”.
4. Focus Time: Meeting-free calendar days have been introduced to provide most employees with time to focus on their work.

The four Minimum Health Requirements are reinforced by the “Agreement on Guidelines concerning Work Related Stress and Minimum Health Requirements” between the Allianz SE and the (European) SE Works Council of Allianz SE. It applies to Allianz SE and its subsidiaries with registered offices in the Member States of the E.U., the contracting states of the EEA, the UK, and Switzerland. All best endeavors will be made to adopt the minimum health requirements across the Allianz Group, where national legislation does not prevent this.

The minimum health requirements were monitored regularly and reported to both management and employee representatives once a year, which shows our commitment to the well-being of our global workforce.

To effectively manage OHS matters, most local Allianz entities have furthermore implemented OHS management systems. They include OHS risk and hazards assessments, dedicated action plans to mitigate these risks as well as emergency actions. Internal inspections take place frequently and progress in reducing and preventing health issues and risks is assessed against targets on a regular basis. This includes procedures to investigate work-related injuries, ill health, diseases, and incidents. Our workforce is trained regularly to raise awareness and reduce operational health and safety incidents.

The health and safety of our global workforce is measured via our Work Well Index+ (WWI +) and other KPIs.

- Work Well Index+: To track well-being globally, we refer to the WWI+ index, which monitors the progress of health and well-being throughout the organization. We also use pulse check surveys to check in with employees during the year. For further information, please refer to the section “Engaging with own workforce”.
- Regular monitoring of further health and safety indicators: Local Employee Assistance Program providers perform quarterly monitoring of additional indicators, which are reported to the Allianz Board of Management on a semiannual basis. Finally, CSRD-compliant KPIs, covering work-related injuries, ill health, accidents, fatalities, and days lost (see table S1-14) are monitored annually and serve as a point of reference for the health, safety, and well-being of our global workforce.

Health and safety (S1-14)

As of 31 December	Unit	2023
Number of fatalities related to work-related injuries/ill health	#	1
Number of recordable work-related accidents	#	847
Rate of recordable work-related accidents	Per one million work hours	3.71
Cases of recordable work-related ill health[1]	#	355
Number of days lost to work-related injuries/ fatalities/ accidents/ ill health[1,2]	#	16,665

1_The data of reporting unit Allianz Partners Service is not included in cases of recordable work-related ill-health and number of days lost to work-related injuries/fatalities/accidents/ill health.
2_Globally, where national legislation or local culture/ norms do not prevent this.

Work-life balance

This section covers Flexible working options and the Family-related leave topic.

Flexible working

Allianz offers a wide range of offerings. For us, hybrid working combines the best of both worlds: the flexibility of mobile working with the benefits of targeted collaboration and in-person connection. Flexible work options are key for talent attraction and employee engagement, while regular in-person touch points help us foster team spirit, co-creation, and cross-team exchange.

Most of our employees across the globe have the opportunity to spend a minimum of 40% of their working hours working from outside the office. Our global minimum offering provides a lot of empowerment, trust, and flexibility to our local teams to decide what works best for their customers, their business, and their teams. The flexible work offerings therefore differ in our operating entities but for all of them customer centricity and customer needs are the north star.

We track the actual employee time that was spent working outside the Allianz offices on a bi-annual basis and collect employee feedback in our AES survey. The survey results show that flexible work has been one of the positive drivers for employee engagement in 2023.

For further information on further flexible work options, please refer to our People Fact Book 2023 on the **Allianz company website**.

1_The following major exceptions apply: Unemployment benefits are not available for non-citizens in Malaysia and Taiwan who are usually expats covered by their home countries’ social welfare benefits. In a few countries, unemployment benefits are excluded in case of self-termination of work contract, for example in Croatia or in Türkiye. In Singapore and Hong Kong unemployment benefits are generally not part of the social security system.

Family-related leave

Being a parent and caring for family members are important responsibilities. Our Allianz employees deserve support in fulfilling these roles and keeping a positive work-life balance. Allianz is committed to supporting parents and families by offering childcare facilities, leisure activities, emergency assistance, and other family services. Family-related leave is specific to countries and usually covers maternity leave, paternity leave, parental leave, and carers' leave. Allianz adheres to all statutory requirements in the countries we operate in and aims to exceed those standards where possible and appropriate.

Work-life balance metrics (S1-15)
In %

As of 31 December	2023
Employees entitled to take family-related leave (share of total employees)	99.07
Employees that took family-related leave (share of entitled employees)	8.56
Male (share of employees that took family-related leave)	32.78
Female (share of employees that took family-related leave)	67.06
Not reported as female or male (share of employees that took family-related leave)[1]	0.16

1_Comprises non-binary and not reported.

Collective bargaining coverage and social dialogue

We aim to ensure that employee rights are protected across all Allianz operating entities. Allianz was one of the first companies to create pan-European worker participation standards and to establish a European SE Works Council under the legislation for Societas Europaea (SE) companies (an agreement concerning the participation of employees in Allianz SE).

Through this body and the regular dialogue between management and employee representatives and their trade unions, Allianz ensures effective representation of all its employees at European level. Our (European) Works Council Executive Committee is evidence that Allianz endorses the establishment of employee representatives in its Group companies and welcomes their cooperation with the trade unions.

Employee representation is widespread across Europe. The right of workers to establish workers' representative bodies and thus negotiate working conditions is guaranteed by law in many jurisdictions. The mandate of workers' representatives and the role of the employer in regard to collective bargaining and the social dialogue is very much shaped by local legal requirements.

Allianz supports the principles enshrined in the ILO (International Labour Organization) core conventions on freedom of association and collective bargaining. In countries where those principles have been enshrined in local law, we fully respect and implement local rules on trade unions and worker representation. In countries that have not ratified the relevant ILO conventions, we respect the primacy of local laws and look for ways to allow our employees to organize and voice their interests vis-à-vis management. Globally, the percentage of Allianz's workforce covered by collective bargaining agreements is 48.46%.

According to CSRD reporting requirements, "coverage" includes the number of employees to whom the companies concerned are obliged to apply the collective agreements. Irrespective of the obligation, there are a large number of companies that apply the collective agreements and provisions on a voluntary basis.

We work closely with employee representatives (members of the (European) SE Works Council's Executive Committee and employee representatives on the supervisory board of Allianz SE) to support change implementation, manage impacts on employees, and promote opportunities. The "social dialogue" is our pan-European forum that has existed for over a decade. It supports the progress of our business strategy, our agenda, and our response to the increased pace of change in topics such as the digital revolution. Discussions in 2023 included the Strategic Workforce Planning program.

Collective bargaining coverage and social dialogue (S1-8)

	Collective Bargaining Coverage		Social Dialogue
Coverage Rate	Employees - EEA[1]	Employees - Non-EEA[2]	Workplace representation (EEA only)[1]
0-19 %	-	Corporate and Other[3]	-
20-39 %	-	Asia Pacific	-
40-59 %	-	Global Insurance Lines & Anglo Markets, Iberia & Latin America, Middle East and Africa	-
60-79 %	Germany[4]		-
80-100 %	-	-	Germany[4]

1_For countries with at least 10 % of Allianz's total number of employees.
2_For business segments with at least 10 % of Allianz's total number of employees.
3_For further information on Corporate and Other (incl. Allianz Technology) figures, please refer to note 5 to the consolidated financial statements.
4_Location of employees.

2nd Strategic Pillar: Business

This section outlines the two strategic sub-sections Diversity, Equity, and Inclusion (DEI), focusing on Gender and Age distribution, and Persons with disabilities. We further describe the Strategic Workforce Planning topic.

Diversity, Equity, and Inclusion (DEI)

Diversity is a core element of our culture. Our customers are diverse, and in order to best understand and serve them, our workforce needs to be diverse, too. We believe that diverse teams create better results, show higher resilience, and are more innovative and more productive, provided they can act in an environment where everyone can be themselves and unique views are appreciated. Being both diverse and inclusive has a positive impact on our business.

We are committed to strengthening inclusion in our workplace, by ensuring equal opportunities for all, and shaping a diverse workforce along five DEI dimensions: gender, people with disabilities, nationalities/ethnicities, generations, and LGBTQ+. With our Allianz Functional Guidelines for DEI and our Anti-Harassment & Anti-Discrimination Functional Guideline, we aim to ensure that across our operating entities and functions there is no discrimination for reasons including gender, age, sexual orientation, ethnicity, nationality, physical or mental abilities, religious beliefs, or social background.

At Allianz, we want to achieve our targets and ambitions for our DEI dimensions in a sustainable manner. The key to this is an inclusive workplace environment. We have multiple actions in place to strengthen our inclusive workplace environment, such as:

- Global Inclusion Council: Our Global Inclusion Council (GIC) sets the DEI strategy and plays a crucial role in driving initiatives to achieve our targets and ambitions, in integrating DEI into the business and monitoring progress. The GIC has been in place since 2007 and consists of more than 20 Allianz senior managers from operating entities, Allianz Group Center representatives, and the leads of our five global employee networks for DEI which leads to 81 local network chapters.
- DEI Employee Networks: Employee networks enable us to engage with our employees. They help us to raise awareness, support employees, advocate for change, and shape the agenda for DEI. We have five global employee networks: “Allianz NEO” for gender inclusion, “Allianz Beyond” for disability inclusion, “Allianz GRACE” for ethnicity and cultural inclusion, “Allianz Engage” for generational inclusion, and “Allianz Pride” for LGBTQ+ inclusion. 15 new networks operating locally were added in 2023.
- DEI as part of daily business – Mentoring Campaign: At Allianz, DEI is integrated into the way we conduct business. Our global Mentoring Campaign #KeepExploring, which took place throughout 2023, championed an intersectional approach featuring personal experiences of employees presenting more than one diversity dimension, e.g. combining different generations with nationalities, and/or genders.

Global People and Culture monitor the development of our targets and ambitions on a regular basis and report progress to the Allianz Board of Management on a semi-annual basis (for gender, this is done on a quarterly basis). Additionally, we support operating entities in setting up their individual local action plans to reach DEI targets and foster best practice exchange.

The achievements of our DEI strategy are recognized by external global awards and rankings. For example, Refinitiv - a global Diversity and Inclusion Index - identifies the top 100 publicly traded companies with the most diverse and inclusive workplaces. In 2023, Allianz was ranked #1 in the Insurance industry and #1 in Germany across all industries. Our reputation as a DEI leader strengthens Allianz’s brand as a trusted provider of financial services.

For further information on DEI targets and ambitions, see our DEI Booklet 2023 on the **Allianz company website**.

Gender

At Allianz, we have already attained overall numerical gender parity in our workforce with 80,949 female and 73,884 male employees. We are committed to equal opportunities for all, regardless of gender, and put measures in place to see this reflected in the staffing of leadership positions. As outlined in our Allianz Functional Guidelines for DEI[1], our 2024 targets are to have 30% women in Allianz Global Executive positions, and 30% women in Allianz Senior Executive positions. In addition, we aim to have 40% women in Allianz Executive positions and 50% women in our talent pools. For further information, please refer to section the “Fair remuneration”. Allianz NEO, our employee network for gender inclusion currently has 20 local networks in place. Allianz NEO focuses on helping to find concrete improvement opportunities, creating dialogue and allyship, and endorsing new perspectives and novel working models for both women and men.

Generations

With five different generations currently working together at Allianz, we are committed to leveraging the combined strengths, individual skills, and experiences of all generations. We aim to have a balanced generational representation, where GenZ and GenY (employees under 35) represent at least 25% of our global workforce. As of the end of 2023, 34.31% of our global workforce (see table S1-9.2) is younger than 35, which ensures a balanced generational representation.

Our efforts for age inclusion are strongly supported by Allianz Engage, our employee network for generational diversity with 11 local networks in place. Through Allianz Engage, our employees are invited to proactively contribute to a company culture where the knowledge of all generations is called upon, for example, through mentoring. In the Allianz Group, we have more than 700 mutual mentoring arrangements in place, allowing people from different generations to enter into mentoring partnerships to connect and to share knowledge, experiences, skills and perspectives in a genuine learning exchange beneficial for everyone involved.

Diversity, Equity & Inclusion (S1-9.1)

As of 31 December	2023	
	#	%
Gender distribution	-	-
in Allianz SE Supervisory Board	12	-
Male	7	58.33
Female	5	41.67
Not reported as female or male[1]	-	-
in Allianz SE Board of Management	9	-
Male	6	66.67
Female	3	33.33
Not reported as female or male[1]	-	-
in Executive positions (top management)[2]	6,788	-
Male	4,461	65.72
Female	2,327	34.28
Not reported as female or male[1]	-	-
in Allianz Global Executive (AGE) positions	235	3.46
Male	174	74.04
Female	61	25.96
Not reported as female or male[1]	-	-
in Allianz Senior Executive (ASE) positions[3]	803	11.83
Male	579	72.10
Female	224	27.90
Not reported as female or male[1]	-	-
in Allianz Executive (AE) positions[3]	5,750	84.71
Male	3,708	64.49
Female	2,042	35.51
Not reported as female or male[1]	-	-

1_Comprises non-binary and not reported.
2_Includes all executive positions (Allianz Global Executive Positions, Allianz Senior Executive Positions, and Allianz Executive Positions).
3_Allianz Asset Management companies excluded from global reporting of AE and ASE cluster as Allianz Global Grading System is not applicable to them.

1_The Guidelines including any targets stated therein do not apply to Allianz Asset Management companies, which have their own initiatives to promote equal opportunity.

Age distribution (S1-9.2)

As of 31 December	2023	
	#	%
Age distribution[1]		
Share of employees < 30 years old	28,757	19.13
Share of employees 30-50 years old	82,598	54.93
Share of employees > 50 years old	39,004	25.94
Share of employees < 35 years old	51,595	34.31

1_Age distribution is calculated based on active headcount, excluding, e.g., employees with a dormant employment relationship (for example due to sabbatical leave, in military or civilian service, or on parental leave).

Persons with disabilities

Allianz Functional Guidelines for DEI explicitly outline that we prioritize the well-being of all our employees and work hard to ensure that our processes and workplaces are equally accessible to everyone, irrespective of their disability status.

Allianz Beyond, our employee network for disability inclusion, currently has 12 local networks in place, with three local networks launched in 2023. It focuses on raising awareness of disability inclusion, identifying ways to make Allianz more accessible (physically and digitally). It also aims at creating a safe space for employees to disclose their disability and voice their workplace assistance needs in order to perform at their best. And it promotes Allianz externally as an attractive employer for people with disabilities.

Allianz has been a Valuable 500 member since 2020 and is committed to increasing transparency on disabilities in the corporate landscape through increased disclosure. As an Iconic Leader, Allianz played a crucial role in the identification and definition of five Valuable 500 Disability Inclusion KPIs. These were announced at the World Economic Forum in 2023 and cover five dimensions: Workforce Representation, Goals, Training, Employee Resource Groups, and Digital Accessibility. Allianz reports on the Valuable 500 Disability Inclusion KPIs in our DEI Booklet 2023 on the **Allianz company website** and is working with Valuable 500 to secure commitment from other members to disclose Disability Inclusion KPIs and ultimately grant people with disabilities more equity in the workplace.

Allianz has been a trusted partner of the Paralympic Movement since 2006 and became the first international partner of the International Paralympics Committee (IPC) in 2011. Through our continuous support, we recognize the athleticism and professionalism of Paralympians. Our efforts have a positive impact on career opportunities for people with disabilities, including through career fairs for Paralympic and Olympic athletes, with tangible results, leading to the hiring of 27 Paralympians and Olympians. For further information, see also our People Fact Book 2023 on the **Allianz company website**.

Allianz is committed to strengthening its inclusive workplace culture for its entire global workforce, including employees with disabilities. For more details regarding our local ambitions, please see our DEI Booklet 2023 on the **Allianz company website**.

Strategic Workforce Planning

Allianz has implemented Strategic Workforce Planning (SWP) to create transparency on upcoming workforce developments. SWP compares workforce supply by cluster of job profiles (called Talent Segments) against projected workforce demand over the next five years. At Allianz, this is a structured yearly process that is integrated into the annual planning cycle. The result goes far beyond providing transparency on possible recruiting gaps. We are able to steer the mix of roles that we need in our workforce in order to implement Allianz strategies and fulfil our future vision. SWP provides a quantitative assessment of the resources required for ongoing transformations and indicates how our workforce can be equipped with the skills they need to remain employable in the future.

This global transparency allows us to decide what to focus our work on and customize solutions for up- and reskilling as well as retention and recruiting. SWP currently covers approximately 85 % of our 2023 employee population. Global monitoring and steering using SWP KPIs ensures the implementation of Strategic Workforce Planning and maximizes its value within the business functions.

3rd Strategic Pillar 3: Brand and Society

Good working conditions along with equal treatment and equal opportunities for all are the basis for the CSRD convergence approach discussed in this Employee matters section. These subjects are an integral part of our brand value and societal commitments, as reflected in our ratings.

Our positive social impact is verified and acknowledged by external certifications and global rankings (for further information, please refer to Great Place to Work certification in the section “Processes to engage with own workforce”, EDGE certification in the section “Fair remuneration”, and Refinitiv in the section “Diversity, equity, and inclusion (DEI)”). Beyond certifications and rankings, Allianz is a member of the Valuable 500 and a trusted partner of the International Paralympics Committee (for further information, please refer to section “Persons with disabilities”). Allianz is a member of the World Economic Forum Good Work Alliance; for more information, please refer to the **Good Work Alliance website**. We are committed to human rights (for further information, please refer to the section “Human Rights in own workforce”), the U.N. Charter, U.N. SDGs, as well as our external certifications, rankings, and partnerships.

For further information on our social positioning, please refer to section “Corporate Citizenship”.

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 Allianz Group Compliance.

Concept and programs

Our Compliance Management System helps to ensure compliance with applicable laws 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 Global Insurance Chief Compliance Officers Forum to enhance our understanding of compliance issues and to share best practices.

In 2021, the Compliance Assurance of Risks and Effectiveness (CARE) program was initiated. In 2023, the Compliance Function continued to develop the way it assesses Group and local Compliance departments. Review procedures have been expanded to confirm adequate compliance scope, ensure adequate skills to meet the scope, and confirm compliance with global programs and local specificities. While CARE is primarily a challenged self-assessment exercise, it is reinforced with Compliance Reviews of operating entities that are completed and coordinated by Allianz Group Compliance. Compliance Reviews are completed on a risk-based, three-yearly cycle.

Compliance Reviews are supplemented by Targeted Reviews, which assess the implementation status and effectiveness of individual programs such as Antitrust and Sales Compliance. This multi-faceted review and confirmation strategy has several benefits. First, operating entities are monitored more frequently and are engaged in more holistic assurance activities. Second, frequent interactions with operating entities provide additional opportunities to monitor, guide, and – if necessary – enforce remedial activities. Finally, people can learn from local and Group best practices, which further reinforces our compliance culture.

An online compliance management tool provides an overview of issues detected during the above activities. Users are required to use the tool to report and document actions taken to mitigate and follow up on any issues identified.

The information gathered is the primary basis of reports to the Group Board and the Allianz SE Supervisory Board's Audit Committee. An Integrity Committee is chaired by Allianz Group Compliance. This committee reviews all activities and issues related to misconduct and/or violations of internal/external rules and regulations, and the Allianz Group 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 in relation 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 Code of Conduct outlines the basic principles and values that guide the everyday decisions and conduct of all employees. The current version of the Allianz Group Code of Conduct was approved by the Allianz SE Board of Management in 2020. New joiners at Allianz are informed of their obligation to adhere to the Allianz Group Code of Conduct. The key principles addressed by the Allianz Group Code of Conduct and the accompanying training are mutual respect, integrity, transparency, and responsibility.

Allianz has zero tolerance of fraud. We are committed to complying with all applicable anti-fraud, anti-bribery, and anti-corruption laws and regulations in all jurisdictions in which we operate.

Zero tolerance applies regardless of who benefits from the fraud - Allianz as a company, other internal parties (employees, tied agents, intermediaries) or any third parties acting on behalf of Allianz. To protect against fraud, we will take prompt and appropriate action where necessary – against employees, others acting on behalf of Allianz or third parties. This includes appropriately protecting customer and third-party data.

Similarly, Allianz does not tolerate bribery and corruption. Employees are strictly prohibited from directly or indirectly offering, requesting, accepting, providing, paying, soliciting, promising, authorizing or receiving anything of value (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 gain an improper personal or business advantage.

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

Employees are encouraged to report concerns and have multiple channels for doing so. These include via management, speaking directly with Allianz Group Compliance, by e-mail, and anonymously via a third-party solution provided by Business Keeper GmbH and accessible via the intranet.

The same tool is also accessible to external parties on the **Allianz company website**. Some operating entities provide employees with the option to report via an ombudsman.

All reported incidents are assessed, documented, and managed according to internal guidelines and with strict confidentiality. The Allianz Group has specific procedures in place to ensure that no retaliation measures are taken against whistleblowers; reflecting our commitment to enable a healthy SpeakUp culture within the company. Retaliation measures are not accepted in any form.

Group Compliance runs an annual awareness campaign to remind employees of the avenues available for reporting.

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

Topic	Objectives	Progress and actions 2023
Compliance	Continue to enhance the effectiveness of local compliance organizations by enriching our compliance reviews, to further bolster the governance and processes of underlying compliance organizations across our OEs.	2023 Compliance Review Plan executed.

EU Taxonomy Regulation

Regulatory background

The EU Taxonomy Regulation (Regulation (EU) 2020/852) is a "green" classification system that translates the EU's environmental objectives into criteria for determining whether an economic activity qualifies as environmentally sustainable and the degree to which an investment is environmentally sustainable. The EU Taxonomy Regulation came into effect in 2020 and Allianz is reporting Taxonomy-eligibility for the third year in a row; however, Taxonomy-alignment is reported from the financial year 2023 onwards (described subsequently) only. The EU Taxonomy Regulation intends to provide increased transparency for stakeholders.

On 21 December 2023, the EU Commission published a guidance on Art. 8 EU Taxonomy Regulation. The document was assessed by Allianz but could not be fully considered for the 2023 reporting.[1] Details about the implemented changes can be found in the respective subchapters.

EU Taxonomy for non-life insurance

Allianz's approach to Sustainable Solutions in the Property and Casualty insurance business

We are regarding the EU Taxonomy Regulation in the broader context of sustainable insurance solutions and are consequently reporting on it in combination with our Sustainable Solutions framework.

It is an integral part of our strategy to not only insure our customers against risks, but also to support them in their challenges of a world which is about to transition to a more sustainable way of living and doing business. We aim to create real world impact through our business activities and contribute to ESG objectives based on science and in line with regulatory requirements and international agreements. This is based on the understanding that property-casualty (P&C) insurance can support multiple ESG objectives beyond climate change adaptation. The role of the insurance industry is not limited to the classic role as risk managers but goes beyond and includes the public expectations to accelerate a fair and just transition of economies and societies.

Therefore, we have established a comprehensive framework for Allianz Sustainable Solutions, including guidelines, screening criteria

1_Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (21 December 2023).

and definitions, a certification grid, governance, and defined processes to safeguard us against greenwashing risks, provide strategic guidance to explore business opportunities, and take corporate responsibility for our planet.

Under the Allianz Sustainable Solutions framework, the Technical Screening Criteria (Annex 2, 10.1, Commission Delegated Regulation (EU) 2021/2139) (Climate Delegated Act) supplementing the EU Taxonomy Regulation) serve as minimum requirements to qualify products as sustainable. Simultaneously, the Technical Screening Criteria are used as guidance for our product development with the objective to increase the resilience of our insurance activities and support our customers in building adaptive capacity.

In 2023, the first year of Taxonomy-alignment reporting, we have been focusing on screening our existing product portfolio, identifying gaps, working on immediate actions to close gaps in existing products, and have started developing and implementing further new Taxonomy-aligned products.

EU Taxonomy Regulation for non-life insurance business: Underwriting of climate-related perils

For non-life insurance activities, the Climate Delegated Act has established "climate change adaptation" as (the only) potential substantial contribution to environmental objectives as laid out in the EU Taxonomy Regulation.

The Climate Delegated Act and the Technical Screening Criteria set forth therein predominantly expect insurance activities to adequately reflect climate-related risks and support customers and society in building resilience against the adverse effects of climate change. It consequently reflects the traditional role of the insurance industry as risk manager. Only the "do no significant harm" and "minimum safeguards" criteria set additional requirements for Taxonomy-alignment beyond the contribution to climate change adaptation.

The EU Taxonomy Regulation does not impose business restrictions or material requirements for insurance activities but introduces disclosure obligations for the insurance Lines of Business (LoBs) in scope. The disclosure of the proportion of Taxonomy-aligned revenues allows for the comparison of companies and investment portfolios, to channel capital flows towards Sustainable Investments.[1]

1_Further information on Sustainable Investments can be found in section "02.2" of the Group Sustainability Report 2023 on the **Allianz company website**.

EU Taxonomy-eligibility

The eight LoBs of non-life insurance laid down in the Technical Screening Criteria are in scope of the EU Taxonomy Regulation ("Taxonomy-eligible"), as the insurance products sold under these LoBs have the potential to contribute to climate change adaptation. We define all P&C LoBs laid down in Annex 2 section 10.1 of the Climate Delegated as eligible and they have been included in the Taxonomy-alignment screening. The template "Taxonomy KPIs for non-life underwriting" below also includes our Taxonomy-eligible and Taxonomy-non-eligible proportions for financial year 2022. Since Taxonomy-alignment has been assessed for the first time by Allianz for financial year 2023, the 2022 figures are not applicable for these lines and marked as such.

EU Taxonomy-alignment

Taxonomy-alignment of an activity goes beyond Taxonomy-eligibility. For non-life insurance business, it implies that the insurance activity substantially contributes to climate change adaptation, does not significantly harm the environmental objective of climate change mitigation, is carried out in compliance with the minimum safeguards, and complies with the Technical Screening Criteria. We have screened our entire eligible non-life insurance portfolio under the Article 3 Taxonomy Regulation and the Technical Screening Criteria and are reporting accordingly.

It is in the nature of new regulations that not all details are specified, and a common understanding and application needs to be developed across markets to achieve consistency and comparability. In order to ensure a consistent application across all Allianz entities, we have developed internal guidelines and also taken a conservative approach, where screening criteria left room for interpretation. The following illustrates those aspects that we deem to be the most important and challenging:

Leadership in modeling and pricing of climate risks

State-of-the-art modelling techniques (1.1): Assessing and pricing risks adequately is key for a sustainable and resilient insurance operation. The Allianz approach to state-of-the-art pricing is the Technical Price System as part of our Technical Excellence initiative. In the existing Technical Price Certification (TPC), portfolios are screened on a regular basis across the Allianz Group. A successful TPC requires (but is not limited to), that the technical price is available at policy level. This includes the best estimate of all future, expected costs of the risk (including the expected ultimate loss) as a forward-looking scenario. Both output from hazard mapping and NatCat risk models are included in expected claims costs. Where and to the extent that a portfolio meets our internal TPC requirements, we have concluded that predicted costs of climate related hazards are properly reflected in the Technical Price at best estimate.

Provide incentives for risk reduction (1.3): This criterion is based on the fundamental understanding, that the insurer should protect itself and set incentives for customers to protect themselves or their assets, against the adverse effects of climate change. Therefore, it is necessary, however sufficient, if the climate-related exposure is considered in pricing as a price signal of risk (e.g., hazard zones) or in terms and conditions such as deductibles or limits, that serve as a differentiator for respective exposures.

Product design

Risk-based rewards for preventive actions taken by policyholders (2.1): The regulator expects an insurance product to include risk-based rewards for customers to take preventive actions in order to protect themselves or their insured assets against climate change risks. Other than for the previous criterion ("Provide incentives for risk-reduction), differentiation only related to the location of a risk is not sufficient. We define preventive actions as any specific measures that can be taken by customers if they are suitable to reduce either the frequency or severity of climate change related claims. They must be considered in the product and be offered to all customers. Risk-based rewards must be reflected in the technical price, and there has to be a direct relation between the preventive measure taken by the customer, and the risk-based reward granted. Hence, general deductibles which do not refer to specific preventive measures or no claims discounts are not sufficient.

The distribution strategy for such products covers measures to ensure that policyholders are informed on the relevance of preventive measures (2.2): The regulator sees adaptation to climate change risks as an overall societal objective to which insurers and their customers should contribute, since risk-prevention is a key lever for reducing the overall economic burden. Thus, the distribution strategy must include measures to ensure that customers (new and existing) are informed about the preventive measures and the relevance of such preventive measure that they could take. Information on the relevance of preventive measures can be shared individually (e.g., through customer specific risk assessment reports in commercial business) or in general, which is appropriate for retail business (e.g., through information in newsletters, regular contract related communication or terms and conditions). It is also appropriate to briefly inform the customers about the topic and direct them to more detailed information, for instance on a company website.

Do no significant harm ("DNSH") - Climate change mitigation

The DNSH criterion defines which insurance activities related to customers engaged in the fossil fuel value chain must not be classified as sustainable (Taxonomy-aligned). We are taking a mainly conservative approach and define the fossil fuel value chain extensively as upstream (e.g., exploration, extraction), midstream (e.g., transport, storage, pipelines) or downstream (e.g., refinery, trading and sales including gas stations) activities or related assets. Additionally, we consider commercially used fossil fuel power plants to be part of the fossil fuel value chain. Beyond that, the end-use of fossil fuels is not in scope of this criterion (e.g., combustion engine vehicles or oil-fired heating systems). Thus, the DNSH criterion is automatically fulfilled for retail business, as private use is considered as end-use.

In our portfolio screening approach, we applied the International Standard of Industrial Classification of economic activities (ISIC codes) to identify policies which are not in line with the DNSH criterion as defined above: The different ISIC codes have been classified as either compliant with DNSH, not compliant with DNSH or to be assessed on an individual customer level. We have screened our portfolios against this internal classification system. As our commercial risks are allocated to ISIC codes (or comparable national or internal classifications), we could identify policies and revenues which do not comply with DNSH.

There are no further environmental objectives next to "climate change mitigation" that insurance activities could significantly harm according to the EU Taxonomy Regulation, meaning that an assessment of further DNSH criteria is not applicable. These are still indicated with a "Y" in the template "Taxonomy KPIs for non-life underwriting" below.

Minimum Safeguards

Taxonomy-aligned activities needs to be carried out in compliance with Minimum Safeguards with respect to the value chain (i.e., with respect to policyholders in the insurance context). Minimum Safeguards require a due diligence process which is aligned with UN Guiding Principles on Business and Human Rights (UNGP) and OECD Guidelines for Multinational Enterprises. This is ensured by our Sustainability referral process governed by the Allianz Standard for Reputational Risk Management (AS RRIM), which applies to insurance transactions following a risk-based approach. For more information on the Sustainability referral process, please refer to the Allianz Sustainability Integration Framework, version 5.0 on the **Allianz company website**.

