



# Simplicity

Allianz Capital Markets Day  
December 2021

# at scale

Allianz Investor Relations App

Apple App Store

Google Play Store

# Content / topics

**1** **Strategy and targets**  
*Delivery*

**Oliver Bäte**

**2** **The CFO view**  
*Confidence*

**Giulio Terzariol**

**3** **ACM – Digital**  
*Transformation*

**Barbara Karuth-Zelle**

**4** **P/C – Commercial**  
*Opportunity*

**Chris Townsend**

**5** **L/H – Allianz Leben**  
*Reliability*

**Andreas Wimmer**

**6** **AM – PIMCO**  
*Performance*

**Emmanuel Roman**



# Strategy and targets

## Delivery

**Oliver Bäte**  
**CEO Allianz SE**

Allianz Capital Markets Day  
December 2021

# CEO AGENDA

- 1 Value proposition and track record
- 2 Value creation going forward
- 3 Ambition 2024

# Allianz value proposition in a nutshell

Purpose We secure your future

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Aspiration The trusted partner for protecting and growing your most valuable assets

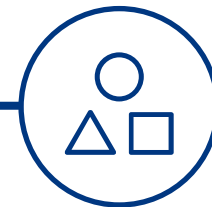
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Careful balance across stakeholders



Delivery of benchmark results at scale

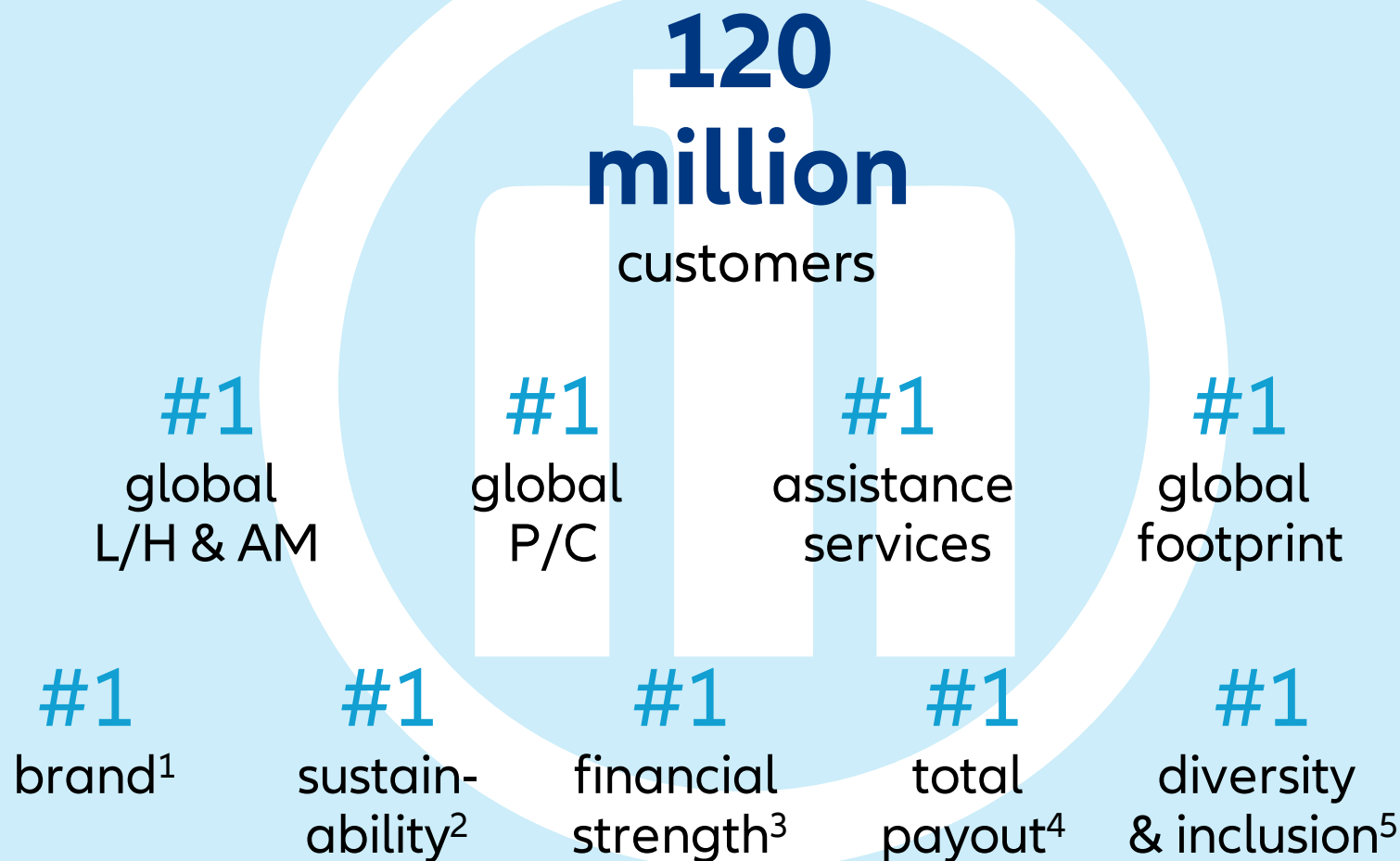


Strong resilience in a transforming world

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Promise

# The #1 global franchise



1) Interbrand Best Global Brands Ranking 2021 (insurance only)

3) Highest S&P insurer financial rating (AA) together with 3 insurance peers

5) Highest ranked insurance company according to Refinitiv's diversity and inclusion top 100

2) Examples: MSCI 2021 AAA (= industry leading) and DJSI industry leader

4) Dividends plus share buybacks from 2010-2020 vs. global peers (Capital IQ data)

# 1 Careful balance across our stakeholders

## SHAREHOLDERS

Strong cash generation and decade-long track record –  
5% dividend yield & never missed a dividend

## CUSTOMERS

Caring & delivering on  
customer needs –  
esp. in crisis years

#1 insurance brand  
globally

58% of Allianz businesses  
are Loyalty Leaders

## EMPLOYEES

Clear purpose and  
high engagement –  
all KPIs approaching  
best-in-class

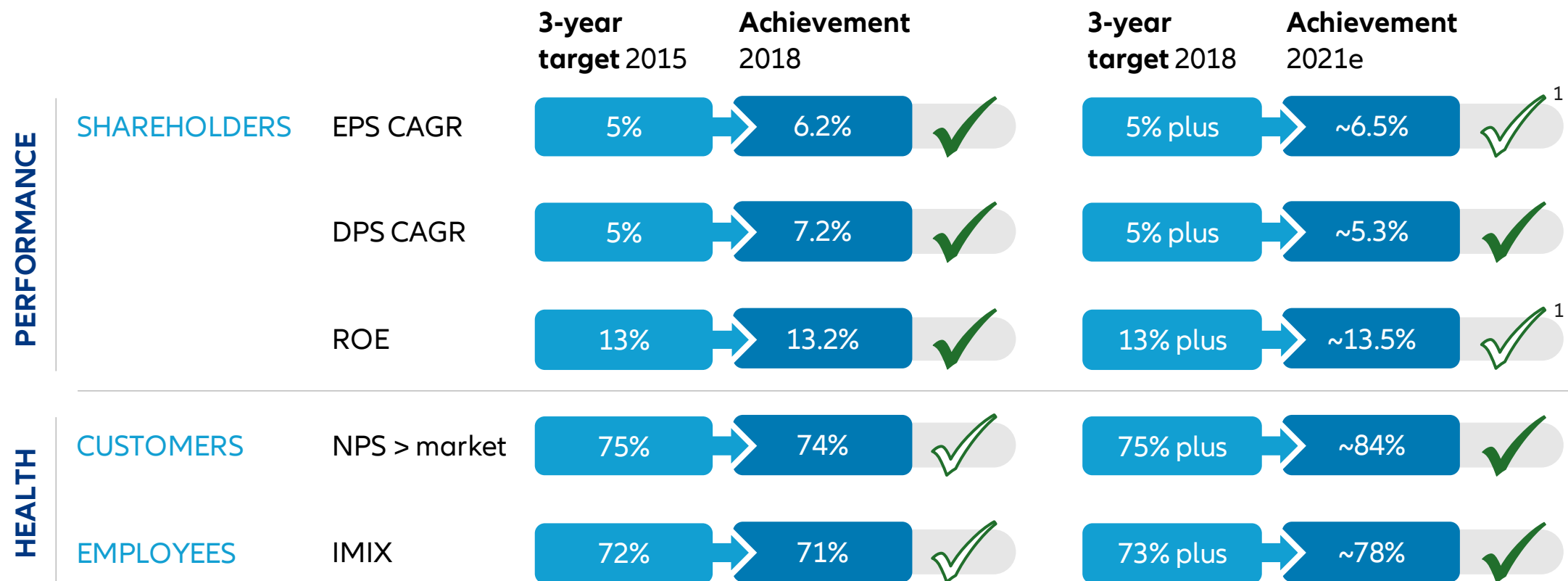
Strong recognition for  
diversity & inclusion

## SOCIETY

“Net zero”  
environmental leadership

Recognized for strong  
social engagement &  
governance

## 2 Solid delivery on our targets

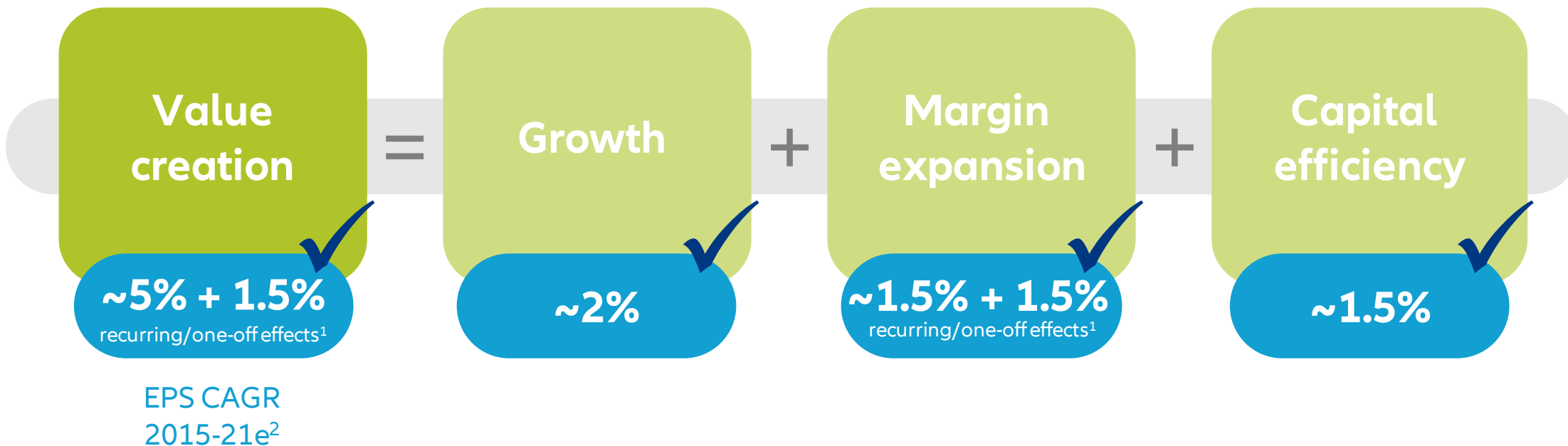


1) Adjusted for extraordinary and volatile items





## 2 Strong value creation delivered

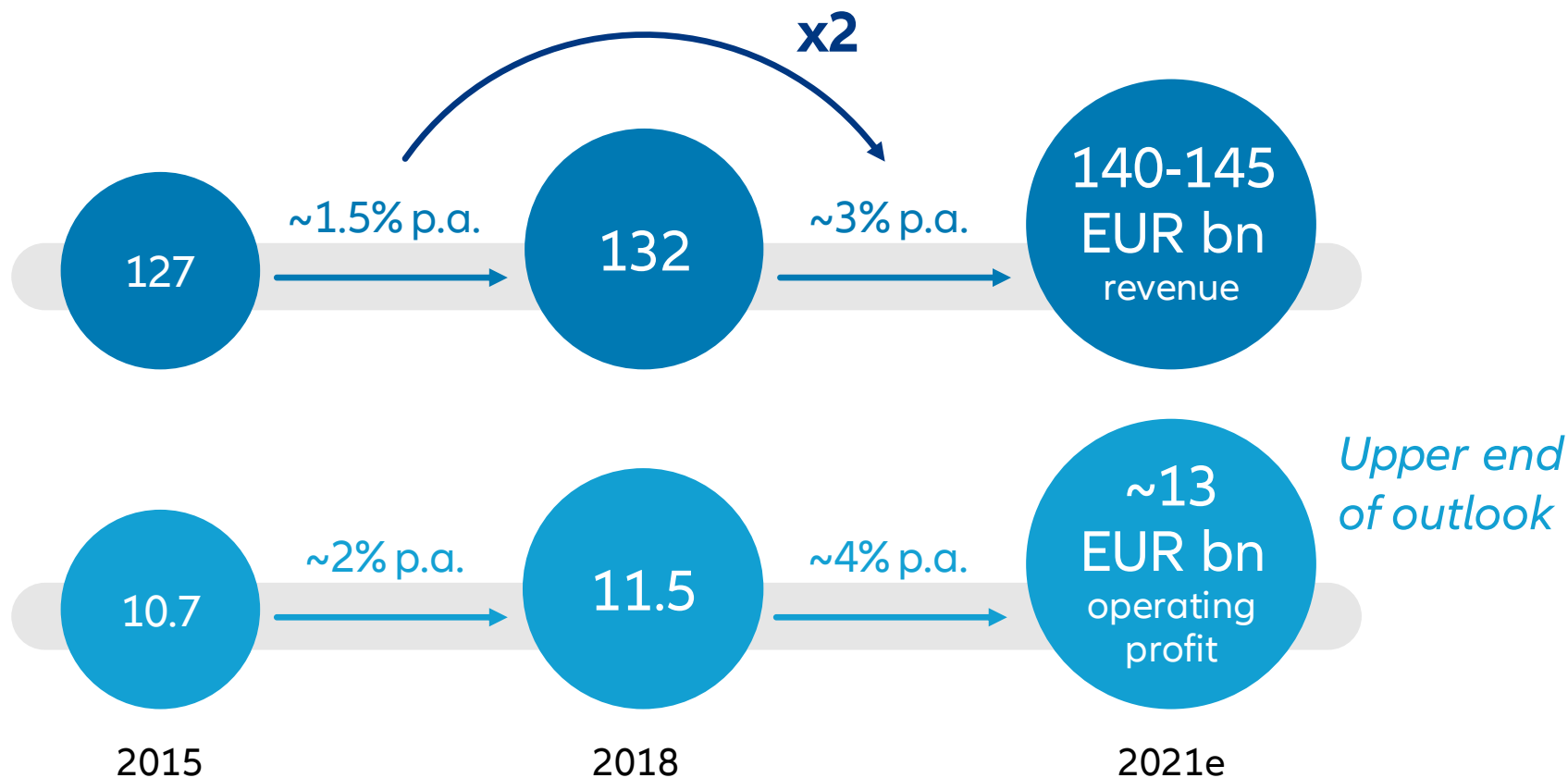


1) One-off effects mainly driven by tax rate changes and non-operating items

2) Adjusted for extraordinary and volatile items

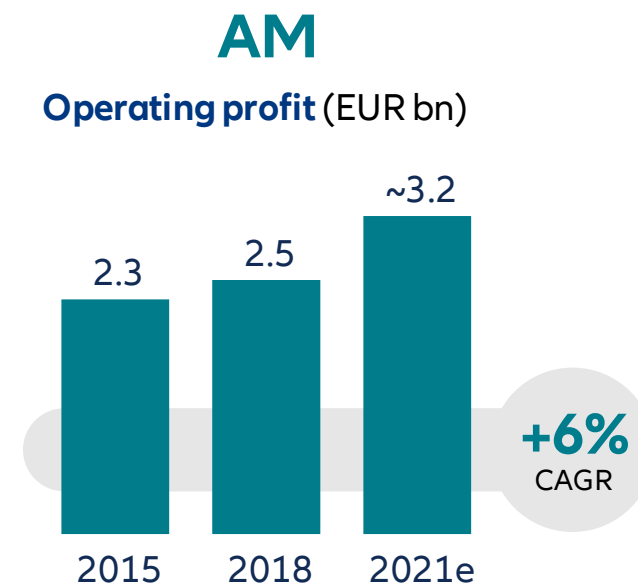
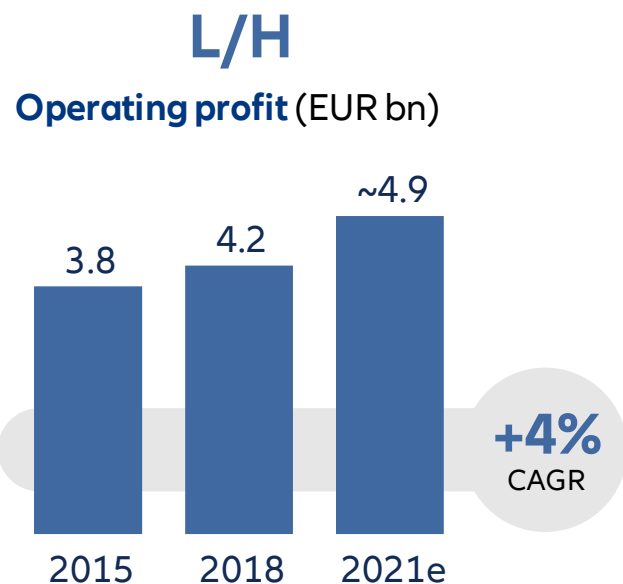
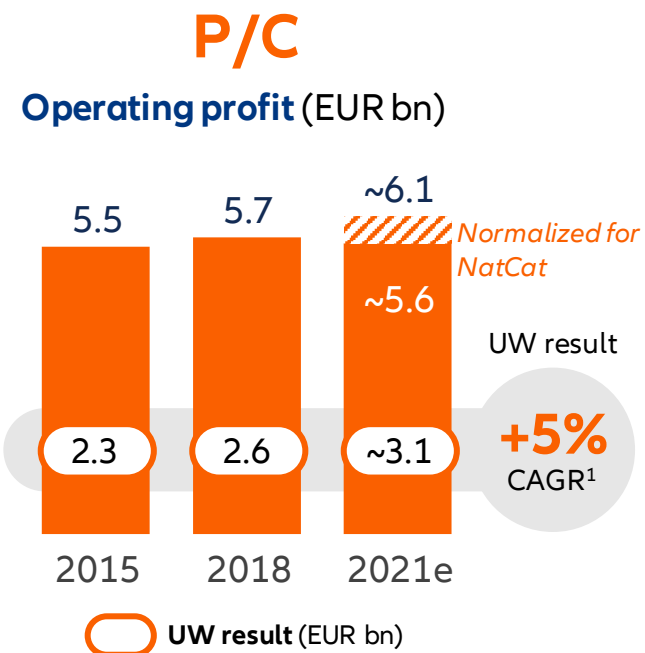