Overall results of EU Taxonomy Screening

For the financial year 2023 we are reporting a relatively low share of Taxonomy-aligned revenues. Risk-based rewards for preventative actions and the respective advice to customers turned out to be the most important aspects. We have been focusing on screening our existing product portfolio, identifying gaps, working on immediate actions to close gaps in existing products, and started developing and implementing further new Taxonomy-aligned products.

Allianz's Sustainable Solutions

Changing customer expectations and demands as well as regulatory evolution are modifying the role of the insurance industry and require a dedicated strategy to manage the impact of sustainability in P&C Business. The Principles for Sustainable Insurance published by the United Nations Environment Programme Finance Initiative (UNEP FI) outline a strategic approach where all activities in the insurance value chain – including interactions with stakeholders – are performed in a responsible and forward-looking way by identifying, assessing, managing, and monitoring risks and opportunities associated with environmental and social issues. The sustainability requirements aim to reduce risks, develop innovative solutions, improve business performance, and contribute to environmental, social, and economic sustainability.[1]

Against this background, we developed an enhanced Allianz Sustainable Solutions framework. As a result, our overall approach for assessing and classifying Sustainable Solutions was revised. The former Sustainable Solution definition and its application were replaced by the new Sustainable Solutions framework as of January 1st, 2023. This also enables us to report on Sustainable Solutions based on the new Sustainable Solutions framework for the financial year 2023.

The Sustainable Solutions framework is based on regulatory requirements (e.g., the EU Taxonomy Regulation) as an integral part. However, it goes beyond and includes additional product elements which contribute to ESG objectives beyond climate change adaptation to support our customers in their transition.

We define a Sustainable (P&C insurance) Solution as an insurance product or service that substantially contributes to climate change adaptation and to one or more further environmental, social, or governance objectives, without doing significant harm to any of the other objectives, which is in line with the principles of Minimum Safeguards and hence supports our customers in transitioning towards an environmentally or socially sustainable way of doing business or living.

To ensure compliance across the Allianz Group, the Sustainable Solutions framework is codified in internal policies and applies as a harmonized and mandatory framework for all Allianz P&C entities, including a certification process for sustainable products and services. Eligible objectives and suitable product elements have been predefined. They were derived from the EU Taxonomy Regulation – where available[2] – and the United Nation Sustainable Development Goals, and can be summarized as follows:

Environmental objectives

- Climate change mitigation: avoid, reduce or remove GHG emissions.
- Sustainable use and protection of water and marine resources: contribute to good status of water bodies.
- Transition to a circular economy: promote durability, re-use and recycling.
- Pollution prevention and control: improve quality of air, water, and land.
- Protection, conservation and restoration of biodiversity and ecosystems.

Social objectives

- Encourage and expand access to insurance and services for helpers or socially disadvantaged groups.
- Foster socially responsible behavior or engagement.

In 2023, we generated € 3,026 mn revenues from certified Sustainable Solutions in our P&C business. Hence, the Sustainable Solutions framework contributes to our overall purpose: We secure your future.

1_Principles for Sustainable Insurance – United Nations Environment – Finance Initiative (unepfi.org).

2_The Allianz Sustainable Solutions framework applies to all P&C insurance LoBs.

Information on data sources for revenue disclosure

Data collection is conducted in the Solvency II P&C LoB reporting infrastructure. The system is set up in SAP. Information is based on non-consolidated LoB reporting.

Definition of premiums

In line with the requirements that are set forth by the EU Taxonomy Regulation, Allianz follows the principle to use figures as premium base that relate to financial reporting and are communicated externally through Allianz financial statements – Total Business Volume (TBV). TBV presents a measure for the overall amount of business generated during a specific reporting period. As TBV by itself does not represent a premium related to the insurance coverage (it also includes fee and commission income), the following adjustment has been performed: As fee and commission income are not directly linked to the provision of insurance coverage, they are eliminated to arrive at the coverage related premium figure.

This premium figure represents the required gross written premiums level.

Determination of (retro)ceded premium share

For natural catastrophe events, the Allianz Group has a centralized program in place that pools exposures from its subsidiaries through internal reinsurance agreements. Allianz SE limits exposures in this portfolio through external reinsurance. Subsidiaries of the Allianz Group generally do not enter into individual external reinsurance agreements for natural catastrophe events. Accordingly, a breakdown into single Taxonomy-aligned products is not available, as indicated in the template below.

The guidance on EU Taxonomy Reporting[1] published by the EU Commission in December 2023 states that insurance undertakings should use those insurance premiums that only pertain to the coverage of climate-related perils for the purpose of computing Taxonomy-alignment. Hence, only the portion of the premium from Taxonomy-aligned products related to the exposure stemming from climate related perils could be reported as sustainable revenue. We applied this guidance to calculate the share of Taxonomy-aligned revenues.

For our reinsurance contracts issued (third party), we prepared our systems to report the entire premium of any treaty providing coverage for climate-related perils for financial year 2023 reporting, based on the prevailing market practice and interpretation of the EU Taxonomy Regulation. With the new requirement to unbundle the premium into solely climate risk related, our systems need further adaptation to systematically allow this premium unbundling in the required quality and could not be done in time for financial year 2023.

Ensure implementation into our business

Our Sustainable Solutions framework and its application have been integrated into the binding Allianz Standard for P&C Underwriting (ASU), which governs the rules and principles for P&C underwriting within the Allianz Group and is an integral part of the overall Group risk architecture as described in the Group Risk Policy.

As of January 2023, all newly developed products and services must be assessed and classified under the Sustainable Solutions framework in the product development process by our operating entities. Results are validated by a dedicated function within our Group Center Global P&C, which has the responsibility to approve or not approve submitted products as a sustainable and in case of a positive approval, issue a respective certification.

In addition, as of January 2024, products or services may only be labeled, advertised, or in any other way promoted as Sustainable Solutions (or any other term that implies the sustainability of a solution, such as “green” or “social”), if the product or service is certified under our Sustainable Solutions framework.

Allianz’s actions and measurements

The Sustainable Solutions framework incorporates material ESG objectives into P&C decision-making and portfolio management processes. We aim to shift our product portfolio towards sustainable products by using the Sustainable Solutions framework as guiding considerations in the product development process.

Allianz has always offered comprehensive insurance cover for climate-related perils. Still, closing the insurance protection gap remains a major challenge in many markets. To increase the penetration rate of covers for natural catastrophes, our product strategy is moving towards coverage for natural catastrophes per default (with opt-out elements).

To manage climate-related risks adequately, we are continuously improving our risk- and pricing-models by integrating the latest data and information on climate change impacts through forward-looking NatCat scenarios and global hazard maps. However, effective adaptation to climate change does not only require adequate pricing of risks, but also individual measures by customers. We have therefore started considering preventative actions taken by the customer in our products and pricing models. Living up to our role as a climate risk manager, we are also integrating advisory services into our customer communication and provide relevant information to customers, for example, on how to build stronger resilience against climate-related events.

In addition, we are committed to offering comprehensive insurance products for low-carbon technologies – such as battery electric vehicles (BEV) and the related ecosystem – as well as for renewable energy technologies, to support the transition of our customers towards more environment-friendly solutions. For instance, Allianz entities offer BEV insurance products, which meet the specific needs of the new ecosystem such as range anxiety, comprehensive coverage of accessory equipment, and coverage for battery disposal. Within our commercial energy and construction business, we offer insurance to cover the setup, installation, and operation of renewable energy projects such as solar and wind farms, both onshore and offshore.

Material ESG objectives are also considered in our claims processes. We have started integrating environmental standards into our claims processes by encouraging or incentivizing our customers, car repair shops, and manufacturers to repair instead of replace or to use refurbished parts, where possible. Moreover, we started increasing our claims payments to our customers to not only rebuild damaged assets such as buildings, but to use more sustainable or energy-efficient building materials or elements (build back better), as well as building more resilience against the adverse effects of climate change (build back stronger).

Allianz’s ambition

Our ambition is to be a trusted partner for our customers and investee companies across different sectors in their transition to net zero, as well as to support our customers in their transition to environment-friendly choices.

The new Allianz Sustainable Solutions framework was launched in January 2023 across all our entities. This includes qualitative targets for the financial year 2023 for to the Board of Management and CEOs

1_Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (21 December 2023).

of our operating entities to ensure the implementation of Sustainable Solutions. To accelerate the journey in 2024, we have set quantitative growth targets for to the Board of Management and CEOs of our operating entities.

In our reinsurance lines, we initiated discussions with our clients on their fossil fuel related exposures in order to support their net-zero transition pathways.

As of 2024, our entities will continue to report internally on a regular basis on the following KPIs:

– Taxonomy-aligned revenues
– Sustainable Solutions-certified revenues.

Template: The underwriting KPI for non-life insurance and reinsurance undertakings

Economic activities	Substantial contribution to climate change adaptation			DNSH (Do Not Significant Harm)					
	Absolute premiums 2023	Proportion of premiums 2023	Proportion of premiums 2022	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards
	€ mn	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	644.6	0.9	n.a.	Y	Y	Y	Y	Y	Y
A.1.1 Of which reinsured	n.a.	n.a.	n.a.	Y	Y	Y	Y	Y	Y
A.1.2 Of which stemming from reinsurance activities	0	0	n.a.	Y	Y	Y	Y	Y	Y
A.1.2.1 Of which reinsured (retrocession)	0	0	n.a.	Y	Y	Y	Y	Y	Y
A.2 Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	56,055.5	76.3	76.7						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	16,788.5	22.8	23.3						
Total (A.1 + A.2 + B.)	**73,488.6**	**100**	**100**						

EU Taxonomy for proprietary investments

Scope of application and methodology

For investments, the EU Taxonomy Regulation currently limits the scope of financial investments that can 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 in other undertakings, 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 EU Taxonomy Regulation. Where the Allianz Group fully controls a non-financial investment – including real estate – the scope is not limited in that regard.

The eligibility and alignment share includes activities of controlled subsidiaries, NFRD-related investments, and non-NFRD funds that may have underlying NFRD investments or non-financial assets. For controlled investments and mortgages with property as collateral, Allianz has three main asset classes: real estate held for investment, commercial and retail mortgages, and renewable investments. Allianz's minority interest investments in investees are mostly through publicly listed stocks and bonds. Eligibility for Allianz's controlled assets has been determined for all six environmental objectives that are listed in the EU Taxonomy Regulation. Alignment reporting is produced for the two published environmental objectives of climate change mitigation and climate change adaptation.

As in 2022, all real estate asset classes including mortgages are considered 100% eligible, with the addition in 2023 of joint ventures in real estate. For further information, please refer to section "Changes to proprietary investment reporting". Eligibility (and alignment) for Allianz investments in investees is attained via reported data provided by Moody's Analytics.

The focus of Taxonomy reporting for 2023 is alignment, which is a step beyond eligibility. For an asset to be aligned, three steps are necessary, which is first, the substantial contribution to one or more environmental objectives in line with specific Technical Screening Criteria, second, meeting the DNSH criterion (related to the other environmental objectives) and third, meeting the minimum safeguards criteria. Naturally, eligibility is a prerequisite for alignment.

Alignment screening relates to the first two climate change objectives, climate change mitigation and climate change adaptation. Allianz has attained a relatively low alignment quota from screening our own portfolio. The main constraints included lack of data availability for commercial mortgages, and lack of comparative data for real estate held for investment (typically for Energy Performance Certificates determined on demand data that could not be benchmarked to the top 15% of real estate stock).

For retail mortgage loans especially, Allianz uses a third-party provider (SkenData) that employs an EU Taxonomy model to screen real estate objects at a building level. The criteria used to assess energy performance are equal to the ones used in energy performance certificates. The DNSH criteria considers both the exposure and vulnerability (after considering mitigating action). Overall risk materiality is then determined for each building jointly assessing the said factors. Only when such risk is classified as low or medium, the real estate object can be considered Taxonomy-aligned.

The Allianz Group uses only reported data for listed assets (no estimated data is used). For single listed asset products, Allianz employs a data hierarchy prioritizing data reported at issuer level. If reported data is not available at issuer level, then parent-level data is sourced. If that is unavailable, Allianz uses reported data from the ultimate group parent entity. Taxonomy-alignment is considered only for NFRD companies that publish reported data. The data hierarchy logic is suppressed for investment funds. For further information, please refer to section "Limitations of reported numbers".

For investments, a look-through approach applies for investment funds and unit-linked products. However, such reporting for the financial year 2023 is limited due to lack of available data at issuer level. For further information, please refer to section "Limitations of reported numbers".

Allianz complies with the EU Taxonomy Regulation by reporting the respective Taxonomy KPIs. For investments, these numbers give us a technical view on the current status of our investment portfolio with regards to their Taxonomy-alignment. At this stage, the EU Taxonomy investment criteria is not used for business or investment steering purposes. However, we continue to monitor the evolution of the Taxonomy Regulation to cover further sectors of the economy and become a tool for portfolio steering in the future.

Nuclear and Gas Delegated act

In addition, as part of the 2023 Taxonomy reporting, Allianz is required to disclose its exposure to the six nuclear and gas activities stipulated in the Commission Delegated Regulation (EU) 2022/1214 (Annex III). This disclosure seeks to elicit the portion of aligned investments that are a result of the stated activities. For 2023, Allianz's exposure to nuclear and gas activities is considered very small (around 2 % of aligned assets for turnover and CAPEX based on total alignment figures). However, additional disclosure tables have been produced with the limitation that some KPIs were unable to be calculated due to lack of data at the climate objective level.

Reporting about third-party asset management

In 2023, Allianz took the decision to de-scope third-party asset management from EU Taxonomy investment reporting, in line with current market practice and interpretation of existing regulatory requirements for 2023 reporting.

Calculation of KPIs

The main alignment KPIs for 2023 include alignment based on turnover and alignment based on CAPEX. For our financial investments, each KPI is determined using only reported data for the investee. If, for example, Allianz has an investment in a company with a turnover alignment of 10 % and the book value of the investment is 100, Allianz would report a turnover alignment balance of 10. And if Allianz has covered assets of 200, then the final alignment share based on turnover would be 10/200, or 5 %. The total alignment based on turnover additionally includes alignment shares from Allianz's own investment real estate held for investment, retail mortgages, and renewable investments. The total alignment KPI based on CAPEX is determined in the same way.

For 2023, Allianz has followed the disclosure guidance for insurer investment KPIs detailed in Annex IX/X of the Commission Delegated Regulation (EU) 2021/2178 (Disclosure Delegated Act). As mentioned earlier, the main changes regarding the Commission Delegated Regulation (EU) 2022/1214 for 2023 are the introduction of alignment KPIs (by turnover and CAPEX) and the separate tables required for nuclear/gas exposures. The Annex X template has a number of shortcomings, with the main one concerning its specification of the non-eligible KPIs. Eligibility and alignment fractions are determined as a percentage of the turnover or CAPEX denominators. As such, these rows need to be made explicit in the template. In the absence of these rows, the numbers have been provided in the footnotes for completeness.

Changes to proprietary investment reporting

For Taxonomy reporting in 2023, there were some changes to how Allianz presents its numbers.

The first change relates to the treatment of cash and cash equivalents. In 2022, Allianz considered these as non-eligible; however, they were included as part of the denominator for KPI calculations. After reassessing the EU Taxonomy Regulation, Allianz has determined that cash and cash equivalents should not be included in the scope of assets covered by the investment KPI. Annex X of the Disclosure Delegated Act defines in-scope assets of insurance and reinsurance undertakings as "all direct and indirect investments, including investments in collective investment undertakings and participations, loans and mortgages, property, plant and equipment, as well as, where relevant, intangibles". Cash and cash equivalents are specifically not included in the scope of assets covered by the investment KPI. This view is affirmed by EIOPA's technical advice on key performance indicators under Article 8 of the EU Taxonomy Regulation of February 26, 2021 (EIOPA-21-184).

The second change relates to the asset classes considered relevant for eligibility. In 2022, Allianz considered investments in real estate funds to be 100 % eligible on the basis that the vast majority of the underlying investments were in real estate. In 2023, Allianz determined that, by the same logic, its joint venture real estate investments should also be 100 % eligible. The impact of this reassessment leads to a small reclassification from non-eligible to eligible for this asset class for 2023.

Finally, in 2023, the transition to a new accounting regime has meant that most of Allianz's real estate investment held for investments are measured at fair value, as opposed to cost less accumulated depreciation. In particular, this has led to higher valuations of the stated asset class compared to the previous year.

Limitations of reported numbers

For 2023, Allianz is relying on reported information from investees for the year 2022. For that year, financial institutions were not required to report alignment figures; as a result, alignment quotas for the said companies will be low or zero.

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 2023 due to limited adoption of the TPT and the 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 because listed asset data for Allianz SE has been collected for the underwriting KPI, which has a high eligibility share of 79 %. This is deemed inappropriately high for investment funds. The conservative approach is designed to mitigate the risk of reporting eligibility figures that may not be representative of the underlying investments. Going forward, Allianz aims to expand the look-through capability for investment funds.

In addition, a complete screening of our renewables portfolio was not possible for United States based SPVs. The said investments are 100 % eligible and likely have a high degree of alignment but have not been considered as such for 2023 reporting due to inadequate data at the time of reporting.

Under the EU Taxonomy Regulation, our business strategy, product design processes, and engagement with customers and counterparties concept are being integrated into our business activities, but are evolving and can be further developed as alignment reporting matures and a market-based solution for fund look-through is widely adopted.

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned economic activities in relation to total investments – part I

Allianz Group reporting under the Taxonomy Regulation	Taxonomy KPIs for insurance undertakings Allianz Group proprietary investments		
	Ratios (relative to total assets covered by the KPI) in %		Monetary amounts (€ bn)
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover	1.49	Turnover	11.0
CAPEX	2.02	CAPEX	15.0
The percentage and value of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities[1]:	75.46	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities:	741.9
Additional, complementary disclosures: breakdown of denominator of the KPI			
The percentage of derivatives relative to total assets covered by the KPI[2]:	2.80	Value in monetary amounts of derivatives:	20.8
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI[3]:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings	29.80	For non-financial undertakings	221.0
For financial undertakings	12.72	For financial undertakings	94.3
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI[3]:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings	22.66	For non-financial undertakings	168.1
For financial undertakings	10.15	For financial undertakings	75.3
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings	8.96	For non-financial undertakings	66.5
For financial undertakings	33.59	For financial undertakings	249.2
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:	12.13	Value of exposures to other counterparties and assets:	90.0
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders.	85.62	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders:	635.2
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI[4]:	35.93	The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:	266.6
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI[5]:	17.27	Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:	128.1

1_€ 5.1 bn of exposure has been allocated to sovereign exposures from funds with sovereign balances.
2_The difference in balance sheet exposure to derivatives is a result of allocating derivatives from fund balances (including from unit-linked based products) into this line (€ 5.7 bn).
3_Funds have been categorized as "financial" undertakings apart from real estate funds, which have been categorized as "non-financial".
4_Numbers in table based on turnover. Numbers based on CAPEX: € 276 bn and 37.20 %. The balance for non-eligible share contains balances from NFRD companies where data was not available: € 212.1 bn for based on turnover, € 247.4 based on CAPEX.
5_Numbers in table based on turnover. Numbers based on CAPEX: € 114.7 bn and 15.46 %.

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned economic activities in relation to total investments – part II

Allianz Group reporting under the Taxonomy Regulation - Allianz Group proprietary investments							
Turnover				Capex			
	Ratio in %		Monetary amount in € bn		Ratio in %		Monetary amount in € bn
Additional, complementary disclosures: breakdown of numerator of the KPI							
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:		The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings	0.98	For non-financial undertakings	7.3	For non-financial undertakings	1.52	For non-financial undertakings	11.3
For financial undertakings	0.03	For financial undertakings	0.2	For financial undertakings	0.07	For financial undertakings	0.5
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	0.98	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	7.3	The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	1.94	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	14.4
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	0.48	Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:	3.6	The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	0.43	Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:	3.2

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned economic activities in relation to total investments – part III

Breakdown of the numerator of the KPI per environmental objective				
Taxonomy-aligned activities - provided "do-not-significant-harm" (DNSH) and social safeguards positive assessment:				
	Turnover		Capex	
Taxonomy-aligned activities	Ratio in %	Monetary amount in bn €	Ratio in %	Monetary amount in bn €
(1) Climate change mitigation	1.44	10.7	1.87	13.8
a) Transitional Activities	0.03	0.2	0.06	0.4
b) Enabling Activities	0.21	1.6	0.33	2.4
(2) Climate change adaptation	0.01	0.0	0.11	0.8
a) Enabling Activities	-	-	-	-
(3) The sustainable use and protection of water and marine	-	-	-	-
a) Enabling Activities	-	-	-	-
(4) The transition to a circular economy	-	-	-	-
a) Enabling Activities	-	-	-	-
(5) Pollution prevention and control	-	-	-	-
a) Enabling Activities	-	-	-	-
(6) The protection and restoration of biodiversity and ecosystems	-	-	-	-
a) Enabling Activities	-	-	-	-

1_Total alignment quotas for turnover and CAPEX are not fully allocated to Climate Change Mitigation and Climate Change Adaptation objectives due to data limitations for investments in undertakings.

Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Templates 2-5 Taxonomy-aligned, -eligible but not taxonomy-aligned, and non-eligible activities (part I)

Allianz Group Reporting under the Taxonomy Regulation (for FY 2023)	Turnover						Capex					
Nuclear and Gas relevant exposures	CCM+CCA		CCM[1,3,4]		CCA[2,3,4]		CCM+CCA		CCM[1,3,4]		CCA[2,3,4]	
KPI figures in € bn	Book value	%	Book value	%	Book value	%	Book value	%	Book value	%	Book value	%
Nuclear & gas related Taxonomy-aligned economic activities relative to assets covered by the KPI	**741.9**		n.a.[5]	n.a.	n.a.	n.a.	**741.9**		n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy-aligned economic activities referred to 4.26	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.27	-	-	-	-	-	-	0.0	0.01	0.0	0.01	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.28	0.2	0.03	0.2	0.03	-	-	0.3	0.04	0.3	0.04	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.29	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.30	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.31	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding other Taxonomy-aligned economic activities other than nuclear & gas related economic activities	10.8	1.46	10.5	1.42	0.0	0.01	14.7	1.98	13.5	1.82	0.8	0.11
Nuclear & gas related Taxonomy-aligned economic activities relative to total Taxonomy-aligned economic activities	**11.0**	**100.00**	**10.7**	**100.00**	**0.0**	**100.00**	**15.0**	**100.00**	**13.8**	**100.00**	**0.8**	**100.00**
Investments funding Taxonomy-aligned economic activities referred to 4.26	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.27	0.0	0.01	0.0	0.01	-	-	0.0	0.25	0.0	0.27	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.28	0.2	1.86	0.2	1.92	-	-	0.3	1.99	0.3	2.15	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.29	-	-	-	-	-	-	0.0	0.01	0.0	0.02	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.30	-	-	-	-	-	-	0.0	0.02	0.0	0.02	-	-
Investments funding Taxonomy-aligned economic activities referred to 4.31	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding other Taxonomy-aligned economic activities other than nuclear & gas related economic activities	10.8	98.12	10.5	98.06	0.0	100.00	14.7	97.73	13.5	97.54	0.8	100.00

1_CCM: Climate change mitigation.
2_CCA: Climate change adaptation.
3_Due to data constraints, alignment quotas could not be allocated to climate objectives or nuclear/gas activities.
4_Activity numbers 4.26 - 4.31 correspond to the following activities:
4.26: The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.
4.27: The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.
4.28: The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.
4.29: The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.
4.30: The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.
4.31: The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.
5_n.a. refers to information "not available".

Templates 2-5 Taxonomy-aligned, -eligible but not taxonomy-aligned, and non-eligible activities (part II)

Allianz Group Reporting under the Taxonomy Regulation (for FY 2023)	Turnover						Capex					
Nuclear and Gas relevant exposures	CCM+CCA		CCM[1,3,4]		CCA[2,3,4]		CCM+CCA		CCM[1,3,4]		CCA[2,3,4]	
KPI figures in € bn	Book value	%	Book value	%	Book value	%	Book value	%	Book value	%	Book value	%
Nuclear & gas related Taxonomy-eligible, but not Taxonomy-aligned economic activities relative to assets covered by the KPI	**128.1**	**17.27**	n.a.[5]	n.a.	n.a.	n.a.	**114.7**	**15.46**	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.26	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.27	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.28	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.29	0.3	0.04	0.2	0.02	-	-	0.1	0.01	0.1	0.01	-	-
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.30	0.1	0.01	0.0	0.01	-	-	-	-	-	-	-	-
Investments funding Taxonomy-eligible, but not Taxonomy-aligned economic activities referred to 4.31	-	-	-	-	-	-	-	-	-	-	-	-
Investments funding other Taxonomy-eligible, but not Taxonomy-aligned economic activities other than nuclear & gas related economic activities	127.7	17.22	n.a.	n.a.	n.a.	n.a.	114.6	15.44	n.a.	n.a.	n.a.	n.a.
Nuclear & gas related Taxonomy non-eligible economic activities relative to assets covered by the KPI	**266.6**	**35.93**	n.a.	n.a.	n.a.	n.a.	**276.0**	**37.20**	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.26	-	-	n.a.	n.a.	n.a.	n.a.	-	-	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.27	-	-	n.a.	n.a.	n.a.	n.a.	0.3	0.04	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.28	0.1	0.01	n.a.	n.a.	n.a.	n.a.	0.0	0.01	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.29	-	-	n.a.	n.a.	n.a.	n.a.	-	-	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.30	-	-	n.a.	n.a.	n.a.	n.a.	-	-	n.a.	n.a.	n.a.	n.a.
Investments funding Taxonomy non-eligible economic activities referred to 4.31	-	-	n.a.	n.a.	n.a.	n.a.	-	-	n.a.	n.a.	n.a.	n.a.
Investments funding other Taxonomy non-eligible economic activities other than nuclear & gas related economic activities	266.5	35.92	n.a.	n.a.	n.a.	n.a.	275.7	37.16	n.a.	n.a.	n.a.	n.a.

1_CCM: Climate change mitigation.
2_CCA: Climate change adaptation.
3_Due to data constraints, alignment quotas could not be allocated to climate objectives or nuclear/gas activities.
4_Activity numbers 4.26 - 4.31 correspond to the following activities:
4.26: The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.
4.27: The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.
4.28: The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.
4.29: The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.
4.30: The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.
4.31: The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.
5_n.a. refers to information "not available".

Outlook

CSRD Double Materiality Assessment (DMA) – Process to identify and assess material impacts, risks, and opportunities

The CSRD DMA is conducted alongside the Allianz Group's value chain, thus covering own operations, supply chain, Life and Health (re)insurance (Life/Health), Property and Casualty (re)insurance (Property-Casualty), as well as our proprietary and third-party investments business. It follows the double materiality principles as per the CSRD/ESRS and the guidance provided by EFRAG in its Draft Implementation Guidance on the materiality assessment from December 2023. The CSRD DMA identifies material impacts, risks, and opportunities that (may) arise in the short-, medium- or long-term, or a mix thereof, following ESRS 1. In terms of topical scope, the CSRD DMA covers both the sustainability matters addressed by the topical ESRS as well as Allianz-specific sustainability matters not (sufficiently) covered therein, based on the previous GRI materiality assessment.

When assessing impact materiality, we consider positive and adverse actual and potential impacts caused by, contributed to, or connected with the Allianz Group. Such impacts are assessed based on the criteria scale, scope, remediation possibility, and likelihood. When assessing financial materiality – namely, the materiality of risks and opportunities for the Allianz Group – we take into account the likelihood of occurrence and the magnitude of the potential financial effects. In this context, we also consider our dependencies on the continuing use of natural, human, and social resources. Financial materiality is assessed in accordance with established Allianz-specific risk assessment processes. For opportunities, the identification is tied to our strategy, as the fact that a strategy to exploit opportunities exists is a precondition for (likely) materialization.

As to risks, besides the broad range of risk assessments established within the Allianz Group (e.g. Top Risk Assessment), a dedicated in-depth risk assessment covering the CSRD topics alongside the value chain was launched in the fourth quarter of 2023 to enhance the CSRD DMA going forward. Until this deep-dive is completed and given that guidance for financial companies and industry practice is still evolving, for 2023 reporting, all CSRD topics are generally considered in scope due to potential risks (e.g. policy or reputational risks). This means that we describe (potential) risks based on a conservative initial approach, thereby reporting on topics broadly, despite the majority of them being (currently) considered to be at most designated "low materiality" from a risk perspective. In a similar vein, our impact assessment will be regularly reviewed to reflect, for example, evolving regulation and methodology as well as increasing availability of portfolio-specific data.

The CSRD DMA is primarily based on desktop research and internal experts' evaluations, with consideration of in-house and external data where available and appropriate, depending on the area of the value chain being assessed:

- For our own operations, supply chain, Life/Health, and Property-Casualty retail business, we use desktop research as well as in-house and external data, where available (e.g. GHG emissions), tailored to the Allianz business context and complemented by expert evaluations. In addition, for our Life/Health commercial lines, a country analysis is performed to assess impacts regarding potential business conduct and human rights issues.
- For our Property-Casualty commercial lines and proprietary investments, the CSRD DMA is data-driven with the aim to identify (potential) impacts, risks, and opportunities related to the portfolio(s) of the Allianz Group, leveraging internal and external available data sources at country, sector, and investment level. Sources include sector proxies for environmental impacts from the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) data base, as well as, for investments, for example principle adverse impacts on sustainability factors (SFDR PAIs) or ESG sub-scores by MSCI. In addition, we conduct a country analysis to assess impacts regarding potential business conduct and human rights issues, similar to the analysis mentioned above for our Life/Health commercial lines. The evaluations of these criteria were enhanced by consulting a broad range of relevant business experts, in order to ensure consideration of Allianz portfolio-specific information, especially where there was of a lack of (sufficiently granular) data. Allianz will continue to work on data coverage and quality over the coming years. As to proprietary investments, the first CSRD DMA focuses on General Account investments. The inclusion of unit-linked investments into the CSRD DMA will be revisited during the annual revision process. When assessing impact materiality at portfolio level, we apply absolute thresholds based on gross written premiums for our commercial (re)insurance business and based on assets under management for proprietary investments. This ensures that both multiple smaller impacts and fewer larger impacts are considered in the assessment. Similar to the approach for risks, we tend to include (potential) adverse impacts in the reporting scope at this stage, following a conservative approach.
- Given that regulatory requirements and market practice are evolving, the assessment of impacts, risks, and opportunities for our third-party asset management has been initiated based on business experts' indicative qualitative assessment as a first step, assessing the extent to which the asset management services offered are associated with (potential) sustainability impacts, risks, and opportunities. We will further develop our materiality assessment process for the third-party asset management business for the financial year 2024.