## 2 Growth is accelerating





## 2 Solid OP delivery in all segments



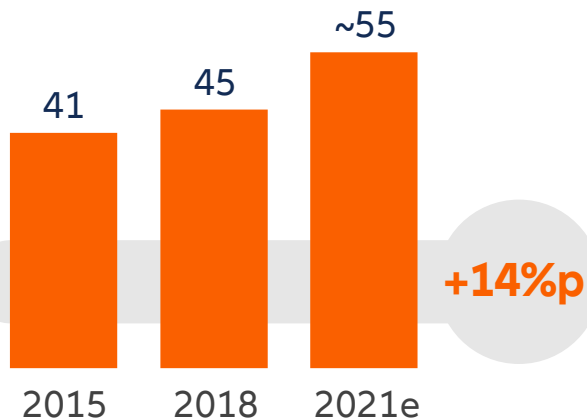
1) CAGR calculated for UW result from 2015-21e



## 2 Earnings quality strengthened

### P/C

Share of underwriting result (%)

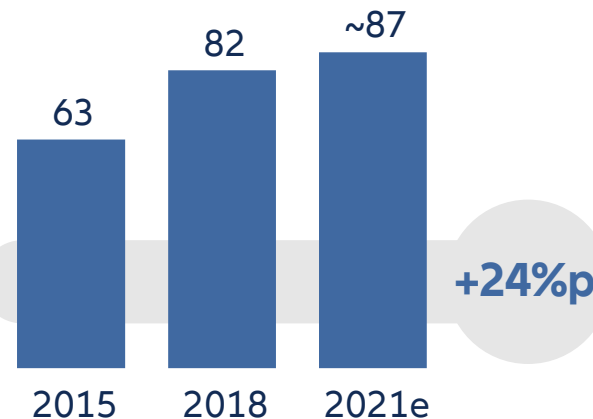


28.4 28.0 ~27

Expense ratio (%)

### L/H

Share of preferred products<sup>1</sup> (%)

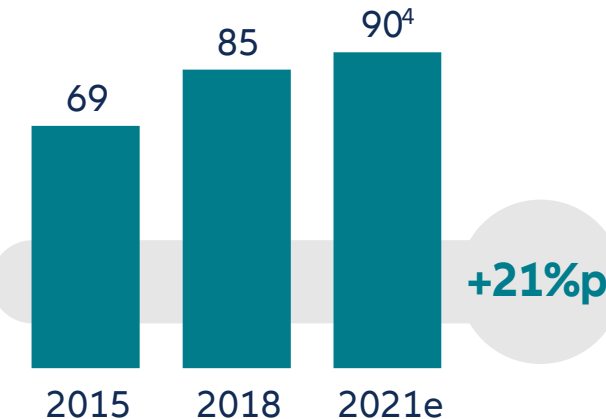


33.3 32.7 ~31.6

Admin-cost ratio<sup>2</sup> (bps)

### AM

Investment performance<sup>3</sup> (%)



63.9 62.4 ~60

Cost-income ratio (%)

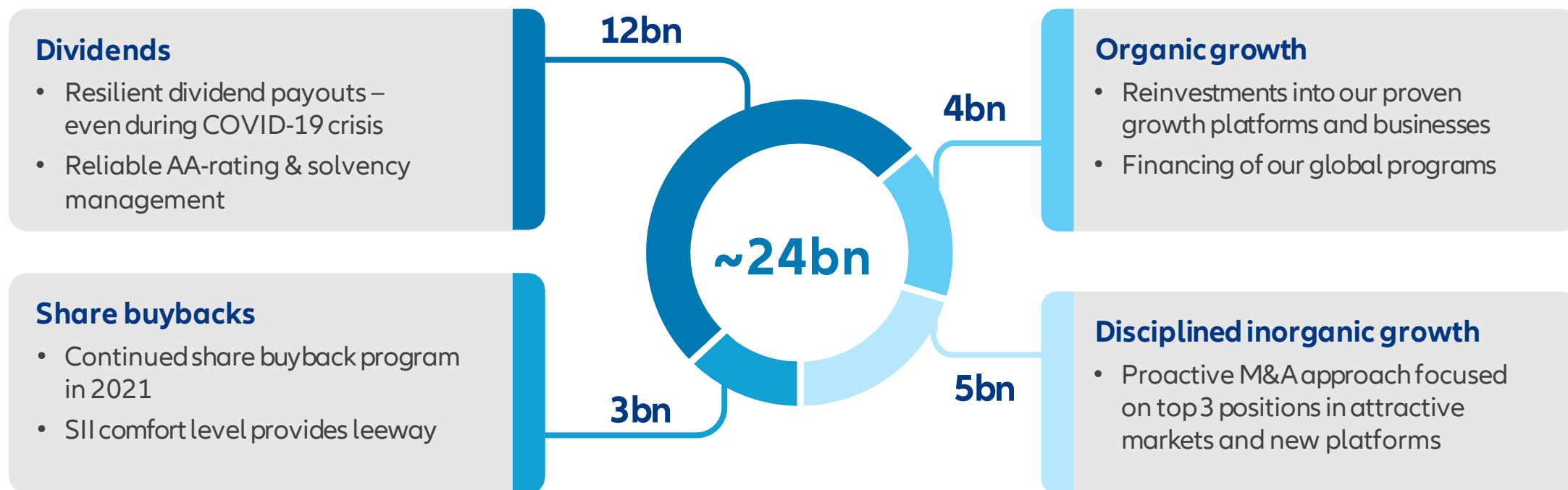
~1.2 EUR bn net cost reductions across lines of businesses

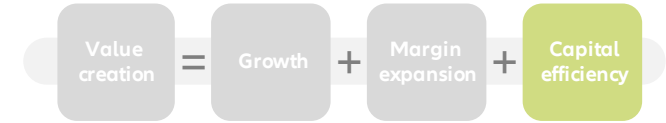
1) Based on PVNBP 2) Administrative and other expenses as % of average reserves 3) Refers to 3P account-based asset-weighted investment outperformance over 3 years, before fees 4) Figure represents value of Q3/2021



## 2 Strong discipline in capital management

Capital allocation (Σ 2019 – 2021; EUR bn)

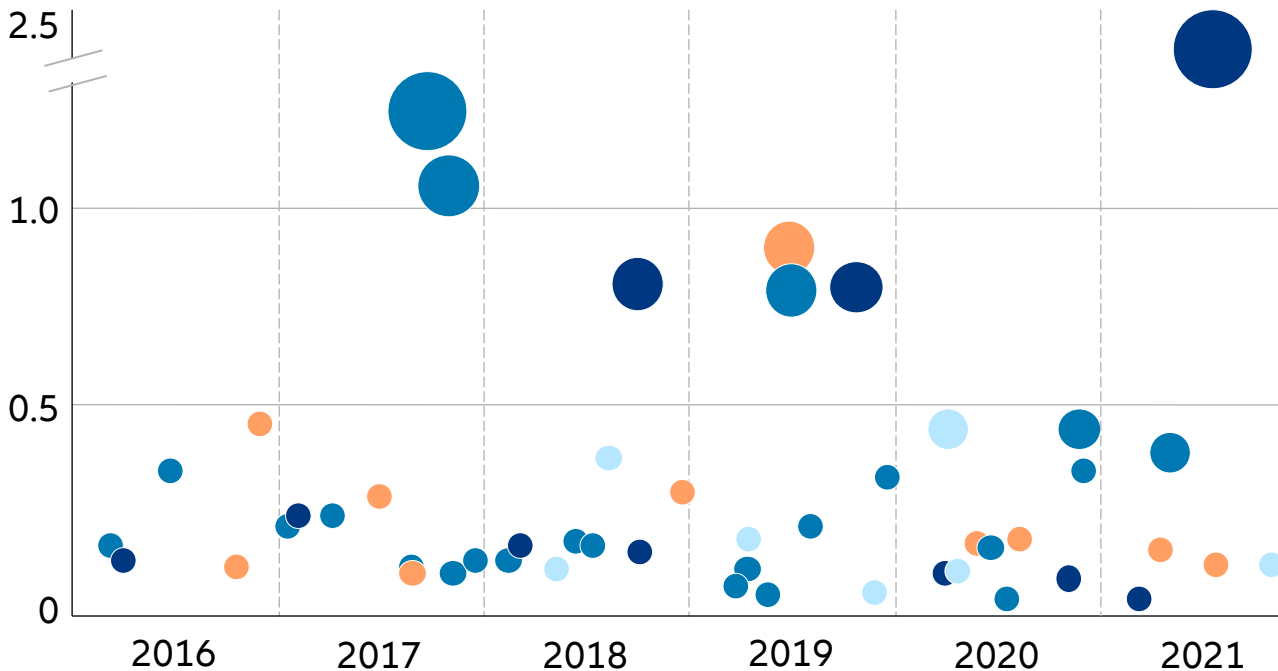




# 2 Systematic portfolio strengthening

xx% Allocation of invested capital<sup>1</sup>

Transaction volume (EUR bn)



## Transaction examples

### Strengthening top 3 positions

- LV= and L&G (UK)
- Westpac (Australia)
- SulAmerica (Brazil)