CSRD DMA – Material impacts, risks, and opportunities for Allianz

The CSRD DMA conducted for the financial year 2023 suggests that topics across all topical ESRS are generally material for the Allianz Group, with the level of materiality, the number of material matters considered therein, and the primary drivers of materiality alongside the value chain differing across topics. For example, while the topic "Climate change" (ESRS E1) is material from an own operations and value chain perspective, the materiality of further environmental topics (ESRS E2-E5) is generally associated with providing financing and insurance to corporate clients. As to social and governance-related topics, they are particularly relevant from our own operations perspective (esp. ESRS S1, G1), while also playing a role in our value chain (esp. ESRS S2, S3, S4). For our third-party asset management, we have initiated a more detailed assessment, which will be reflected in our reporting for 2024. In addition to the topics "Climate change" and "Own workforce", "Business conduct" remains a key topic for the Allianz Group. Also, our ongoing focus on customer experience alongside the customer journey remains unchanged (ESRS S4), given its materiality and relevance to the Allianz sustainability strategy.

Material (potential) impacts, risks, and opportunities for Allianz are outlined below in more detail:[1]

- The topic "Climate change" (ESRS E1) is assessed to be material from an own operations and value chain perspective.

  - Adverse impacts in our own operations result from energy usage of our operations and our carbon footprint (mainly driven by this energy usage as well as by business travel), while positive measures are in place via in-place practices of energy savings and renewables usage.
  - For Property-Casualty insurance and proprietary investments, (potential) adverse impacts with respect to climate change can materialize through insuring and financing carbon-intensive activities or sectors, or government exposures with high CO2 emissions (per capita). This is a current reflection, while (potential) adverse impacts for the current portfolios are expected to decrease over time as we work to implement our net-zero transition plan. Regarding positive impacts in our (re)insurance activities and investments, we focus on offering insurance products in line with our Sustainable Solutions framework and on enlarging our Sustainable Investments. For further information, please refer to the section "02.1.1" in our Group Sustainability Report 2023 on the **Allianz company website**.
  - Related opportunities are considered material for our Property-Casualty lines and proprietary investments in that we are supporting our clients in their low-carbon transition journey in accordance with our Allianz sustainability strategy and targets.
  - The materiality of climate change risks, especially in our value chain, is mainly driven through physical climate-related risks, with climate-related transition risks – such as policy and litigation risks – increasing with longer time horizons.
  - For further information, please refer to the Group Sustainability Report 2023 on the **Allianz company website.**

- The environmental topics beyond the topic of "Climate change" which are nature-related – namely "Pollution" (ESRS E2), **"**Water and marine resources**"** (ESRS E3), **"**Biodiversity and ecosystems" (ESRS E4), and "Resource use and circular economy" (ESRS E5) – are assessed to be material for Allianz, primarily from a general value chain perspective.

  - For Property-Casualty commercial lines and investments, (potential) adverse impacts with respect to these topics can materialize through insuring and financing pollution-, water use-/resource use-intensive and biodiversity-affecting activities, sectors, and governments. For our Property-Casualty retail insurance portfolio, particularly "Resource use and circular economy" is material, also giving rise to opportunities associated with our sustainable claims initiative (repair instead of replace).
  - Given our provision of insurance coverage, the increase of physical hazards – also induced through biodiversity loss – poses a risk for Property-Casualty, which also puts pressure on insurability. This also applies for proprietary investments, given potential nature-related risks for our portfolio. In addition, there is also a potential short-term technology and resource scarcity/price risk for Property-Casualty retail insurance related to "Resource use and circular economy".
  - The materiality of nature-related risks for our own operations and supply chain is related to potential supply chain interruptions and implications for our resource inflows/use, overall dependency on water, as well as potential policy changes in water-stressed areas and regarding resource outflow, especially (IT) waste, also with view to stakeholder expectations.

- The topic "Own workforce" (ESRS S1) is assessed to be material for Allianz, as our employees are a key success factor for our business, and as we are committed to creating a Great Place To Work®.

  - Positive impacts are created through Allianz practices on employee engagement, training, learning, and personal development, accompanied by strategic workforce planning. We have a strong focus on diversity, equal treatment, and inclusion as well as on talent acquisition and retention. The health and well-being of our employees continues to be an area of focus – our practices include offering flexibility in working time, paying above industry-average wages, and fostering freedom of association and dialogue with our employees. Furthermore, securing the confidentiality of employee data is key for us. By implementing these and further practices – including annual risk assessments regarding the protection of human/employee rights in accordance with the German Supply Chain Act – we continue to work to ensure (potential) adverse impacts are prevented and reduced.
  - In terms of financial materiality, risk drivers relate to policy changes as well as skill shortage and retention risk, either associated with demographic change, or by not meeting employee expectations, especially compared to other employers.
  - We also see opportunities associated with our employees, in that the practices mentioned above allow us to attract and retain talent as a key success factor for our business.

1_As regards proprietary investments, this disclosure was developed using, among other sources, information from MSCI ESG Research LLC; for disclaimer visit **https://www.msci.com/notice-and-disclaimer**.

- The social topics alongside the value chain (ESRS S2-S4) are assessed to be material for Allianz from an impact and financial perspective.

  - Potential adverse impacts related to "Workers in the value chain" (ESRS S2) and "Affected communities" (ESRS S3) may materialize for our Property-Casualty commercial lines and proprietary investments, given the large underwriting and proprietary investment portfolios, in which potential cases of insuring and financing activities that adversely affect workers or communities' economic, social, civil, political, and cultural rights may arise. In addition, the topic "Workers in the value chain" (ESRS S2) is assessed to be material for Allianz from an impact perspective regarding our suppliers (incl. service providers relevant for our Property-Casualty retail business). In accordance with the German Supply Chain Act, Allianz actively engages with suppliers that are exposed to potential human rights (or certain environmental) risks and expects that all suppliers respect human rights and environmental regulations in their own operations and alongside their supply chain.
  - As to risks, potential cases of adverse impacts regarding value chain workers or affected communities in the value chain can also lead to spill-over effects for Allianz.
  - Regarding "Consumers and end-users" (ESRS S4), we identify actual positive impacts through our Life/Health and Property-Casualty retail, as well as our asset management business, by providing coverage in relation to personal life and health, strengthening protection against poverty, and fostering access to services for clients to reach their financial goals. In addition, securing data privacy and confidentiality of consumer data is key for us. Financial implications may particularly arise in case of policy changes.

- The topic "Business conduct" (ESRS G1) is assessed to be material for Allianz primarily from an own operations perspective.

  - Given our practices related to corporate culture health, whistleblower protection, supplier management, and prevention of corruption and bribery, we deem our impacts on business conduct to be positive. In addition, we engage with political stakeholders with regards to sustainability-related aspects, and we actively engage in and support regulatory developments. Potential adverse impacts may arise from our proprietary investment portfolio, given exposures to sectors or governments with higher likelihood of business conduct-related issues.
  - As business conduct is also reliant on the proper behavior of individuals, potential risks can never be fully eliminated. As a result, the matters of ethics and responsible business are also considered material from a financial perspective in our own operations and value chain. In addition, cybersecurity is assessed and tracked as one of the top risks faced by Allianz in our own operations.
  - Opportunities are associated with enhancing our corporate culture, with the aim of increasing risk awareness of our employees and avoiding misbehavior. In addition, engaging on sustainability-related matters with political stakeholders – such as the net-zero transition or via our contributions to (EU) standard-setting activities – is an opportunity for us to credibly convey our sustainability ambition and strategy.

For further information on how we address these material matters (e.g. prevention, mitigation) and contribute to sustainability, please refer to the previous sections of the Non-Financial Statement as well as the Group Sustainability Report 2023 on the **Allianz company website**.

OTHER INFORMATION

Our steering

Board of Management and organizational structure

The members of the Board of Management of Allianz SE 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. They consult with the Chairperson of the Board of Management on important issues. The Chairperson of the Board of Management is also responsible for coordinating the departments.

Divisional responsibilities for business segments and/or functional responsibilities are assigned to the individual departments. The latter include Finance, Risk Management and Controlling Functions, Investments, Operations and IT, Human Resources, Legal, Compliance, Internal Audit, and Mergers & Acquisitions. Business division responsibilities focus on geographical regions or global lines. Rules of procedure specify the inner organization of the Board of Management as well as the departmental responsibilities in more detail.

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. On the basis of this plan, the Supervisory Board 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 core 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, core return on equity[1] 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) too, are taken into account when determining the variable remuneration of the Board of Management. Non-financial KPIs include customer satisfaction, employee satisfaction as well as various 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 2024 of the Allianz Group's Annual Report 2023.

Branches

In 2023, 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 2023, the share capital of Allianz SE was € 1,169,920,000. It was divided into 391,718,983 registered and fully paid-up shares with no par value. All shares carry the same rights and obligations. Each no-par value share carries one vote.

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

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

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

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

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

Shares with special rights conferring powers of control

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

1_Effective 2023, core return on equity represents the ratio of shareholders' core net income to the average shareholders' equity at the beginning and at the end of the year. From the average shareholders' equity unrealized gains and losses from insurance contracts and other unrealized gains and losses are excluded and participations in affiliates not already consolidated in this segment are deducted.

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 of the 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 to 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 they are 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.
- In some cases, bilateral credit agreements 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.
- Allianz Group sponsoring and similar partnership agreements may provide for termination rights for the other party where there is a change of control in relation to Allianz SE. These termination rights are largely discretionary.
- 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.

FINANCIAL STATEMENTS OF ALLIANZ SE

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FINANCIAL STATEMENTS

BALANCE SHEET

€ thou

as of 31 December	Note	2023	2023	2022
ASSETS				
A. Intangible assets	1, 2			
I. Self-created industrial property rights, and similar rights and assets		5,894		6,345
II. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets		298		266
			6,192	6,612
B. Investments	1, 3 – 6			
I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE		309,266		289,056
II. Investments in affiliated enterprises and participations		76,780,581		76,780,134
III. Other investments		28,510,323		27,375,524
IV. Funds held by others under reinsurance business assumed		15,001,473		13,885,007
			120,601,643	118,329,721
C. Receivables				
I. Accounts receivable on reinsurance business		1,833,117		1,329,231
thereof from affiliated enterprises: € 911,090 thou (2022: € 601,099 thou)				
thereof from participations[1]: € 53,020 thou (2022: € 3,469 thou)				
II. Other receivables	7	5,419,777		4,414,781
thereof from affiliated enterprises: € 4,948,670 thou (2022: € 4,181,503 thou)				
thereof from participations[1]: € 76 thou (2022: € 72 thou)				
			7,252,894	5,744,012
D. Other assets				
I. Tangible fixed assets and inventories		12,501		14,085
II. Cash with banks, checks, and cash on hand		250,761		255,161
III. Miscellaneous assets	8	723,206		1,179,713
			986,469	1,448,959
E. Deferred charges and prepaid expenses	9			
I. Accrued interest and rent		155,989		161,472
II. Other deferred charges and prepaid expenses		91,117		96,653
			247,105	258,124
Total assets			129,094,304	125,787,428

1_Companies in which we hold a participating interest.

€ thou

as of 31 December	Note	2023	2023	2023	2022
EQUITY AND LIABILITIES					
A. Shareholders' equity	**11**				
I. Issued capital		**1,169,920**			**1,169,920**
Less: mathematical value of own shares		778			5,003
			1,169,142		**1,164,917**
II. Additional paid-in capital			**28,037,586**		**28,035,065**
III. Revenue reserves					
1. Statutory reserve		1,229			1,229
2. Other revenue reserves		6,289,774			5,995,557
			6,291,003		**5,996,786**
IV. Net earnings			**5,939,146**		**4,929,827**
				41,436,877	**40,126,595**
B. Subordinated liabilities	**12, 15**			**17,635,930**	**17,053,842**
C. Insurance reserves	**13**				
I. Unearned premiums					
1. Gross		2,680,919			2,360,125
2. Less: amounts ceded		34,240			23,418
			2,646,678		**2,336,707**
II. Aggregate policy reserves					
1. Gross		1,739,247			1,824,034
2. Less: amounts ceded		1,378,684			1,439,513
			360,563		**384,521**
III. Reserves for loss and loss adjustment expenses					
1. Gross		20,153,177			18,439,173
2. Less: amounts ceded		2,873,850			3,465,648
			17,279,326		**14,973,525**
IV. Reserves for premium refunds					
1. Gross		43,411			38,694
			43,411		**38,694**
V. Claims equalization and similar reserves			**2,713,554**		**2,520,837**
VI. Other insurance reserves					
1. Gross		40,871			25,469
2. Less: amounts ceded		1,202			-
			39,669		**25,469**
				23,083,203	**20,279,753**
D. Other provisions	**14**			**10,617,515**	**11,343,798**
E. Funds held with reinsurance business ceded				**2,478,530**	**2,694,202**

as of 31 December	Note	2023	2023	2023	2022
F. Other liabilities					
I. Accounts payable on reinsurance business			**812,415**		**416,064**
thereof to affiliated enterprises: € 432,780 thou (2022: € 68,620 thou)					
thereof to participations[1]: € 566 thou (2022: € 35,406 thou)					
II. Bonds	**15**		**3,170,013**		**2,723,784**
thereof to affiliated enterprises: € 3,170,013 thou (2022: € 2,723,784 thou)					
III. Liabilities to banks	**15**		**445**		**430**
IV. Miscellaneous liabilities	**15**		**29,855,536**		**31,142,411**
thereof for taxes: € 79,964 thou (2022: € 15,268 thou)					
thereof for social security: € 280 thou (2022: € 195 thou)					
thereof to affiliated enterprises: € 27,756,141 thou (2022: € 29,290,981 thou)					
				33,838,410	**34,282,690**
G. Deferred income				**3,839**	**6,548**
Total equity and liabilities				**129,094,304**	**125,787,428**

1_Companies in which we hold a participating interest.

INCOME STATEMENT

€ thou

	Notes	2023	2023	2023	2022
I. Technical account					
1. Premiums earned (net)					
a) Gross premiums written	**17**	14,714,280			13,223,733
b) Ceded premiums written		(1,415,280)			(1,217,077)
			13,299,000		12,006,656
c) Change in gross unearned premiums		(345,712)			(99,289)
d) Change in ceded unearned premiums		12,379			1,684
			(333,333)		(97,605)
Premiums earned (net)				**12,965,667**	**11,909,051**
2. Allocated interest return (net)	**18**			**13,675**	**11,772**
4. Loss and loss adjustment expenses (net)	**19**				
a) Claims paid					
aa) Gross		(9,088,744)			(8,669,262)
ab) Amounts ceded in reinsurance		2,005,485			978,737
			(7,083,259)		(7,690,525)
b) Change in reserve for loss and loss adjustment expenses (net)					
ba) Gross		(1,819,230)			(193,866)
bb) Amounts ceded in reinsurance		(547,352)			(51,471)
			(2,366,582)		(245,337)
Loss and loss adjustment expenses (net)				**(9,449,841)**	**(7,935,862)**
5. Change in other insurance reserves (net)	**20**			**9,284**	**47,991**
6. Expenses for premium refunds (net)				**(4,590)**	**3,952**
7. Underwriting expenses (net)	**21**			**(3,748,625)**	**(3,312,270)**
8. Other underwriting expenses (net)				**(26,055)**	**(23,164)**
9. Subtotal (net underwriting result)				**(240,486)**	**701,469**
10. Change in claims equalization and similar reserves				**(192,717)**	**485,532**
11. Net technical result				(433,203)	1,187,001

	Notes	2023	2023	2023	2022
II. Non-technical account					
1. Investment income	**22**	**11,157,505**			**10,480,823**
2. Investment expenses	**23**	**(2,366,985)**			**(4,378,409)**
3. Investment result			**8,790,519**		**6,102,415**
4. Allocated interest return			**(31,213)**		**(30,519)**
				8,759,306	**6,071,896**
5. Other income			**4,112,859**		**5,257,296**
6. Other expenses			**(4,752,970)**		**(7,729,875)**
7. Other non-technical result	**24**			**(640,111)**	**(2,472,580)**
8. Non-technical result				8,119,195	3,599,316
9. Net operating income				**7,685,991**	**4,786,318**
10. Income taxes	**25**	**(92,373)**			**(532,225)**
Amounts charged to other Group companies		407,142			550,002
			314,769		**17,777**
11. Other taxes			**50,053**		**(12,249)**
12. Taxes				**364,822**	**5,528**
13. Net income				**8,050,813**	**4,791,846**
14. Unappropriated earnings carried forward				**388,333**	**637,981**
15. Transfer to revenue reserves					
To other revenue reserves			(2,500,000)		(500,000)
				(2,500,000)	**(500,000)**
16. Net earnings	**26**			**5,939,146**	**4,929,827**

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 2023, 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 yet reported, 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, early retirement payments and phased in early retirement benefits 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 effect resulting from 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 2023		Additions (+)	Transfers	Disposals (-)	Revaluation (+)	Depreciation (-)	Net additions (+) Net disposals (-)	Values stated as of 31 December 2023	
	€ thou	%	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	%
A. Intangible assets										
1. Self-created industrial property rights, and similar rights and assets	6,345		2,243	-	849	-	1,846	(452)	5,894	
2. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets	266		-	165	-	-	133	32	298	
Subtotal A.	6,612		2,243	165	849	-	1,979	(420)	6,192	
B.I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE	**289,056**	**0.3**	**26,838**	**-**	**-**	**-**	**6,628**	**20,210**	**309,266**	**0.3**
B.II. Investments in affiliated enterprises and participations										
1. Shares in affiliated enterprises	74,476,248	71.3	1,013,707	-	1,006,057	-	22,748	(15,098)	74,461,150	70.5
2. Loans to affiliated enterprises	1,182,800	1.1	-	-	-	-	-	-	1,182,800	1.1
3. Participations	1,119,345	1.1	52	-	236	24,273	10,139	13,951	1,133,296	1.1
4. Loans to participations	1,741	-	1,594	-	-	-	-	1,594	3,335	-
Subtotal B.II.	**76,780,134**	**73.5**	**1,015,353**	**-**	**1,006,293**	**24,273**	**32,886**	**448**	**76,780,581**	**72.7**
B.III. Other investments										
1. Stocks, interests in funds, and other variable-income securities	2,704,397	2.6	134,925	-	14,211	52,392	175,157	(2,052)	2,702,345	2.6
2. Debt securities and other fixed-income securities	21,515,462	20.6	32,769,905	-	31,890,235	651,051	22,783	1,507,938	23,023,400	21.8
3. Other loans										
a) Registered bonds	1,487,874	1.4	814,039	-	1,014,611	-	-	(200,572)	1,287,302	1.2
b) Loans and promissory notes	293,562	0.3	54,674	-	120,089	-	-	(65,416)	228,146	0.2
4. Bank deposits	1,374,229	1.3	-	-	105,100	-	-	(105,100)	1,269,129	1.2
Subtotal B.III.	**27,375,524**	**26.2**	**33,773,542**	**-**	**33,144,247**	**703,443**	**197,940**	**1,134,798**	**28,510,323**	**27.0**
Subtotal B.I. – B.III.	104,444,715	100.0	34,815,733	-	34,150,540	727,717	237,454	1,155,456	105,600,170	100.0
Total	**104,451,326**		**34,817,976**	**165**	**34,151,388**	**727,717**	**239,434**	**1,155,036**	**105,606,362**	

2 _ Intangible assets

The book value of intangible assets totaled € 6 mn (2022 € 7 mn) and mainly consists of internally generated software.

3 _ Market value of investments

Fair values and carrying amounts of the investments, subdivided into individual asset categories, were as follows:

Book values and market values of investments
€ bn

	Book value		Market value		Valuation reserve	
as of 31 December	2023	2022	2023	2022	2023	2022
Real estate	0.3	0.3	1.1	1.2	0.8	0.9
Equity securities						
Shares in affiliated enterprises	74.5	74.5	78.2	78.9	3.7	4.5
Participations	1.1	1.1	1.7	1.7	0.6	0.6
Stocks, interests in funds, and other variable-income securities	2.7	2.7	2.7	2.7	-	-
Subtotal equity securities	78.3	78.3	82.6	83.3	4.3	5.0
Debt securities	23.0	21.5	23.2	21.6	0.1	0.1
Loans						
Loans to affiliated enterprises	1.2	1.2	1.2	1.1	-	(0.1)
Other loans	1.5	1.8	1.5	1.7	-	-
Subtotal loans	2.7	3.0	2.7	2.9	-	(0.1)
Bank deposits	1.3	1.4	1.3	1.4	-	-
Funds held by others under reinsurance business assumed	15.0	13.9	15.0	13.9	-	-
Total	**120.6**	**118.3**	**125.8**	**124.2**	**5.2**	**5.9**

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 2023. 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 2023 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.

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 € 32 mn for loans with a book value of € 2,096 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 € 182 mn (2022: € 164 mn).

5 _ Investments in affiliated enterprises and participations

€ bn

as of 31 December	2023	2022	Change
Shares in affiliated enterprises	74.5	74.5	-
Loans to affiliated enterprises	1.2	1.2	-
Participations	1.1	1.1	-
Total	**76.8**	**76.8**	**0.0**

The book value of shares in affiliated enterprises remained unchanged at € 74.5 bn (2022: € 74.5 bn). The book increases and decreases almost fully offset each other in 2023 and resulted from the following:

- Book value decreases amounting to € 0.3 bn, driven by the sale of our subsidiaries Allianz Africa Holding GmbH, Allianz Maroc S.A. and Allianz Africa Financial Services S.a.r.l. to Sanlam Allianz Africa Proprietary Limited, a newly established joint venture of our Group company Allianz Europe B.V. In return, the book value of Allianz Europe B.V. rose by € 0.3 bn as the purchase price receivables were contributed to this subsidiary via capital increase.
- Merger of European Reliance General Insurance Company S.A., the Greek insurer acquired in 2022, with Allianz Hellas Single Member Insurance S.A., resulting in a book value reduction of € 0.2 bn due to the divestiture of European Reliance General Insurance Company S.A. as well as a corresponding € 0.2 bn book value increase of our subsidiary Allianz Hellas Single Member Insurance S.A., which was rebranded to Allianz European Reliance Single Member Insurance S.A. in the course of the merger.
- Merger of our Group company Allianz Climate Solutions GmbH with Allianz SE with effective date 1 January 2023, leading to a book value decrease of € 0.1 bn following the divestiture of Allianz Climate Solutions GmbH as well as a book value increase of equally € 0.1 bn resulting from the shares in the investment holding company AZ Argos 88 GmbH assumed from the balance sheet of the merged company.
- Various further capital increases of Group companies raising the book value by € 0.4 bn, fully offset by capital decreases amounting to € 0.4 bn.

6 _ Interests in investment funds

Details on interests in investment funds in accordance with §285 (26) of the German Commercial Code for Allianz SE shareholdings greater than 10.0 %:

€ thou

as of 31 December 2023	Book value	Fair value	Valuation reserve	Dividend distribution
Equity funds				
Allianz China Healthy Living Fund	3,184	3,184	-	-
Allianz Alpha Sector Rotation	4,629	4,629	-	-
Allianz High Dividend Global Sharia Equity Dollar	6,086	6,279	193	-
Subtotal equity funds	13,899	14,092	193	-
Bond funds				
Allianz RE Asia Fund	1,388,776	1,388,818	42	14,876
Allianz SE – PD Fund	1,201,765	1,201,765	-	-
Reksa Dana Allianz Usd Fixed Income Fund	2,962	2,962	-	-
Allianz SE Ashmore Emerging Markets Corporates Fund	90,460	90,460	-	-
Subtotal bond funds	2,683,963	2,684,005	42	14,876
Money market funds				
Allianz Rupiah Liquid Fund	2,928	2,928	-	-
Subtotal money market funds	2,928	2,928	-	-
Total	**2,700,790**	**2,701,025**	**235**	**14,876**

The fund shares can be redeemed each trading day.

7 _ Other receivables

As of 31 December 2023, other receivables amounted to € 5,420 mn (2022: € 4,415 mn). They mainly comprise receivables from profit transfer agreements amounting to € 3,196 mn (2022: € 2,677 mn), receivables from cash pooling of € 1,541 mn (2022: € 1,288 mn), and tax receivables of € 451 mn (2022: € 54 mn).

8 _ Miscellaneous assets

At the end of the financial year, this position mainly included variation margins paid in connection with financial derivative transactions (€ 717 mn).

9 _ Deferred charges and prepaid expenses

This item includes accrued interest in the amount of € 156 mn (2022: € 161 mn), which mainly results from our investments in debt securities and loans as well as other deferred charges and prepaid expenses amounting to € 91 mn (2022: € 97 mn). The latter mainly comprise the discount on borrowings from affiliated enterprises and issued subordinated bonds as well as a lump-sum payment for advertising agreements.

10 _ Collateral

Assets amounting to € 127 mn (2022: € 263 mn), of which € 26 mn (2022: € 48 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 2023 amounted to € 1,169,920,000, divided into 391,718,983 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 2023, 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 2023).

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 2023, the Authorized Capital 2022/II amounted to € 15,000,000.

Conditional capital

As of 31 December 2023, 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

	2023	2022
Number of issued shares outstanding as of 1 January	401,589,162	408,219,153
Changes in number of treasury shares	1,464,440	(1,486,114)
Cancellation of issued shares	(11,595,013)	(5,143,877)
Number of issued shares outstanding as of 31 December	391,458,589	401,589,162
Treasury shares[1]	260,394	1,724,834
Total number of issued shares	**391,718,983**	**403,313,996**

1_Thereof 260,394 (2022: 1,724,834) own shares held by Allianz SE.

Proposal for appropriation of net earnings

The Board of Management and the Supervisory Board propose that the net earnings ("Bilanzgewinn") of Allianz SE of € 5,939,145,880.15 for the 2023 fiscal year shall be appropriated as follows:

- Distribution of a dividend of € 13.80 per no-par share entitled to a dividend: € 5,402,128,528.20
- Unappropriated earnings carried forward: € 537,017,351.95.

The proposal for appropriation of net earnings reflects the 260,394 treasury shares held directly and indirectly by the company as of 31 December 2023. 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 € 13.80 per each share entitled to dividend.

Treasury shares

As of 31 December 2023, Allianz SE held 260,394 (2022: 1,724,834) treasury shares. Of these, 60,394 (2022: 54,482) were held for covering future subscriptions by employees in Germany and abroad in the context of Employee Stock Purchase Plans. 200,000 (2022: 200,000) were held as a hedge for obligations from the Allianz Equity Incentive Program.

In 2023, 818,526 (2022: 964,487) treasury shares were transferred to employees of Allianz SE and its subsidiaries in Germany and abroad. This includes 104,383 (2022: 87,172) shares granted as part of the so-called "free share program" ("Gratisaktienprogramm"). The 54,482 (2022: 38,720) treasury shares earmarked for the purposes of Employee Stock Purchase Plans from the previous year were fully consumed and, in addition, 824,435 (2022: 980,249) treasury shares were acquired from the market for this purpose. In addition,

1_Mathematical per-share value € 2.99 (rounded).

10,240 (2022: 0) shares were acquired from the market and transferred free of charge to tied agents in Germany.

As in the previous years, no capital increase for the purpose of Employee Stock Purchase Plans was carried out in 2023. Employees of the Allianz Group purchased approximately 75% of the shares of the purchase plan at a reference price of € 224.11 (2022: € 164.61) 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 an average price of € 168.08 (2022: € 123.46).

In the year ending 31 December 2023, the total number of treasury shares of Allianz SE decreased by 1,464,440, which corresponds to a decrease by € 4,373,741.69 or by 0.37% of issued capital.

The treasury shares of Allianz SE and its subsidiaries represented € 777,700.75 (2022: € 5,003,341.85) or 0.07% (2022: 0.43%) of the issued capital.

Share Buy-Back Programs 2022/II and 2023

In its meeting on 9 November 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 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 17 March 2023, a total of 4,682,857 treasury shares with a market value of € 999,999,983.29 were acquired for an average price of € 213.54.

In its meeting on 10 May 2023, the Board of Management of Allianz SE resolved to carry out an additional share buy-back program in an amount of up to € 1.5 bn within a period between end of May 2023 and 31 December 2023 (Share Buy-Back Program 2023), based on the authorization granted by the Annual General Meeting on 4 May 2022. In the period between 29 May 2023 and 24 November 2023, a total of 6,912,156 treasury shares with a market value of € 1,499,999,820.26 were acquired for an average price of € 217.01.

All of the treasury shares acquired within the Share Buy-Back Programs 2022/II and 2023 have been redeemed according to the simplified procedure without reduction of the share capital.

Additional paid-in capital
€ thou

As of 31 December 2022	28,035,065
Own shares: realized gains	2,520
As of 31 December 2023	**28,037,586**

Revenue reserves
€ thou

as of 31 December	2022	Own shares exceeding mathematical value	Own shares: cancellation[1]	Transfer to revenue reserves	2023
1. Statutory reserve	1,229	-	-	-	1,229
2. Other revenue reserves[2]	5,995,557	291,342	(2,497,125)	2,500,000	6,289,774
Total	**5,996,786**	**291,342**	**(2,497,125)**	**2,500,000**	**6,291,003**

1_Share Buy-Back Program 2023: acquisition costs for the repurchased and cancelled Allianz SE shares.
2_Thereof reserves for own shares € 778 thou (2022: € 5,003 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 € 103,728 thou (2022: € 504,117 thou) is exempt from dividend distribution. Of this amount, € 93,184 thou (2022: € 490,731 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 € 5,894 thou (2022: € 6,345 thou) account for internally generated intangible assets according to §268 (8) sentence 1 of the German Commercial Code, and € 3,872 thou (2022: € 2,038 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 € 778 thou (2022: € 5,003 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 € 17.6 bn in 2023 (2022: € 17.1 bn) and are exclusively attributable to external subordinated liabilities resulting from bonds directly issued by Allianz SE. In 2023, Allianz SE placed two subordinated bonds, with volumes of € 1.25 bn, and USD 1.0 bn (equals € 0.9 bn) and repaid a € 1.5 bn subordinated bond. Foreign currency translation gains of € 0.1 bn related to our bonds denominated in USD slightly offset the overall book value increase of this position.

13 _ Insurance reserves

€ thou

as of 31 December 2023	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	1,122,556	-	6,163,488	-	-	12,116	7,298,159
Fire and property reinsurance	739,418	-	3,548,968	11,320	841,817	6,950	5,148,474
Liability	216,212	-	4,344,351	4,007	543,583	1,959	5,110,113
Life	77,032	319,753	333,334	784	-	(348)	730,555
Personal accident	45,711	39,611	740,114	793	146	1,353	827,729
Marine and aviation	37,832	-	383,870	-	177,998	386	600,086
Credit and bond	20,040	-	433,914	26,385	478,362	15,251	973,951
Legal expenses	52,026	-	470,006	-	56,056	263	578,350
Health	682	1,199	22,260	-	-	1	24,142
Other lines	335,170	-	839,021	123	615,591	1,737	1,791,643
Total	**2,646,678**	**360,563**	**17,279,326**	**43,411**	**2,713,554**	**39,669**	**23,083,203**

The development of the insurance reserves was mainly driven by the reserves for loss and loss adjustment expenses.