~50%

Market positions

	#6	→	#2
	#3	→	#3
	#9	→	#2

### Expanding L/H & AM franchise

- Aviva Poland
- Taikang
- Gurtin Municipal Bond Management

~40%

### Building global platforms

- ControlExpert
- GT Motive
- Multiasistencia

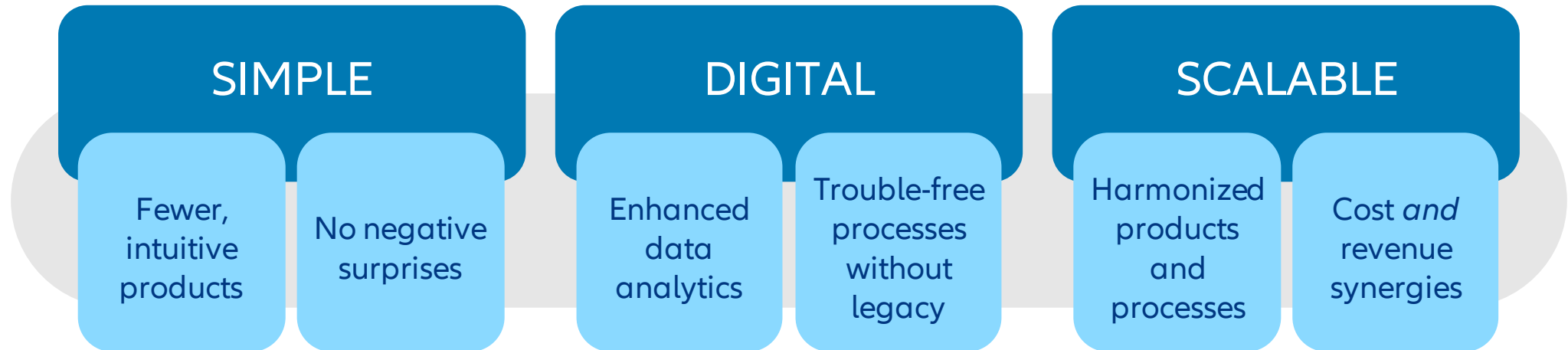
~10%

### Exiting selected businesses

- AZ Life Korea
- AGI Korea
- Taiwan Life back-book

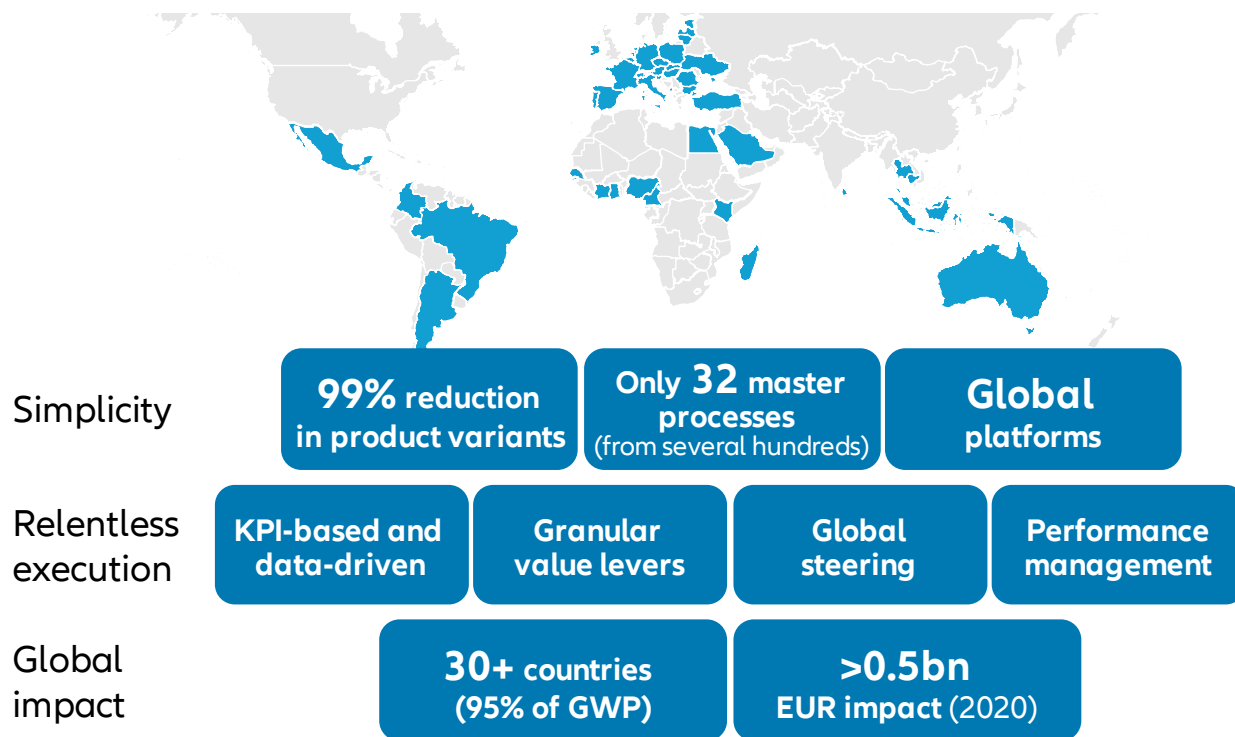
1) Excl. exit transactions

## 2 Business model transformation ongoing

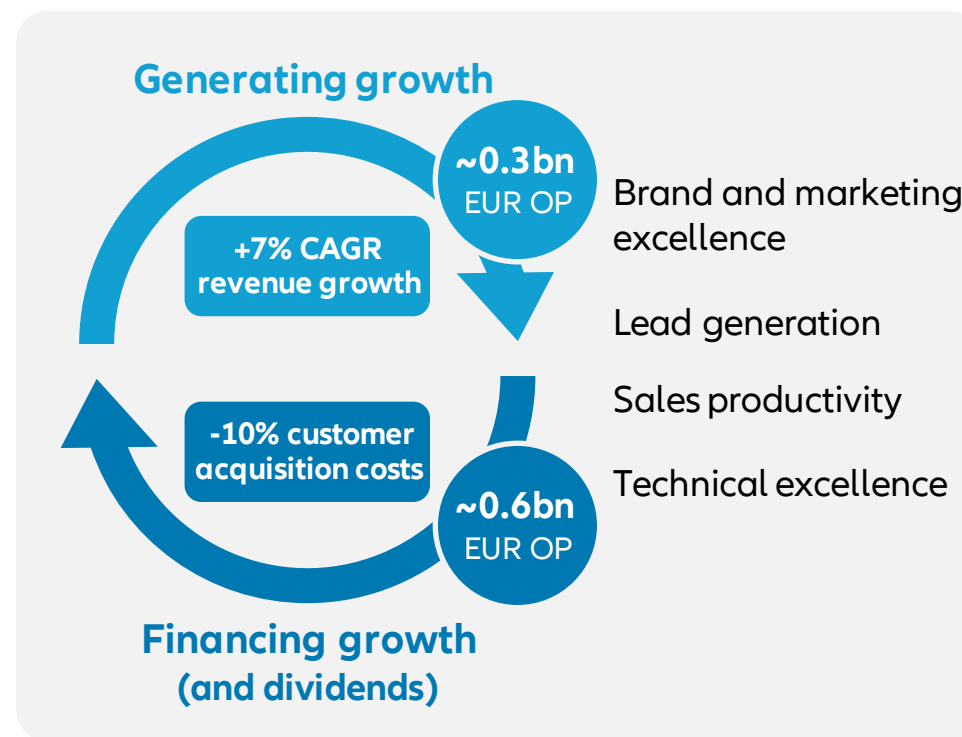


# 2 Systematic synergy leverage

## Global Allianz Customer Model (ACM)



## Push2Pull distribution productivity<sup>1</sup>



**Expense ratio P/C down every year from 2016-20**

1) Contribution 2024 vs. 2019/20



## 2 Digital platform building accelerating

Allianz 

Allianz  Partners

Allianz  Direct



**Outstanding** investment returns (33% IRR<sup>1</sup>)

**Leading strategic portfolio** build up (e.g., ControlExpert, GT Motive, Clark/finanzen.de)

**Unicorn insights** (e.g., Lemonade, N26, Stripe)

**Strong rebound from COVID-19 shock** – volume and profit

**Successful** start of **customer-facing platform models**

Multiple **global platform partnerships** won

**1 common platform** for 4 markets (GER, ITA, ESP, NL) in 2 years

**Agile organization** across countries, **rapid new product delivery** (motor, home, travel)

**Successful rebranding**



Increase **scale & firepower**

**Open** to (selected) third-party **capital partners**

Full execution of "**digital first**"-**transformation**

**Scaling** of **new platform models** in mobility, health & travel

**Profit recovery** in Germany

**Scaling of new business generation** – post-COVID-19 depression

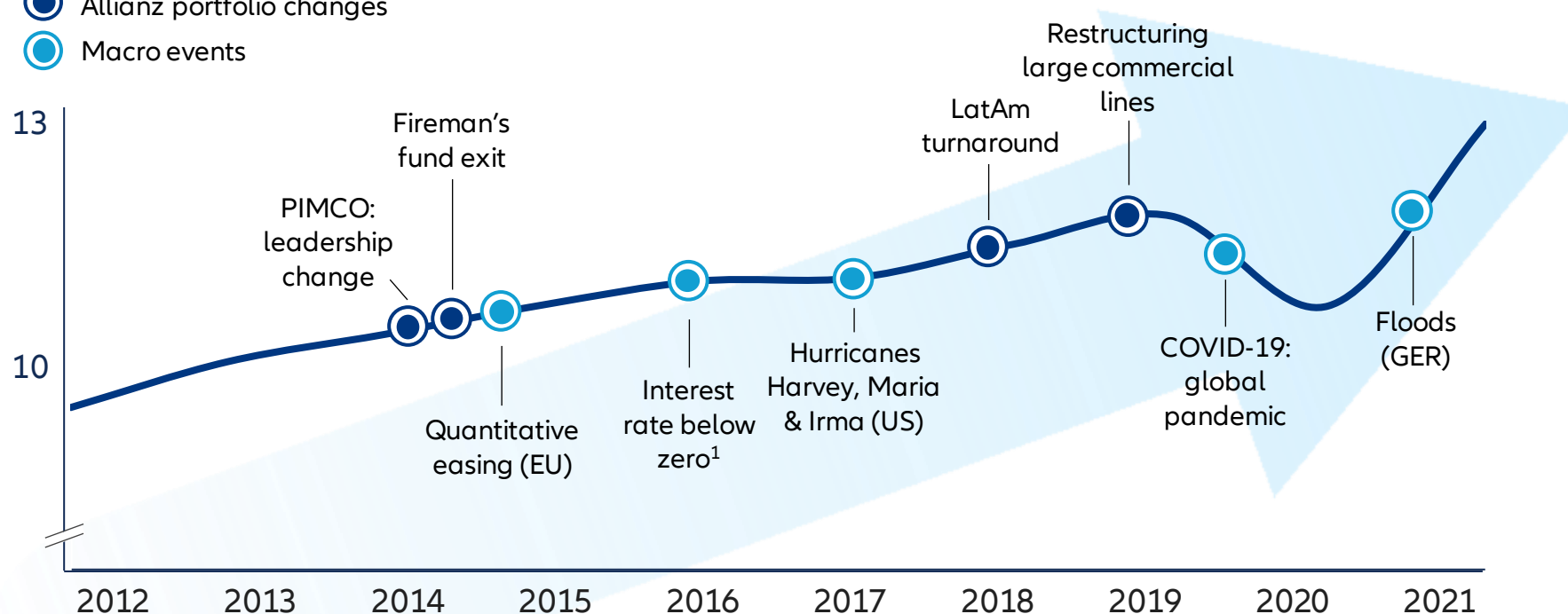
**Deep dive today by Barbara Karuth-Zelle**

1) Return since inception based on total value to paid in capital (TVPI) approach

# 3 Strong resilience in a challenged world

Operating profit (EUR bn)

- Allianz portfolio changes
- Macro events



**Growing scale and diversification** reinforcing **resilience**

**Decisive actions** to transform in light of **"unavoidable" challenges** (COVID-19, NatCat, negative rates, etc.)

**In parallel, customer satisfaction (NPS), employee satisfaction (IMIX), and governance/ESG scores constantly increasing**

1) 10-year government bond Germany

# CEO AGENDA

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- 3 Ambition 2024

# Challenging outlook – but strong opportunity for true leaders

SUSTAINABILITY

NEGATIVE REAL INTEREST RATES

PLATFORMIZATION & POLARIZATION

CAPITAL MARKETS OVERHEATING

ANALYTICS 2.0

SHIFTING VALUE POOLS

DIGITAL ACCELERATION

POLITICAL MACRO SHIFTS

NEW WAYS  
OF WORKING

OVERREGULATION



**Increasing pressure**  
for industry average



**Significant upside**  
for outperforming  
industry winners

# Industry leaders with massive upside



## Industry average



## Industry winners

### Growth

**Lower growth** post COVID-19, especially in motor – low perceived **customer value & loyalty**

Systematic market share gains through combination of **loyalty leadership, technical excellence & global partnerships**

### Margin expansion

Pressure through **overcapacity, inflation & accelerating digital disruption**

Constantly improving productivity through **scalable products, processes & digital platforms**

### Capital efficiency

**High cost of equity** due to rising tail risks (esp. in guaranteed life) & NatCat exposure

Transformation into **capital-light, lower volatility models** and systematically leveraging **capital synergies & access**



### Political instability

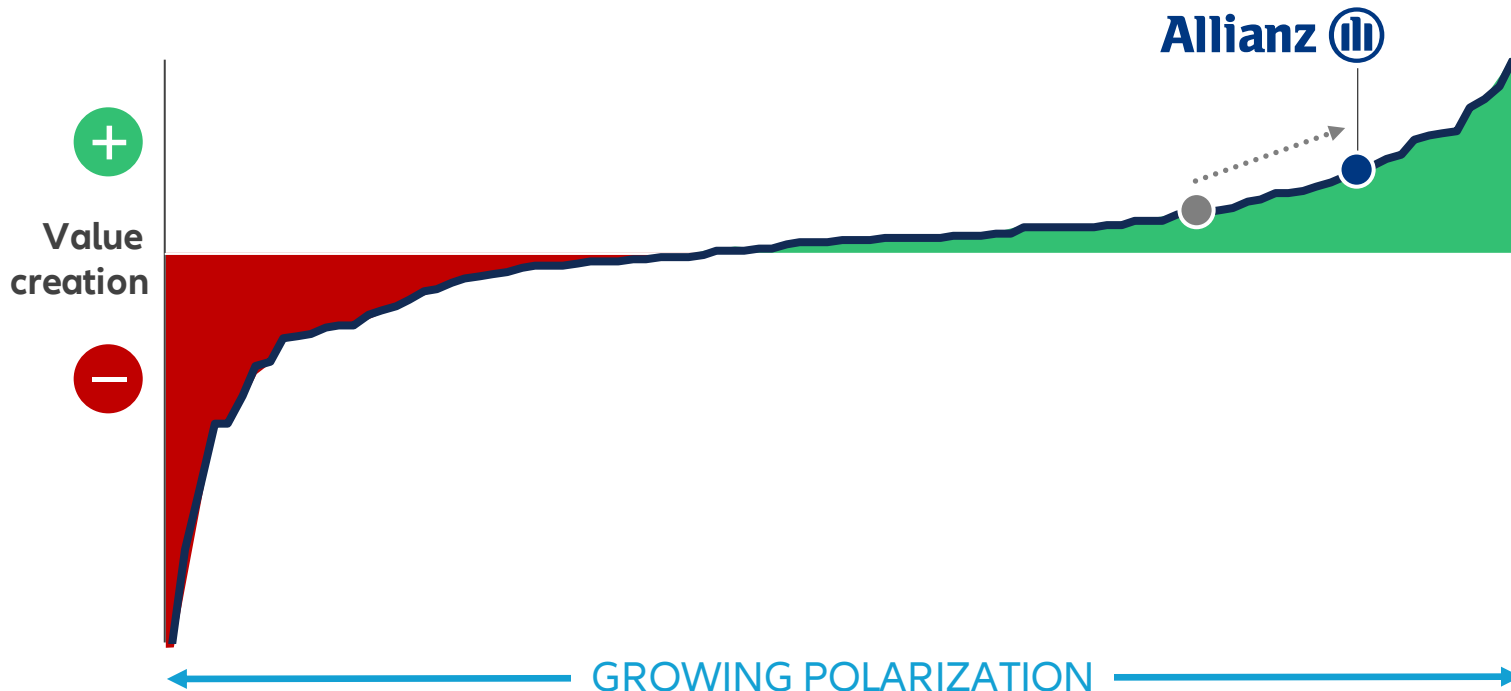
Increasing **regulations** and political **risks**

**Brand strength, customer trust, people, & ESG leadership** reinforcing resilience

# Polarization of value creation already a reality

Economic value added<sup>1</sup> of top 100 global insurance players (2015-20)

● Allianz 2012-2014<sup>2</sup> ● Allianz 2015-2020



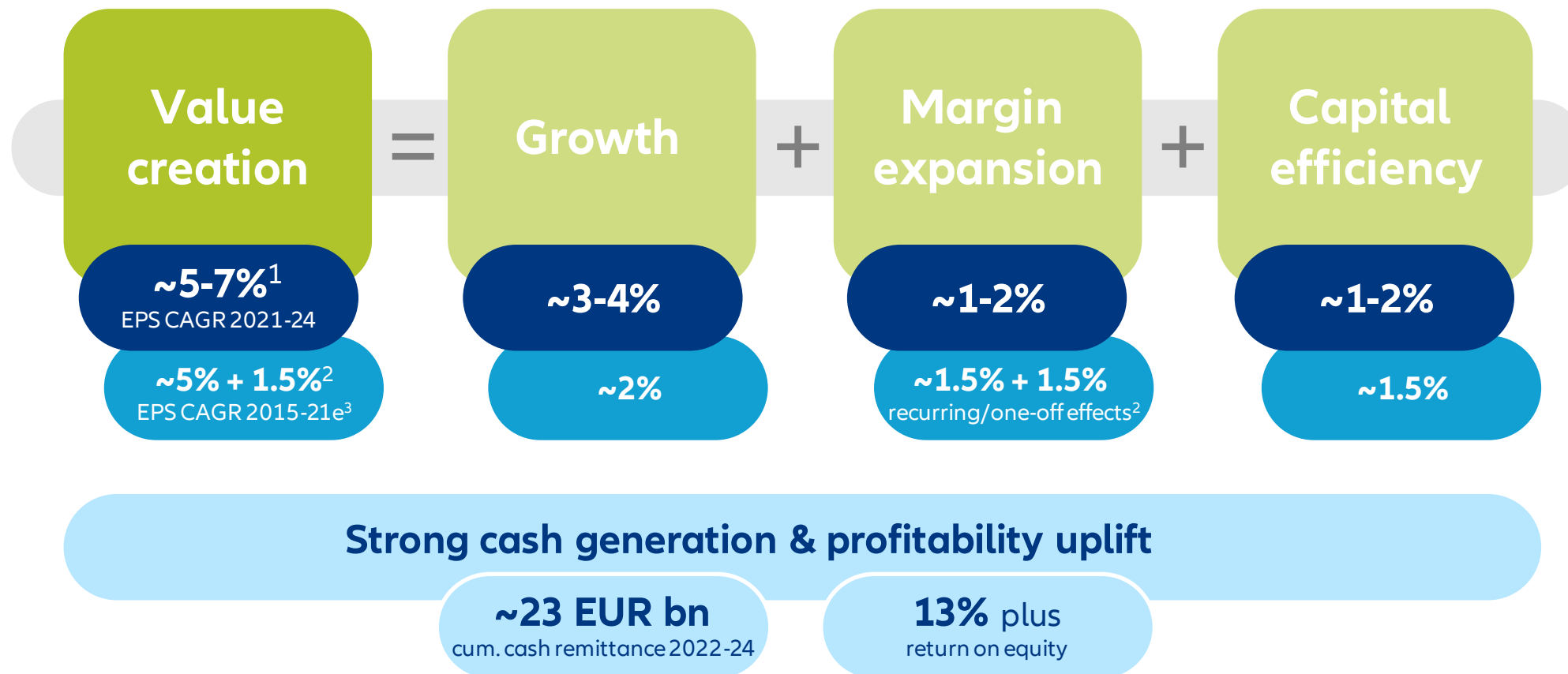
**Profitable industry** with positive median economic profit per player

**BUT: strong polarization** between value creators and value destroyers

**2 winning models for value creation**

- **Focused players** with local commanding market positions
- **Global franchises** leveraging scale and skills

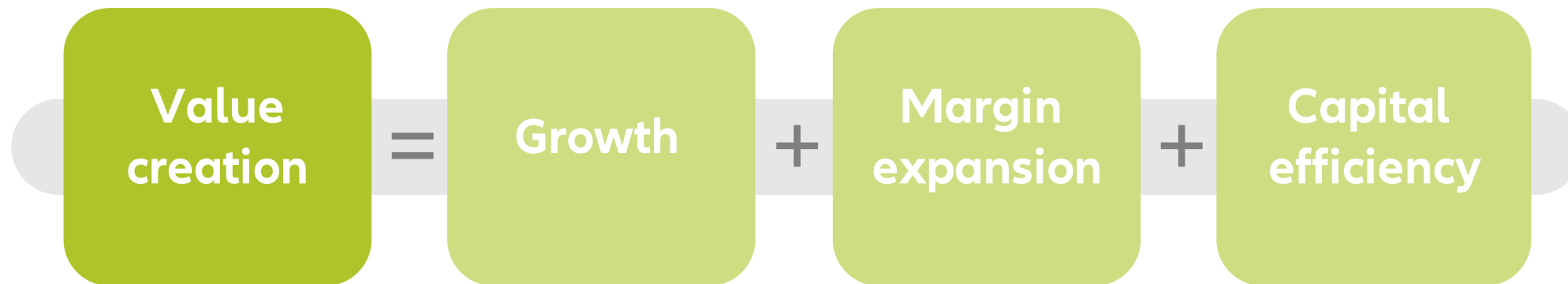
# Looking ahead: Strengthening all value levers



1) Targets are before IFRS 9/17 accounting changes  
3) Adjusted for extraordinary and volatile items

2) One-off effects mainly driven by tax rate changes and non-operating items

# Systematic value capture program



- 1 Transforming our L/H & AM franchise
- 2 Expanding our P/C leadership position
- 3 Boosting growth through our scalable platforms
- 4 Driving verticalization & execution agility
- 5 Reinforcing capital productivity & resilience



# 5 core themes for higher value creation

<b>1</b>	<b>Transforming our L/H &amp; AM franchise</b>	Drive scale of integrated, capital-efficient Life/AM franchise	Transform capital productivity of in-force businesses	Boost protection & health offers globally – esp. in growth markets
<b>2</b>	<b>Expanding our P/C leadership position</b>	“Beat the best” in retail motor and non-motor	Grow value in commercial lines	Strengthen leadership position in growth markets
<b>3</b>	<b>Boosting growth through our scalable platforms</b>	Scale own customer-facing platforms (e.g., Mobility, Travel, ...)	Drive value from operating platforms (e.g., claims)	Integrate business models with digital marketplaces
<b>4</b>	<b>Driving verticalization &amp; execution agility</b>	Verticalize our operating models globally (incl. ACM/Push2Pull)	Achieve customer loyalty leadership – everywhere	Lift productivity gains – high tech, high touch
<b>5</b>	<b>Reinforcing capital productivity &amp; resilience</b>	Increase capital productivity & innovation	Foster talent development & diversity strengthening organizational resilience	Upgrade tail risk management

# 1 Driving AM and L/H convergence

## UNIQUE FRANCHISE

Leading global life insurer

EUR >670 bn reserves

Leading global active asset manager

EUR >2,500 bn AuM

Leading investment capability with AIM

EUR >800 bn proprietary assets

## GROWTH CYCLE FOR SUPERIOR CUSTOMER AND SHAREHOLDER VALUE



## HIGHER VALUE CREATION



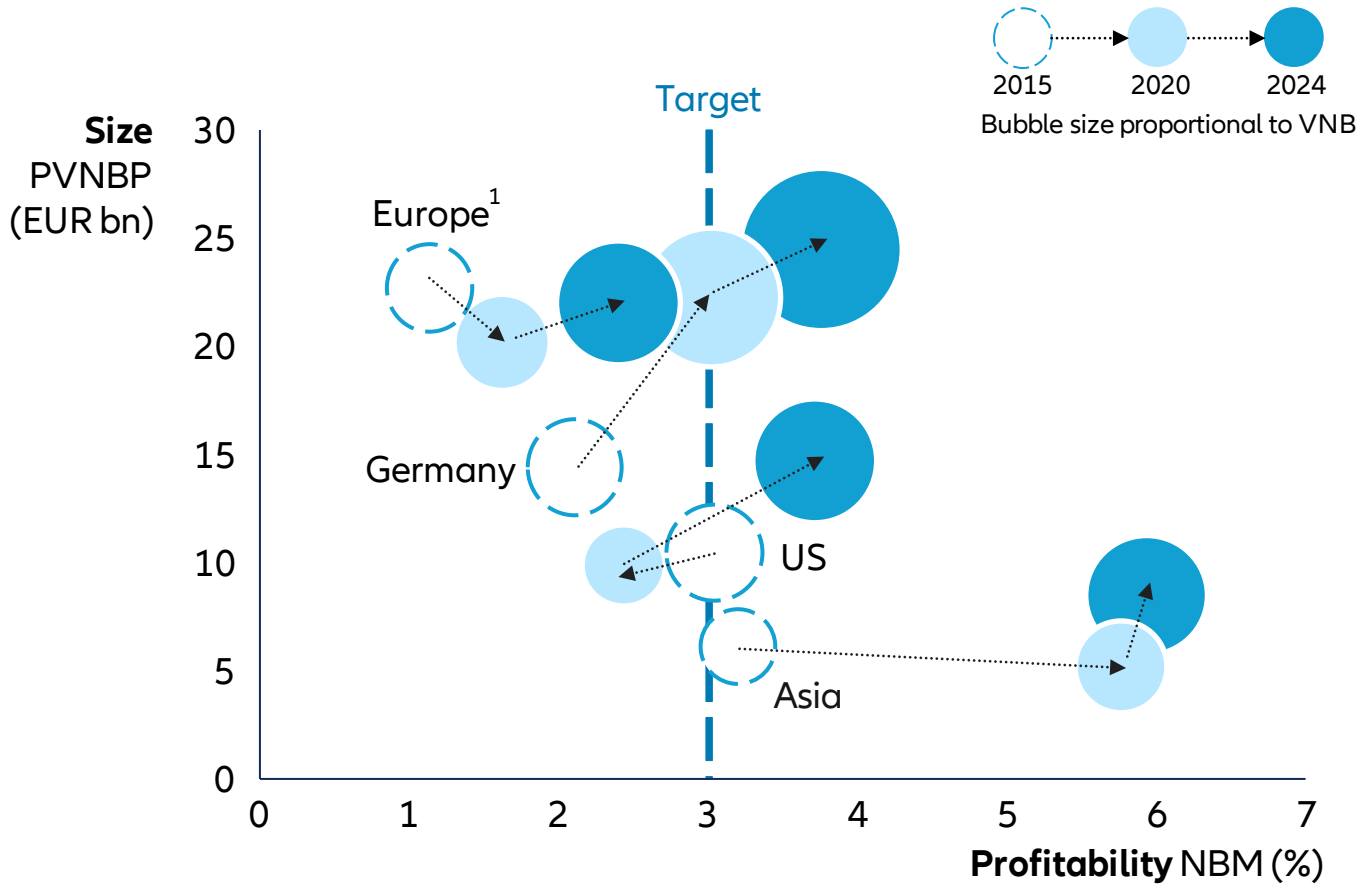
Transforming into a capital-efficient, faster-growth asset gathering platform