Aggregate policy reserves

Aggregate policy reserves declined by € 24 mn to € 361 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 15.4% to € 17,279 mn, mainly driven by motor reinsurance.

Claims equalization and similar reserves

In 2023, claims equalization and similar reserves increased by € 193 mn to € 2,714 mn. This development was mainly driven by the lines of reinsurance for liability, credit and bond as well as legal expenses.

14 _ Other provisions

Development of other provisions
€ thou

	Provision 1 January 2023	Use (-)	Release[1] (-)	Additions[1] (+)	Reversal of discounting (+)	Provision 31 December 2023
Provisions for pensions and similar liabilities	8,942,915	345,589	(46)	175,737	100,108	8,873,217
Tax provisions	789,658	74,171	84,059	32,471	-	663,898
Miscellaneous						
1. Anticipated losses	1,109,403	655,707	75,357	228,751	-	607,090
2. Remaining provisions	501,822	217,384	88,633	277,712	(206)	473,310
Total	**11,343,798**	**1,292,851**	**248,004**	**714,670**	**99,902**	**10,617,515**

1_Including currency translation effects.

The total of other provisions declined by € 726 mn. This drop resulted mainly from the reduction of the provisions for anticipated losses, which fell by € 502 mn and resulted exclusively from derivative transactions. The tax provisions decreased by € 126 mn and the pension liabilities went down by € 70 mn in total.

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.). 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	2023	2022
Old pension promises of the German subsidiaries	2,165,571	2,235,075
Pension promises of Allianz SE		
agents pension fund (VVW)	6,610,021	6,602,289
old pension promises to employees	296,979	300,958
contribution-based pension plans	389,954	372,538
deferred compensation	142,532	143,429
Total	**9,605,057**	**9,654,288**

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.

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	2023	2022
Discount rate (10-year average)	1.83	1.79
Discount rate (7-year average)	1.76	1.45
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, as in the previous year, an increased pension trend of 5.5 % per year was used for the period 2022 to 2024.

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 RT2018G tables, which have been adjusted with respect to mortality, disability, and labor turnover to reflect company-specific circumstances. In the previous year, company-specific adjusted RT2005G-tables of Heubeck were used.

The retirement age applied is the contractual or legal retirement age.

Supplementary information
€ thou

as of 31 December	2023	2022
Historical costs of the offset assets	728,333	709,440
Settlement amount of the offset liabilities	9,605,057	9,654,288
(-) Fair value of the offset assets	731,840	711,373
Provisions for pensions and similar liabilities	**8,873,217**	**8,942,915**

Allianz SE has obligations resulting from jubilee 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	2023	2022
Historical costs of the offset assets	32,183	32,603
Settlement amount of the offset liabilities	32,197	32,589
Fair value of the offset assets	32,548	32,708

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 2023
€ thou

	Total	Term < 1 year	Term 1 – 5 years	Term > 5 years
Subordinated liabilities (B.)				
Subordinated bonds issued by Allianz SE	17,635,930	277,243	-	17,358,687
Subtotal subordinated liabilities (B.)	17,635,930	277,243	-	17,358,687
Bonds (intra-group – F.II.)	3,170,013	124,013	1,167,000	1,879,000
Liabilities to banks (F.III.)	445	445	-	-
Miscellaneous liabilities (F.IV.)				
Intra-group transmission of proceeds from third-party financing	6,129,427	563,926	2,700,000	2,865,501
Other intra-group liabilities[1]	21,626,714	14,649,350	2,945,000	4,032,364
Subtotal intra-group miscellaneous liabilities	**27,756,141**	**15,213,276**	**5,645,000**	**6,897,865**
Liabilities to third parties	**2,099,395**	**2,099,395**	**-**	**-**
Subtotal miscellaneous liabilities (F.IV.)	29,855,536	17,312,671	5,645,000	6,897,865
Total	**50,661,925**	**17,714,373**	**6,812,000**	**26,135,551**

1_As of 31 December 2023, other intra-group liabilities due within one year amounted to € 14.6 bn. Thereof, cash pool and intra-group loans accounted for € 11.1 bn and € 2.6 bn respectively. Upon maturity, intra-group loans are rolled forward by Allianz SE on a regular basis.

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.

16 _ Information about derivative financial instruments

Options dealing in shares and share indices as of 31 December 2023

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long call	43,948	19,264	4,724	Share index	Assets D.III.
Short call	43,948	(19,264)	4,724	Share index	Liabilities F.IV.
Long put	8,736	77	306	Share index	Assets D.III.
Short put	8,736	(77)	306	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 four years. The average remaining term of the put options is one year.

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 and share indices as of 31 December 2023

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	585,467	68,121	–	Allianz SE share	–
Long forward	1,290,872	(128,665)	–	UniCredit S.p.A. share	–
Short forward	1,290,872	128,665	–	UniCredit S.p.A. share	–

Positions in long forwards on Allianz SE shares 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 after consideration of pass through agreements is also taken into account.

Forward currency contracts as of 31 December 2023

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Long forward	21,968,287	(101,272)	69,999	AED, AUD, BRL, CAD, CHF, CNY, COP, CZK, DKK, GBP, HKD, HUF, IDR, ILS, INR, JPY, KRW, NOK, PLN, RON, SEK, SGD, THB, TRY, TWD, USD, ZAR	Liabilities D.
Short forward	25,539,960	(72,902)	185,900	AED, AUD, BRL, CAD, CNY, CHF, CZK, DKK, GBP, HKD, HUF, INR, JPY, NOK, PLN, RON, SEK, SGD, 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 € 15.9 bn, and a fair value of € 60.1 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 2023

	Nominal	Fair value	Book value	Underlying	Balance sheet position
Class	€ thou	€ thou	€ thou		
Receiver swap EUR	1,000,000	(354,682)	351,192	Long-term interest rate positions	Liabilities D.

Allianz SE holds euro receiver swaps for the purpose of managing duration and hedging interest rate risk arising from interest rate positions in the pension portfolio of Allianz SE.

The fair value of an interest rate swap is the aggregate net present value of all expected incoming and outgoing cash flows of the respective swap transaction.

Our financial participations include put and call options on company shares, which are linked to certain conditions. Due to the lack of quoted prices on active markets for these financial participations, and the uncertainty regarding the occurrence of the option conditions, the fair value of such options cannot be determined reliably. Wherever feasible, contractual arrangements including the option agreements were taken into account when determining the fair value of the financial participation. However, no stand-alone valuation of the options as derivative financial instruments was performed.

Embedded in a retrocession agreement covering the retrocession of life business to an external reinsurance partner, Allianz SE has provided the retrocessionaire with credit protection related to the issuer risk associated with ceded future cash flows arising from a corporate bond. The agreement obliges Allianz SE to pay an amount of € 87 mn to the retrocessionaire as compensation for safeguarding the reinsurance partner against default risk arising from a bond. At the end of 2023, the fair value of this credit derivative amounted to € 3.7 mn.

SUPPLEMENTARY INFORMATION ON THE INCOME STATEMENT

17 _ Gross premiums written

€ thou

	2023	2022
Property-Casualty reinsurance	13,764,926	12,383,372
Life/Health reinsurance	949,354	840,361
Total	**14,714,280**	**13,223,733**

Gross premiums written increased by 11.3% to € 14,714 mn. The positive premium development in the Property-Casualty reinsurance is particularly attributable to motor reinsurance as well as fire and property reinsurance. In life reinsurance, gross premiums written increased by € 87 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 € 14 mn (2022: € 12 mn).

19 _ Run-off result

In 2023, the run-off result in Property-Casualty reinsurance amounted to € 548 mn (2022: € 1,201 mn). The positive run-off result was mainly due to group-internal quota share reinsurance treaties, primarily with Allianz Versicherungs-AG and Allianz Trade, as well as the recovery under our retrocession program.

20 _ Change in other insurance reserves (net)

€ thou

	2023	2022
Change in aggregate policy reserves (net)	23,486	13,502
Other insurance reserves (net)	(14,202)	34,489
Total	**9,284**	**47,991**

The change in aggregate policy reserves (net) was mainly driven by life reinsurance.

The other insurance reserves (net) mostly include reserves for credit and bond reinsurance.

21 _ Underwriting expenses (net)

€ thou

	2023	2022
Gross underwriting expenses	(3,797,341)	(3,488,029)
Less: commission received on retroceded business	48,716	175,759
Net	**(3,748,625)**	**(3,312,270)**

The increase of underwriting expenses (net) mainly followed a growth in the premium development and therefore resulted in higher commissions. The expense ratio (net) in Property-Casualty reinsurance increased to 29.3% (2022: 28.2%), mainly driven by a higher commission ratio of 28.6% (2022: 27.4%).

22 _ Investment income

€ thou

	2023	2022
a) Income from participations thereof from affiliated enterprises: € 6,421,923 thou (2022: € 6,908,596 thou)	6,467,998	7,051,064
b) Income from other investments thereof from affiliated enterprises: € 362,390 thou (2022: € 217,059 thou)		
aa) Income from real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE	16,824	16,225
bb) Income from other investments (see below)	867,670	464,135
c) Income from reversal of impairments	727,641	61,170
d) Realized gains	132,734	668,750
e) Income from profit transfer agreements	2,944,639	2,219,478
Total	**11,157,505**	**10,480,823**

	2023	2022
bb) Income from other investments		
Debt securities	346,951	195,308
Funds held by others under reinsurance business assumed	168,901	94,522
Receivables from intra-group cash pooling	160,949	86,583
Loans to affiliated enterprises	64,044	66,642
Bank deposits	44,319	6,416
Interests in funds	14,894	12,991
Other	67,612	1,673
Total	**867,670**	**464,135**

23 _ Investment expenses

€ thou

	2023	2022
a) Expenses for the management of investments, interest, and other investment-related expenses		
aa) Interest expenses (see below)	(1,479,598)	(921,393)
ab) Other	(95,606)	(78,620)
b) Depreciation and impairments of investments	(237,378)	(2,758,098)
c) Realized losses	(230,973)	(477,031)
d) Expenses from losses taken over	(323,429)	(143,266)
Total	**(2,366,985)**	**(4,378,409)**

	2023	2022
aa) Interest expenses		
Subordinated bonds issued by Allianz SE	(589,362)	(571,813)
Liabilities from intra-group cash pooling	(548,249)	(120,499)
Liabilities from intra-group loans	(222,250)	(154,929)
Liabilities from intra-group bonds	(62,688)	(55,627)
Liabilities from commercial paper issues	(48,855)	(12,404)
Other	(8,194)	(6,121)
Total	**(1,479,598)**	**(921,393)**

Depreciation and impairments of investments include unscheduled write-downs of € 23 mn (2022: € 250 mn) on holdings in affiliated enterprises.

24 _ Other non-technical result

€ thou

	2023	2022
Other income		
Gains on derivatives	2,763,224	2,855,313
Currency gains	830,002	1,917,937
Other service revenues from Group companies	421,781	393,736
Income from the release of other provisions	53,905	42,324
Intercompany income	26,142	27,240
Interest and similar income		
thereof from affiliated enterprises: € 0 thou (2022: € 0 thou)	6,881	11,409
Service revenues from pensions charged to Group companies	6,108	7,025
Other	4,816	2,311
Total other income	4,112,859	5,257,296
Other expenses		
Expenses for derivatives	(2,232,366)	(2,900,582)
Currency losses	(629,251)	(2,007,239)
Other HR-related expenses	(432,119)	(401,928)
Other service expenses to Group companies	(421,781)	(393,736)
Other administrative expenses	(345,613)	(308,803)
Anticipated losses on derivatives	(228,751)	(925,543)
Pension expenses	(195,487)	(477,087)
Interest and similar expenses		
thereof from reversal of discounting miscellaneous provisions: € 95 thou (2022: € 7 thou)		
thereof from affiliated enterprises: € (489) thou (2022: € (88) thou)	(136,726)	(301,321)
Service expenses from pensions charged to Group companies	(6,108)	(7,025)
Other	(124,770)	(6,612)
Total other expenses	(4,752,970)	(7,729,875)
Other non-technical result	**(640,111)**	**(2,472,580)**

The other non-technical result amounted to € (640) mn after € (2,473) mn in 2022. This significant improvement is primarily attributable to the improvement of the result from derivatives by € 1,273 mn, the improvement of the foreign currency translation result by € 290 mn, and the decrease of pension expenses by € 282 mn.

The result from derivatives significantly improved from € (971) mn to € 302 mn, primarily because considerable losses in 2022 resulting from interest rate swaps (€ (660) mn), which were driven by the sharp rise of interest rates in 2022, and from foreign currency forwards (€ (255) mn), turned into gains in 2023, amounting to € 6 mn and € 187 mn, respectively.

The result from foreign currency translation improved to € 201 mn following € (89) mn in the previous year, mainly driven by foreign currency translation gains of liabilities denominated in USD (€ 186 mn) in 2023 after corresponding losses in 2022 (€ (224) mn). The overall improvement was partially offset by the foreign currency translation of liabilities denominated in GBP, as foreign currency translation gains of GBP liabilities in 2022 (€ 107 mn) turned into losses in 2023 (€ (27) mn).

Allianz SE has a joint liability for a large part of the pension provisions of its German subsidiaries (see note 14 for more details). Expenses incurred in this context are recognized as service expenses from pension plans charged to Group companies, as they are reimbursed by the German subsidiaries according to the cost allocation contract and result in corresponding service revenues.

The pension expenses amounted to € (195) mn in the reporting year after € (477) mn in the previous year. The first-time application of a higher pension trend due to inflation for the years 2022 to 2024 and the change in the valuation assumptions for the agents pension fund led to one-time pension expenses of € 330 mn in 2022, which did not occur in 2023. On the other hand, the cost for the reassessment of the pension amounts of active agents in the agents pension fund, and thus the pension expenses, increased by € 55 mn in 2023.

Furthermore, other income/expenses include the following offset income and expenses:

€ thou

	2023		2022	
	Pensions and similar obligations	Other obligations	Pensions and similar obligations	Other obligations
Actual return of the offset assets	20,526	1,029	14,351	215
Imputed interest cost for the settlement amount of the offset liabilities	(173,691)	(898)	(171,921)	(469)
Effect resulting from the change in the discount rate for the settlement amount	53,056	12	(109,423)	4
Net amount of the offset income and expenses	**(100,109)**	**143**	**(266,993)**	**(250)**

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 2023 and 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 2023, the tax income, most of which is net operating income, increased to € 315 mn (2022: € 18 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 decreased to € 407 mn (2022: € 550 mn).

The greatest differences between accounting and tax-based valuation concern the pension accruals, bonds, and reserves for loss and loss adjustment expenses resulting in deferred tax assets.

The valuation of the domestic deferred taxes is based on a tax rate of 31%.

The company has elected not to carry forward any deferred tax on the assets side of the balance sheet, as permitted under §274 (2) HGB.

The Allianz Group is within the scope of the OECD Pillar Two rules. The Pillar Two legislation was enacted in Germany, the jurisdiction in which Allianz SE as the ultimate parent entity of the Allianz Group is incorporated, and will be applied for the first time on 1 January 2024. Since the Pillar Two legislation was not effective at the time of the reporting date, Allianz SE is not subject to any tax burden.

Under Pillar Two legislation, Allianz SE is required to pay an additional tax on the difference between its effective Pillar Two tax rate per tax jurisdiction and the minimum tax rate of 15% (minimum tax). If tax jurisdictions introduce a local minimum tax, Allianz SE will – depending on the structure of the local minimum tax regulation – be exempt from paying a minimum tax in this tax jurisdiction.

It is not expected that Allianz SE will be significantly affected by the effects of the minimum tax. Impacts are expected primarily in jurisdictions that have an overall income tax rate of less than 15%. Although Allianz Group is present in more than 80 countries, there are only few jurisdictions where the effective tax rate is below 15%. As many of those countries will introduce a domestic minimum tax, direct financial impact for Allianz SE will be limited.

26 _ Net earnings

€ thou

	2023	2022
Net income	8,050,813	4,791,846
Unappropriated earnings carried forward	388,333	637,981
Transfer to other revenue reserves	(2,500,000)	(500,000)
Net earnings	**5,939,146**	**4,929,827**

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 € 7.4 bn,
- commercial papers issued by Allianz Finance Corporation. As of 31 December 2023, 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 € 0.9 bn.

Guarantee declarations totaling € 0.75 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 2023 amounts to € 56 mn (2022: € 57 mn). In addition, Allianz SE has a joint liability of € 597 mn (2022: € 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 € 0.4 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 (until 31 May 2023),
- Allianz Asset Management GmbH,
- Allianz Climate Solutions GmbH (until 28 April 2023),
- Allianz Deutschland AG,
- Allianz Digital Health GmbH,
- Allianz Direct Versicherungs-AG,
- Allianz Finanzbeteiligungs GmbH (until 31 December 2023),
- Allianz Global Corporate & Specialty SE,
- Allianz Global Health GmbH (until 27 April 2023),
- 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 € 561 mn, which result from advertising agreements (€ 511 mn), and payment obligations arising from investments (€ 50 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 include in particular the following:

In January 2023, a putative class action complaint has been filed against Allianz SE and in its amended version, against Allianz GI U.S. 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 Allianz GI 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 2023, the Board of Management was comprised of nine 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 2023, the share-based remuneration was comprised of 83,654[2] (2022: 119,434[3]) Restricted Stock Units (RSU).

Board of Management remuneration
€ thou

	2023	2022
Base salary	(10,197)	(11,661)
Annual bonus	(10,189)	(11,437)
Perquisites	(289)	(199)
Subtotal base salary, annual bonus, and perquisites	(20,674)	(23,298)
Fair value of RSU at grant date	(14,932)	(18,730)
Subtotal share-based compensation	(14,932)	(18,730)
Total	**(35,606)**	**(42,027)**

The total remuneration of the Board of Management of Allianz SE for 2023 amounted to € 35,606 thou (2022: € 42,027 thou).

Share-based remuneration

The remuneration system as of 1 January 2019 only awards RSUs under the long-term incentive plan. For 2023, the fair value of the RSUs at the date of grant was € 14,932 thou (2022: € 18,730 thou).

Benefits to retired members of the Board of Management

In 2023, remuneration and other benefits of € 12 mn (2022: € 8 mn) were paid to retired members of the Board of Management and to surviving dependents of deceased former members of the Board of Management.

The pension obligations for former members of the Board of Management and their surviving dependents are as follows:

€ thou

as of 31 December	2023	2022
Fair value of the offset assets	147,120	149,680
Settlement amount of the offset liabilities	179,359	182,412
Pension provisions	32,239	32,732

Supervisory Board remuneration[4]

	2023		2022	
	€ thou	%	€ thou	%
Fixed remuneration	(2,250)	64.0	(1,776)	61.0
Committee remuneration	(1,200)	34.0	(1,059)	37.0
Attendance fees	(84)	2.0	(55)	2.0
Total	**(3,534)**	**100.0**	**(2,890)**	**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 sabbatical leave, parental leave or voluntary military/federal voluntary service, employees with severance agreements (termination contracts) or employees on gardening leave, trainees, and interns:

	2023	2022
Full-time staff	2,177	2,113
Part-time staff	363	329
Total	**2,540**	**2,442**

Staff expenses

Including members of the Board of Management, employees in the passive phase of early retirement and on early retirement, on sabbatical leave, parental leave or voluntary military/federal voluntary service, employees with severance agreements (termination contracts) or employees on gardening leave, trainees, and interns:

€ thou

	2023	2022
Wages and salaries	(448,076)	(411,263)
Statutory welfare contributions and expenses for optional support payments	(39,966)	(39,346)
Expenses for pensions and other post-retirement benefits	(33,594)	(29,047)
Total expenses	**(521,635)**	**(479,655)**

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 2022 was based on a best estimate of the RSU grants. The figure shown here for 2022 now includes the actual fair value as of the grant date (3 March 2023), including the members of the Board of Management who left as of 31 December 2022. 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.

Events after the balance sheet date

Placement and partial buy-back of subordinated bonds

In January 2024, Allianz SE has placed a subordinated bond in the amount of € 1.0 bn. The bond has a scheduled maturity in July 2054 and is callable at the option of the issuer from January 2034. The coupon is fixed at 4.85% per annum until July 2034. Thereafter, bondholders will receive a floating rate coupon.

Allianz SE bought back an amount of € 874.3 mn of its € 1.5 bn 3.375% subordinated bond via a tender offer. € 625.7 mn remain outstanding. This bond has no scheduled maturity and has ordinary call rights of the issuer from September 2024.

Share buy-back program 2024

In February 2024, Allianz SE has resolved a new share buy-back program with a volume of up to € 1.0 bn, starting in March 2024. Allianz SE will cancel all repurchased shares.

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 % (represented 27,586,790 shares); its holdings in instruments pursuant to § 38 (1) No. 1 WpHG as of 6 July 2022 amounted to 0.06 % (represented 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 % (represented 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 14 December 2023, 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 2023 ACCORDING TO §285 NO. 11 AND 11B HGB IN CONJUNCTION WITH §286 (3) NO. 1 HGB

		Equity € thou	Net earnings € thou
GERMAN ENTITIES			
Affiliates			
ACP Vermögensverwaltung GmbH & Co. KG Nr. 4 a, Munich	100.0	5,867	225
ADAC Autoversicherung AG, Munich	51.0	130,893	(10,726)
ADEUS Aktienregister-Service-GmbH, Munich	79.6	10,063	2,508
AGCS Infrastrukturfonds GmbH, Munich	100.0 [2]	44,221	-
AGCS-Argos 76 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	60,610	-
AGCS-Argos 86 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	128,468	-
ALIDA Grundstücksgesellschaft mbH & Co. KG, Hamburg	94.8 [3]	368,891	10,661
Allianz Asset Management GmbH, Munich	100.0 [2,3]	3,741,597	-
Allianz AZL Vermögensverwaltung GmbH & Co. KG, Munich	100.0	409,232	21,619
Allianz Beratungs- und Vertriebs-AG, Munich	100.0	10,562	1,746
Allianz Capital Partners GmbH, Munich	100.0 [2,3]	27,477	-
Allianz Capital Partners Verwaltungs GmbH, Munich	100.0	12,527	5,003
Allianz Deutschland AG, Munich	100.0 [2]	7,106,862	-
Allianz Digital Health GmbH, Munich	100.0 [2]	25,966	-
Allianz Direct Versicherungs-AG, Munich	100.0 [2]	167,331	-
Allianz Finanzbeteiligungs GmbH, Munich	100.0 [2]	944,270	-
Allianz Focus Teleport Beteiligungs-GmbH & Co. KG, Stuttgart	100.0 [3]	10,100	(288)
Allianz Global Corporate & Specialty SE, Munich	100.0 [2,3]	1,144,237	-
Allianz Global Investors GmbH, Frankfurt am Main	100.0 [2,3]	357,338	-
Allianz Global Investors Holdings GmbH, Frankfurt am Main	100.0 [2,3]	27,939	-
Allianz Hirschgarten GmbH & Co. KG, Stuttgart	100.0 [3]	242,220	2,157
Allianz Investment Management SE, Munich	100.0 [2]	6,354	-
Allianz Kunde und Markt GmbH, Munich	100.0 [2]	6,849	-
Allianz Leben Direkt Infrastruktur GmbH, Munich	100.0 [2]	307,962	-
Allianz Leben Infrastrukturfonds GmbH, Munich	100.0 [2]	3,742,884	-
Allianz Leben Private Equity Fonds 2001 GmbH, Munich	100.0 [2]	11,854,801	-
Allianz Lebensversicherungs-Aktiengesellschaft, Stuttgart	100.0 [2]	2,567,344	-
Allianz NM 28 GmbH & Co. KG, Stuttgart	93.3 [3]	217,712	2,254
Allianz of Asia-Pacific and Africa GmbH, Munich	100.0	869,912	115,589
Allianz ONE - Business Solutions GmbH, Munich	100.0 [2]	81,764	-
Allianz Partners Deutschland GmbH, Aschheim	100.0 [3]	18,854	11,132
Allianz Pension Direkt Infrastruktur GmbH, Munich	100.0 [2]	5,519	-
Allianz Pensionsfonds Aktiengesellschaft, Stuttgart	100.0	55,612	(4,268)
Allianz Pensionskasse Aktiengesellschaft, Stuttgart	100.0	375,192	19,726
Allianz Polch Logistics GmbH & Co. KG, Stuttgart	88.0 [3]	5,449	(2)
Allianz Private Equity GmbH, Munich	100.0 [2]	12,458	-
Allianz Private Krankenversicherungs-Aktiengesellschaft, Munich	100.0 [2,3]	488,744	-
Allianz Renewable Energy Subholding GmbH & Co. KG, Sehestedt	100.0 [3]	6,896	3,960
Allianz Taunusanlage GbR, Stuttgart	99.5 [3]	167,845	5,117
Allianz Technology SE, Munich	100.0 [2,3]	338,218	-
Allianz Versicherungs-Aktiengesellschaft, Munich	100.0 [2]	887,569	-
Allianz X GmbH, Munich	100.0	9,822	1,705
Allianz ZWK Nürnberg GmbH & Co. KG, Stuttgart	100.0 [3]	10,673	(235)
Allvest GmbH, Munich	100.0 [2,3]	5,306	-
APK Infrastrukturfonds GmbH, Munich	100.0 [2]	67,852	-
APK-Argos 65 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	37,525	-
APK-Argos 75 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	95,180	-
APK-Argos 85 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	234,024	-
APK-Argos 95 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	267,625	-
APKV Direkt Infrastruktur GmbH, Munich	100.0 [2]	42,026	-
APKV Infrastrukturfonds GmbH, Munich	100.0 [2]	437,119	-
APKV Private Equity Fonds GmbH, Munich	100.0 [2]	1,099,598	-
APKV-Argos 74 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	383,591	-
APKV-Argos 84 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	1,422,514	-
ARE Funds APKV GmbH, Munich	100.0 [2,3]	938,040	-
ARE Funds AZL GmbH, Munich	100.0 [2,3]	7,414,427	-
ARE Funds AZV GmbH, Munich	100.0 [2,3]	37,973	-
atpacvc Fund GmbH & Co. KG, Munich	100.0	91,143	(14,576)
Atropos Vermögensverwaltungsgesellschaft mbH, Munich	100.0	494,721	37,342
AV8 Ventures II GmbH & Co. KG, Munich	100.0	38,445	(2,134)
AZ ATLAS GmbH & Co. KG, Stuttgart	94.9 [3]	110,386	4,344
AZ ATLAS Immo GmbH, Stuttgart	100.0 [2,3]	142,202	-
AZ Northside GmbH & Co. KG, Stuttgart	94.0 [3]	8,582	546
AZ-Arges Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	152,158	-
AZ-Argos 88 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	137,525	-
AZL-Argos 73 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	2,965,424	-

		Equity	Net earnings
		€ thou	€ thou
AZL-Argos 83 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	1,121,484	-
AZL-Argos 89 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	145,271	-
AZL-Argos 93 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	50,025	-
AZL-Private Finance GmbH, Stuttgart	100.0 [2,3]	1,950,402	-
AZ-SGD Direkt Infrastruktur GmbH, Munich	100.0 [2]	33,069	-
AZ-SGD Infrastrukturfonds GmbH, Munich	100.0 [2]	254,657	-
AZ-SGD Private Equity Fonds 2 GmbH, Munich	100.0 [2]	12,676	-
AZ-SGD Private Equity Fonds GmbH, Munich	100.0 [2]	808,276	-
AZV-Argos 72 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	104,739	-
AZV-Argos 77 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	89,368	-
AZV-Argos 82 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	383,262	-
AZV-Argos 87 Vermögensverwaltungsgesellschaft mbH, Munich	100.0 [2]	291,493	-
BrahmsQ Objekt GmbH & Co. KG, Stuttgart	94.8 [3]	73,768	3,008
ControlExpert GmbH, Langenfeld	100.0 [3]	43,443	15,033
ControlExpert Holding GmbH, Langenfeld	100.0 [3]	115,819	(176)
Deutsche Lebensversicherungs-Aktiengesellschaft, Berlin	100.0 [2]	52,142	-
EASTSIDE Joint Venture GmbH & Co. KG, Frankfurt am Main	50.0 [3]	67,779	742
Euler Hermes Aktiengesellschaft, Hamburg	100.0 [3]	95,254	7,424
IDS GmbH - Analysis and Reporting Services, Munich	100.0 [2]	13,443	-
Innovation Group AG, Stuttgart	100.0 [2,3]	6,633	-
Innovation Group Fleet & Mobility GmbH, Stuttgart	100.0 [2,3]	10,334	-
Innovation Group Germany GmbH, Stuttgart	100.0 [3]	41,225	(1,822)
Innovation Group Parts GmbH, Lauchhammer	100.0 [2,3]	12,084	-
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]	6,272	3,585
PIMCO Europe GmbH, Munich	100.0 [2]	56,268	-
PIMCO Prime Real Estate GmbH, Munich	100.0 [2,3]	24,089	-
Projekt Hirschgarten MK8 GmbH & Co. KG, Stuttgart	94.9 [3]	169,885	7,220
REC Frankfurt Objekt GmbH & Co. KG, Hamburg	80.0 [3]	264,197	7,716
Seine GmbH, Munich	100.0	433,788	24,026
Seine II GmbH, Munich	100.0	141,878	3,551
simplesurance GmbH, Berlin	100.0 [3]	25,619	(18,835)
Solvd GmbH, Munich	100.0	13,873	(5,892)
Spherion Objekt GmbH & Co. KG, Stuttgart	89.9 [3]	67,574	332
Volkswagen Autoversicherung AG, Braunschweig	100.0 [2]	139,561	-
Volkswagen Autoversicherung Holding GmbH, Braunschweig	49.0	149,258	4,063
Windpark Aller-Leine-Tal GmbH & Co. KG, Sehestedt	100.0 [3]	16,175	2,174
Windpark Berge-Kleeste GmbH & Co. KG, Sehestedt	100.0 [3]	5,019	1,769
Windpark Büttel GmbH & Co. KG, Sehestedt	100.0 [3]	14,132	4,293
Windpark Calau GmbH & Co. KG, Sehestedt	100.0 [3]	38,380	4,210
Windpark Cottbuser See GmbH & Co. KG, Sehestedt	100.0 [3]	7,766	2,921
Windpark Dahme GmbH & Co. KG, Sehestedt	100.0 [3]	22,636	9,084
Windpark Eckolstädt GmbH & Co. KG, Sehestedt	100.0 [3]	30,718	4,402
Windpark Freyenstein-Halenbeck GmbH & Co. KG, Sehestedt	100.0 [3]	12,050	2,343
Windpark Kesfeld-Heckhuscheid GmbH & Co. KG, Sehestedt	100.0 [3]	13,108	4,771
Windpark Pröttlin GmbH & Co. KG, Sehestedt	100.0 [3]	10,049	2,857
Windpark Quitzow GmbH & Co. KG, Sehestedt	100.0 [3]	9,325	3,293
Windpark Redekin-Genthin GmbH & Co. KG, Sehestedt	100.0 [3]	16,822	2,898
Windpark Schönwalde GmbH & Co. KG, Sehestedt	100.0 [3]	10,825	2,960
Windpark Waltersdorf GmbH & Co. KG Renditefonds, Sehestedt	100.0 [3]	6,596	1,391
Windpark Werder Zinndorf GmbH & Co. KG, Sehestedt	100.0 [3]	16,247	4,804
Joint ventures			
AQ Focus Teleport GmbH & Co. KG, Hamburg	50.0 [3]	7,069	(3,361)
AQ Überseehaus GmbH & Co. KG, Hamburg	39.9 [3]	6,871	(1,317)
Dealis Fund Operations GmbH, Frankfurt am Main	50.0 [3]	32,955	90
EDGE Wriezener Karree Berlin GmbH & Co. KG, Frankfurt am Main	47.5 [3]	143,962	(50,048)
Seagull Portfolio GmbH & Co. KG, Frankfurt am Main	56.3 [3]	789,536	(464)
UGG TopCo GmbH & Co. KG, Ismaning	41.8 [3]	159,490	2,550
VGP Park München GmbH, Vaterstetten-Baldham	48.9 [3]	60,052	988
Associates			
AV Packaging GmbH, Munich	100.0	26,065	10,128
Clark Holding SE, Frankfurt am Main	24.0 [3]	199,026	(75,453)
DCSO Deutsche Cyber-Sicherheitsorganisation GmbH, Berlin	25.0 [3]	7,909	1,470
T&R Real Estate GmbH, Bonn	25.0 [3]	140,859	(10)
Other participations below 20% voting rights			
EXTREMUS Versicherungs-Aktiengesellschaft, Cologne	16.0 [3]	61,746	(1,719)
FC Bayern München AG, Munich	8.3 [3]	481,033	9,346
GDV Dienstleistungs-GmbH, Hamburg	9.1 [3]	30,866	1,213
La Famiglia Fonds I GmbH & Co. KG, Berlin	5.9 [3]	20,995	3,256
MLP SE, Wiesloch	9.7 [3]	525,524	48,645
Mobility Trader Holding GmbH, Berlin	6.9 [3]	15,188	(114,729)
N26 AG, Berlin	5.3 [3]	609,538	(213,426)
Protektor Lebensversicherungs-AG, Berlin	10.0 [3]	7,856	2
Sana Kliniken AG, Ismaning	14.5 [3]	1,178,831	43,456
SDA SE Open Industry Solutions, Hamburg	11.1 [3]	10,744	(3,199)
FOREIGN ENTITIES			
Affiliates			
1800 M Street Owner LP, Wilmington, DE	100.0 [3]	96,637	(6,262)
1800 M Street REIT LP, Wilmington, DE	100.0 [3]	195,646	(20,895)
1800 M Street Venture LP, Wilmington, DE	45.0 [3]	102,773	(6,261)
1Insurer Holdings Limited, Fareham	100.0 [3]	62,704	(1,350)