Profitable growth with capital-efficient, hybrid products

*Application of the "virtuous growth cycle" across markets*

# 1 New business to be even more profitable



## Pivot to protection & capital-light products

Profit sources	Development (CAGR)	
	2015-20	2020-24
Investment income	↗ +1%	↘ -3%
Technical margin	→ ~0%	↗ +8%
Loadings & fees	↗ +3%	↗ +5%
OP impact <sup>2</sup>	↗ +2-3%	↗ +4-5%

1) Europe excl. Germany 2) Incl. impact of changes in expenses and DAC



# 1 Allianz Life to transform into capital-efficient, faster-growth asset gathering platform

ALLIANZ LIFE OF NORTH AMERICA

## Pre-transaction

**Leading US indexed annuity provider**

**Strong earnings contribution** to the Group

- ~1 EUR bn operating profit, ~23% of L/H segment, ~9% of Group (Ø 2018-21e)
- ~12% ROE and ~8 EUR bn of IFRS capital (2021e)

ALLIANZ AM

**Leading global active AM franchise** with strong Group contribution (2021)

- >2,500 EUR bn AuM
- ~3 EUR bn operating profit, ~24% of Group, growing ~8% p.a. from 2018-21
- ~60% CIR, improving by ~80 bps p.a. from 2018-21

## Partnership highlights

**Reinsurance** of ~30 EUR bn of FIA reserves to Talcott Resolution; **PIMCO/AGI** to become partner of Sixth Street/Talcott Resolution

Free up ~3.6 EUR bn<sup>1</sup> capital of Allianz Life, equal to +9%p of SII ratio

Ceding commissions of ~1.8 EUR bn NPV (post tax); plus Group net income effect on day 1 of ~450 EUR mn

**Strong risk management system** established

## Post-transaction

**Stronger capital efficiency** and faster growth through strategic access to private capital

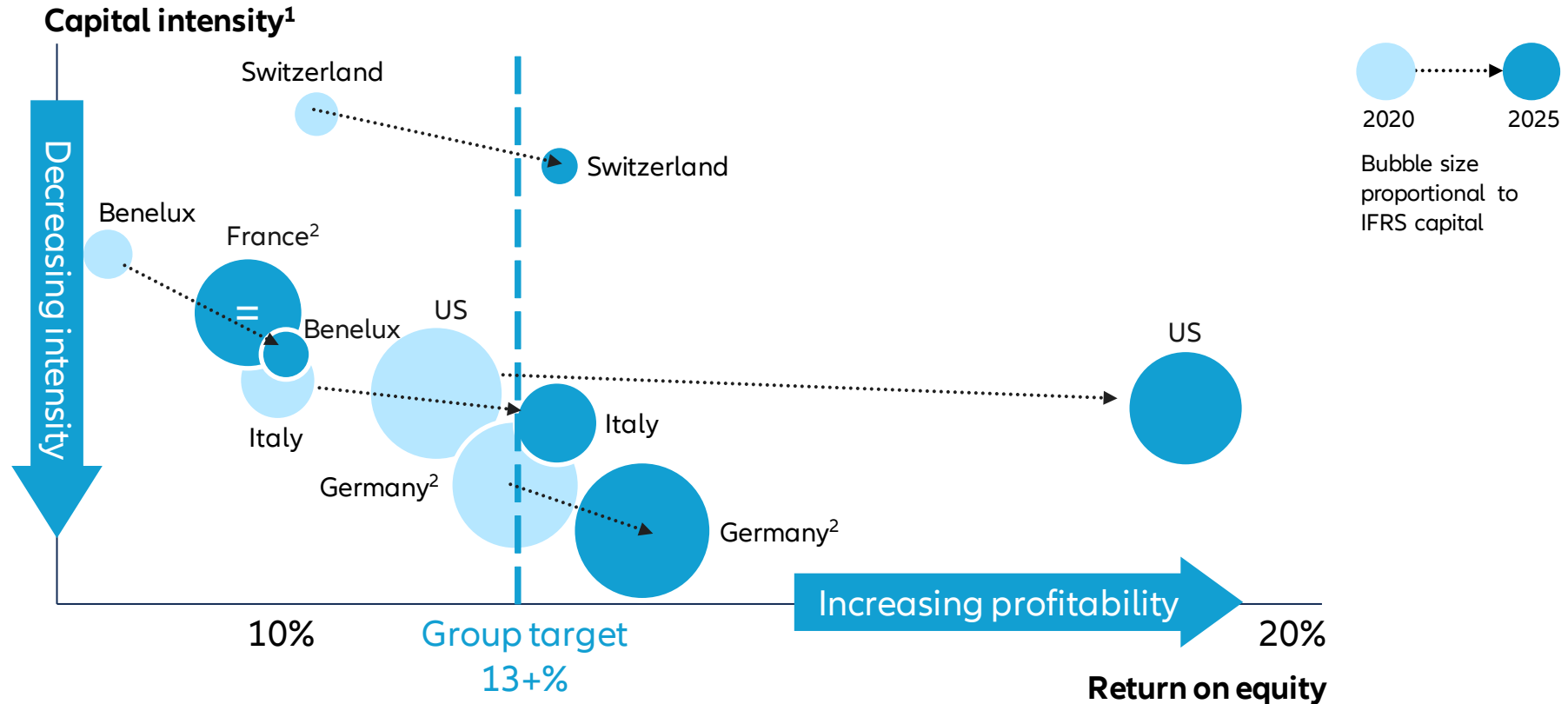
- ROE Allianz Life from ~12% to ~18%
- ROE L/H segment from ~12% to ~13+%
- **Profit** level almost unchanged

**Reinforced AM growth**, esp. in private credit & other alternative investments

Recurring AM fee income of +60 EUR mn p.a.

1) Subject to regulatory approval

# 1 Systematically transforming Life into a capital-light model

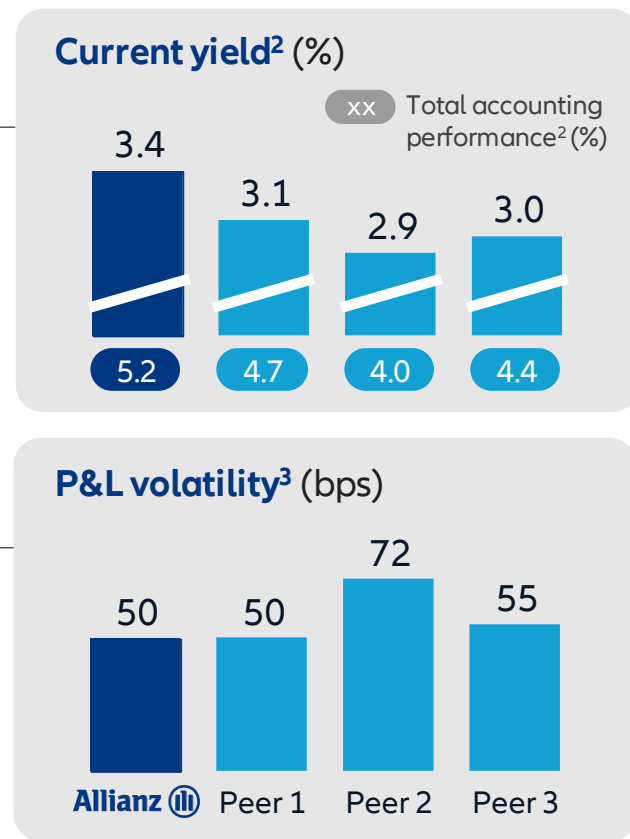


1) Capital intensity defined as SCR capital relative to IFRS reserves

2) Figures for AZ Leben (Germany) and AZ France after policyholder buffers

# 1 Continuing value delivery at AIM

- Outperformance** Consistent outperformance vs. core peer average<sup>1</sup> by +40 bps current yield and +90 bps total performance
- Resilience** Crisis resilience from **long-term oriented portfolio construction** combined with **dynamic tail risk management and low volatility**
- Alternatives** Incubation of **EUR >130 bn alternative assets** with AGI and PIMCO – seeding basis for successful third-party asset management franchise
- Sustainability** Strong contribution to **ESG shaping approach**, e.g., UN Net-Zero Asset Owner Alliance (>60 members, USD >10 trn AuM)



1) Peers include AXA, Zurich, Generali 2) Long-term average 2010-20 3) Long-term average 2010-20, P&L yield excl. unrealized gains and losses



# 1 Superior value creation at Allianz Leben

**#1**  
German market

**>10mn**  
customers

**Scale**  
admin costs at half  
of market average

**~270%**  
SII ratio<sup>1</sup>

**~700mn**  
EUR dividend

**44bps**  
return on  
reserves<sup>2</sup>

**Modern  
products**

Capital-efficient products, balancing returns and stability  
Higher share of protection and health

**In-force  
business**

In-force business matched and profitable  
Management of tail risk, e.g., longevity

**Profit and  
dividend**

Predictable and resilient dividend growth  
Strong balance sheet and healthy SII ratios

**Allianz  
ecosystem**

Constant net flows & stable assets for AM (esp. alternat.)  
Buildup of digital platforms around financial needs

*Deep dive today by Andreas Wimmer*

1) Incl. the application of transitional measures for technical provisions, the Solvency II capitalization expected at ~375%    2) Local GAAP

# 1 Reinforcing our AM leadership position

## Private markets

Continue **double-digit asset growth at attractive margins** – building on top 10 position in global alternatives market

## Technology

Accelerate **tech transformation along the value chain**, e.g., data democratization and increased use of AI signals in the investment process

## ESG

Strengthen our position as a shaper in **sustainable and impact investing** – at the very core of our active proposition

## APAC expansion

Leverage **sizable local platform** (~260 EUR bn) to further **grow across Asian markets**, e.g., pursue fund management company license in China

## Inorganic growth

Record-high M&A activity in the market – **disciplined opportunity screening & execution**

## Boosting alternatives AuMs – major future revenue contributor

**>210**  
EUR bn AuM  
(Q3/21)

**>12%**  
2021-24e  
CAGR

Scale outstanding investment performance (90%<sup>1</sup>), strong productivity (~60% CIR), and margins (~39 bps<sup>2</sup>) into superior value growth

**Deep dive today on PIMCO by Emmanuel Roman**

1) Q3/2021 – refers to 3P account-based asset-weighted investment outperformance over 3 years, before fees. Target at >70%

2) Q3/2021 – refers to 3P AuM margin

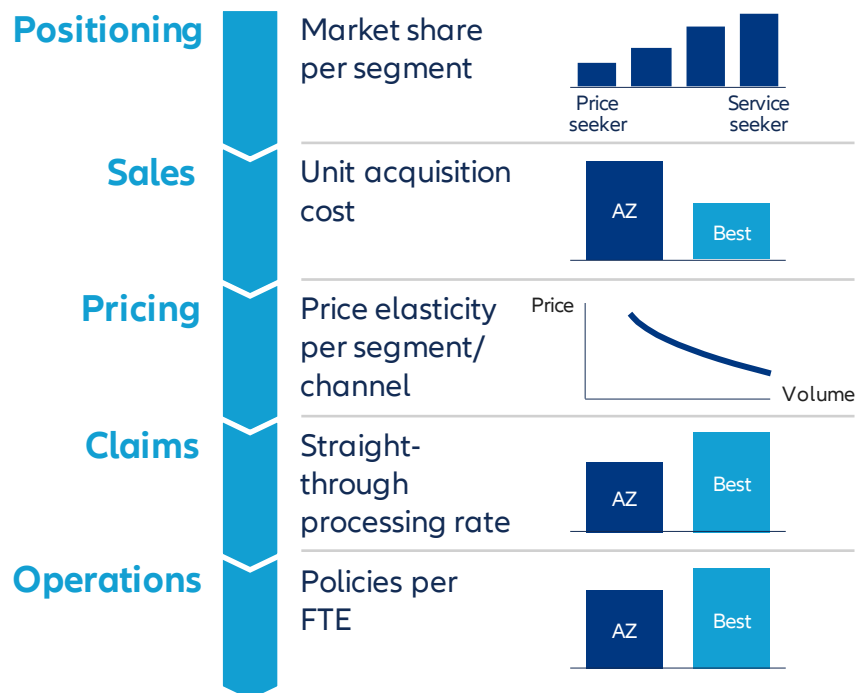




# 2 Beating the best in retail P/C

Example: Germany Motor

Granular benchmarking vs. best-in-class along value chain



New comprehensive model for best-in-class performance

- Positioning**: Addressing the full market incl. "price seeker" segments
- Channels**: Cost-optimized omnichannel flow
- Market approach**: One integrated go-to-market model
- Offering**: Differentiated offering with optimized pricing
- Claims**: Analytics-based processes and reduction of repair costs
- Digitization**: E2E process digitization and platform convergence

Aspired business impact<sup>1</sup> by 2024



1) Gross unit costs/loss costs before reinvestment/inflation

## 2 Growing value in commercial P/C

### AGCS

Large corporates

Execute **new AGCS strategy** with selected **growth**, **higher productivity**, **reduced tail risks**, and **improved profitability**

### MidCorp

Mid corporates

Create **one global MidCorp platform** to reach a **leading market position in Europe**

### Euler Hermes

Specialty

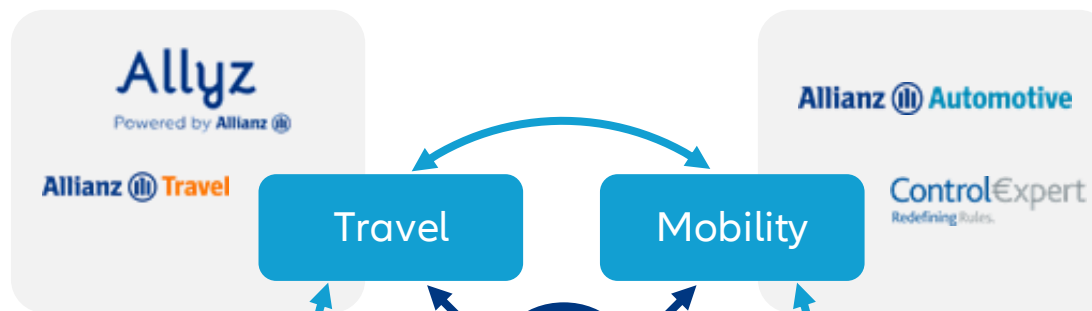
Realize **high-value potential** by leveraging **trade** and **surety** for **resilient growth**

**Ambition 2024:**  
**~0.5bn EUR OP uplift and reduced earnings volatility**

*Deep dive today by Chris Townsend*

# 3 Scaling our customer-facing platforms

Access to **20mn+** customers  
**860k+** visits on Allyz within first 7 months since launch



**~3bn** EUR GPW via OEMs  
**~35-40%** market share in micromobility segments<sup>1</sup>  
**>130** insurers/partners connected via ControlExpert/claims platform

**10k+** service providers in AHS and MA network  
**200+** business partners across Europe

**10mn+** insured Nextcare members  
**150+** doctors & nurses in telemedicine  
**3bn+** EUR claims managed

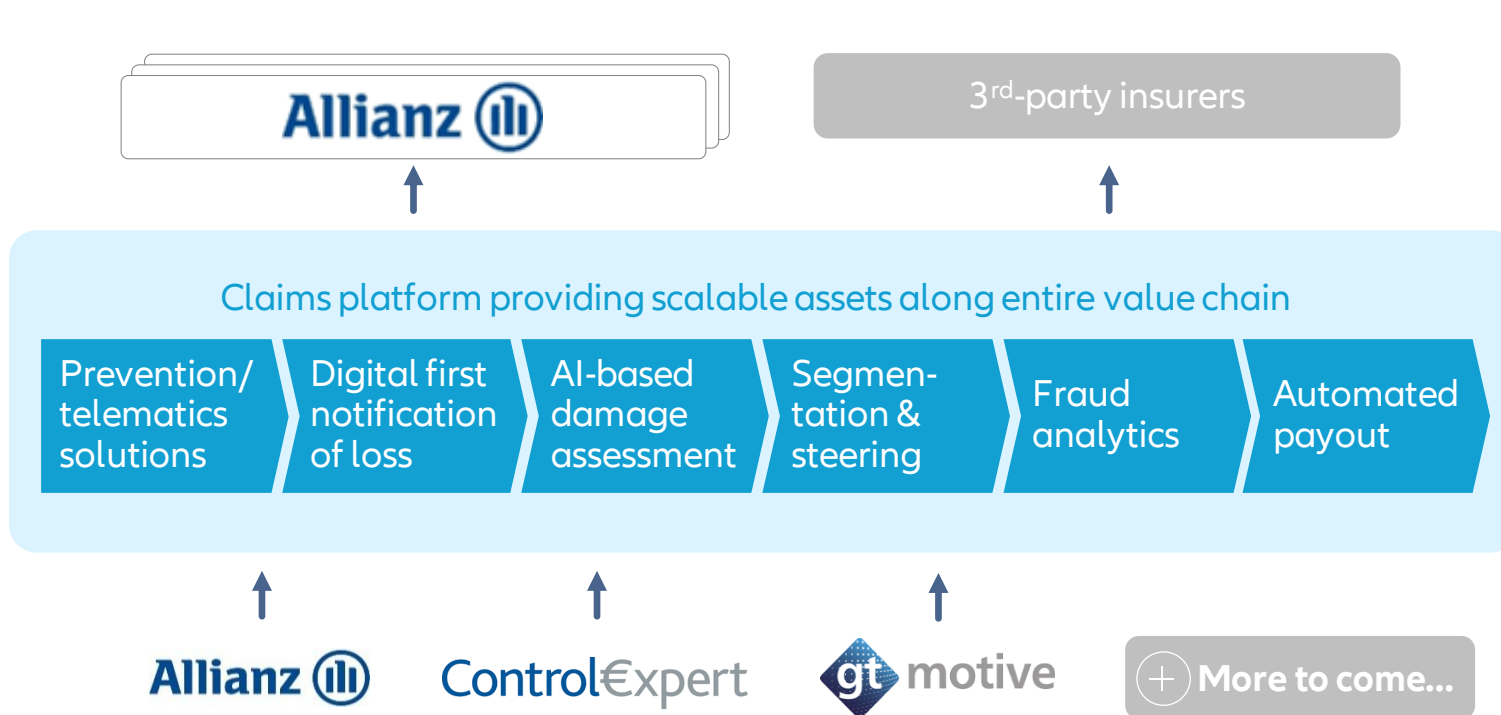
## Allianz Partners

**>6bn** EUR total revenue in 2021, strong COVID-19-rebound with **~15%** revenue growth<sup>2</sup>

**350k+** users in first year<sup>3</sup>  
**+33p** (NPS) uplift in customer satisfaction  
**20%+** boost in sales per customer

1) Market share in shared e-scooters 2) Revenue growth 2020-21 3) Germany only

# 3 Strong upside from new claims platform



## Building the industry-leading motor claims platform

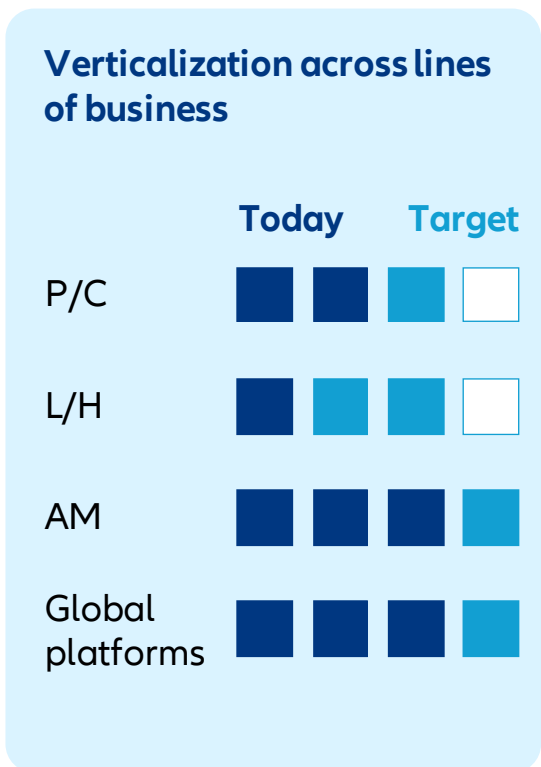
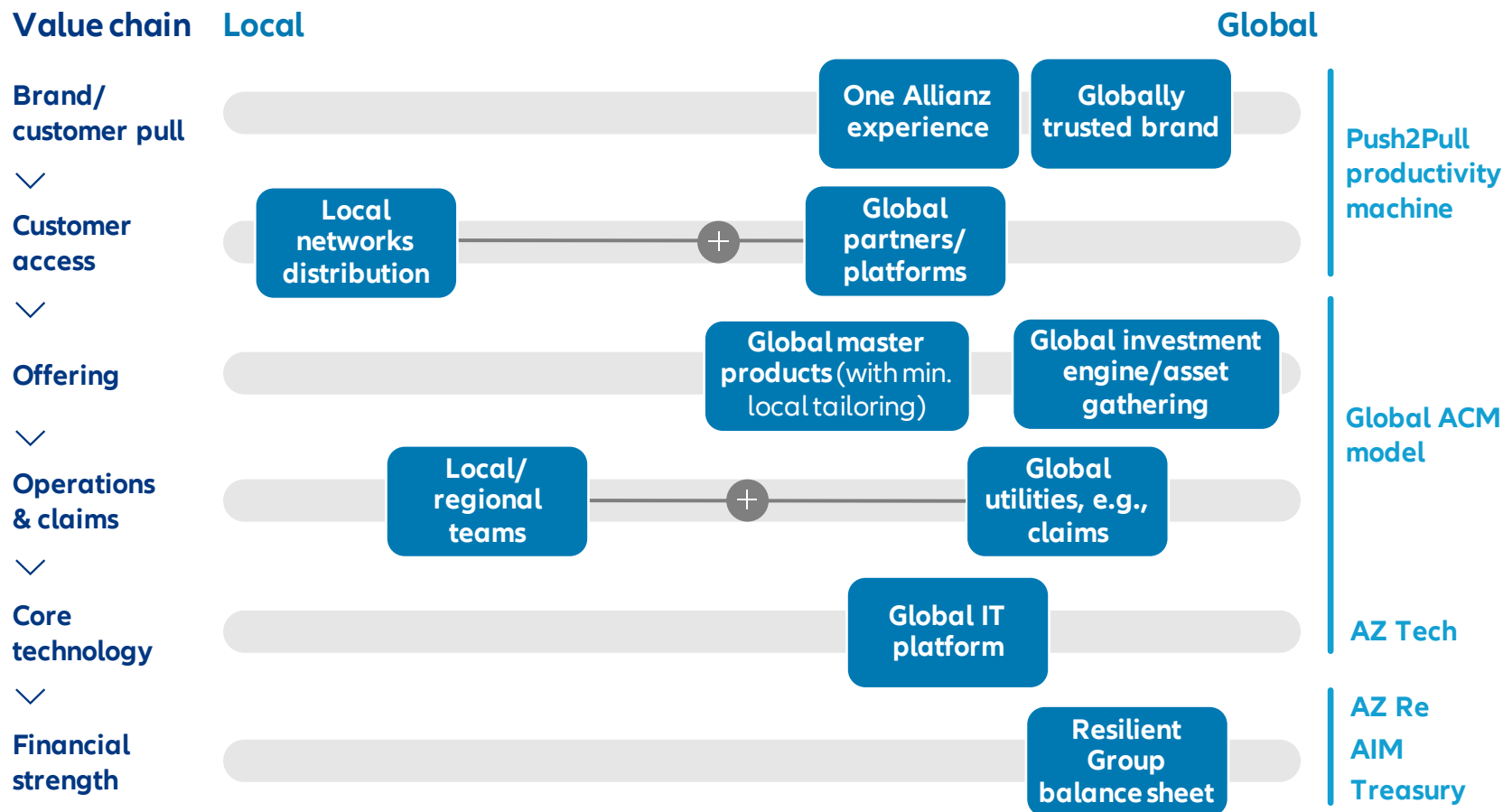
Impact examples from ACM claims transformation<sup>1</sup>

- >90% first contact resolution
- >70% steering to preferred solution
- >5% fraud savings
- ★★★★★ Customer feedback
- >1bn EUR impact<sup>2</sup>

1) Impact examples from 5 core OEs on motor (Germany, Spain, Austria, Italy, France).

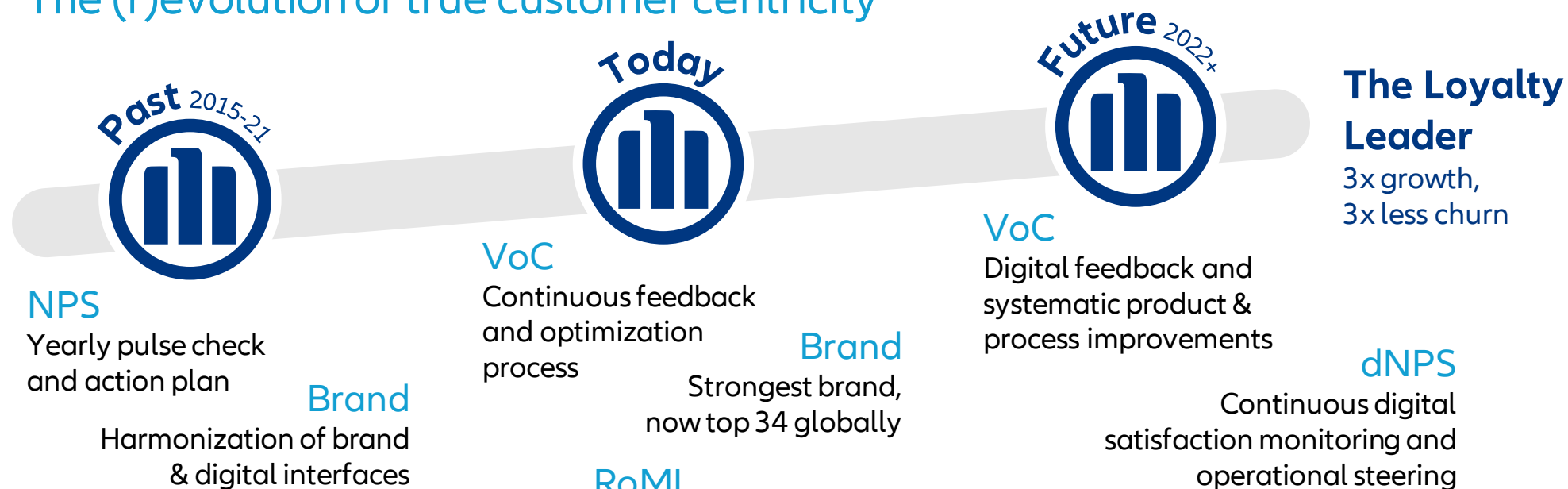
2) Total impact ambition ACM claims transformation incl. motor claims platform

# 4 Systematic global verticalization

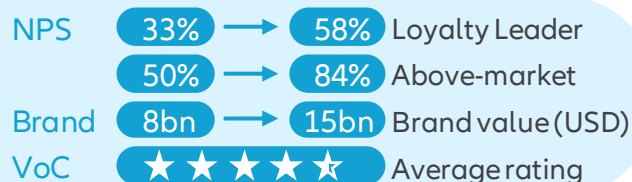


# 4 Building global loyalty leadership

The (r)evolution of true customer centricity



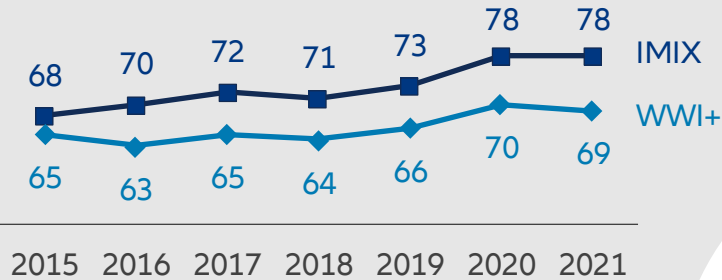
## Performance 2015 vs. 2021



Note: (d)NPS = (digital) Net Promoter Score, VoC = Voice of the Customer, RoMI = Returns on Marketing Investments

# 5 Leading in talent development & diversity

Employee engagement



2015 2016 2017 2018 2019 2020 2021

**+** Equal pay gap closed by year-end 2021



**27%** female Allianz SE board members<sup>1</sup>

**~30%** of Group OP managed by female CEOs

**38%** of all managers are women

Female leadership

Learning

**>250k** hours of leadership development

**>80%** share of digital learning powered by **degreed**.  
Learn smarter—be ready for what's next.

**1h** of learning per employee per week



Highest score in insurance industry



#5 globally



6<sup>th</sup> consecutive listing



Iconic leader



Allianz Germany certified



Certification AZ Germany & Switzerland

**BEYOND GENDER AGENDA #2**

Brand

1) As of 2022

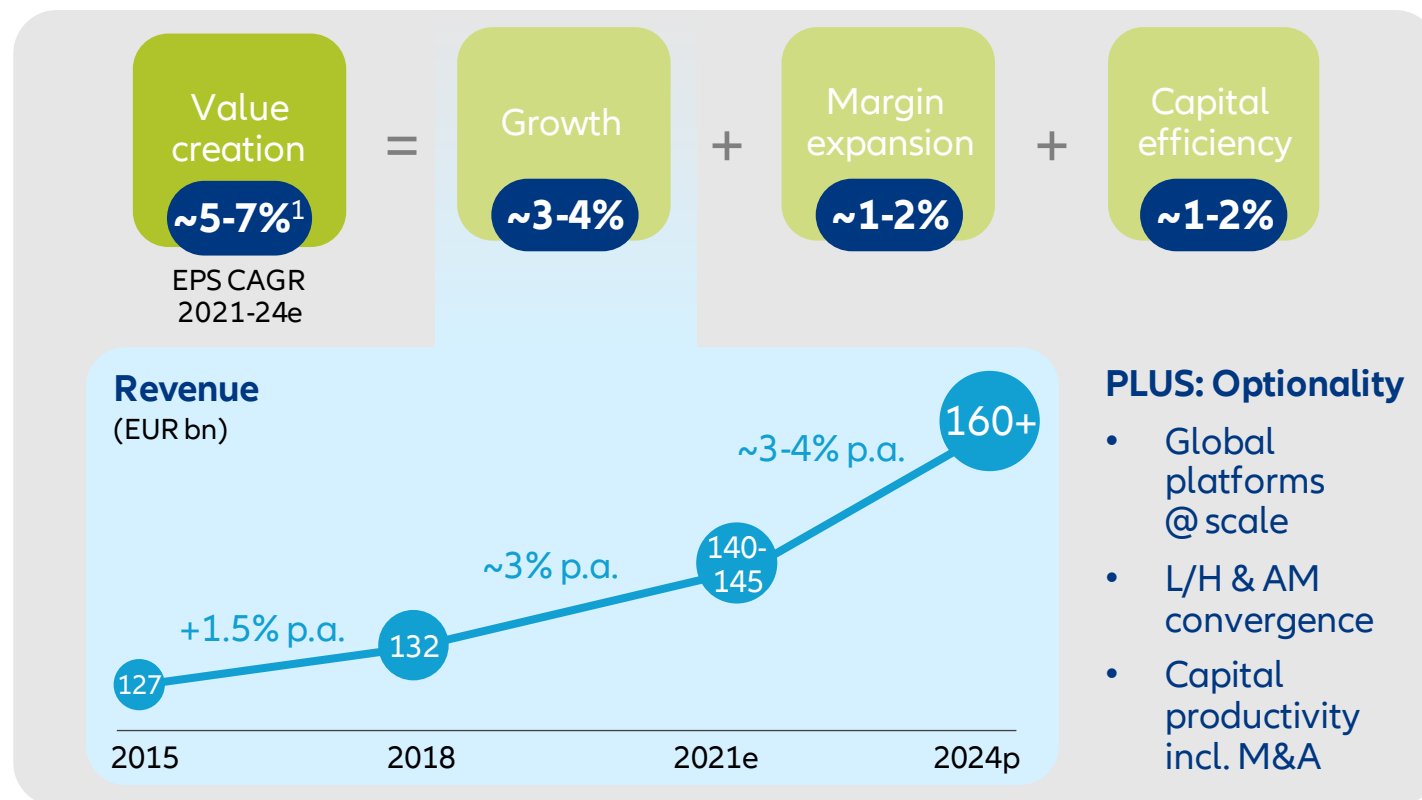
# CEO AGENDA

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# Further lifting ambitions

## PERFORMANCE



## HEALTH



1) Targets are before IFRS 9/17 accounting changes 2) 2025 target

# Content / topics

1

Strategy and targets  
*Delivery*

Oliver Bäte

2

The CFO view  
*Confidence*

**Giulio Terzariol**

3

ACM – Digital  
*Transformation*

Barbara Karuth-Zelle

4

P/C – Commercial  
*Opportunity*

Chris Townsend

5

L/H – Allianz Leben  
*Reliability*

Andreas Wimmer

6

AM – PIMCO  
*Performance*

Emmanuel Roman



# The CFO view

## Confidence

**Giulio Terzariol**  
**CFO Allianz SE**

Allianz Capital Markets Day  
December 2021

# Content / topics

1

Targets

2

Track record

3

The way forward

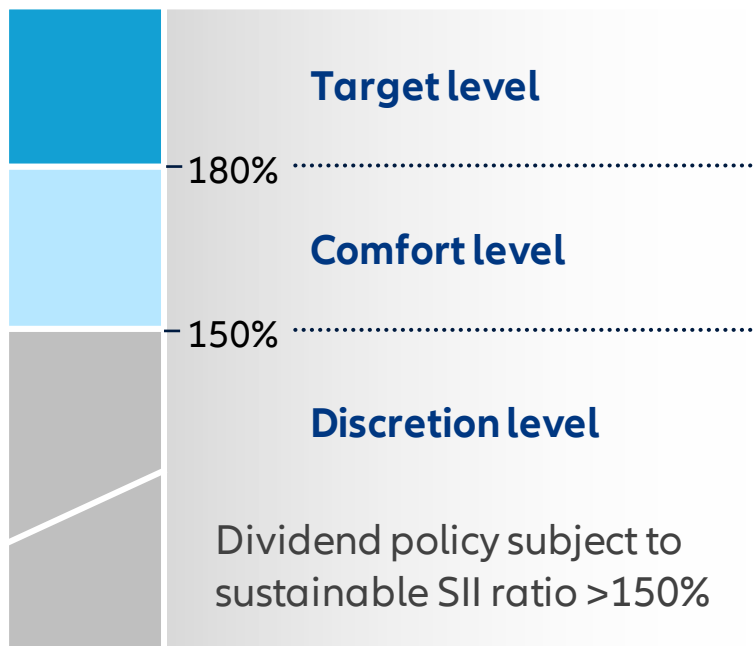
# Attractive financial targets<sup>1</sup> 2021 - 2024 ...