		Equity	Net earnings
		€ thou	€ thou
490 Lower Unit LP, Wilmington, DE	100.0 [3]	122,441	3,672
ACRE Hinoki Pte. Ltd., Singapore	100.0 [3]	26,894	54
ACRE Sugi Pte. Ltd., Singapore	100.0 [3]	10,306	(53)
ACRE Yuzu Pte. Ltd., Singapore	100.0 [3]	12,138	(88)
Aero-Fonte S.r.l., Misterbianco	100.0 [3]	14,844	164
AGA Service Company Corp., Richmond, VA	100.0 [3]	14,853	43,354
AGCS International Holding B.V., Amsterdam	100.0 [3]	1,544,104	119,102
AGCS Marine Insurance Company Corp., Chicago, IL	100.0 [3]	161,319	7,217
Allianz - Slovenská DSS a.s., Bratislava	100.0	49,968	7,048
Allianz - Slovenská poist'ovňa a.s., Bratislava	99.6 [3]	160,750	118,583
Allianz (UK) Limited, Guildford	100.0 [3]	1,816,666	117,254
Allianz 1 Liverpool Street Holding S.à r.l., Luxembourg	100.0 [3]	34,584	(12)
Allianz 101 Moorgate Holding S.à r.l., Luxembourg	100.0 [3]	14,242	(12)
Allianz Alapkezelő Zrt., Budapest	100.0	5,562	2,707
Allianz Argentina Compañía de Seguros S.A., Buenos Aires	100.0 [3]	151,955	(15,883)
Allianz Asia Holding Pte. Ltd., Singapore	100.0 [3]	87,680	14,391
Allianz Asset Management of America Holdings Inc., Dover, DE	100.0 [3]	5,271	1,418
Allianz Asset Management of America LLC, Dover, DE	100.0 [3]	6,437,937	1,914,727
Allianz Asset Management U.S. Holding II LLC, Dover, DE	100.0 [3]	258,198	85,436
Allianz Australia General Insurance Pty Ltd., Sydney	100.0 [3]	46,629	2,483
Allianz Australia Insurance Limited, Sydney	100.0 [3]	2,101,214	204,863
Allianz Australia Life Insurance Holdings Limited, Sydney	100.0 [3]	81,390	(22,081)
Allianz Australia Life Insurance Limited, Sydney	100.0 [3]	81,390	(22,081)
Allianz Australia Limited, Sydney	100.0 [3]	1,342,352	342,821
Allianz Australia Services Pty Limited, Sydney	100.0 [3]	24,538	132
Allianz Ayudhya Assurance Public Company Limited, Bangkok	82.8 [3]	380,081	83,315
Allianz Ayudhya Capital Public Company Limited, Bangkok	49.0 [3]	312,605	32,291
Allianz Bank Bulgaria AD, Sofia	99.9 [3]	139,726	11,868
Allianz Bank Financial Advisors S.p.A., Milan	100.0	509,948	75,390
Allianz Banque S.A., Paris la Défense	100.0	123,546	10,490
Allianz Benelux S.A., Brussels	100.0 [3]	800,886	222,202
Allianz Bulgaria Holding AD, Sofia	66.2 [3]	64,175	19,140
Allianz Capital Partners of America LLC, Dover, DE	100.0 [3]	21,951	13,317
Allianz Carbon Investments B.V., Amsterdam	100.0 [3]	12,273	2,852
Allianz Cash SAS, Paris la Défense	100.0	7,178	499
Allianz Chicago Private Reit LP, Wilmington, DE	100.0 [3]	169,236	(22,478)
Allianz China Insurance Holding Limited, Shanghai	100.0 [3]	610,817	(16,804)
Allianz China Life Insurance Co. Ltd., Shanghai	100.0 [3]	552,789	59,192
Allianz Colombia S.A., Bogotá D.C.	100.0 [3]	94,221	12,892
Allianz Compañía de Seguros y Reaseguros S.A., Madrid	99.9 [3]	268,838	114,504
Allianz Digital Services Pte. Ltd., Singapore	100.0 [3]	6,154	52
Allianz Direct S.p.A., Milan	100.0 [3]	409,630	(79,257)
Allianz do Brasil Participações Ltda., São Paulo	100.0 [3]	819,445	(88,522)
Allianz Eiffel Square Kft., Budapest	100.0 [3]	93,669	659
Allianz Elementar Lebensversicherungs-Aktiengesellschaft, Vienna	100.0	72,765	15,521
Allianz Elementar Versicherungs-Aktiengesellschaft, Vienna	100.0 [3]	426,926	130,113
Allianz Engineering Inspection Services Limited, Guildford	100.0 [3]	16,880	2,743
Allianz Equity Investments Ltd., Guildford	100.0 [3]	148,593	(380)
Allianz Europe B.V., Amsterdam	100.0 [3]	41,470,573	2,278,153
Allianz European Reliance Single Member Insurance S.A., Athens	100.0 [3]	119,164	(13,951)
Allianz Finance II B.V., Amsterdam	100.0 [3]	5,827	3,469
Allianz Finance II Luxembourg S.à r.l., Luxembourg	100.0 [3]	4,234,934	170,996
Allianz Finance IX Luxembourg S.A., Luxembourg	100.0 [3]	4,462,473	42,544
Allianz Finance VII Luxembourg S.A., Luxembourg	100.0 [3]	3,407,613	94,979
Allianz Finance VIII Luxembourg S.A., Luxembourg	100.0 [3]	1,005,830	6,803
Allianz Finance X Luxembourg S.A., Luxembourg	93.2 [3]	175,063	(6,839)
Allianz Fire and Marine Insurance Japan Ltd., Tokyo	100.0 [3]	8,113	82
Allianz France Immobilier Expansion - AFIX, Paris la Défense	100.0	20,016	(1,953)
Allianz France Real Estate Invest SPPICAV, Paris la Défense	100.0 [3]	1,291,686	24,864
Allianz France Real Estate S.à r.l., Luxembourg	100.0 [3]	25,636	(37)
Allianz France Richelieu 1 S.A.S., Paris la Défense	100.0	312,026	7,427
Allianz France S.A., Paris la Défense	100.0	6,142,601	638,731
Allianz France US REIT LP, Wilmington, DE	100.0 [3]	127,701	1,168
Allianz Fund Investments Inc., Wilmington, DE	100.0 [3]	238,669	(6,795)
Allianz General Insurance Company (Malaysia) Berhad, Kuala Lumpur	100.0 [3]	80,653	64,648
Allianz Global Corporate & Specialty do Brasil Participações Ltda., Rio de Janeiro	100.0 [3]	39,125	153
Allianz Global Corporate & Specialty of Africa (Proprietary) Ltd., Johannesburg	100.0 [3]	6,782	(12)
Allianz Global Corporate & Specialty Resseguros Brasil S.A., São Paulo	100.0 [3]	38,944	151
Allianz Global Corporate & Specialty South Africa Ltd., Johannesburg	100.0 [3]	12,285	582
Allianz Global Investors (Schweiz) AG, Zurich	100.0 [3]	9,423	6,291
Allianz Global Investors Asia Pacific Ltd., Hong Kong	100.0 [3]	91,992	64,884
Allianz Global Investors Ireland Ltd., Dublin	100.0 [3]	7,741	5,698
Allianz Global Investors Japan Co. Ltd., Tokyo	100.0 [3]	34,568	10,242
Allianz Global Investors Management Consulting (Shanghai) Limited, Shanghai	100.0 [3]	8,234	(7,113)
Allianz Global Investors Singapore Ltd., Singapore	100.0 [3]	35,183	9,042
Allianz Global Investors Taiwan Ltd., Taipei	100.0 [3]	51,461	32,975
Allianz Global Investors U.S. Holdings LLC, Dover, DE	100.0 [3]	107,329	(23,506)
Allianz Global Investors U.S. LLC, Dover, DE	100.0 [3]	32,033	(6,426,507)
Allianz Global Investors UK Limited, London	100.0 [3]	48,320	229
Allianz Global Life dac, Dublin	100.0 [3]	141,729	1,132
Allianz Global Risks US Insurance Company Corp., Chicago, IL	100.0 [3]	2,072,850	233,455
Allianz Hayat ve Emeklilik A.S., Istanbul	89.0 [3]	8,495	1,779
Allianz Hedeland Logistics ApS, Copenhagen	100.0 [3]	275,169	(3,010)
Allianz Hold Co Real Estate S.à r.l., Luxembourg	100.0 [3]	299,508	935
Allianz Holding eins GmbH, Vienna	100.0 [3]	5,055,674	497,043
Allianz Holding France SAS, Paris la Défense	100.0	7,472,179	105,874

		Equity	Net earnings
		€ thou	€ thou
Allianz Holdings p.l.c., Dublin	100.0 [3]	61,518	-
Allianz Holdings plc, Guildford	100.0 [3]	2,733,737	132,090
Allianz Hrvatska d.d., Zagreb	100.0 [3]	90,075	15,023
Allianz Hungária Biztosító Zrt., Budapest	100.0	173,347	23,211
Allianz HY Investor LP, Wilmington, DE	100.0 [3]	328,193	(4,334)
Allianz I.A.R.D. S.A., Paris la Défense	100.0	1,752,474	196,690
Allianz Immovalor S.A., Paris la Défense	100.0	15,550	9,535
Allianz Infrastructure Holding I Pte. Ltd., Singapore	100.0 [3]	1,366,465	64,001
Allianz Infrastructure Luxembourg Holdco I S.A., Luxembourg	100.0 [3]	2,611,280	106,106
Allianz Infrastructure Luxembourg Holdco II S.A., Luxembourg	100.0 [3]	545,195	22,116
Allianz Infrastructure Luxembourg Holdco III S.A., Luxembourg	100.0 [3]	1,553,476	38,091
Allianz Infrastructure Luxembourg Holdco IV S.A., Luxembourg	100.0 [3]	383,665	9,374
Allianz Infrastructure Luxembourg I S.à r.l., Luxembourg	100.0 [3]	3,687,117	121,368
Allianz Infrastructure Luxembourg II S.à r.l., Luxembourg	100.0 [3]	1,918,808	(15,834)
Allianz Infrastructure Norway Holdco I S.à r.l., Luxembourg	100.0 [3]	29,312	261
Allianz Infrastructure Spain Holdco II S.à r.l., Luxembourg	100.0 [3]	431,417	61,650
Allianz Insurance Asset Management Co. Ltd., Beijing	100.0 [3]	54,397	(7,816)
Allianz Insurance Lanka Limited, Colombo	100.0 [3]	26,774	(3,180)
Allianz Insurance Laos Co. Ltd., Vientiane	51.0	6,424	2,819
Allianz Insurance plc, Guildford	100.0 [3]	812,961	48,082
Allianz Insurance Singapore Pte. Ltd., Singapore	100.0 [3]	33,363	(21,195)
Allianz Invest Kapitalanlagegesellschaft mbH, Vienna	100.0	10,533	4,984
Allianz Investment Management LLC, St. Paul, MN	100.0 [3]	9,290	40,093
Allianz Investments HoldCo S.à r.l., Luxembourg	100.0 [3]	2,394,504	559,125
Allianz Investments III Luxembourg S.A., Luxembourg	100.0 [3]	1,178,593	732,527
Allianz Jingdong General Insurance Company Ltd., Guangzhou	53.3 [3]	165,827	(2,407)
Allianz Leasing Bulgaria AD, Sofia	100.0 [3]	5,741	967
Allianz Leben Real Estate Holding I S.à r.l., Luxembourg	100.0 [3]	885,363	2,779
Allianz Leben Real Estate Holding II S.à r.l., Luxembourg	100.0 [3]	6,320,217	22,455

		Equity	Net earnings
		€ thou	€ thou
Allianz Lietuva gyvybės draudimas UAB, Vilnius	100.0 [3]	16,467	11,755
Allianz Life Financial Services LLC, Minneapolis, MN	100.0 [3]	37,472	(43,150)
Allianz Life Insurance Company of Missouri Corp., Clayton, MO	100.0 [3]	327,852	21,074
Allianz Life Insurance Company of New York Corp., New York, NY	100.0 [3]	136,704	75,498
Allianz Life Insurance Company of North America Corp., Minneapolis, MN	100.0 [3]	351,052	804,491
Allianz Life Insurance Malaysia Berhad, Kuala Lumpur	100.0 [3]	356,666	33,853
Allianz Life Luxembourg S.A., Luxembourg	100.0 [3]	106,505	14,315
Allianz Malaysia Berhad, Kuala Lumpur	75.0 [3]	217,583	64,564
Allianz Management Services Limited, Guildford	100.0 [3]	26,351	14,704
Allianz Marine (UK) Ltd., London	100.0 [3]	11,030	120
Allianz MENA Holding (Bermuda) Limited, Hamilton	100.0 [3]	118,990	926
Allianz México S.A. Compañía de Seguros, Mexico City	100.0 [3]	218,810	38,410
Allianz Nederland Groep N.V., Rotterdam	100.0 [3]	2,031,267	272,865
Allianz New Zealand Limited, Auckland	100.0 [3]	40,025	828
Allianz Nikko Pte. Ltd., Singapore	100.0 [3]	50,645	(201)
Allianz Nikko1 Pte. Ltd., Singapore	100.0 [3]	16,139	(34)
Allianz Nikko2 Pte. Ltd., Singapore	100.0 [3]	7,889	(43)
Allianz Nikko3 Pte. Ltd., Singapore	100.0 [3]	34,194	(14)
Allianz of America Inc., Wilmington, DE	100.0	19,766,811	2,444,758
Allianz p.l.c., Dublin	100.0 [3]	227,499	50,243
Allianz Partners SAS, Saint-Ouen	100.0 [3]	944,368	(173,130)
Allianz PCREL US Debt S.A., Luxembourg	100.0 [6]	83,017	(442)
Allianz Pensionskasse Aktiengesellschaft, Vienna	100.0 [3]	13,266	84
Allianz penzijní spolecnost a.s., Prague	100.0 [3]	58,455	13,303
Allianz Perfekta 71 S.A., Luxembourg	94.9 [3]	7,383	1,278
Allianz PNB Life Insurance Inc., Makati City	51.0 [3]	41,374	(2,148)
Allianz pojistovna a.s., Prague	100.0 [3]	303,971	92,354
Allianz Polska Services Sp. z o.o., Warsaw	100.0 [3]	13,743	490
Allianz Presse Infra S.C.S., Luxembourg	92.4 [3]	297,289	8,730
Allianz Presse US REIT LP, Wilmington, DE	92.4 [3]	76,501	(1,419)
Allianz Properties Limited, Guildford	100.0 [3]	216,848	(18,428)
Allianz Re Argentina S.A., Buenos Aires	100.0 [3]	22,236	(2,839)
Allianz Re Dublin dac, Dublin	100.0 [3]	2,954,118	411,703
Allianz Real Estate Investment S.A., Luxembourg	100.0 [3]	394,694	4,768

		Equity	Net earnings
		€ thou	€ thou
Allianz Reinsurance America Inc., Glendale, CA	100.0 [3]	217,275	(13,385)
Allianz Renewable Energy Partners I LP, London	100.0	92,177	15,986
Allianz Renewable Energy Partners II Limited, London	100.0	49,156	350
Allianz Renewable Energy Partners III LP, London	99.3	92,455	9,041
Allianz Renewable Energy Partners IV Limited, London	99.3 [3]	686,963	2,961
Allianz Renewable Energy Partners Luxembourg II S.A., Luxembourg	100.0 [3]	187,694	2,043
Allianz Renewable Energy Partners Luxembourg IV S.A., Luxembourg	100.0 [3]	1,202,326	29,395
Allianz Renewable Energy Partners Luxembourg V S.A., Luxembourg	100.0 [3]	586,436	17,851
Allianz Renewable Energy Partners Luxembourg VI S.A., Luxembourg	100.0 [3]	1,373,444	5,985
Allianz Renewable Energy Partners Luxembourg VIII S.A., Luxembourg	100.0 [3]	529,275	(72)
Allianz Renewable Energy Partners of America 2 LLC, Wilmington, DE	100.0	264,036	21,142
Allianz Renewable Energy Partners of America LLC, Wilmington, DE	100.0	648,291	47,569
Allianz Renewable Energy Partners V Limited, London	100.0	40,024	4,335
Allianz Renewable Energy Partners VI Limited, London	100.0	347,119	1,898
Allianz Retraite S.A., Paris la Défense	100.0	475,700	31,034
Allianz Risk Transfer (Bermuda) Ltd., Hamilton	100.0 [3]	136,648	15,602
Allianz Risk Transfer AG, Schaan	100.0 [3]	746,790	92,342
Allianz Risk Transfer Inc., New York, NY	100.0 [3]	20,094	385
Allianz S.p.A., Milan	100.0 [3]	1,600,984	34,377
Allianz Sakura Multifamily 1 Pte. Ltd., Singapore	100.0 [3]	283,227	(437)
Allianz Sakura Multifamily 2 Pte. Ltd., Singapore	100.0 [3]	223,153	(470)
Allianz Sakura Multifamily Lux SCSp, Luxembourg	100.0 [3]	391,741	1,174
Allianz Saúde S.A., São Paulo	100.0 [3]	27,660	(13,028)
Allianz Saudi Fransi Cooperative Insurance Company, Riyadh	51.0 [3]	174,500	5,330
Allianz Seguros de Vida S.A., Bogotá D.C.	100.0 [3]	51,291	8,047
Allianz Seguros S.A., São Paulo	100.0 [3]	809,587	(92,680)
Allianz Seguros S.A., Bogotá D.C.	100.0 [3]	45,500	7,727
Allianz Services (UK) Limited, London	100.0 [3]	5,195	2,084
Allianz Services Mauritius LLC, Ebene	100.0 [3]	5,380	1,331

		Equity	Net earnings
		€ thou	€ thou
Allianz Services Private Ltd., Thiruvananthapuram	100.0 [3]	36,589	9,834
Allianz Sigorta A.S., Istanbul	96.2 [3]	499,488	77,895
Allianz Société Financière S.à r.l., Luxembourg	100.0 [3]	1,195,497	17,004
Allianz Soluciones de Inversión AV S.A. , Madrid	100.0 [3]	8,559	(2,424)
Allianz South America Holding B.V., Amsterdam	100.0 [3]	1,051,531	(251,735)
Allianz Sp. z o.o., Warsaw	100.0 [3]	5,647	(10)
Allianz Strategic Investments LLC, St. Paul, MN	100.0 [3]	106,099	(8,619)
Allianz Strategic Investments S.à r.l., Luxembourg	100.0 [3]	1,148,776	54,059
Allianz Suisse Immobilien AG, Wallisellen	100.0 [3]	6,668	4,407
Allianz Suisse Lebensversicherungs-Gesellschaft AG, Wallisellen	100.0 [3]	606,000	96,339
Allianz Suisse Versicherungs-Gesellschaft AG, Wallisellen	100.0 [3]	988,870	618,519
Allianz Taiwan Life Insurance Co. Ltd., Taipei	99.7	390,187	66,303
Allianz Technology (Thailand) Co. Ltd., Bangkok	100.0 [3]	9,285	1,739
Allianz Technology AG, Wallisellen	100.0 [3]	8,444	2,028
Allianz Technology GmbH, Vienna	100.0 [3]	21,836	(2,025)
Allianz Technology S.L., Barcelona	100.0 [3]	60,753	(12,007)
Allianz Technology S.p.A., Milan	100.0 [3]	9,189	1,337
Allianz Technology SAS, Paris la Défense	100.0 [3]	49,894	719
Allianz Tiriac Pensii Private Societate de administrare a fondurilor de pensii private S.A., Bucharest	100.0 [3]	20,912	8,648
Allianz U.S. Investment LP, Wilmington, DE	100.0 [3]	4,877,090	(59,156)
Allianz U.S. Private REIT LP, Wilmington, DE	100.0 [3]	4,145,001	(52,907)
Allianz Underwriters Insurance Company Corp., Chicago, IL	100.0 [3]	62,449	3,037
Allianz US Debt Holding S.A., Luxembourg	100.0 [3]	352,459	(72)
Allianz Vermogen B.V., Rotterdam	100.0 [3]	15,351	4,908
Allianz Vie S.A., Paris la Défense	100.0	2,702,115	161,462
Allianz Viva S.p.A., Milan	100.0 [3]	119,304	(44,112)
Allianz Vorsorgekasse AG, Vienna	100.0	50,567	10,880
Allianz X Euler Hermes Co-Investments S.à r.l., Luxembourg	100.0 [3]	45,873	(1,016)
Allianz Yasam ve Emeklilik A.S., Istanbul	80.0 [3]	129,394	71,066
Allianz-Tiriac Asigurari SA, Bucharest	52.2 [3]	228,608	48,971
American Automobile Insurance Company Corp., Clayton, MO	100.0 [3]	81,350	2,258
APK US Investment LP, Wilmington, DE	100.0 [3]	132,187	(8,027)
APKV US Private REIT LP, Wilmington, DE	100.0 [3]	586,291	195
Appia Investments S.r.l., Milan	57.6	744,496	93,054
Arges Investments I N.V., Amsterdam	100.0 [3]	46,023	(3,055)
Asit Services S.R.L., Bucharest	100.0 [3]	30,335	833
Assistance, Courtage d'Assurance et de Réassurance S.A., Paris la Défense	100.0	6,120	5,464
Assurances Médicales SA, Metz	100.0	11,311	1,579
AWP Assistance (India) Private Limited, Gurgaon	100.0 [3]	7,589	5,025
AWP Australia Holdings Pty Ltd., Brisbane	100.0 [3]	46,322	-
AWP Australia Pty Ltd., Brisbane	100.0 [3]	9,923	(9,511)
AWP Austria GmbH, Vienna	100.0 [3]	17,347	1,938
AWP Business Services (Beijing) Co. Ltd., Beijing	100.0 [3]	25,891	(7,237)
AWP Contact Center Italia S.r.l., Milan	100.0 [3]	5,948	(2,490)
AWP France SAS, Saint-Ouen	95.0 [3]	50,109	34,238
AWP Health & Life S.A., Saint-Ouen	100.0 [3]	427,446	(10,665)
AWP MEA Holdings Co. W.L.L., Manama	100.0 [3]	8,000	3,868
AWP P&C S.A., Saint-Ouen	100.0 [3]	401,010	32,753
AWP Service Brasil Ltda., São Bernardo do Campo	100.0 [3]	10,437	(16,889)
AWP Services New Zealand Limited, Auckland	100.0 [3]	7,753	4,644
AWP Services NL B.V., Amsterdam	100.0 [3]	19,389	130
AWP USA Inc., Richmond, VA	100.0 [3]	330,421	(25)
Axios Bidco Limited, Whiteley	100.0 [3]	549,646	(7,362)
AZ Euro Investments II S.à r.l., Luxembourg	100.0 [3]	868,951	109,513
AZ Euro Investments S.A., Luxembourg	100.0 [3]	2,734,795	129,471
AZ Jupiter 10 B.V., Amsterdam	100.0 [3]	522,106	23,120
AZ Jupiter 11 B.V., Amsterdam	97.8 [3]	335,064	3,518
AZ Jupiter 8 B.V., Amsterdam	100.0 [3]	1,976,603	6,625
AZ Jupiter 9 B.V., Amsterdam	100.0 [3]	118,085	(7,795)
AZ Vers US Private REIT LP, Wilmington, DE	100.0 [3]	180,272	(7,106)
AZ-CR Seed Investor LP, Wilmington, DE	100.0 [3]	96,565	(5,200)
AZGA Service Canada Inc., Kitchener, ON	55.0 [3]	22,430	(1,091)
AZL PF Investments Inc., Minneapolis, MN	100.0 [3]	573,878	-
Barcelona Sea Offices S.A., Barcelona	100.0 [3]	15,572	(9,115)
BBVA Allianz Seguros y Reaseguros S.A., Madrid	50.0 [3]	528,223	4,920
BCP-AZ Investment L.P., Wilmington, DE	98.0 [3]	50,855	(1,388)
Beleggingsmaatschappij Willemsbruggen B.V., Rotterdam	100.0 [3]	88,520	(9,864)
Beykoz Gayrimenkul Yatirim Insaat Turizm Sanayi ve Ticaret A.S., Ankara	100.0 [3]	107,554	34,438
BN Infrastruktur GmbH, St. Pölten	74.9 [3]	79,662	(57)
C.E.P.E. de la Forterre S.à r.l., Versailles	100.0 [3]	13,891	1,457
C.E.P.E. de Vieille Carrière S.à r.l., Versailles	100.0 [3]	6,044	(377)
C.E.P.E. du Bois de la Serre S.à r.l., Versailles	100.0 [3]	5,118	(659)
Calobra Investments Sp. z o.o., Warsaw	100.0 [3]	119,608	(4,211)
CAP, Rechtsschutz-Versicherungsgesellschaft AG, Wallisellen	100.0 [3]	26,716	3,041
Caroline Berlin S.C.S., Luxembourg	93.2 [3]	166,142	2,942
CELUHO S.à r.l., Luxembourg	100.0 [6]	335,888	(47)
Central Shopping Center a.s., Bratislava	100.0 [3]	48,709	(3,765)
CEPE de Langres Sud S.à r.l., Versailles	100.0 [3]	29,639	4,434
CEPE de Mont Gimont S.à r.l., Versailles	100.0 [3]	27,690	4,656
CEPE de Sambres S.à r.l., Versailles	100.0 [3]	7,412	(2,372)
CEPE des Portes de la Côte d'Or S.à r.l., Versailles	100.0 [3]	12,441	575
Ceres Holding I S.à r.l., Luxembourg	100.0 [3]	121,513	(6)
Ceres Warsaw Gorzow Sp. z o.o., Warsaw	100.0 [3]	45,360	(74)
Ceres Weert B.V., Amsterdam	100.0 [3]	23,021	31
Chicago Insurance Company Corp., Chicago, IL	100.0 [3]	70,058	677
CIC Allianz Insurance Limited, Sydney	100.0 [3]	11,658	294
Climmolux Holding SA, Luxembourg	100.0 [3]	72,097	2,611
Columbia REIT - 221 Main Street LP, Wilmington, DE	100.0 [3]	340,509	(2,447)
Columbia REIT - 333 Market Street LP, Wilmington, DE	45.0 [3]	543,874	10,621
Columbia REIT - University Circle LP, Wilmington, DE	100.0 [3]	489,994	(6,410)
Companhia de Seguros Allianz Portugal S.A., Lisbon	64.8 [3]	103,182	36,364
ControlExpert Colombia SAS, Bogotá D.C.	100.0 [3]	197,396	42,915
Corn Investment Ltd., London	100.0	22,672	364
COSEC-Companhia de Seguro de Créditos S.A., Lisbon	100.0 [3]	41,449	8,130
CPRN Thailand Ltd., Bangkok	100.0 [3]	79,901	29,267
Darta Saving Life Assurance dac, Dublin	100.0 [3]	551,110	75,702
Delta Technical Services Ltd., London	100.0 [3]	53,477	2,186
Diamond Point a.s., Prague	100.0 [3]	11,677	389
Dresdner Kleinwort Pfandbriefe Investments II Inc., Wilmington, DE	100.0 [3]	717,173	12,339
Elite Prize Limited, Hong Kong	100.0 [3]	29,242	1,299