1) Targets are before IFRS 9/17 accounting changes

# ... and confident dividend policy

## Solvency II ratio<sup>1</sup>



## Dividend policy<sup>2</sup>

DPS the higher of

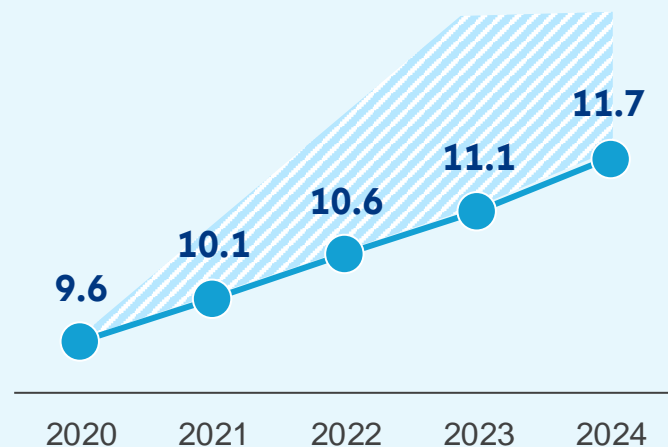
50% payout ratio<sup>3</sup>

or

previous year's DPS +5%

Flexible payout of excess capital via share buy-backs

Minimum DPS (EUR)



1) Excluding the application of transitional measures for technical provisions

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

3) Payout ratio based on shareholders' net income, adjusted for extraordinary and volatile items

# Content / topics

1

Targets

2

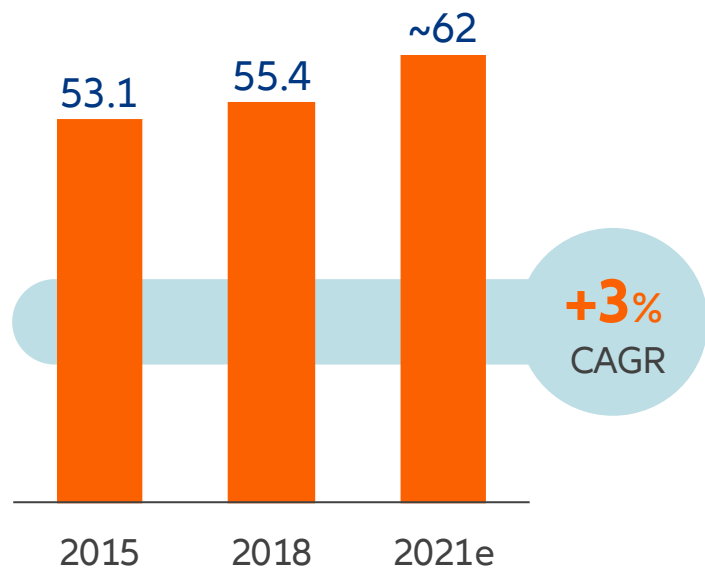
Trackrecord

3

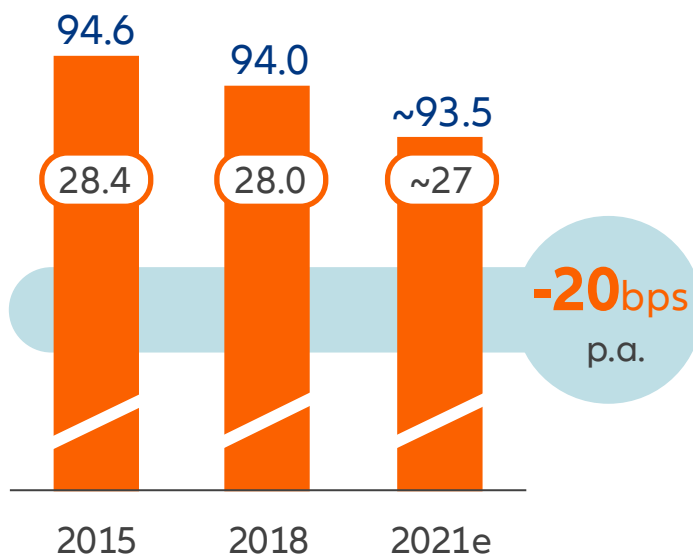
The way forward

# P/C – continuous improvement ...

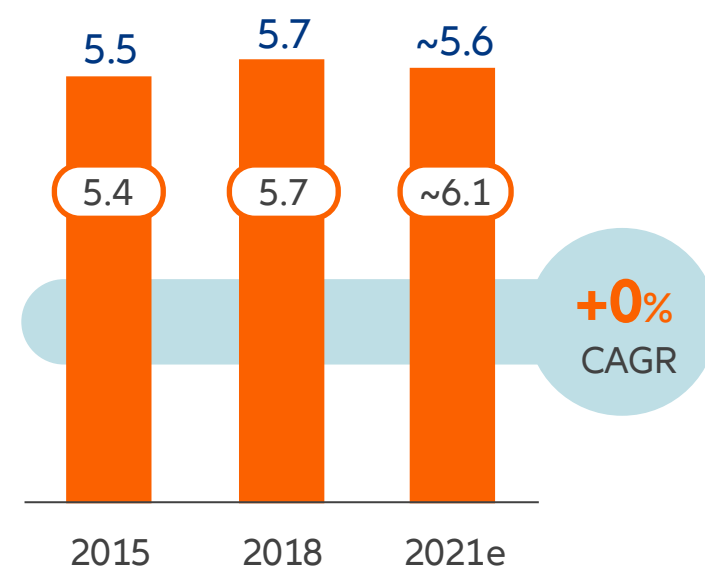
**Total revenues**  
EUR bn



**Combined ratio**  
%



**Operating profit**  
EUR bn

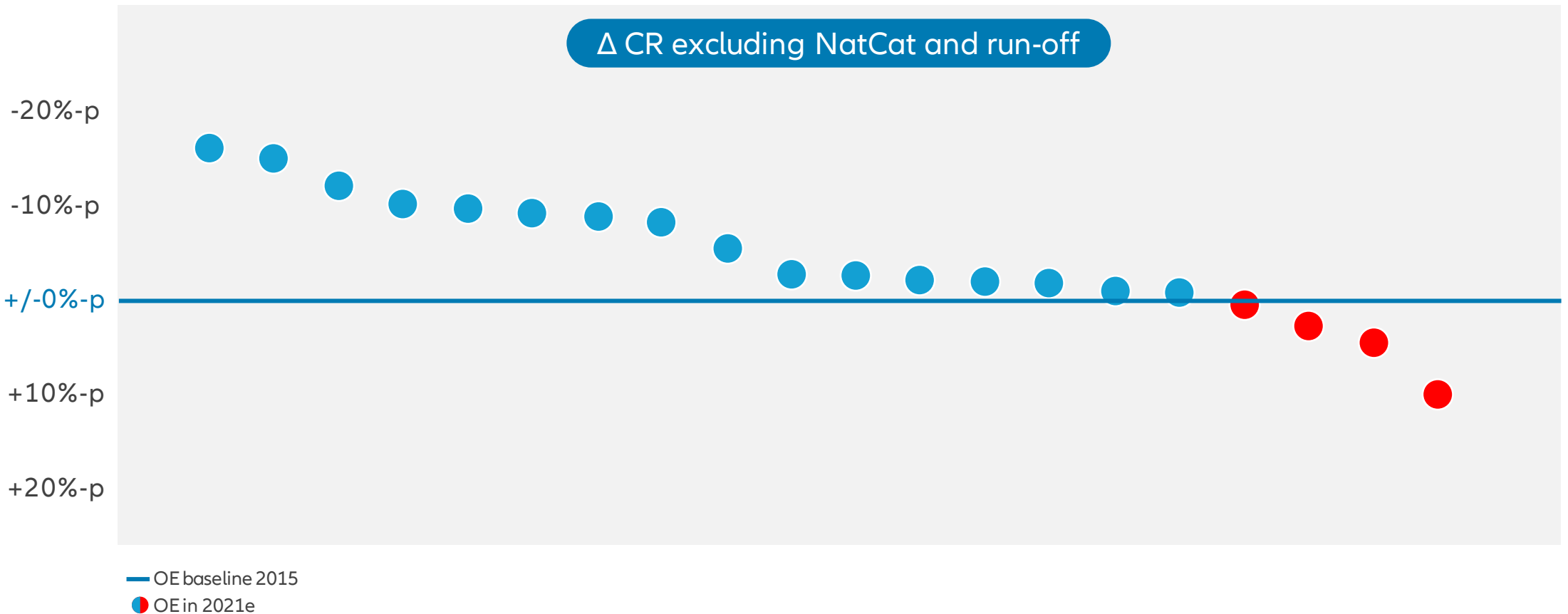


○ Expense ratio

○ Operating profit with normalized NatCat



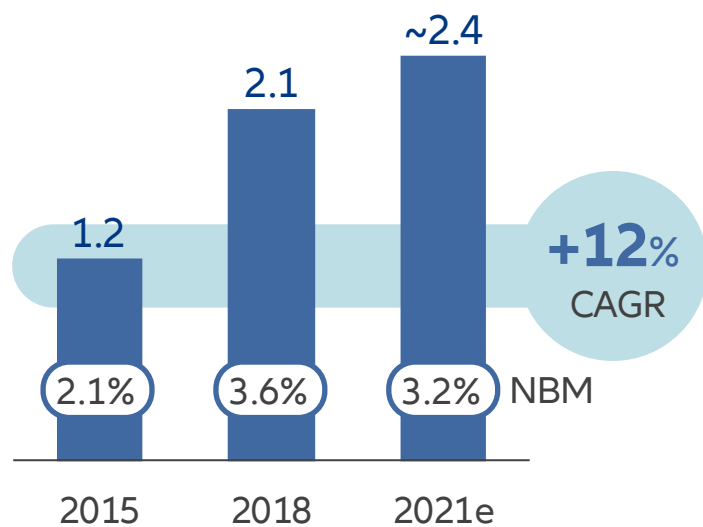
# ... delivered across entire portfolio



# L/H – RoE uplift ...

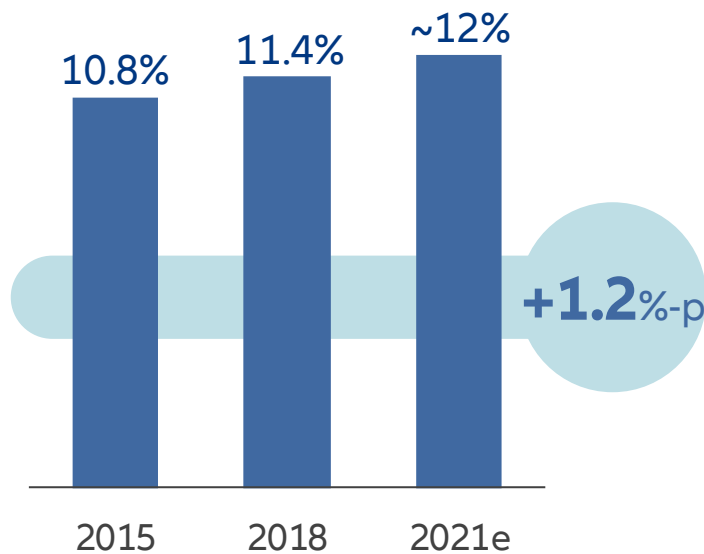
## Value of new business

EUR bn



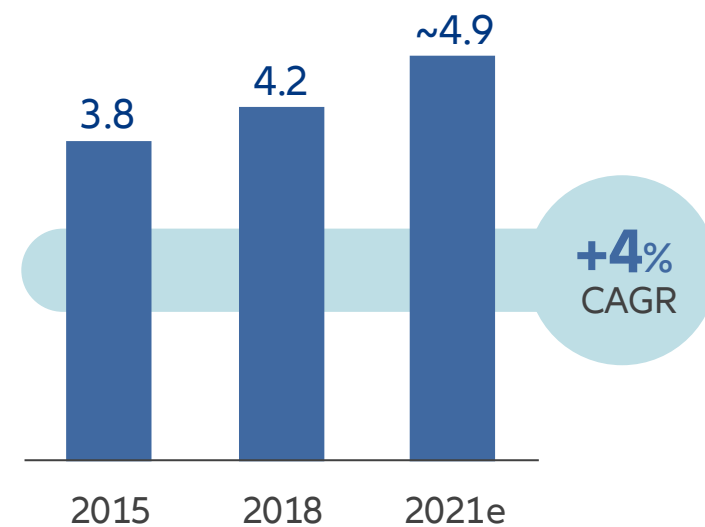
## Return on equity

%

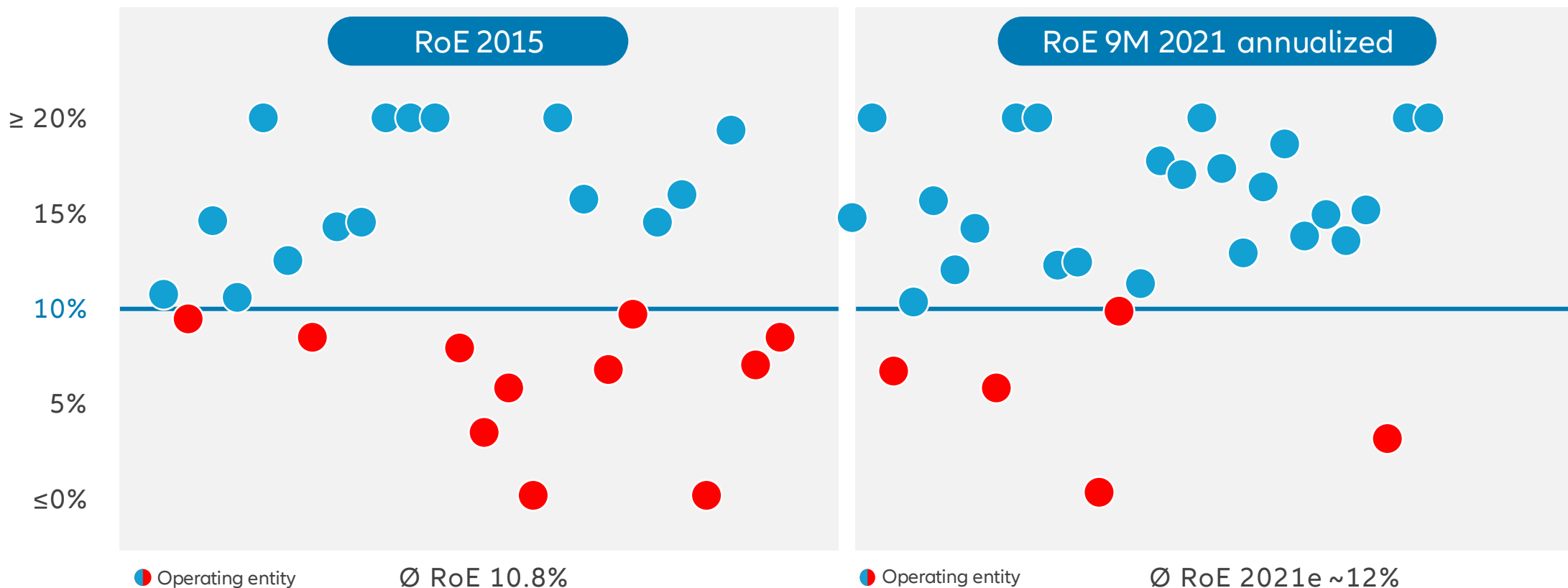


## Operating profit

EUR bn

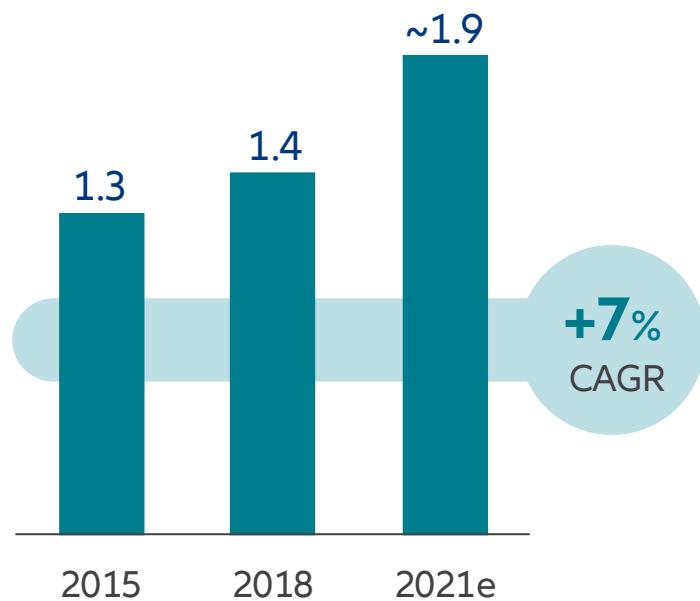


# ... driven by successful strategy shift

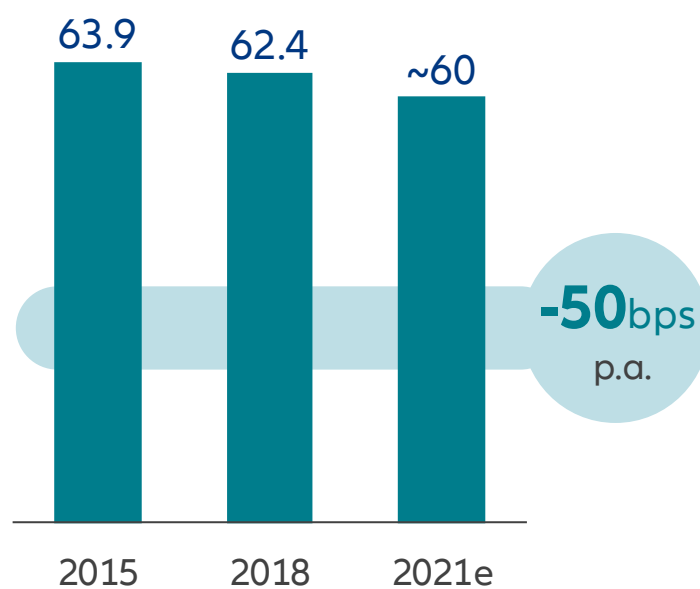


# AM – strong profit growth ...

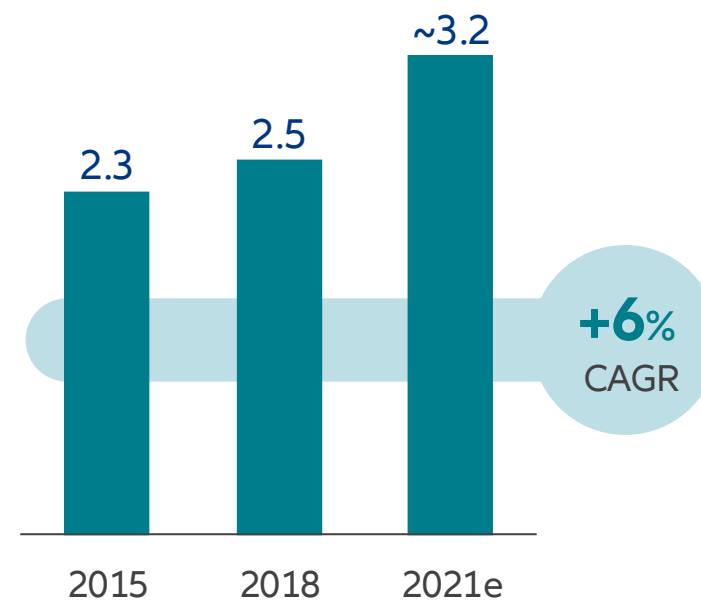
**3<sup>rd</sup> party AuM**  
EUR tn



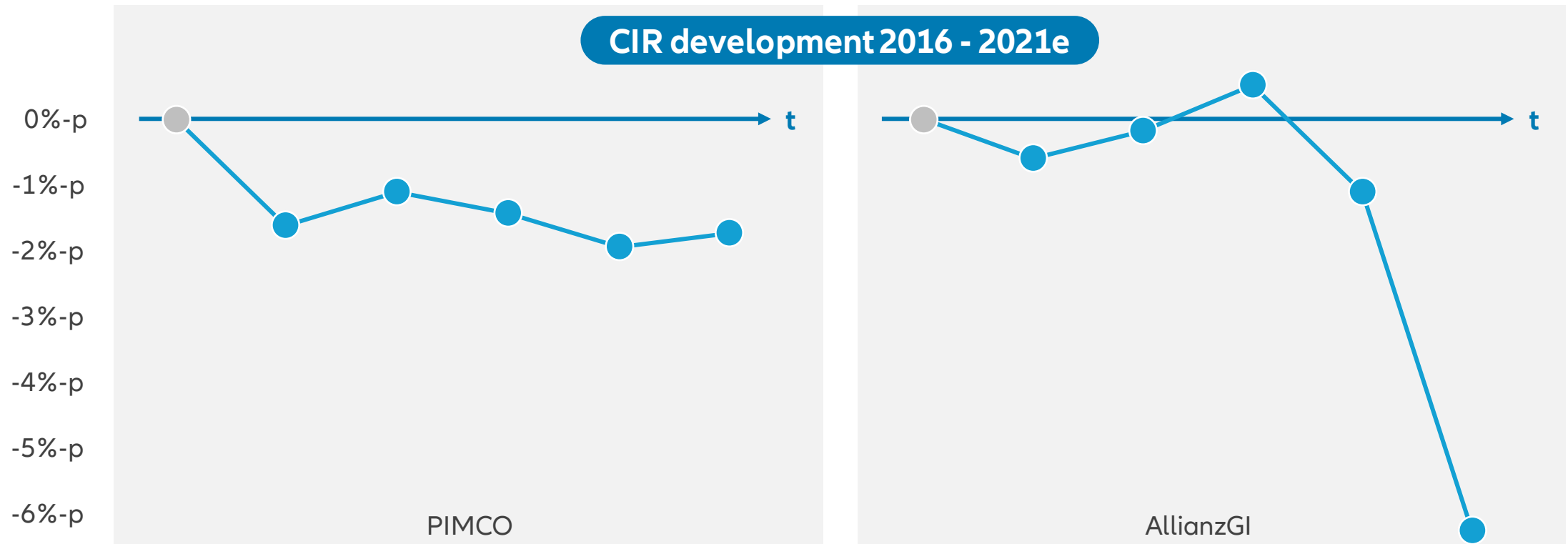
**Cost income ratio**  
%



**Operating profit**  
EUR bn

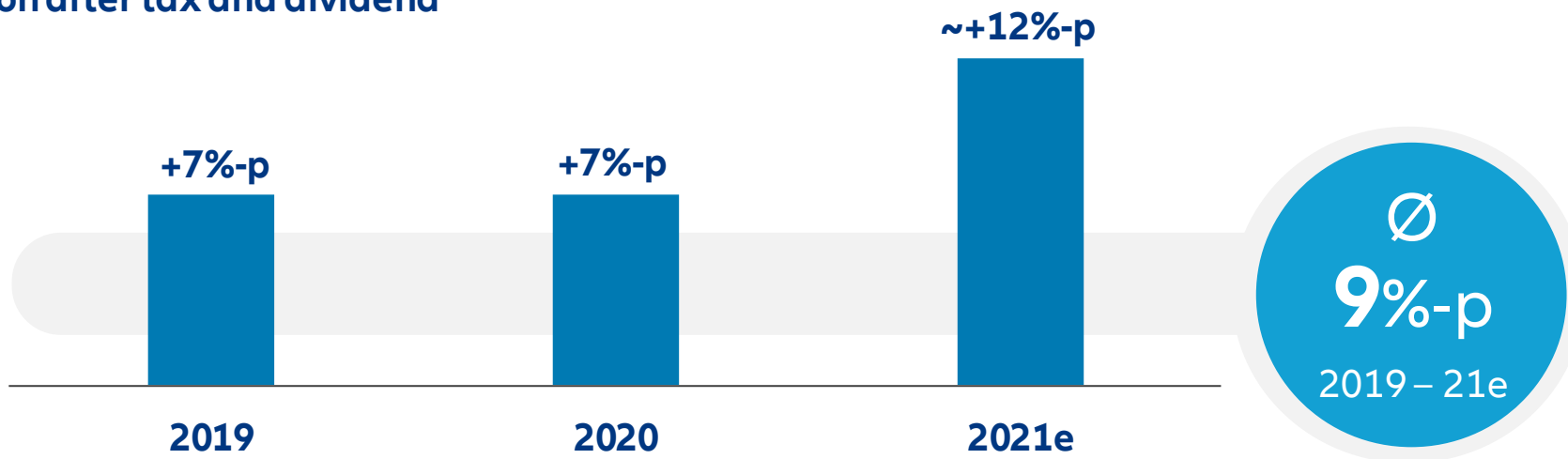


# ... driven by PIMCO and AllianzGI



# SII – strong capital generation ...

SII organic capital generation after tax and dividend  
EUR



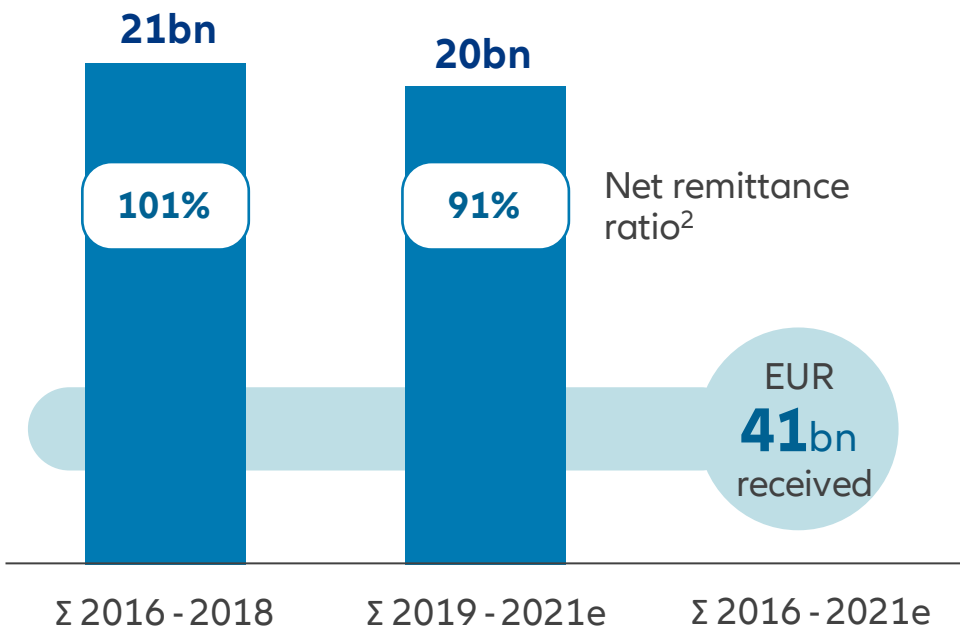
	2019	2020	2021e
Operating SII earnings <sup>1</sup>	+5.2bn	+2.8bn	~5.5bn
Δ SCR (business evolution)	+1.2bn	+0.1bn	~0.4bn
of which L/H	+0.3bn	~0bn	~0bn

1) After tax and dividend

# ... and healthy cash flow

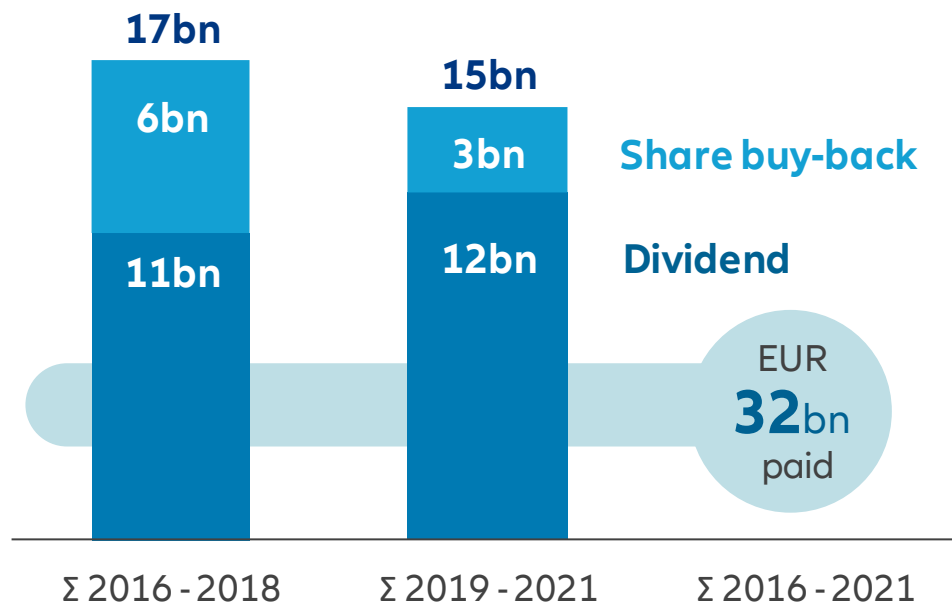
## Net cash remittance<sup>1</sup>

EUR



## Payout to shareholders

EUR



1) Net cash remittance = cash received from OEs + reinsurance result of holding company - holding costs and interest expenses + other operating cash flow

2) Net remittance ratio = net cash remittance / shareholders' net income (prior year)

# Content / topics

1

Targets

2

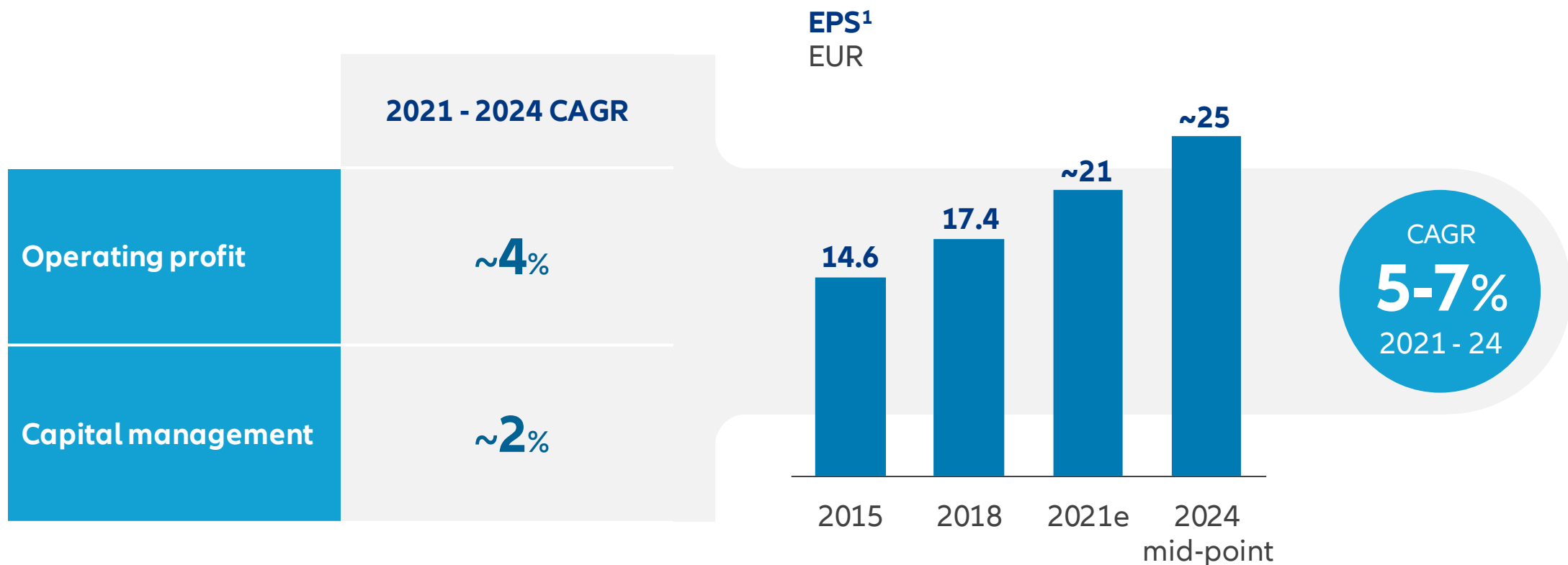
Track record

3

The way forward



# Sustainable EPS growth

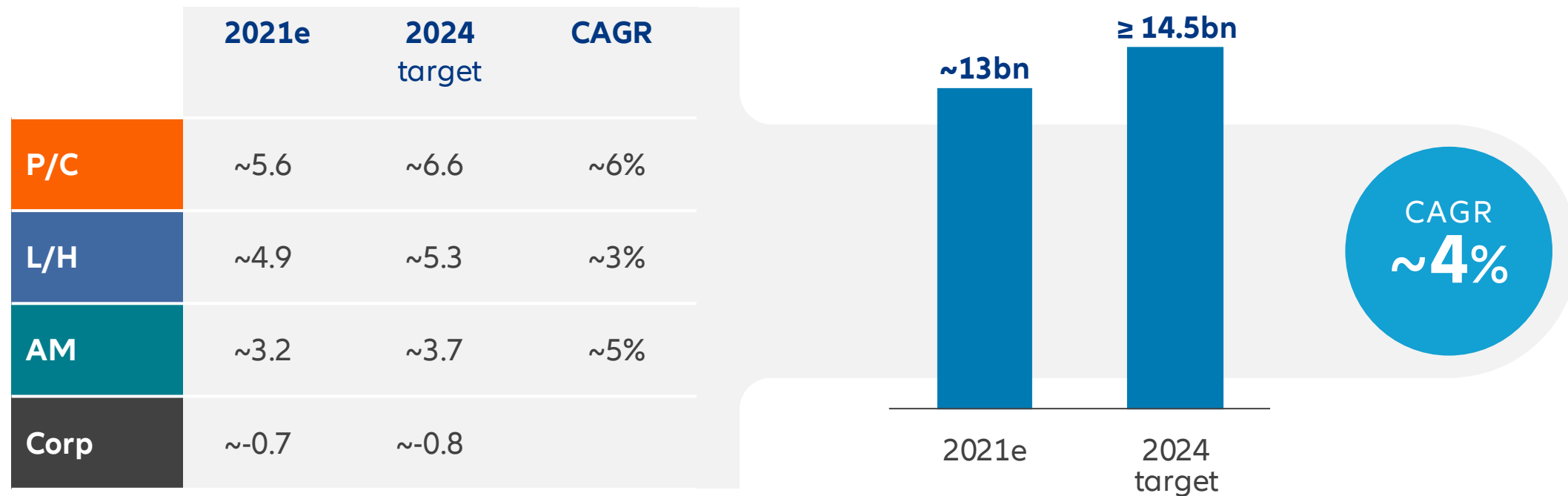


1) Adjusted for extraordinary and volatile items and IFRS 9/17 accounting changes

# All segments drive operating profit growth

## Operating profit<sup>1</sup>

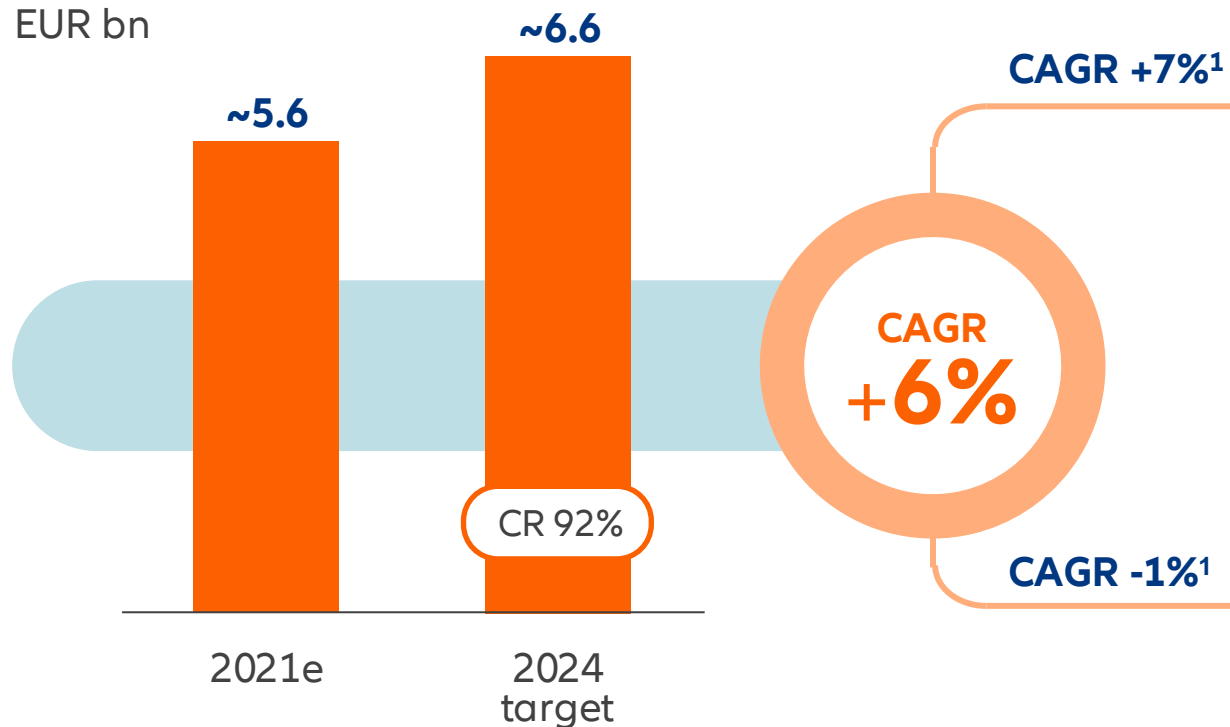
EUR bn



1) Targets are before IFRS 9/17 accounting changes

# P/C plausibility check

## Operating profit EUR bn



## Underwriting result

- Revenue growth 3-4% p.a.
- Combined ratio 92%
  - Retail CR 91-92% (~65% of NPE)
  - Commercial CR ~93% (~35% of NPE)
  - Expense ratio ~26%