		Equity	Net earnings
		€ thou	€ thou
Elix Vintage Residencial SOCIMI S.A., Madrid	100.0 [3]	347,491	1,125
Enertrag-Dunowo Sp. z o.o., Szczecin	100.0 [3]	250,217	37,104
Eolica Erchie S.r.l., Lecce	100.0 [3]	17,779	4,277
Euler Hermes Acmar SA, Casablanca	55.0 [3]	7,796	2,739
Euler Hermes Collections North America Company, Owings Mills, MD	100.0 [3]	10,597	345
Euler Hermes Collections Sp. z o.o., Warsaw	100.0 [3]	7,975	(45)
Euler Hermes Crédit France S.A.S., Paris la Défense	100.0 [3]	71,250	(7,097)
Euler Hermes Group SAS, Paris la Défense	100.0 [3]	3,513,057	200,055
Euler Hermes Hong Kong Services Limited, Hong Kong	100.0 [3]	5,204	216
Euler Hermes Luxembourg Holding S.à r.l., Luxembourg	100.0 [3]	102,469	(19)
Euler Hermes North America Holding Inc., Wilmington, DE	100.0 [3]	186,708	35,972
Euler Hermes North America Insurance Company Inc., Lutherville, MD	100.0 [3]	305,670	81,495
Euler Hermes Patrimonia SA, Brussels	100.0 [3]	174,439	11,932
Euler Hermes Ré SA, Luxembourg	100.0 [3]	61,709	-
Euler Hermes Real Estate SPPICAV, Paris la Défense	60.0 [3]	262,041	5,100
Euler Hermes Recouvrement France S.A.S., Paris la Défense	100.0 [3]	6,689	11,411
Euler Hermes Reinsurance AG, Wallisellen	100.0 [3]	1,035,217	71,506
Euler Hermes S.A., Brussels	100.0 [3]	880,447	203,118
Euler Hermes Service AB, Stockholm	100.0 [3]	63,320	18,722
Euler Hermes Services Italia S.r.l., Rome	100.0 [3]	13,095	11,120
Euler Hermes Services North America LLC, Owings Mills, MD	100.0 [3]	28,278	9,200
Euler Hermes Services Schweiz AG, Wallisellen	100.0 [3]	8,399	2,842
Euler Hermes Serviços de Gestão de Riscos Ltda., São Paulo	100.0 [3]	11,487	2,171
Euler Hermes Sigorta A.S., Istanbul	100.0 [3]	6,730	2,116
Euler Hermes Singapore Services Pte. Ltd., Singapore	100.0 [3]	5,572	(1,005)
Euler Hermes South Express S.A., Ixelles	100.0 [3]	29,307	559
Eurl 20-22 Rue Le Peletier, Paris la Défense	100.0	45,944	(3,056)
Eurosol Invest S.r.l., Udine	100.0 [3]	12,922	1,541
Fairmead Insurance Limited, Guildford	100.0 [3]	81,458	(13,566)
Financière Callisto SAS, Paris la Défense	100.0 [3]	10,311	248
FinOS Technology Holding Pte. Ltd., Singapore	100.0 [3]	8,275	(387)
Fireman's Fund Indemnity Corporation, Trenton, NJ	100.0 [3]	48,148	785
Fireman's Fund Insurance Company Corp., Chicago, IL	100.0 [3]	1,266,838	(30,875)
First Notice Systems Inc., Wilmington, DE	100.0 [3]	7,671	(1,961)
Flying Desire Limited, Hong Kong	100.0 [3]	67,859	(5)
Foshan Geluo Storage Services Co. Ltd., Foshan	100.0 [3]	34,822	600
Fragonard Assurances S.A., Saint-Ouen	100.0 [3]	124,800	50,634
Franklin S.C.S., Luxembourg	94.5 [3]	83,224	4,200
Galore Expert Limited, Hong Kong	100.0 [3]	40,124	2,241
Generation Vie S.A., Paris la Défense	52.5	110,927	9,143
Global Azawaki S.L., Madrid	100.0 [3]	605,327	(2,303)
Global Carena S.L., Madrid	100.0 [3]	172,795	(248)
Global Manzana S.L., Madrid	100.0 [3]	167,606	(3,292)
Global Transport & Automotive Insurance Solutions Pty Limited, Sydney	100.0 [3]	13,797	7,094
Grupo Multiasistencia S.A., Madrid	100.0 [3]	28,279	12,730
GT Motive S.L., San Sebastian de los Reyes	86.0 [6]	6,755	(2,727)
Händelö Logistics AB, Stockholm	100.0 [3]	53,785	1,216
Harro Development Praha s.r.o., Prague	100.0 [3]	61,967	406
Highway Insurance Company Limited, Guildford	100.0 [3]	186,757	(20,406)
Highway Insurance Group Limited, Guildford	100.0 [3]	207,637	(41,046)
Humble Bright Limited, Hong Kong	100.0 [3]	67,647	(4)
ICON Inter GmbH & Co. KG, Vienna	100.0 [3]	25,699	1,049
Innovation FSP (Pty) Ltd., Johannesburg	100.0 [3]	8,673	2,087
Innovation Group (Pty) Ltd., Johannesburg	75.0 [3]	8,628	10
Innovation Group Holdings Limited, Whiteley	100.0 [3]	59,580	(4,659)
Innovation Holdings (South Africa) (Pty) Ltd., Johannesburg	100.0 [3]	28,760	(5)
Interstate Fire & Casualty Company Corp., Chicago, IL	100.0 [3]	77,078	1,715
Investitori SGR S.p.A., Milan	100.0 [3]	11,981	762
Järvsö Sörby Vindkraft AB, Danderyd	100.0 [3]	85,000	(9,003)
Jefferson Insurance Company Corp., New York, NY	100.0 [3]	389,054	59,774
Joukhaisselän Tuulipuisto Oy, Oulu	100.0 [3]	17,256	4,204
Jouttikallio Wind Oy, Helsinki	100.0 [3]	8,974	(88)
KAIGO Hi-Tech Development (Beijing) Co. Ltd., Beijing	100.0 [3]	17,680	1,871
KaiLong Greater China Real Estate Fund II S.C.Sp., Luxembourg	100.0 [3]	238,340	(20,314)
Keyeast Pte. Ltd., Singapore	100.0 [3]	67,650	(20)
Kiinteistö Oy Rahtiraitti 6, Vantaa	100.0 [3]	35,647	(17)
Kiinteistöosakeyhtiö Eteläesplanadi 2 Oy, Helsinki	100.0 [3]	104,719	75,311
Kohlenberg & Ruppert Premium Properties S.à r.l., Luxembourg	100.0 [3]	101,992	4,199
Kromgatan 4-6 Logistics AB, Gothenburg	100.0 [3]	89,208	462
Kuolavaara-Keulakkopään Tuulipuisto Oy, Oulu	100.0 [3]	35,114	8,621
La Rurale SA, Paris la Défense	100.0	5,835	3,544
Lincoln Infrastructure USA Inc., Wilmington, DE	100.0	254,365	4,967
Liverpool Victoria General Insurance Group Limited, Guildford	100.0 [3]	1,072,589	71,866
Liverpool Victoria Insurance Company Limited, Guildford	100.0 [3]	438,433	(75,055)
LLC "IC Euler Hermes Ru", Moscow	100.0 [3]	24,736	2,066
LV Repair Services Limited, Guildford	100.0 [3]	44,901	38,550
Maevaara Vind 2 AB, Stockholm	100.0 [3]	20,414	(3,703)
Maevaara Vind AB, Stockholm	100.0 [3]	45,439	(3,825)
Magni Holding JV S.à r.l., Luxembourg	57.7 [3]	26,982	112
Medi24 AG, Bern	100.0 [3]	6,177	2,094
Mombyasen Wind Farm AB, Halmstad	100.0 [3]	31,883	(830)
Morningchapter S.A., Ourique	100.0 [3]	13,504	5,305
Multiassistance S.A., Saint-Ouen	100.0 [3]	6,633	5,063
National Surety Corporation, Chicago, IL	100.0 [3]	77,309	1,993
Niederösterreichische Glasfaserinfrastrukturgesellschaft mbH, St. Pölten	100.0 [3]	20,519	(4,916)
nöGIG Phase Zwei GmbH, St. Pölten	100.0 [3]	30,742	(254)
öGIG Fiber GmbH, St. Pölten	100.0 [3]	7,243	311
öGIG GmbH, St. Pölten	80.0 [3]	90,491	(31,033)
OPCI Allianz France Angel, Paris la Défense	100.0 [3]	132,269	(166)
Orione PV S.r.l., Lecce	100.0 [3]	11,123	1,024
Orsa Maggiore PV S.r.l., Lecce	100.0 [3]	19,986	2,348
Orsa Minore PV S.r.l., Lecce	100.0 [3]	5,982	646
Pacific Investment Management Company LLC, Dover, DE	91.0 [3]	1,214,233	2,190,049
Parc Eolien de Chaourse SAS, Versailles	100.0 [3]	8,706	226
Parc Eolien de Chateau Garnier SAS, Versailles	100.0 [3]	6,190	(325)
Parc Eolien de Dyé SAS, Versailles	100.0 [3]	5,222	(630)
Parc Eolien de Fontfroide SAS, Versailles	100.0 [3]	9,808	919
Parc Eolien de la Sole du Bois SAS, Versailles	100.0 [3]	5,497	705

		Equity	Net earnings
		€ thou	€ thou
Parc Eolien des Barbes d´Or SAS, Versailles	100.0 [3]	7,062	899
Parc Eolien des Joyeuses SAS, Versailles	100.0 [3]	5,729	937
Parc Eolien des Quatre Buissons SAS, Versailles	100.0 [3]	5,768	594
Pet Plan Ltd., Guildford	100.0 [3]	17,476	223
PFP Holdings LLC, Wilmington, DE	100.0 [3]	8,798,752	410,939
PGA Global Services LLC, Dover, DE	100.0 [3]	17,112	3,751
PIMCO (Schweiz) GmbH, Zurich	100.0 [3]	62,140	16,351
PIMCO Asia Ltd., Hong Kong	100.0 [3]	54,157	17,713
PIMCO Asia Pte. Ltd., Singapore	100.0 [3]	27,068	8,827
PIMCO Australia Management Limited, Sydney	100.0 [3]	7,402	564
PIMCO Australia Pty Limited, Sydney	100.0 [3]	29,869	28,331
PIMCO Canada Corp., Halifax, NS	100.0 [3]	41,546	38,682
PIMCO Europe Ltd., London	100.0 [3]	192,101	134,883
PIMCO Global Advisors (Ireland) Ltd., Dublin	100.0 [3]	28,913	12,623
PIMCO Global Advisors (Luxembourg) S.A., Luxembourg	100.0 [3]	9,562	2,010
PIMCO Global Advisors (Resources) LLC, Dover, DE	100.0 [3]	5,638	3
PIMCO Global Advisors LLC, Dover, DE	100.0 [3]	556,616	252,862
PIMCO Global Holdings LLC, Dover, DE	100.0 [3]	53,908	39,262
PIMCO Investments LLC, Dover, DE	100.0 [3]	148,966	261,318
PIMCO Japan Ltd., Road Town	100.0 [3]	49,947	35,324
PIMCO Prime Real Estate Asia Pacific Pte. Ltd., Singapore	100.0 [3]	7,507	(1,236)
PIMCO Prime Real Estate LLC, Wilmington, DE	100.0 [3]	9,744	2,262
PIMCO Taiwan Ltd., Taipei	100.0 [3]	7,045	(1,902)
POD Allianz Bulgaria AD, Sofia	65.9 [3]	36,809	8,396
Primacy Underwriting Management Pty Ltd., Melbourne	100.0 [3]	7,617	2,243
Promultitravaux SAS, Saint-Ouen	100.0 [3]	7,935	7,907
Protexia France S.A., Paris la Défense	100.0	76,117	23,069
PT Asuransi Allianz Life Indonesia, Jakarta	99.8 [3]	433,889	40,668
PT Asuransi Allianz Life Syariah Indonesia, Jakarta	100.0 [3]	6,008	(12)
PT Asuransi Allianz Utama Indonesia, Jakarta	97.8 [3]	50,252	291
PTE Allianz Polska S.A., Warsaw	100.0 [3]	146,878	36,424
Quality1 AG, Bubikon	100.0 [3]	5,160	2,281
Raloriz S.L., Madrid	100.0 [3]	6,808	(736)
Real Faubourg Haussmann SAS, Paris la Défense	100.0 [3]	1,338,826	(23,827)
Real FR Haussmann SAS, Paris la Défense	100.0 [3]	62,996	2,372
Redoma 2 S.A., Luxembourg	100.0 [3]	87,705	(42)
Rokko Development Praha s.r.o., Prague	100.0 [3]	32,196	369
SA Carène Assurance, Paris	100.0	18,035	685
SA Vignobles de Larose, Saint-Laurent-Médoc	100.0	65,736	(65)
Saarenkylä Tuulipuisto Oy, Oulu	100.0 [3]	13,038	3,107
Santander Allianz TU na Zycie S.A., Warsaw	51.0 [3]	39,920	28,065
Santander Allianz TU S.A., Warsaw	51.0 [3]	45,272	10,190
SAS Allianz Etoile, Paris la Défense	100.0 [3]	131,956	(1,016)
SAS Allianz Forum Seine, Paris la Défense	100.0 [3]	220,796	6,637
SAS Allianz Logistique, Paris la Défense	100.0 [3]	737,948	36,969
SAS Allianz PH, Paris la Défense	100.0 [3]	56,458	(5)
SAS Allianz Platine, Paris la Défense	100.0 [3]	261,312	10,575
SAS Allianz Prony, Paris la Défense	100.0 [3]	39,400	844
SAS Allianz Rivoli, Paris la Défense	100.0 [3]	98,931	1,709
SAS Allianz Serbie, Paris la Défense	100.0 [3]	232,137	(268)
SAS Angel Shopping Centre, Paris la Défense	100.0 [3]	259,480	(5,225)
SAS Chaponnay Mérieux Logistics, Paris la Défense	100.0 [3]	5,290	329
SAS Passage des princes, Paris la Défense	100.0 [3]	197,808	8,163
SAS Pershing Hall, Paris la Défense	100.0 [3]	29,445	531
Sättravallen Wind Power AB, Strömstad	100.0 [3]	44,479	1,190
SC Tour Michelet, Paris la Défense	100.0 [3]	49,983	(3,699)
SCI 46 Desmoulins, Paris la Défense	100.0 [3]	103,731	(3,567)
SCI Allianz Arc de Seine, Paris la Défense	100.0 [3]	214,931	8,430
SCI Allianz Citylights, Paris la Défense	100.0 [3]	468,158	(29,401)
SCI Allianz Immobilier Durable, Paris La Défense	100.0	35,446	(3,077)
SCI Allianz Immobilier Durable 18, Paris la Défense	100.0	82,992	174
SCI Allianz Invest Pierre, Paris la Défense	100.0	1,025,979	(27,156)
SCI Allianz Messine, Paris la Défense	100.0 [3]	221,104	8,696
SCI Allianz Value Pierre, Paris la Défense	100.0	91,258	(11,206)
SCI Allianz Work'In Park, Paris la Défense	100.0 [3]	124,911	574
SCI ESQ, Paris la Défense	100.0 [3]	92,666	1,989
SCI Onnaing Escaut Logistics, Paris la Défense	100.0 [3]	27,897	(363)
SCI Pont D'Ain Septembre Logistics, Paris la Défense	100.0 [3]	68,501	155
SCI Réau Papin Logistics, Paris la Défense	100.0 [3]	77,206	457
SCI Via Pierre 1, Paris la Défense	100.0 [3]	258,322	16,501
Servicios Compartidos Multiasistencia S.L., Madrid	100.0 [3]	157,652	2,398
Silex Gas Norway AS, Oslo	100.0 [3]	33,531	3,064
Sirius S.A., Luxembourg	94.8 [3]	7,358	(339)
Societa' Agricola San Felice S.p.A., Milan	100.0 [3]	48,827	(98)
Société d'Energie Eolienne de Cambon SAS, Versailles	100.0 [3]	10,651	1,141
Société Foncière Européenne B.V., Amsterdam	100.0 [3]	154,038	2,378
Sofiholding S.A., Brussels	100.0 [3]	17,935	536
South City Office Broodthaers SA, Brussels	100.0 [3]	36,904	2,607
Stam Fem Gångaren 11 AB, Stockholm	100.0 [3]	73,137	2,570
StocksPLUS Management Inc., Dover, DE	100.0 [3]	5,510	(104)
Syncier Consulting GmbH, Vienna	100.0 [3]	10,364	961
TFI Allianz Polska S.A., Warsaw	100.0 [3]	16,076	2,345
The Innovation Group Limited, Whiteley	100.0 [3]	409,779	4,135
Thor Spain City Link HoldCo S.L., Madrid	95.0 [3]	27,292	(742)
TIG Acquisition Holdings Limited, Fareham	100.0 [3]	210,037	3,701
Top Versicherungsservice GmbH, Vienna	100.0 [3]	17,843	(3,542)
TopImmo A GmbH & Co. KG, Vienna	100.0	6,494	1,197
TopImmo Besitzgesellschaft B GmbH & Co. KG, Vienna	100.0	9,607	1,751
Trafalgar Insurance Limited, Guildford	100.0 [3]	8,859	15
TU Allianz Zycie Polska S.A., Warsaw	100.0 [3]	403,307	135,531
TU Euler Hermes S.A., Warsaw	100.0 [3]	22,432	1,899
TUiR Allianz Polska S.A., Warsaw	100.0 [3]	278,193	19,821
UK Logistics PropCo I S.à r.l., Luxembourg	100.0 [3]	57,275	743
UK Logistics PropCo II S.à r.l., Luxembourg	100.0 [3]	44,455	535
UK Logistics PropCo III S.à r.l., Luxembourg	100.0 [3]	58,705	1,595
UK Logistics S.C.Sp., Luxembourg	100.0 [3]	177,915	138
Unicredit Allianz Assicurazioni S.p.A., Milan	50.0 [3]	97,205	(4,719)
Unicredit Allianz Vita S.p.A., Milan	50.0 [3]	519,097	(21,063)
Vailog Hong Kong DC17 Limited, Hong Kong	100.0 [3]	33,044	2,677
Valderrama S.A., Luxembourg	100.0 [3]	163,738	(1,086)
Vintage Rents S.L., Madrid	100.0 [3]	14,770	(67)
Viveole SAS, Versailles	100.0 [3]	10,112	1,693
Vordere Zollamtsstraße 13 GmbH, Vienna	100.0 [3]	69,322	2,067
Weihong (Shanghai) Storage Services Co. Ltd., Shanghai	100.0 [3]	27,728	952

		Equity	Net earnings
		€ thou	€ thou
Weilong (Hubei) Storage Services Co. Ltd., Ezhou	100.0 [3]	7,512	(2,212)
Weilong (Jiaxing) Storage Services Co. Ltd., Jiaxing	100.0 [3]	18,990	(633)
Weiyi (Shenyang) Storage Services Co. Ltd., Shenyang	100.0 [3]	12,903	(3,822)
Windpark AO GmbH, Pottenbrunn	100.0 [3]	10,827	(473)
Windpark EDM GmbH, Pottenbrunn	100.0 [3]	9,385	(783)
Windpark EDM GmbH & Co. KG, Pottenbrunn	100.0 [3]	14,813	1,470
Windpark GHW GmbH, Pottenbrunn	100.0 [3]	7,501	(199)
Windpark Ladendorf GmbH, Pottenbrunn	100.0 [3]	7,419	98
Windpark Les Cent Jalois SAS, Versailles	100.0 [3]	8,528	909
Windpark LOI GmbH, Pottenbrunn	100.0 [3]	12,779	(67)
Windpark PDV GmbH, Pottenbrunn	100.0 [3]	7,892	(919)
Windpark PL GmbH, Pottenbrunn	100.0 [3]	5,397	1
Windpark Zistersdorf GmbH, Pottenbrunn	100.0 [3]	5,762	(328)
Windpower Ujscie Sp. z o.o., Poznan	100.0 [3]	52,864	(1)
YAO NEWREP Investments S.A., Luxembourg	94.0 [3]	288,919	6,868
Yorktown Financial Companies Inc., Minneapolis, MN	100.0 [3]	143,479	3
ZAD Allianz Bulgaria AD, Sofia	87.4 [3]	54,702	6,325
ZAD Allianz Bulgaria Life AD, Sofia	99.0 [3]	15,960	1,646
ZAD Energy AD, Sofia	51.0 [3]	14,331	4,719
Joint ventures			
1 Liverpool Street LP, Whiteley	70.0 [3]	35,211	(62,276)
101 Moorgate LP, Whiteley	70.0 [3]	30,148	(15,603)
114 Venture LP, Wilmington, DE	49.5 [3]	115,628	(26,076)
1515 Broadway Realty LP, Wilmington, DE	43.0 [3]	945,841	14,927
30 HY WM REIT Owner LP, Wilmington, DE	49.0 [3]	299,647	(777)
53 State JV L.P., Wilmington, DE	49.0 [3]	340,947	(5,594)
A&A Centri Commerciali S.r.l., Bolzano	50.0 [3]	137,059	1,937
AA Ronsin Investment Holding Limited, Hong Kong	62.0 [3]	444,074	(22,164)
ACRE Acacia Investment Trust I, Sydney	50.0 [3]	119,552	(12,714)
ACRE Acacia Management I Pty Ltd., Sydney	50.0 [3]	119,523	(19,492)
Allee-Center Kft., Budapest	50.0 [3]	102,525	9,912
Altair MF TMK, Tokyo	49.9 [3]	53,861	231
AMLI-Allianz Investment LP, Wilmington, DE	75.0 [3]	85,241	5,560
Arcturus MF TMK, Tokyo	51.0 [3]	30,278	(695)
AREAP Core I LP, Singapore	50.0 [3]	594,960	33,524
AREAP JMF 1 LP, Singapore	33.3 [3]	34,273	16
AS Gasinfrastruktur Beteiligung GmbH, Vienna	55.6 [3]	245,303	(93,697)
Austin West Campus Student Housing LP, Wilmington, DE	45.0 [3]	367,695	(9,307)
AZ/JH Co-Investment Venture (DC) LP, Wilmington, DE	80.0 [3]	252,511	(31,813)
AZ/JH Co-Investment Venture (IL) LP, Wilmington, DE	80.0 [3]	210,345	(30,435)
Bazalgette Equity Ltd., London	34.3 [3]	574,472	169,695
BCal Houston JV L.P., Wilmington, DE	39.2 [3]	129,410	(573)
BL West End Offices Limited, London	75.0 [3]	387,936	24,994
Canis MF TMK, Tokyo	49.9 [3]	24,173	47
Chapter Master Limited Partnership, New York, NY	45.5 [3]	1,199,418	157,621
CHP-AZ Seeded Industrial L.P., Wilmington, DE	49.0 [3]	182,557	(10,204)
Corvus MF TMK, Tokyo	25.4 [3]	30,497	(172)
CPIC Fund Management Co. Ltd., Shanghai	49.0 [3]	86,770	11,698
CPPIC Euler Hermes Insurance Sales Co. Ltd., Shanghai	49.0 [3]	7,712	602
Daiwater Investment Limited, Hatfield	36.6 [3]	365,585	(150,265)
Dundrum Car Park Limited Partnership, Dublin	50.0 [3]	34,836	3,350
Dundrum Retail Limited Partnership, Dublin	50.0 [3]	669,398	6,131
Elton Investments S.à r.l., Luxembourg	32.5 [3]	443,177	(7,245)
ESR India Logistics Fund Pte. Ltd., Singapore	50.0 [3]	199,450	27,760
EUROMARKT Center d.o.o., Ljubljana	50.0 [3]	56,906	10,391
Fiumaranuova S.r.l., Milan	50.0 [3]	202,438	4,984
Floene Energias S.A., Lisbon	45.5 [3]	233,289	19,819
GBTC I LP, Singapore	50.0 [3]	278,715	15,536
GBTC II LP, Singapore	50.0 [3]	80,015	7,246
Grus MF TMK, Tokyo	51.0 [3]	66,181	(403)
Heimstaden Eagle AB, Malmö	56.3 [3]	2,077,268	(24,128)
Helios SCC Sp. z o.o., Katowice	45.0 [3]	117,644	1,623
HKZ Investor Holding B.V., Arnhem	51.0 [3]	748,619	(578)
Hudson One Ferry JV L.P., Wilmington, DE	45.0 [3]	116,557	(10,449)
Italian Shopping Centre Investment S.r.l., Milan	50.0 [3]	30,035	15,567
LBA IV-PPI Venture LLC, Wilmington, DE	45.0 [3]	383,777	(14,455)
LBA IV-PPII-Office Venture LLC, Wilmington, DE	45.0 [3]	20,613	(13,512)
LBA IV-PPII-Retail Venture LLC, Wilmington, DE	45.0 [3]	46,682	8,189
LPC Logistics Venture One LP, Wilmington, DE	31.7 [3]	1,232,189	296,506
Muralis MF TMK, Tokyo	49.9 [3]	20,732	372
NeuConnect Holdings B.V., Amsterdam	25.0 [3]	151,794	(74)
NRF (Finland) AB, Stockholm	50.0 [3]	120,146	(8,958)
NRP Nordic Logistics Fund AS, Oslo	49.5 [3]	385,146	9,402
Ophir-Rochor Commercial Pte. Ltd., Singapore	60.0 [3]	566,631	104,334
Orion MF TMK, Tokyo	49.9 [3]	343,475	(17,970)
Piaf Bidco B.V., Amsterdam	23.9 [3]	1,525,401	15,377
Podium Fund HY REIT Owner LP, Wilmington, DE	44.3 [3]	707,117	(6,679)
Porterbrook Holdings I Limited, Derby	30.0 [3]	1,150,192	122,974
Queenspoint S.L., Madrid	50.0 [3]	22,185	36,705
RMPA Holdings Limited, Colchester	56.0 [3]	13,724	17,272
SCI Docks V2, Paris la Défense	50.0 [3]	38,538	(1,519)
SCI Docks V3, Paris la Défense	50.0 [3]	61,774	(27,574)
SES Shopping Center AT 1 GmbH, Salzburg	50.0 [3]	126,648	(5,652)
SES Shopping Center FP 1 GmbH, Salzburg	50.0 [3]	86,991	5,912
Sirius MF TMK, Tokyo	49.9 [3]	41,227	(616)
Solunion Seguros Compañía Internacional de Seguros y Reaseguros SA, Madrid	50.0 [3]	131,579	12,376
Spanish Gas Distribution Investments S.à r.l., Senningerberg	40.0 [3]	1,220,774	130,163
SPREF II Pte. Ltd., Singapore	50.0 [3]	386,735	48,760
Stonecutter JV Limited, London	50.0 [3]	143,604	(48,657)
Terminal Venture LP, Wilmington, DE	31.2 [3]	493,952	36,685
The Israeli Credit Insurance Company Ltd., Ramat Gan	50.0 [3]	55,306	4,671
The State-Whitehall Company LP, Wilmington, DE	49.9 [3]	36,898	(4,250)
TopTorony Ingatlanhasznosító Zrt., Budapest	50.0 [3]	17,045	814
VGP European Logistics 2 S.à r.l., Senningerberg	50.0 [3]	239,272	(21,694)
VGP European Logistics S.à r.l., Senningerberg	50.0 [3]	514,863	62,663
VISION (III) Pte. Ltd., Singapore	30.0 [3]	79,291	5,798
Wallcon Operating L.P., Wilmington, DE	49.0 [3]	7,266	(39)
Waterford Blue Lagoon LP, Wilmington, DE	49.0 [3]	341,987	(358)

		Equity	Net earnings
		€ thou	€ thou
Associates			
Allianz Life Insurance Co. Ltd., Tokyo	40.0 [3]	55,384	(14,777)
Areim Fastigheter 2 AB, Stockholm	23.3 [3]	37,844	27
Areim Fastigheter 3 AB, Stockholm	31.6 [3]	64,686	579
Bajaj Allianz General Insurance Company Ltd., Pune	26.0 [3]	1,043,528	146,157
Bajaj Allianz Life Insurance Company Ltd., Pune	26.0 [3]	1,311,462	57,254
Best Regain Limited, Hong Kong	16.4 [3]	56,262	12,160
Blue Vista Student Housing Select Strategies Fund L.P., Wilmington, DE	24.9 [3]	222,853	5,490
Delgaz Grid S.A., Târgu Mures	30.0 [3]	751,066	(25,365)
Delong Limited, Hong Kong	16.4 [3]	26,283	6,055
Four Oaks Place LP, Wilmington, DE	49.0 [3]	490,801	15,924
Global Stream Limited, Hong Kong	16.4 [3]	113,893	22,868
Glory Basic Limited, Hong Kong	16.4 [3]	102,651	46,177
HUB Platform Technology Partners Ltd., London	28.6 [3]	54,546	(10,213)
Jumble Succeed Limited, Hong Kong	16.4 [3]	40,231	5,208
Long Coast Limited, Hong Kong	16.4 [3]	19,988	1,756
Luxury Gain Limited, Hong Kong	16.4 [3]	36,296	7,312
Medgulf Takaful B.S.C.(c), Sanabis	25.0 [6]	15,013	837
MFM Holding Ltd., London	30.1 [3]	141,367	(1,774)
Modern Diamond Limited, Hong Kong	16.4 [3]	34,310	14,509
MTech Capital Fund (EU) SCSp, Luxembourg	27.3 [3]	66,876	(7,215)
National Insurance Company Berhad Ltd., Bandar Seri Begawan	25.0 [3]	15,793	3,513
New Try Limited, Hong Kong	16.4 [3]	54,993	7,534
Nordic Ren-Gas Oy, Espoo	30.0 [3]	7,672	(1,328)
Ocean Properties LLP, Singapore	20.0 [3]	1,698,538	143,266
OeKB EH Beteiligungs- und Management AG, Vienna	49.0 [3]	92,690	9,066
Pool-ul de Asigurare Impotriva Dezastrelor Naturale SA, Bucharest	15.0 [3]	49,453	7,913
Praise Creator Limited, Hong Kong	16.4 [3]	26,254	4,922
Prime Space Limited, Hong Kong	16.4 [3]	52,937	4,725
Quadgas Holdings Topco Limited, Saint Helier	13.0 [3]	4,178,078	419,839
Residenze CYL S.p.A., Milan	33.3 [3]	54,348	(268)
Santéclair S.A., Nantes	46.6	15,800	665
SAS Alta Gramont, Paris	49.0	232,031	(565)
Scape Australia Management Pty Ltd., Sydney	8.6 [3]	7,405	5,329
SCI Bercy Village, Paris	49.0 [3]	37,638	8,727
Sierra European Retail Real Estate Assets Holdings B.V., Amsterdam	25.0 [3]	772,537	40,463
Sino Phil Limited, Hong Kong	16.4 [3]	49,128	28,069
SNC Alta CRP Gennevilliers, Paris	49.0 [3]	28,944	3,195
SNC Alta CRP La Valette, Paris	49.0 [3]	13,735	3,764
SNC Société d'aménagement de la Gare de l'Est, Paris	49.0 [3]	8,501	2,867
Summer Blaze Limited, Hong Kong	16.4 [3]	27,057	15,578
Supreme Cosmo Limited, Hong Kong	16.4 [3]	29,849	7,090
Sure Rainbow Limited, Hong Kong	16.4 [3]	26,338	5,050
Tikehau Real Estate III SPPICAV, Paris	12.2 [3]	248,001	18,023
UK Outlet Mall Partnership LP, Edinburgh	19.5 [3]	429,065	30,441
Vanbreda Nederland B.V., Gouda	25.0 [3]	12,899	637
Wildlife Works Carbon LLC, Wilmington, DE	9.6 [3]	13,872	42,002
Other participations below 20% voting rights			
Agrupación Española de Entidades Aseguradoras de los Seguros Agrarios Combinados S.A., Madrid	8.0 [3]	13,006	476
AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	15.6 [3]	78,610	4,671
AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	6.4 [3]	199,433	15,364
ALTRO Invest S.C.A., Weiswampach	19.9 [3]	5,242	(38)
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust, Bangkok	5.6 [3]	95,569	6,864
American Well Corporation, Wilmington, DE	2.6 [3]	1,015,555	(266,817)
Autostrade per l'Italia S.p.A., Rome	6.9 [3]	2,761,180	1,197,956
Blackstone Property Partners Asia (Lux) SCSp, Luxembourg	9.1 [3]	3,060,840	36,521
Bualuang Office Leasehold Real Estate Investment Trust, Bangkok	7.6 [3]	110,348	9,034
CapsAuto SA, Chatou	15.0 [3]	6,847	5,614
Coalition Inc., Wilmington, DE	4.4 [3]	385,413	(310,429)
Czech Gas Networks S.á r.l., Luxembourg	18.5 [3]	696,945	(110,537)
Formula E Holdings Limited, Hong Kong	3.8 [6]	21,099	(5,378)
Fundbox Ltd., Tel Aviv	3.3 [3]	108,802	(95,352)
Golden Ventures Leasehold Real Estate Investment Trust, Bangkok	7.1 [3]	243,747	19,991
IDI SCA, Paris	5.4 [3]	258,963	(5,446)
IndInfravit Trust, Chennai	13.5 [3]	6,158	(493)
Instituto de Investigación sobre Vehículos S.A, Zaragoza	4.6 [3]	5,650	744
Italo - Nuovo Trasporto Viaggiatori S.p.A., Rome	10.0 [3]	1,695,851	118,295
Next Insurance Inc., Wilmington, DE	3.3 [3]	372,009	(190,765)
Oddo et Cie SCA, Paris	2.2 [3]	968,480	74,900
PERILS AG, Zurich	10.0 [3]	12,035	683
Pie Insurance Holdings Inc., Washington, D.C.	11.5 [3]	324,784	(110,380)
Pollen Inc., Wilmington, DE	4.1 [3]	24,082	(58,622)
Portima SCRL, Brussels	10.9 [3]	12,645	802
PT Polinasi Iddea Investama, Jakarta	1.4 [3]	40,062	(26,745)
SOFIDY Pierre Europe SPPICAV, Évry-Courcouronnes	5.3 [3]	222,144	1,162
Tecnologías de la Información y Redes para las Entidades Aseguradoras S.A., Las Rozas de Madrid	6.0 [3]	50,064	4,520
UniCredit S.p.A., Milan	3.3 [3]	6,100,000	6,473,000
Urgent.ly Inc., Wilmington, DE	0.1 [3]	81,534	(53,487)
Wealthsimple Financial Corporation, Toronto, ON	9.3 [3]	172,343	(120,122)
Welab Holdings Limited, Road Town	5.0 [3]	563,989	(66,275)

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 2022.
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_Last annual financial statement before 2022.

FURTHER INFORMATION

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RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Allianz SE give a true and fair view of the assets, liabilities, financial position, and profit or loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Munich, 22 February 2024

Allianz SE
The Board of Management

Oliver Bäte	Sirma Boshnakova	Claire-Marie Coste-Lepoutre
Dr. Barbara Karuth-Zelle	Dr. Klaus-Peter Röhler	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 2023, and the income statement for the financial year from 1 January to 31 December 2023, 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 2023. 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 2023 and of its financial performance for the financial year from 1 January to 31 December 2023 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 2023. 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 matters 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 € 17,279 mn (13.4% of total assets) are reported under the "Reserves for loss and loss adjustment expenses" balance sheet item.

Insurance companies are required to recognize technical provisions to the extent necessary in accordance with reasonable business judgment to ensure that they can meet their obligations from insurance contracts on a continuous basis. Defining assumptions for the purpose of measuring the technical provisions requires the Company's executive directors, in addition to complying with the requirements of commercial and regulatory law, to make estimations of future events and to apply appropriate measurement methods. The gross provision is generally determined on the basis of the cedents' information or, in the case of outstanding settlements, on the basis of an estimate. The Company reviews the appropriateness of the cedents' information and, if necessary, makes appropriate increases to the amounts.

The methods used to determine the amount of the claims provisions and the calculation parameters are based on judgments and assumptions made by the executive directors. This also includes 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 € 75,594 mn (58.6% 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 judgments, 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 listed as 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 € 24.3 mn and write-downs amounting in total to € 32.9 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 arithmetic 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 "EU 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 disclosed 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-2023-12-31.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 2023 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on any other information contained in the electronic file identified above.

Basis for the assurance opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 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 2023. We were engaged by the supervisory board on 10 May 2023. 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 Florian Möller.

Munich, 26 February 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Florian Möller	Dennis Schnittger
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 2023 financial year, 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 jointly created 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 2023 at a glance

The economic and geopolitical environment

In the first half of the year in particular, 2023 was characterized by the continued dynamic inflation trend in many leading economies. Only in the second half of the year was a slow normalization of inflation rates achieved thanks to rapid interest rate hikes by central banks. The economic impact of high inflation and restrictive monetary policy was also evident on the international capital markets. In addition to high claims inflation, the insurance industry and asset management therefore also had to successfully navigate a very volatile investment environment. Natural disasters, such as the earthquake in Türkiye and Syria as well as thunderstorms in Germany, also posed major challenges for our industry in 2023. The ongoing war in Ukraine and the conflict in the Middle East contributed to the challenging geopolitical and economic environment.

The Supervisory Board's Personnel Committee closely monitored business developments, particularly with regard to potential target achievement at Group level and individual remuneration targets at the half-year and year-end 2023. In addition to the financial targets, the non-financial targets and target achievement for 2023 were also discussed intensively, and changes to the Management Board were prepared and implemented.

Group financial 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%.

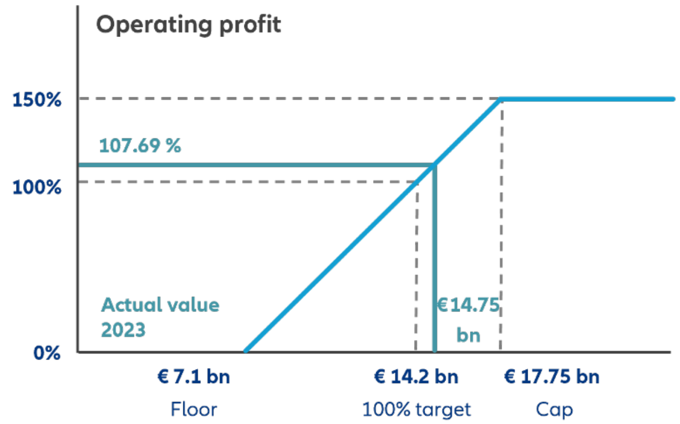
The operating profit target of € 14.20 bn was exceeded to € 14.75 bn, as the Property-Casualty, Life/Health, and Corporate and Other business segments achieved growth in operating profit and more than compensated for the slight decline in the Asset Management business segment. This resulted in a target achievement of 107.69% for the operating profit.

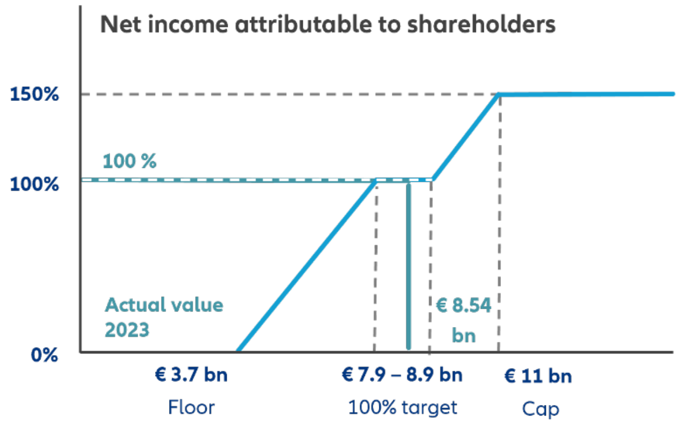
The transition to IFRS 9 means a significant increase in the share of assets measured at fair value through profit or loss on the balance sheet in the Property-Casualty business segment and thus significantly higher volatility of the net income in combination with fewer steering options. In the Board’s remuneration system, which will be submitted for approval by the 2025 Annual General Meeting, the Group's financial target of net income attributable to shareholders will be adjusted going forward by eliminating certain non-operating effects such as fluctuations from market movements.

For the 2023 financial year, the bonus curve was 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 was defined as a plateau with an upward or downward fluctuation range of € 500 mn.

Net income attributable to shareholders amounted to € 8.54 bn in the past financial year and was therefore within the target range of € 7.9 – 8.9 bn, resulting in a target achievement of 100.00%.

Overall, this results in a target achievement rate for the Group's financial targets of 103.85%.





Board of Management performance in 2023

In the financial year under review, the Board of Management faced unprecedented challenges requiring a team effort. In addition to the geopolitical and macroeconomic challenges, the Board of Management had to meet supervisory requirements and adopt decisions to implement the digital future. These topics had to be jointly addressed by the entire Board of Management across the divisional areas of responsibility. The members of the Board of Management also successfully handled the additional tasks arising from the streamlining effected in the financial year under review. This applies in particular to the business activities in Spain, Portugal and Latin America, Allianz X, and the implementation of IT verticalization and business model transformation.

As a result, the Board of Management achieved a record result in terms of operating profit and net income, despite a massive adverse impact resulting from natural disasters, high inflation, and rapidly rising interest rates. This strong overall performance was achieved on a sustainable basis: Customer satisfaction at Allianz once again reached top scores. The proportion of local business segments considered as market leaders in terms of customer satisfaction as measured by the digital Net Promoter Score (dNPS), for example, grew to 59%. Employee testimonials were also very positive. The Inclusive Meritocracy Index and Work Well Index Plus, which are used to measure employee satisfaction, rose to new record levels of 81% and 76%, respectively, bucking a negative trend in the industry. In addition, the Board of Management also met its ambitious environmental targets. Examples include CO_2 emissions per employee, which were reduced by 62% versus the baseline year 2019 and were thus further reduced compared to the previous year (-57%) despite a normalization of travel behavior after the end of the COVID-19 pandemic.

Due to the very good overall team performance of the Board of Management in all cross-divisional matters, for the first time the Supervisory Board unanimously decided to refrain from differentiating the individual contribution factor for the annual bonus for the 2023 financial year and to set a common factor of 1.15 for the regular Board members and to assess Mr. Bäte's performance in leading the Board of Management team with a factor of 1.17. Individual performance by the individual members of the Board of Management is described in detail below.

Potential application of malus and clawback

In the financial year, there was no reason to reduce the payment of variable remuneration (malus) or to reclaim variable remuneration already paid out (clawback).

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 2023 financial year.

The Remuneration Report for 2022 was approved at the Annual General Meeting on 4 May 2023 with a majority vote of 82.94%.

Overall, the remuneration system and the Remuneration Report are strongly supported by investors and proxy advisors. In discussions with the Supervisory Board, it is emphasized, among other things, that the transparency provided with regard to Board of Management remuneration exceeds the best practice standard in Germany in many respects and that the Supervisory Board exercises its discretionary powers, as granted to them to the usual extent, very responsibly.

Changes to the composition of the Board of Management

Giulio Terzariol was released from his mandate as a member of the Board of Management on 31 December 2023 so that he can pursue a career opportunity outside the company in his home country.

Claire-Marie Coste-Lepoutre took over from Giulio Terzariol on 1 January 2024 and has been working with Mr. Terzariol on a seamless handover of his responsibilities.

Remuneration of the Allianz SE Board of Management

Key principles of Board remuneration

Remuneration is designed to be appropriate compared to peer companies, 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.

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 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 AktG in its currently valid version, as well as with regulatory requirements and the recommendations of the German Corporate Governance Code.

Clarity and comprehensibility are ensured at all times. Feedback from investors is also considered.

Determination and adequacy of 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, and the Allianz Group's long-term performance, relative size, complexity, and internationality.

As part of the review in 2022 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 for 2023 and going forward. A comparison of Board of Management remuneration with the DAX 40 companies on the basis of turnover, number of employees and market capitalization shows that the remuneration of the Chairperson of the Management Board and the ordinary members of the Management Board is below the comparative value. 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. For these reasons, the Supervisory Board deemed an increase in the annual target remuneration of 5% for all Board members to be appropriate. The exact amounts can be found in the graph relating to the overview of the structure of the target remuneration.

Vertical appropriateness

This comparison is based on the total direct remuneration of a member of the Board of Management and the average direct remuneration 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 2022 financial year, the factor for the Chairperson of the Board of Management to an employee was "65" and the factor for a regular Board member to an employee was "37". For the 2023 financial year, the respective factor for the Chairperson of the Board of Management to an employee is "68" and the factor regular board member to employee is "36".

Overview of the Allianz SE remuneration system

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 2023 financial year.

	In € thou CEO / BM	Components
30% Base salary	2,007 1,024	• Fix
25% Annual bonus	1,673 854	**Target achievement factor (0-150%)** Group result (50% operating result, 50% net income) × Individual contribution factor (0.8-1.2)
45% Long-term incentive (LTI), deferred	3,011 1,536	**LTI payout factor (0-272%[1])** Target achievement factor annual bonus × 4-year share price development × Relative performance factor (index comparison) × Sustainability check[2] (100% down to 0)
100%	**6,691** **3,414**	

Other elements

Shareholding requirement	Shareholding requirement • CEO: 2 x base salary • BM: 1 x base salary Total stock exposure, including LTI at full run-rate: • CEO: 8 x base salary • BM: 7 x base salary
Pension provision (pension contributions)	• 15% of the target remuneration (50% of the base salary) • CEO: € 1,003 thou, BM: € 512 thou
Severance payment	• Severance payment limit ≤ 2 x target remuneration excluding pension contributions
Malus Clawback	• Applicable to the entire variable remuneration: • Malus: up to 100% • Clawback: up to 3 years
Cap	• Remuneration cap including pension contributions in € thou: • CEO: € 11,750, BM: € 6,000

CEO = Chief Executive Officer, BM = regular Board member.
Consideration of sustainability criteria.
1_The cap of € 11,750 thou, or € 6,000 thou including pension contributions, limits the LTI effective payout to a maximum of 272% of the target allocation value.
2_Review of target achievement for sustainability on the basis of financial, environmental, and social criteria.

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. These components provide competitive remuneration to attract and retain Board of Management members with experience and skills that 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 company management 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 remuneration 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. This composition aims to balance short-term performance, longer-term success, and sustained value creation. The Supervisory Board ensures that the variable remuneration targets are challenging, sustainable, and ambitious.

Annual bonus

The annual bonus provides incentives for profitable growth and further development of 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 calculated by multiplying the target achievement factor by the target amount for the annual bonus. It 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 remuneration 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. The achievement of these targets 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., € 4,013 thou,
- Regular Board of Management member: one time base salary, i.e., € 1,024 thou.

Ownership is required for the entire term of service on the Board of Management. Shares will be acquired through mandatory pay component conversion. In the event of a base salary increase, the shareholding obligation increases accordingly. The ownership 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 Allianz stock. This 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 event 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 be implemented if this is required by the supervisory authority (BaFin) 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 of € 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 2019 financial year. Given that the actual amount of the long-term variable remuneration paid out 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 2024 financial year.

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.

Particular components of the remuneration system from which deviations may be made in exceptional cases include the base salary, the annual bonus and the 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 with skills such as crisis management expertise, with a remuneration structure that temporarily deviates from the remuneration structure.

In the 2023 financial year, 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 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.

Rather than being automatic, adjustment requires a justified decision by the Supervisory Board on a case-by-case basis. 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.

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 made on a pro-rata basis 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 the event 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, this 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.

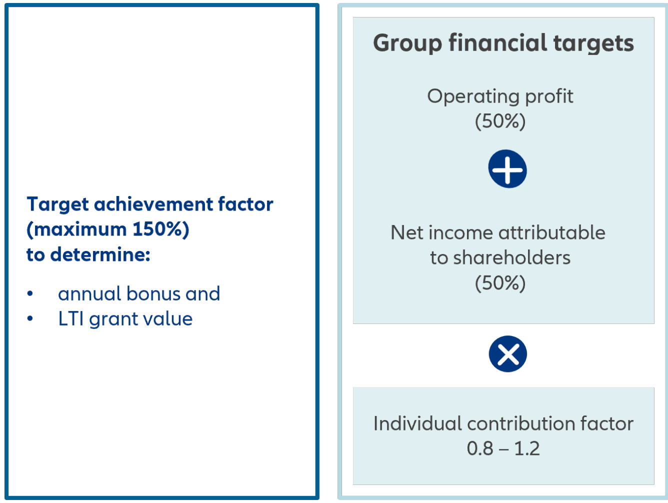
In recognition of related benefits to the organization, and subject to prior approval by the Supervisory Board of Allianz SE, Board members are also allowed to accept a limited number of non-executive supervisory roles at appropriate external organizations. In these cases, 50% of the remuneration received is paid to Allianz SE.

The respective Board member will only retain the full remuneration for that position 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; the level of remuneration 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 Board of Management.

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, as well as for calculating the return on equity. 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 targets are documented for the respective next financial year and published ex-post in the Remuneration Report.

Individual contribution factor (ICF): 0.8 - 1.2

Strategic priority		• Individual strategic objective: set at the beginning of the respective performance year and linked to a corresponding performance indicator.
Performance	Profitability	• Divisional focus: business division operating profit and net income. • Functional focus: special quantitative targets if applicable.
	Productivity	• Divisional property-casualty cost ratio and asset management cost-income ratio.
Non-financial targets	Environmental Social Governance	• Sustainability as measured by the greenhouse gas reduction of Allianz companies and by the development of a roadmap to reduce CO_2 emissions in the context of capital allocation. • Customer satisfaction: development of digital Net Promoter Score. • Employee engagement: development of the Allianz Engagement Survey including Inclusive Meritocracy Index, Work Well Index Plus. • Leadership contribution with particular focus on customer & market excellence, collaborative leadership, entrepreneurship and trust.

Impact on

Annual bonus (short-term) + LTI allocation (long-term) + LTI sustainability check (long-term)

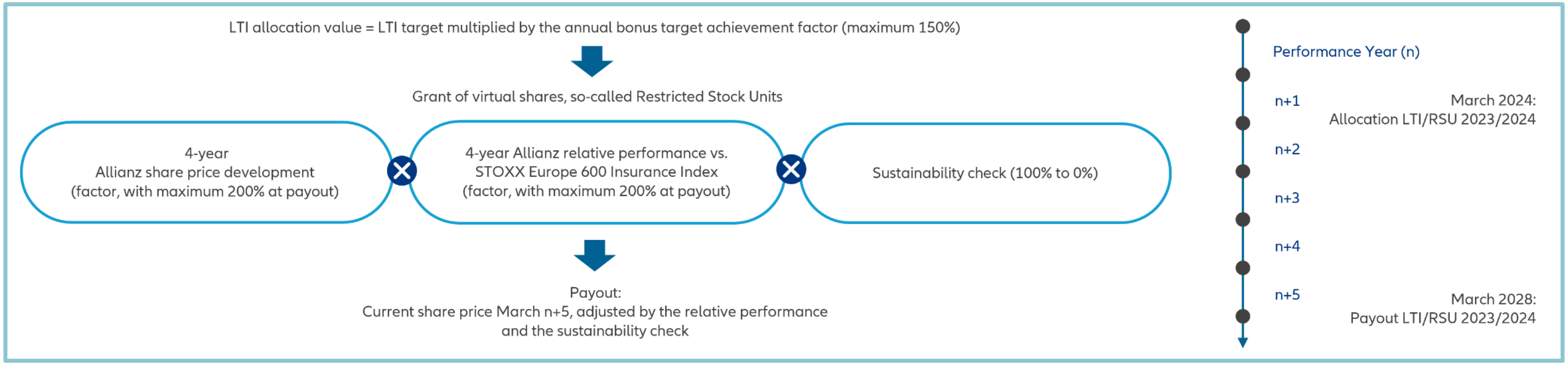
Individual performance indicators

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, overarching strategic goals that apply to all Board members are set.
- 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: Non-financial sustainability targets take into account customer satisfaction (e.g., digital Net Promoter Score (dNPS), employee engagement (e.g., Allianz Engagement Survey), and leadership quality. The assessment of the individual leadership quality also includes a review of behavioral aspects, such as customer orientation, collaborative leadership, entrepreneurship, and trust (e.g., corporate social responsibility, integrity, diversity, and sustainability as measured by the greenhouse gas reduction of Allianz companies and by the development of a roadmap to reduce CO_2 emissions in the context of capital allocation).

Additional information, in particular regarding the annual sustainability targets for the Allianz SE Board of Management can be found in the Non-Financial Statement for the Allianz Group and Allianz SE.

LTI key features



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 make an equal 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 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, known as 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 calculated by multiplying the LTI target amount by the annual bonus achievement factor, and capped at a maximum of 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" because the comparison with competitors and the market is critically important, so the outperformance/underperformance is given a twofold weighting.

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.

- 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 Personnel Committee makes a preliminary assessment before the Supervisory Board determines, whether there are any sustainability-related concerns regarding a full payout. If any concerns are identified, payment of the tranche may be cancelled in full or in part.

  The sustainability assessment covers:

  - compliance breaches,
  - balance sheet issues, such as reserve strength, solvency, indebtedness, and ratings,
  - KPIs contained in the individual Board members' targets, such as dNPS, employee satisfaction, and climate targets.

  The assessment is made by applying a comparable basis; i.e., any regulatory changes, changes in accounting regulations, or changes in calculation methods for the KPIs in question are taken into account.
- Allianz share performance, payout, and cap: Following the end of the four-year contractual vesting period, the granted RSUs are settled in cash, based on the ten-day average Xetra closing price of the Allianz SE share following the annual financial media conference in the year the respective RSU plan vests, multiplied by the relative TSR performance factor, and adjusted by the sustainability assessment, if necessary. The relevant share price is capped at 200% of the grant price. Likewise, the relative TSR performance factor is capped at a maximum of 200%. Taking into account the overall compensation cap (€ 6,000 thou for a regular Board member and € 11,750 thou for the Chairperson of the Board of Management), the LTI payout in relation to the LTI target – which deviates from the individual LTI component caps – is limited to 272%.

Outstanding RSU holdings are forfeited should a Board member leave at their own request or be terminated for important cause.

Illustrative examples:

LTI payout: performance exceeds expectation (scenario 1)

Illustrative example for a regular Board member	%	Number of RSUs	€ thou
LTI initial grant based on:			
•LTI target			1,536
•LTI allocation amount: annual bonus achievement factor applied to LTI target	110		1,690
•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))		9,940	
LTI payout at vesting based on:			
•RSUs x share price at vesting (€ 269)			2,674
•TSR relative performance factor: 2 x (TSR Allianz: 45 % – TSR STOXX Europe 600 Insurance: 40 %) + 100 %	110		
Payout			**2,941**

LTI payout: performance remains below expectation (scenario 2)

Illustrative example for regular Board member	%	Number of RSUs	€ thou
LTI initial grant based on:			
•LTI target			1,536
•LTI allocation amount: annual bonus achievement factor applied to LTI target	90		1,383
•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))		8,133	
LTI payout at vesting based on:			
•RSUs x share price at vesting (€ 203)			1,651
•TSR relative performance factor: 2 x (TSR Allianz: 15 % – TSR STOXX Europe 600 Insurance: 40 %) + 100 %	50		
Payout			**825**

Application of the remuneration system in the financial year

Variable remuneration for the financial year

Group financial 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 € 14.20 bn was exceeded to € 14.75 bn as the Property-Casualty, Life/Health, Corporate and Other business segments achieved growth in operating profit and more than compensated for the slight decline in the Asset Management business segment. This resulted in a target achievement of 107.69 % for the operating profit.

The transition to IFRS 9 means a significant increase in the share of assets measured at fair value through profit or loss 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. For the 2023 financial year, the bonus curve was 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 was defined as a plateau with an upward or downward fluctuation range of € 500 mn. Net income attributable to shareholders amounted to € 8.54 bn in the past financial year and was therefore within the target range of € 7.9 – 8.9 bn, resulting in a target achievement of 100.00 %.

Overall, this results in a target achievement rate for the Group's financial targets of 103.85 %.

Group financial target achievement 2022 und 2023

Group financial target achievement	Operating profit		Net income attributable to shareholders		Achievement level combined in %	
Financial year	2022	**2023**	2022	**2023**	2022	**2023**
Bonus curve						
0 % - Floor in € bn	6.70	7.10	3.60	3.70		
100 % - Target in € bn	13.40	14.20	7.20	7.9 – 8.9		
150 % - Max in € bn	16.75	17.75	9.00	11.00		
Target achievement					105.35	103.85
Achievement level in € bn[1]	14.16	14.75	7.17	8.54		
Achievement level in %	111.40	107.69	99.29	100.00		
Weight in %	50.00	50.00	50.00	50.00		

1_The 2022 operating profit and net income attributable to shareholders shown in this table (and also in the following tables within the Remuneration Report) are as published in the Annual Report 2022 and have not been adjusted to reflect the application of the new accounting standards IFRS 9 (Financial Instruments) and IFRS 17 (Insurance Contracts), which have been adopted as of 1 January 2023.

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 individual performance indicators.

Individual performance indicators

Board members	Summary of individual performance in 2023	Individual contribution factor (ICF)
Oliver Bäte	• Another record result in a challenging economic and geopolitical environment. • Top results in terms of brand value and customer and employee satisfaction as the basis for future success.	1.17
Sirma Boshnakova	• Very good growth of the platform businesses Allianz Partners, Allianz Direct and the Solvd claims platform. • Foundation laid for further growth, e.g., through the successful conclusion of a bancassurance partnership in the Netherlands.	1.15
Dr. Barbara Karuth-Zelle	• Significant progress in large technology projects, in particular the realignment of the Business Master Platform. • Substantial improvements in the stability of infrastructure services and user satisfaction with workplace services. • Consistent improvement in the company's IT security and strengthening of Group IT Governance by way of driving ambitious transformation projects forward.	1.15
Dr. Klaus-Peter Röhler	• Further productivity gains and pursuit of key transformation projects within the Allianz Group. • Considerable improvements in customer and employee satisfaction. • Financial target achievement was adversely impacted by claims arising from natural disasters, in particular in Germany.	1.15
Giulio Terzariol	• Further strengthening of the solvency ratio, confirmation of or improvement in key credit ratings, and safeguarding Group liquidity. • Very good management of the inflationary environment as the basis for only moderate impacts on the combined ratio in property insurance and on Group results. • Successful integration of control functions and sustained strengthening of Group Governance.	1.15
Dr. Günther Thallinger	• Solid investment result in a capital market environment characterized by extreme interest rate hikes. • Safeguarding Group liquidity through consistent reallocation of the investment portfolio, and positioning for a potentially sustained increase in capital market volatility. • Strong commitment in formulating and implementing the new ambitious Net-Zero Plan, which contributes to the expansion of Allianz's leading position in sustainability.	1.15
Christopher Townsend	• Strong results in the Commercial Lines business, driven by a very gratifying performance of Allianz Commercial and Allianz Trade. • Improvements of results in the entities in Spain, Portugal, and Latin America. • Further progress in developing the cross-border Commercial Lines platform.	1.15
Renate Wagner	• Robust growth and solid profitability in the Asia-Pacific business despite continued challenges in Australia. • Top scores in terms of employee satisfaction and further progress in Diversity & Inclusion, externally recognized through the granting of numerous awards.	1.15
Dr. Andreas Wimmer	• Cushioning adverse market effects in Asset Management through disciplined cost management and achievement of robust new business despite strong volatility. • Very good growth in U.S. Life Insurance and successful pursuit of an ambitious IT transformation.	1.15

As CEO, Oliver Bäte and his Board of Management team once again led the company to a record profit. In addition to the very good financial performance, his strong personal commitment also helped the company to again achieve top scores for brand value as well as customer and employee satisfaction, forming an excellent basis for the continued successful development of Allianz. With regard to the Capital Markets Day to be held in December 2024, the Supervisory Board expects to see the formulation and implementation of the updated corporate strategy in the new financial year. Moreover, the initiatives launched to deliver further productivity gains in the core business and accelerate profitable customer growth are expected to be consistently pursued.

Sirma Boshnakova successfully drove the growth of the platform business ahead in the completed financial year: Apart from the continued strong development of Allianz Partners, Ms. Boshnakova successfully launched the Solvd claims service platform in several markets. The Allianz Direct direct insurance company also reported robust growth and was migrated to a new IT infrastructure. In addition, the conclusion of a partnership in the bancassurance channel in the Netherlands forms an important basis for further growth. Alongside the continued scaling of Solvd, the Supervisory Board expects Ms. Boshnakova's area of responsibility to deliver further improvement in profitability in 2024.

Barbara Karuth-Zelle delivered significant progress in major technology projects, in particular the realignment of the Business Master Platform. She also achieved considerable enhancements of the stability of infrastructure services and user satisfaction with workplace services. Ms. Karuth-Zelle was also responsible for the implementation of important productivity and digitalization initiatives. In addition, Ms. Karuth-Zelle consistently improved the company's IT security and reinforced Group IT Governance by driving ambitious transformation projects forward. Also, the economic management of the IT budget progressed in the completed financial year. For 2024, the Supervisory Board expects to see continued steady improvements, particularly with regard to the speed of implementation and profitability of the IT portfolio, as well as significant and visible productivity gains at Allianz Technology.

Klaus-Peter Röhler delivered further productivity gains in the portfolio he manages by and drove important transformation projects forward within the Allianz Group. The significant improvement in customer satisfaction, for example in life insurance in Germany and Switzerland, is particularly noteworthy. Employee satisfaction also continued to improve year-on-year in almost all subsidiaries in Mr. Röhler's portfolio. The achievement of financial targets in Mr. Röhler's portfolio was adversely affected by losses from natural disasters, particularly in Germany. For 2024, the Supervisory Board expects to see further efficiency gains through IT investments and the consistent further development of pricing and claims models in property insurance, particularly with regard to the mapping of natural events resulting from climate change.

As CFO, Giulio Terzariol once again contributed significantly to the company's very solid position in all key financial indicators. Despite an extremely challenging economic environment, he further strengthened the solvency ratio, achieved the confirmation of or even improvements in key credit ratings, and safeguarded Group liquidity. He was also instrumental in ensuring that the high inflation rate only had a moderate impact on the combined ratio in property insurance and the Group result. Mr. Terzariol also successfully implemented the integration of the control functions and strengthened Group Governance in the long term. After a career spanning 25 years at Allianz with assignments in various places including the U.S., Asia and at the Munich head office, Mr. Terzariol left the company at the end of the year at his own request. The Supervisory Board thanks Mr. Terzariol for his outstanding contributions to the sustainable success of Allianz and wishes him all the best for the future.

Günther Thallinger once again achieved a solid investment result in a challenging capital market environment characterized by extreme interest rate increases in many economies. Moreover, Mr. Thallinger's consistent reallocation of the investment portfolio helped secure the company's strong positioning, even with regard to a potential continued increase in capital market volatility, as well as Group liquidity. Allianz's leading position in the area of sustainability was further expanded, in particular due to Mr. Thallinger's strong personal commitment in formulating and implementing the new, ambitious Net-Zero Plan. For 2024, the Supervisory Board expects to see a consistent adjustment of the investment portfolio to the changing economic framework, taking account of capital market requirements, as well as further profitable growth in the health insurance business.

Christopher Townsend again achieved strong results in the Commercial Lines business in the 2023 financial year, driven by a very gratifying performance delivered by both Allianz Commercial and Allianz Trade. The entities in Spain, Portugal and Latin America, newly allocated to his area of responsibility, also delivered notably improved results. In addition, Mr. Townsend continued to drive the development of the global Commercial Lines business forward. For 2024, the Supervisory Board expects to see sustained improvements in the results of Allianz UK and the realization of the financial targets and visible productivity gains from the globalization of the Commercial Lines business.

Renate Wagner quickly adjusted to her new responsibility for the Asia-Pacific business in the completed financial year and achieved robust growth and solid profitability despite continued challenges in Australia. Moreover, Ms. Wagner's efforts relating to the workforce and culture at Allianz again delivered very good results. Examples include employee satisfaction, which reached a record level and the top score among Allianz's competitors in the completed financial year. Allianz once again won several awards to honor its success in the area of Diversity & Inclusion. For 2024, the Supervisory Board expects further profitable growth in Asia and improved results in Australia. Furthermore, strategic HR planning will remain a top priority in times of shortages of skilled labor.

Andreas Wimmer safeguarded the resilience of the Asset Management business segment and U.S. Life Insurance in a very challenging capital market environment. In Asset Management, he cushioned adverse market effects through disciplined cost management and achieved robust new business despite strong volatility. In addition to very good growth in U.S. Life Insurance, he also successfully drove an ambitious IT transformation forward. For 2024, the Supervisory Board expects to see the expansion of business with alternative asset classes for third-party customers and the consistent continuation of the integration of the Life Insurance and Asset Management business segments in order to strengthen the resulting business opportunities and the capital efficiency of the Allianz Group.

Overview target achievement and variable remuneration for the financial year

The following table shows the amounts for annual payout and LTI-allocation resulting from the target achievement of the financial year, as well as the target, minimum, and maximum amount of the variable compensation components.

Target achievement and variable remuneration of the members of the Board of Management for the financial year

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 2023		%	0.8-1.2	%	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou	€ thou
Oliver Bäte	2023	103.85	1.17	121.50	1,673	-	2,510	2,033	3,011	-	4,516	3,658
Appointed: 01/2008 CEO since 05/2015	2022	105.35	1.16	122.21	1,593	-	2,390	1,947	2,867	-	4,301	3,504
Sirma Boshnakova	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 1/2022	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726
Dr. Barbara Karuth-Zelle	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 01/2021	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726
Dr. Klaus-Peter Röhler	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 04/2020	2022	105.35	1.14	120.10	813	-	1,220	976	1,463	-	2,195	1,757
Giulio Terzariol	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	-
Appointed: 01/2018 End of service: 12/2023	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Dr. Günther Thallinger	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 01/2017	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Christopher Townsend	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 01/2021	2022	105.35	1.13	119.05	813	-	1,220	968	1,463	-	2,195	1,742
Renate Wagner	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 01/2020	2022	105.35	1.14	120.10	813	-	1,220	976	1,463	-	2,195	1,757
Dr. Andreas Wimmer	2023	103.85	1.15	119.43	854	-	1,280	1,020	1,536	-	2,304	1,835
Appointed: 10/2021	2022	105.35	1.12	117.99	813	-	1,220	959	1,463	-	2,195	1,726

1_Derived by multiplying the LTI target amount by the target achievement factor.

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 where the applicable performance criteria are fulfilled and conditions subsequent and suspensive have been met or have ceased to exist. For the 2023 financial year, this is the annual bonus that refers to the 2023 performance period and is paid out in March 2024. For the share-based remuneration, the payout of the Allianz Equity Incentive (AEI) RSU allocated in 2019 for the 2018 financial year, which vested in the 2023 financial year, 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.

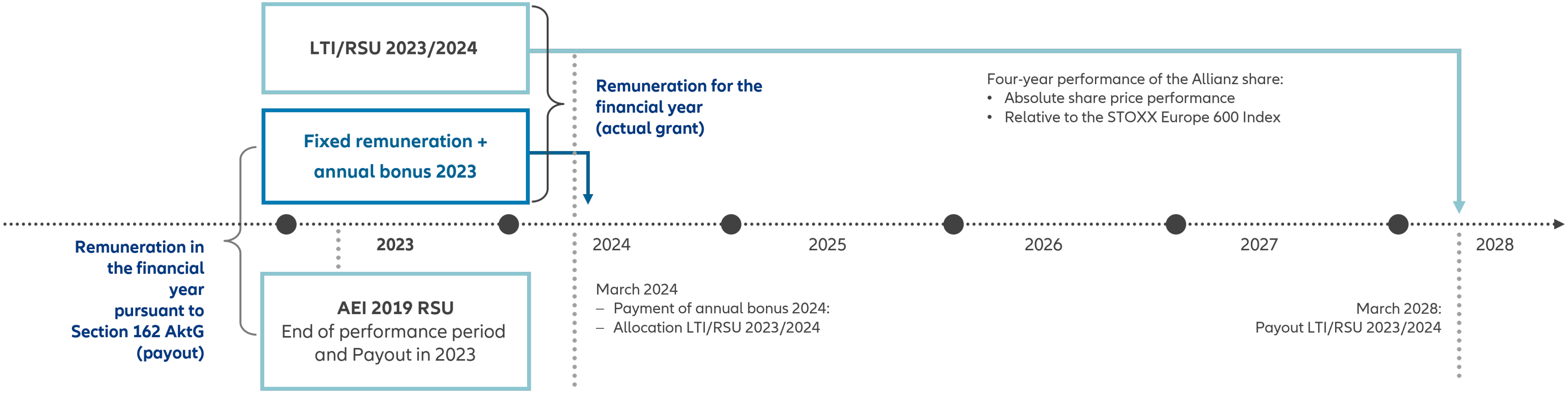
The amounts for the annual bonus and LTI allocation reported here result from the achievement of the targets for the financial year. The information therefore directly depicts the correlation between remuneration and business development.

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 2028 of the LTI tranches allocated for the 2023 financial year, 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 expenses 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.

For the sake of clarity, 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.

The following diagram presents the allocation of the remuneration components in the two tables, using the financial year 2023 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: 2023 and 2022

€ thou (total might not sum up due to rounding)

Board members		Fixed compensation				Variable short-term		Variable long-term				Total compen-sation acc. § 162 AktG	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	2023	2,007	32	35	1	2,033	32	2,283	36	-	-	6,357	1,109	7,466
Appointed: 01/2008 CEO since 05/2015	2022	1,911	34	15	-	1,947	34	1,786	32	-	-	5,660	1,122	6,782
Sirma Boshnakova	2023	1,024	49	29	1	1,020	49	-	-	-	-	2,072	444	2,516
Appointed: 01/2022	2022	975	50	27[1]	1	959	49	-	-	-	-	1,961	412	2,373
Dr. Barbara Karuth-Zelle	2023	1,024	49	27	1	1,020	49	-	-	-	-	2,071	552	2,622
Appointed: 01/2021	2022	975	50	11	1	959	49	-	-	-	-	1,945	556	2,502
Dr. Klaus-Peter Röhler	2023	1,024	49	54	3	1,020	49	-	-	-	-	2,097	502	2,599
Appointed: 04/2020	2022	975	49	19	1	976	50	-	-	-	-	1,970	533	2,503
Giulio Terzariol	2023	1,024	30	83	2	1,020	30	1,251	37	-	-	3,378	555	3,933
Appointed: 01/2018 End of service: 12/2023	2022	975	49	30	2	968	49	-	-	-	-	1,973	570	2,543
Dr. Günther Thallinger	2023	1,024	31	4	-	1,020	31	1,278	38	-	-	3,325	547	3,872
Appointed: 01/2017	2022	975	32	2	-	968	32	1,106	36	-	-	3,051	548	3,599
Christopher Townsend	2023	1,024	50	18	1	1,020	49	-	-	-	-	2,062	434	2,496
Appointed: 01/2021	2022	975	49	30	2	968	49	-	-	-	-	1,972	412	2,384
Renate Wagner	2023	1,024	49	30	1	1,020	49	-	-	-	-	2,074	529	2,602
Appointed: 01/2020	2022	975	49	26	1	976	49	-	-	-	-	1,977	526	2,504
Dr. Andreas Wimmer	2023	1,024	50	8	-	1,020	50	-	-	-	-	2,051	538	2,589
Appointed: 10/2021	2022	975	50	9	-	959	49	-	-	-	-	1,944	413	2,357

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.

Compliance with the maximum remuneration principles on payouts for share-based remuneration in the 2023 financial year

In the 2023 financial year, the RSU tranches for the 2018 financial year, allocated in March 2019, were paid out to Oliver Bäte, Giulio Terzariol, and Dr. Günther Thallinger. According to the remuneration system applicable at the time of the allocation, the RSU payout is solely dependent on the absolute share price performance and capped at 200% above the grant price. During the term of the AEI/RSU 2019 tranche, the decisive price of the Allianz share rose from € 193.66 to € 219.06. 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: 2023 and 2022

€ 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	2023	2,007	26	35	-	2,033	26	3,658	47	-	-	7,732	1,109	8,841
Appointed: 01/2008 CEO since 05/2015	2022	1,911	26	15	-	1,947	26	3,504	47	-	-	7,378	1,122	8,500
Sirma Boshnakova	2023	1,024	26	29	1	1,020	26	1,835	47	-	-	3,907	444	4,351
Appointed: 01/2022	2022	975	26	27[1]	1	959	26	1,726	47	-	-	3,687	412	4,099
Dr. Barbara Karuth-Zelle	2023	1,024	26	27	1	1,020	26	1,835	47	-	-	3,905	552	4,457
Appointed: 01/2021	2022	975	27	11	-	959	26	1,726	47	-	-	3,672	556	4,228
Dr. Klaus-Peter Röhler	2023	1,024	26	54	1	1,020	26	1,835	47	-	-	3,932	502	4,434
Appointed: 04/2020	2022	975	26	19	1	976	26	1,757	47	-	-	3,727	533	4,260
Giulio Terzariol	2023	1,024	48	83	4	1,020	48	-	-	-	-	2,126	555	2,682
Appointed: 01/2018 End of service: 12/2023	2022	975	26	30	1	968	26	1,742	47	-	-	3,715	570	4,285
Dr. Günther Thallinger	2023	1,024	26	4	-	1,020	26	1,835	47	-	-	3,882	547	4,429
Appointed: 01/2017	2022	975	26	2	-	968	26	1,742	47	-	-	3,687	548	4,235
Christopher Townsend	2023	1,024	26	18	-	1,020	26	1,835	47	-	-	3,896	434	4,330
Appointed: 01/2021	2022	975	26	30	1	968	26	1,742	47	-	-	3,714	412	4,126
Renate Wagner	2023	1,024	26	30	1	1,020	26	1,835	47	-	-	3,908	529	4,437
Appointed: 01/2020	2022	975	26	26	1	976	26	1,757	47	-	-	3,735	526	4,261
Dr. Andreas Wimmer	2023	1,024	26	8	-	1,020	26	1,835	47	-	-	3,885	538	4,424
Appointed: 10/2021	2022	975	27	9	-	959	26	1,726	47	-	-	3,670	413	4,083

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

Giulio Terzariol left the Board of Management of Allianz SE as of 31 December 2023 at his own request. All RSUs held by him on 31 December 2023 were forfeited on 2 January 2024.

Remuneration awarded and due in the 2023 financial year 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 2023 financial year, in accordance with § 162 AktG, and their relative share of total remuneration.

Sergio Balbinot has made use of the option to draw his pension benefits mainly as a lump sum. The "other compensation" column shows the compensation (in total: € 1,625.5) for the post-contractual non-competition clause to the extent already paid in 2023.

According to § 162 (5) AktG, reporting is done 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 was awarded in the 2023 financial year to 12 members of the Board of Management who had left before this period.

Individual remuneration: 2023

€ thou (total might not sum up due to rounding)

Former members of the Board of Management	Share-based compensation		Pensions		Other compensation		Total
	€ thou	in % of total	€ thou	in % of total	€ thou	in % of total	€ thou
Sergio Balbinot (until 12/2022)	1,318	21	3,359	54	1,499	24	6,176
Ivan de la Sota (until 12/2022)	1,082	100	-	-	-	-	1,082
Jacqueline Hunt (until 09/2021)	1,278	99	-	-	9	1	1,287
Dr. Christof Mascher (until 12/2020)	1,159	90	132	10	-	-	1,291
Niran Peiris (until 12/2020)	1,225	100	-	-	-	-	1,225
Dr. Axel Theis (until 03/2020)	1,318	80	334	20	-	-	1,652
Dr. Helga Jung (until 12/2019)	1,225	97	41	3	-	-	1,266
Dr. Dieter Wemmer (until 12/2017)	-	-	95	100	-	-	95
Dr. Werner Zedelius (until 12/2017)	-	-	482	100	-	-	482
Dr. Maximilian Zimmerer (until 12/2016)	-	-	282	100	-	-	282
Manuel Bauer (until 08/2015)	-	-	136	100	-	-	136
Michael Diekmann (until 04/2015)	-	-	682	100	-	-	682
Clement Booth (until 12/2014)	-	-	151	100	-	-	151

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 the 2018 financial year) and under the current Long Term Incentive (LTI – from the 2019 financial year) are displayed separately. As Giulio Terzariol left the Executive Board on 31 December 2023, all RSUs (38,697 units) expired on 2 January 2024.

The reported RSU portfolios may 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 € 219.06.

RSU portfolio development in financial year

			Development during financial year			
Board members	RSU plan	Number of RSUs on 1 January 2023	Number of RSUs allocated in March 2023	Number of RSUs settled in March 2023	Number of RSUs forfeited in 2023	Number of RSUs on 31 December 2023
Oliver Bäte	LTI/RSU	53,943	20,335	-	-	74,278
	AEI/RSU	10,422	-	10,422	-	-
Sirma Boshnakova	LTI/RSU	-	10,017	-	-	10,017
	AEI/RSU	12,735	-	1,591	-	11,144
Dr. Barbara Karuth-Zelle	LTI/RSU	10,203	10,017	-	-	20,220
	AEI/RSU	6,723	-	1,955	-	4,768
Dr. Klaus-Peter Röhler	LTI/RSU	16,201	10,196	-	-	26,397
	AEI/RSU	12,166	-	4,903	-	7,263
Giulio Terzariol[1] (until 12/2023)	LTI/RSU	28,590	10,107	-	-	38,697
	AEI/RSU	5,713	-	5,713	-	-
Dr. Günther Thallinger	LTI/RSU	28,590	10,107	-	-	38,697
	AEI/RSU	5,834	-	5,834	-	-
Christopher Townsend	LTI/RSU	10,203	10,107	-	-	20,310
	AEI/RSU	-	-	-	-	-
Renate Wagner	LTI/RSU	18,084	10,196	-	-	28,280
	AEI/RSU	2,532	-	1,327	-	1,205
Dr. Andreas Wimmer	LTI/RSU	2,638	10,017	-	-	12,655
	AEI/RSU	9,844	-	1,101	-	8,743

1_All RSUs held by Giulio Terzariol on 31 December 2023 were forfeited on 2 January 2024.

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 2023

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	4,942	17,195	22,137	1,103
Sirma Boshnakova	545	4,786	5,331	521
Dr. Barbara Karuth-Zelle	1,154	5,806	6,961	680
Dr. Klaus-Peter Röhler	1,135	7,866	9,001	879
Giulio Terzariol (until 12/2023)	1,265	9,135	10,400	1,016
Dr. Günther Thallinger	1,265	9,135	10,400	1,016
Christopher Townsend	1,154	4,708	5,862	573
Renate Wagner	1,159	6,861	8,020	783
Dr. Andreas Wimmer	545	4,866	5,411	529

1_Based on the XETRA closing price of the Allianz share as of 29 December 2023. Shareholdings as of 31 December 2023: Oliver Bäte: 20,427 shares; Giulio Terzariol and Dr. Günther Thallinger: 5,230 shares each, Renate Wagner: 4,789 shares, Dr. Barbara Karuth-Zelle and Christopher Townsend: 4,771 shares each, Dr. Klaus-Peter Röhler: 4,693 shares, Sirma Boshnakova and Dr. Andreas Wimmer: 2,252 shares each.

2_Based on fair value of RSU portfolio as of 31 December 2023 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. All RSUs held by Giulio Terzariol on 31 December 2023 were forfeited on 2 January 2024.

Pensions

Company contributions to the current pension plan "My Allianz Pension" are 15% of total target direct compensation, reduced by an amount covering the death and occupational or general disability risk. The contributions 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 2023, the Allianz Group paid € 5 mn (2022: € 6 mn) to increase reserves for pensions and similar benefits for active members of the Board of Management. As of 31 December 2023, reserves for pensions and similar benefits for active members of the Board of Management amounted to € 35 mn (2022: € 35 mn).

Reserves for current pension obligations and accrued pension rights for former members of the Board of Management totaled € 171 mn (2022: € 166 mn).

Individual pensions: 2023 and 2022
€ thou (total might not sum up due to rounding)

		Current pension plan		Previous pension plans[1]		Total	
Board members		SC[2]	DBO[3]	SC[2]	DBO[3]	SC[2]	DBO[3]
Oliver Bäte	2023	942	7,012	167	4,713	1,109	11,725
	2022	913	5,848	209	4,608	1,122	10,456
Sirma Boshnakova	2023	444	1,202	-	-	444	1,202
	2022	412	739	-	-	412	739
Dr. Barbara Karuth-Zelle	2023	479	2,147	73	840	552	2,987
	2022	464	1,608	92	804	556	2,412
Dr. Klaus-Peter Röhler	2023	478	2,894	24	1,880	502	4,774
	2022	462	2,331	71	1,843	533	4,174
Giulio Terzariol (until 12/2023)	2023	477	3,026	78	1,064	555	4,090
	2022	462	2,460	108	1,001	570	3,461
Dr. Günther Thallinger	2023	480	3,598	67	1,193	547	4,791
	2022	466	3,005	82	1,252	548	4,257
Christopher Townsend	2023	434	1,308	-	-	434	1,308
	2022	412	845	-	-	412	845
Renate Wagner	2023	480	2,220	49	168	529	2,388
	2022	465	1,678	61	176	526	1,854
Dr. Andreas Wimmer	2023	481	1,751	58	238	538	1,989
	2022	367	1,222	46	237	413	1,459

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.

Dr. Günther Thallinger received the share-based compensation for the first time in the 2022 financial year and Giulio Terzariol in 2023. 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

	Development of Board of Management compensation, profit, and average compensation of employees								
Financial year	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021	Change 2021 to 2022 in %	2022	Change 2022 to 2023 in %	2023
Board of management compensation in € thou									
Board members active in financial year									
Oliver Bäte	5,058	6	5,350	11	5,912	(4)	5,660	12	6,357
Sirma Boshnakova (appointed: 01/2022)	-	-	-	-	-	-	1,961	6	2,072
Dr. Barbara Karuth-Zelle	-	-	-	-	1,861	5	1,945	6	2,071
Dr. Klaus-Peter Röhler	-	-	1,285	47	1,888	4	1,970	6	2,097
Giulio Terzariol (end of service: 12/2023)	1,946	(13)	1,694	10	1,870	6	1,973	71	3,378
Dr. Günther Thallinger	1,926	(13)	1,678	10	1,852	65	3,051	9	3,325
Christopher Townsend	-	-	-	-	1,903	4	1,972	5	2,062
Renate Wagner	-	-	1,708	10	1,883	5	1,977	5	2,074
Dr. Andreas Wimmer (appointed: 10/2021)	-	-	-	-	472	312	1,944	6	2,051
Former members									
Sergio Balbinot (end of service 12/2022)	2,030	80	3,644	(5)	3,453	(8)	3,184	94	6,167
Ivan de la Sota[1] (end of service 12/2022)	1,833	(6)	1,717	6	1,814	(3)	1,755	(38)	1,082
Jacqueline Hunt (end of service: 09/2021)	1,967	(14)	1,699	39	2,357	23	2,903	(56)	1,287
Dr. Christof Mascher (end of service: 12/2020)	3,356	(2)	3,285	(56)	1,452	(17)	1,200	8	1,291
Niran Peiris (end of service: 12/2020)	1,730	(13)	1,507	-	-	-	4	30,525[2]	1,225
Dr. Axel Theis (end of service: 03/2020)	1,988	21	2,405	(26)	1,773	(17)	1,472	12	1,652
Dr. Helga Jung (end of service: 12/2019)	3,135	(54)	1,428	(5)	1,354	(17)	1,118	13	1,266
Profit development in € bn									
Operating profit	11.86	(9)	10.75	25	13.40	6	14.16	4	14.75
Net income attributable to shareholders	7.91	(14)	6.81	(3)	6.61	2	6.74[3]	27	8.54
Net income acc. Allianz SE financial statement	4.60	-	4.61	16	5.35	(10)	4.79	68	8.05
Average employee compensation in € thou									
Average compensation based on full-time equivalent	86	(6)	81	4	84	4	87	7	93

1_In order to ensure actual comparability for Mr. de la Sota, Mr. de la Sota's compensation for the 2022 financial year 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 %.
2_The significant increase reported is due to the fact that Niran Peiris received a payment from share-based remuneration in 2023, while only expenses for tax consultancy fees were reimbursed in 2022.
3_Including the adjustment impact of the deconsolidation in Russia, Group net income amounted to € 7.17 bn, with a growth rate of 19%.

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. Furthermore, 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 is both aligned with the scale and scope of the Supervisory Board's duties and appropriate in view of the Company's activities and its business and financial situation. This also reflects the contribution made by the monitoring activity of the Supervisory Board to the long-term development of the Company.
- The remuneration takes into account the individual functions and responsibilities of Supervisory Board members, such as Chairperson, Deputy Chairperson, or Committee memberships.
- The remuneration structure allows proper oversight of management as well as independent decisions on executive personnel and remuneration.
- Given Allianz's relative size and complexity as well as its sustainable performance, the remuneration of the Supervisory Board is oriented towards the fourth quartile of the supervisory board remuneration of peers 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 4 May 2023 and was approved with a majority vote of 95.07 %.

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 financial year. Each regular Supervisory Board member receives a fixed remuneration amounting to € 150 thou per year. The Chairperson receives € 450 thou, each Deputy Chairperson receives € 225 thou.

Committee-related remuneration

The Chairperson and members of the Supervisory Board committees receive additional committee-related remuneration which is also paid pro rata temporis after the end of the respective quarter of the financial year. The committee-related remuneration is as shown in the graph below:

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 in person. Should several meetings be held on the same or consecutive days, the attendance fee will only be paid once. The attendance fee is payable after the respective meeting.

In addition, the Supervisory Board members are reimbursed for expenses incurred in connection with their Supervisory Board activities. The company provides insurance coverage and technical support to the Supervisory Board members to an extent reasonable for carrying out their Supervisory Board duties.

Fixed annual remuneration

Chairperson	Deputy Chairperson	Regular member
€ 450 thou	€ 225 thou	€ 150 thou

Committee remuneration

	Audit Committee	Personnel Committee	Risk Committee	Standing Committee	Technology Committee	Sustainability Committee	Nomination Committee
Chairperson	€ 150 thou	€ 50 thou					€ 25 thou
Member	€ 75 thou	€ 25 thou					€ 12.5 thou

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 members' relative share of the total remuneration.

Individual remuneration: 2023 and 2022
€ thou (total might not sum up due to rounding)

Members of the Supervisory Board		Fixed remuneration		Committee remuneration		Attendance fees		Total remune-ration	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	2023	450.0	59	300.0	40	9.0	1	759.0	M	C	C	C	C	M	M
(Chairperson)	2022	250.0	47	275.0	51	12.0	2	537.0	M	C	C	C	C	M	M
Gabriele Burkhardt-Berg	2023	225.0	74	75.0	25	6.0	2	306.0			M			M	M
(Deputy Chairperson)	2022	187.5	71	75.0	28	3.0	1	265.5			M			M	M
Herbert Hainer	2023	225.0	80	50.0	18	6.0	2	281.0			M		M		
(Deputy Chairperson: from 05/2022)	2022	166.7	76	50.0	23	4.0	2	220.7			M		M		
Sophie Boissard	2023	150.0	53	125.0	44	7.0	2	282.0	M				M		M
	2022	125.0	56	91.7	41	5.0	2	221.7	M				M		M
Christine Bosse	2023	150.0	62	87.5	36	6.0	2	243.5		M		M			C
	2022	125.0	58	87.5	41	3.0	1	215.5		M		M			C
Rashmy Chatterjee	2023	150.0	73	50.0	24	5.0	2	205.0						C	
(from 05/2022)	2022	83.3	70	33.3	28	3.0	3	119.7						C	
Dr. Friedrich Eichiner	2023	150.0	40	212.5	57	10.0	3	372.5	C	M		M		M	
	2022	125.0	43	158.3	55	6.0	2	289.3	C	M		M		M	
Jean-Claude Le Goaër	2023	150.0	58	100.0	39	9.0	3	259.0	M				M		
	2022	125.0	61	75.0	36	6.0	3	206.0	M				M		
Martina Grundler	2023	150.0	64	75.0	32	8.0	3	233.0	M						
	2022	125.0	70	50.0	28	4.0	2	179.0	M						
Frank Kirsch	2023	150.0	73	50.0	24	6.0	3	206.0				M			M
	2022	125.0	70	50.0	28	3.0	2	178.0				M			M
Jürgen Lawrenz	2023	150.0	73	50.0	24	6.0	3	206.0					M	M	
	2022	125.0	70	50.0	28	3.0	2	178.0					M	M	
Primiano Di Paolo	2023	150.0	83	25.0	14	6.0	3	181.0				M			
(from 05/2022)	2022	83.3	81	16.7	16	3.0	3	103.0				M			
Total	**2023**	**2,250.0**	**64**	**1,200.0**	**34**	**84.0**	**2**	**3,534.0**	-	-	-	-	-	-	-
	2022	**1,776.0**	**61**	**1,059.4**	**37**	**55.0**	**2**	**2,890.4**	-	-	-	-	-	-	-

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 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.

In the case of Ms. Rashmy Chatterjee and Mr. Primiano Di Paolo, the significant change from 2022 to 2023 is due to the fact that only pro rata remuneration is reported for both of them for the 2022 financial year, as they joined the Supervisory Board during the 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	2019	Change 2019 to 2020 in %	2020	Change 2020 to 2021 in %	2021	Change 2021 to 2022 in %	2022	Change 2022 to 2023 in %	2023
Supervisory Board compensation in € thou									
Active members in financial year									
Michael Diekmann	484.0	-	486.0	9	530.9	1	537.0	41	759.0
Gabriele Burkhardt-Berg	243.5	(1)	240.5	9	261.4	2	265.5	15	306.0
Herbert Hainer	181.0	(1)	180.0	(2)	176.0	25	220.7	27	281.0
Sophie Boissard	184.0	(3)	178.0	13	200.9	10	221.7	27	282.0
Christine Bosse	156.0	(2)	153.0	37	209.3	3	215.5	13	243.5
Rashmy Chatterjee (since 05/2022)	-	-	-	-	-	-	119.7	71	205.0
Dr. Friedrich Eichiner	284.0	(1)	281.0	(1)	278.0	4	289.3	29	372.5
Jean-Claude Le Goaër	209.0	(3)	203.0	-	203.0	1	206.0	26	259.0
Martina Grundler	182.0	(2)	179.0	(2)	176.0	2	179.0	30	233.0
Frank Kirsch	156.0	(1)	154.0	13	173.9	2	178.0	16	206.0
Jürgen Lawrenz	181.0	(1)	179.0	(2)	176.0	1	178.0	16	206.0
Primiano Di Paolo (since 05/2022)	-	-	-	-	-	-	103.0	76	181.0
Profit development in € bn									
Operating profit	11.86	(9)	10.75	25	13.40	6	14.16	4	14.75
Net income attributable to shareholders	7.91	(14)	6.81	(3)	6.61	2	6.74[1]	27	8.54
Net income acc. Allianz SE financial statement	4.60	-	4.61	16	5.35	(10)	4.79	68	8.05
Average employee compensation in € thou									
Average compensation based on full-time equivalent	86	(6)	81	4	84	4	87	7	93

1_Including the adjustment impact of the deconsolidation in Russia, Group net income amounted to € 7.17 bn, with a growth rate of 19%.

Remuneration for mandates in other Allianz companies and for other functions

Mr. Jürgen Lawrenz did not receive any remuneration for his service on the Supervisory Board of Allianz Technology SE. All current employee representatives of the Supervisory Board, except for Ms. Martina Grundler, are employed by Allianz Group companies and receive market-based remuneration for their services.

AUDITOR'S REPORT ON THE REMUNERATION REPORT

To Allianz SE, Munich

Auditor’s Report

We have audited the remuneration report of Allianz SE, Munich, for the financial year from 1 January to 31 December 2023 including the related disclosures, which was prepared to comply with § [Article] 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 the 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 2023, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 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, 26 February 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Florian Möller	Dennis Schnittger
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüfer (German Public Auditor)

Imprint

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In case of any divergences, the German original is legally binding.