## Operating investment result

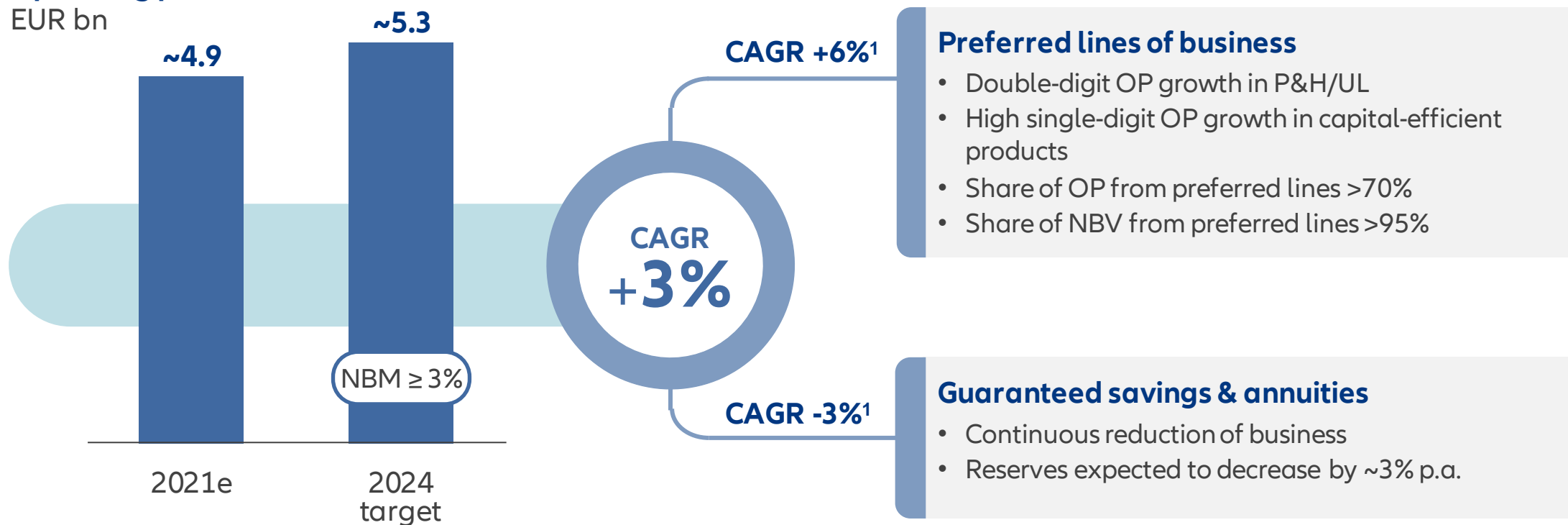
- EUR 0.2bn lower operating investment result
- Stabilization towards end of plan horizon

1) Refers to operating profit 2021e of EUR ~5.6bn

# L/H plausibility check

## Operating profit

EUR bn

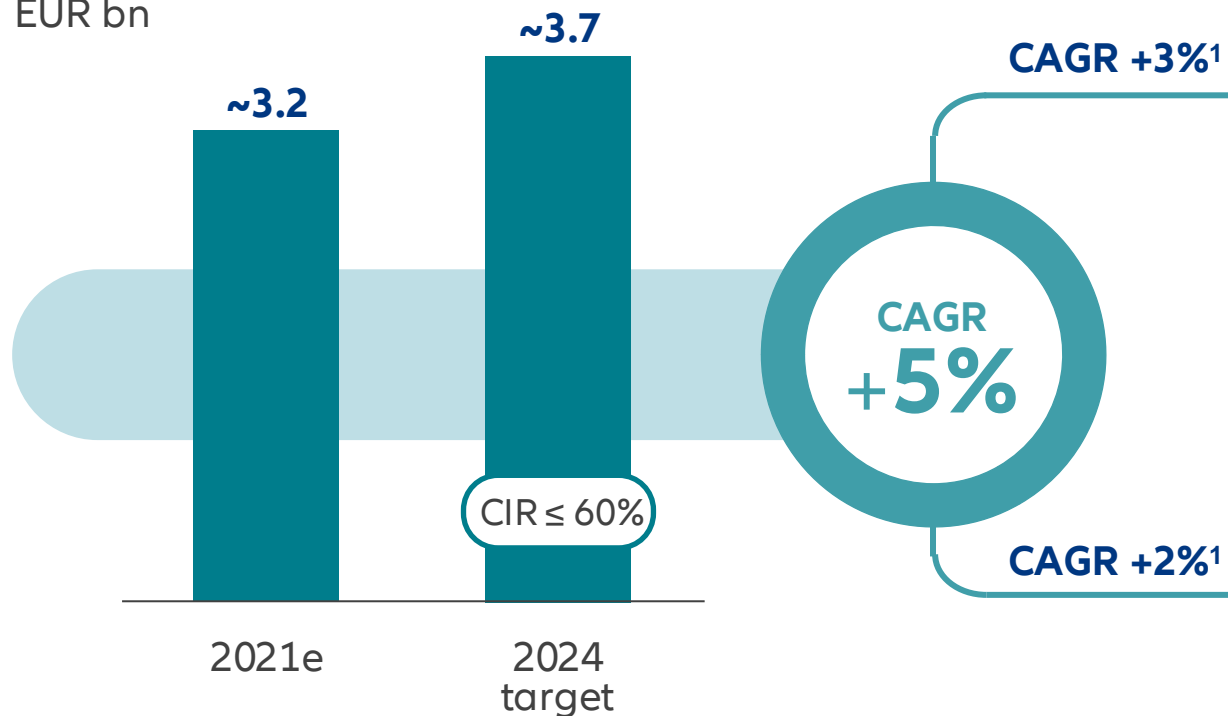


1) Refers to operating profit 2021e of EUR ~4.9bn

# AM plausibility check

## Operating profit

EUR bn



### Growth

- 3<sup>rd</sup> party AuM growth ~3% p.a.
- Double-digit growth of Alternatives AuM (EUR 212bn as of 3Q 2021)

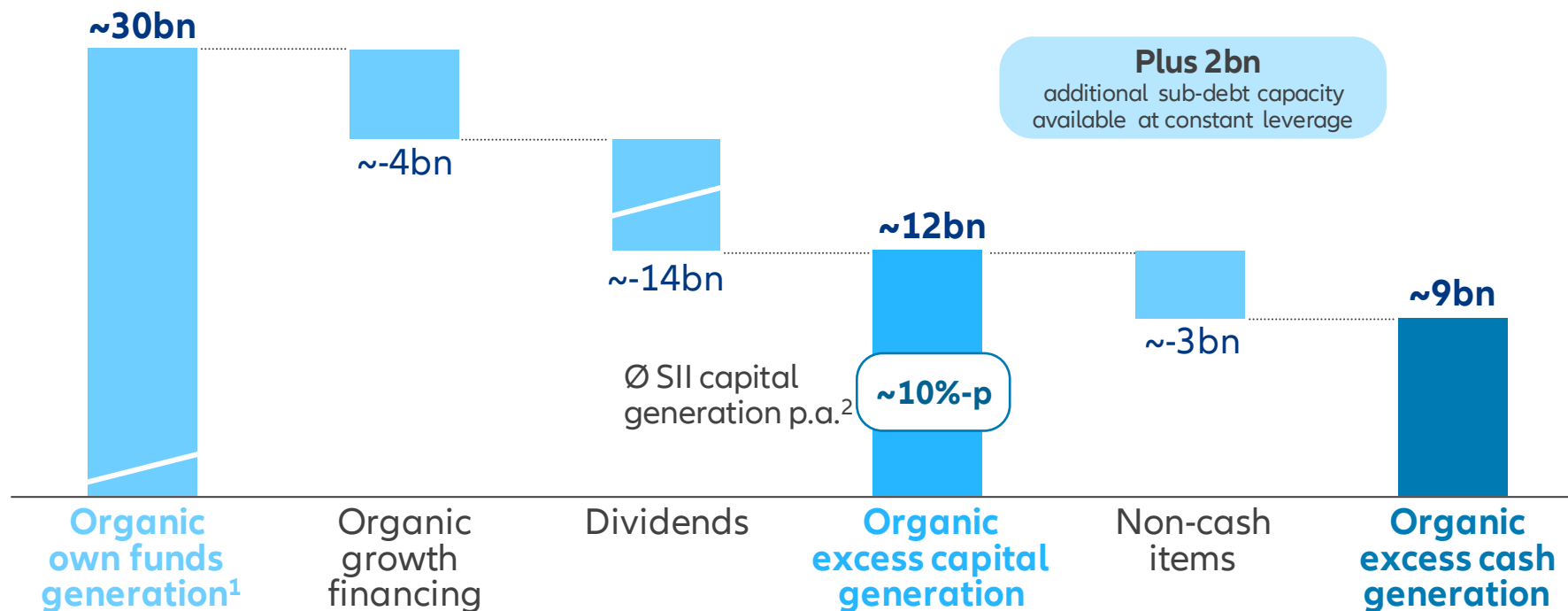
### Margin / efficiency

- Stable fee margin and performance fees
- CIR improvement by ~1%-p

1) Refers to operating profit 2021e of EUR ~3.2bn

# Earnings power = balance sheet strength

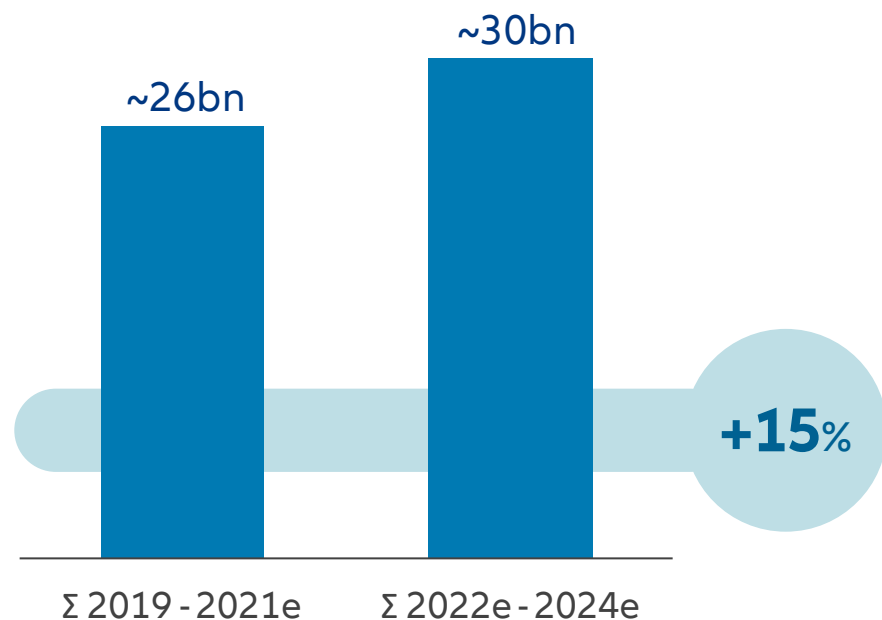
Σ 2022e - 2024e  
EUR bn



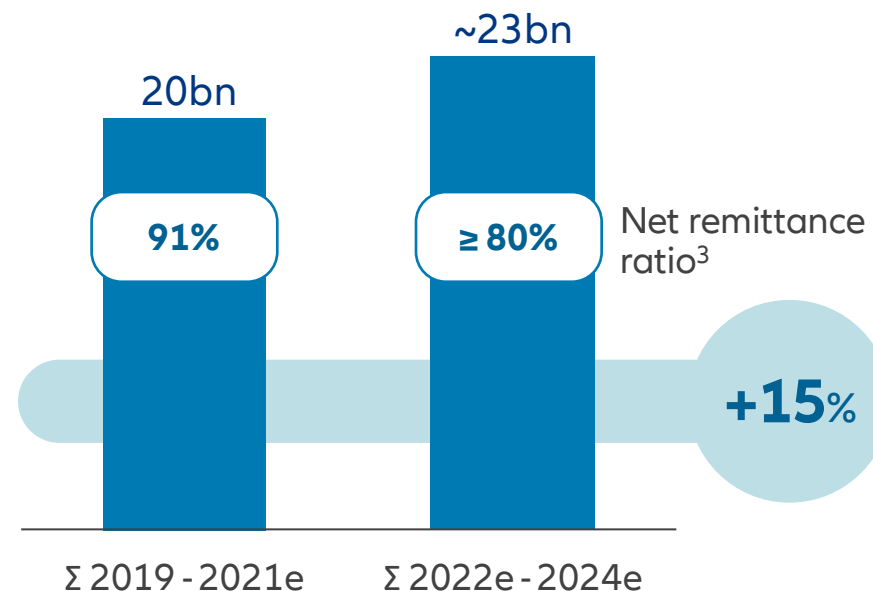
1) After taxes  
 2) Ø SII capital generation p.a. net of tax and dividend

# Higher capital generation and remittance

**Organic own funds generation<sup>1</sup>**  
EUR



**Net cash remittance<sup>2</sup>**  
EUR



1) After taxes

2) Net cash remittance = cash received from OEs + reinsurance result of holding company - holding costs and interest expenses + other operating cash flow

3) Net remittance ratio = net cash remittance / shareholders' net income (prior year)

# Additional capital optimization potential

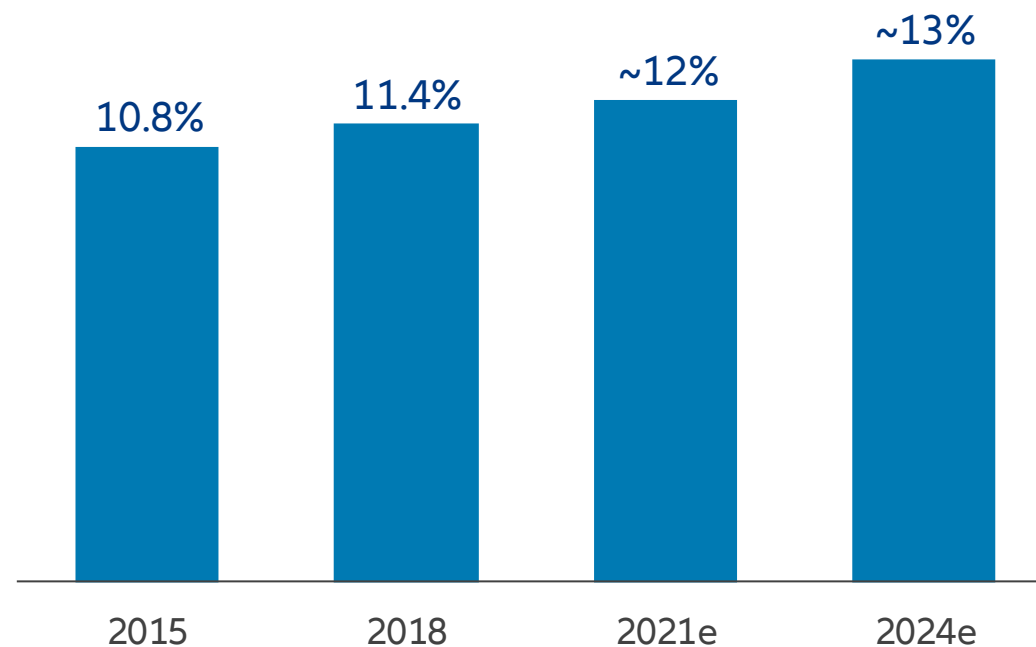
## Back-book management

- Belgium 2019 – sale
- Spain 2020 – reinsurance
- France 2020 – reclassification
- Italy 2021 – renegotiation
- Switzerland 2021 – reinsurance

EUR ~1bn capital release so far

Additional transactions considered

## L/H RoE





# EUR 3.6bn capital release from US life book

## Transaction rationale

- Monetization of Allianz Life earnings at attractive terms
- Allianz continues to write new business
- Allianz remains asset manager of reinsured business
- Enhanced growth opportunity for Allianz Life and PIMCO/AllianzGI through new partnership

## Deal overview

- 100% quota share reinsurance for closed FIA book (EUR 4.6bn)
- 50% quota share for open FIA book (EUR 25.5bn)
- Pre-tax ceding commission ~7.5% of reserves
- Reinsurance agreement includes collateral and multiple layers of protection

## Expected financial implications AZ Life

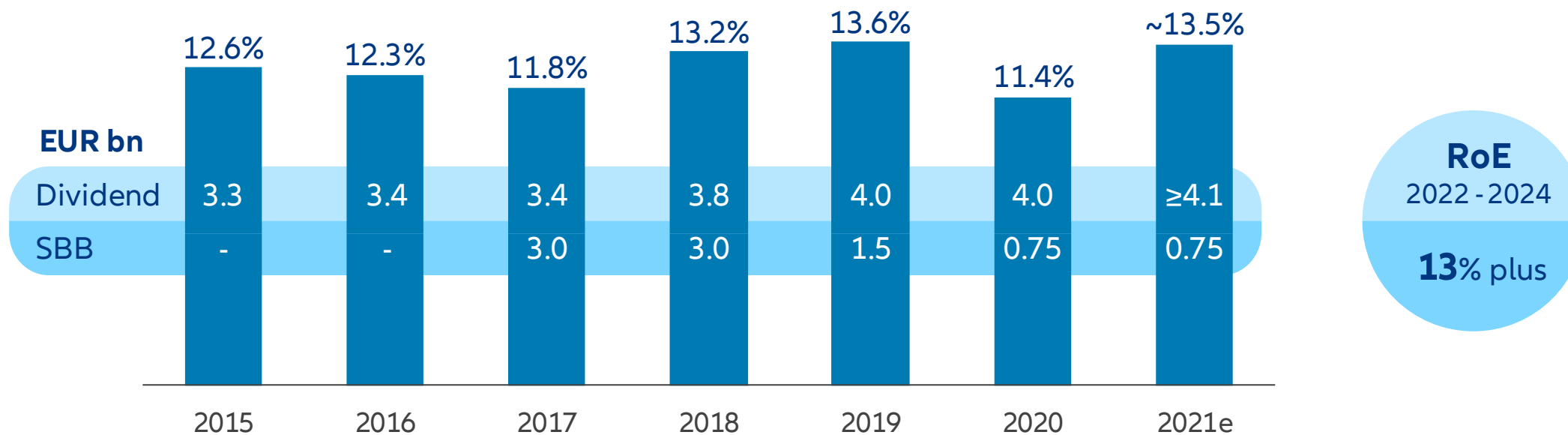
Capital release / upstreaming capacity	EUR 3.6bn <sup>1</sup>
Dividend 2022ff p.a.	EUR ~-150m <sup>2</sup>
Net income <b>4Q 2021</b>	EUR ~+450mn
<b>2022ff p.a.</b>	EUR ~-50mn <sup>2</sup>
RoE Allianz Life USA	+6%-p to ~18%
SII-ratio <b>Allianz Group</b>	+9%-p

1) Subject to regulatory approval

2) Netted against positive impact from higher AM fees

# Strict capital management to be continued

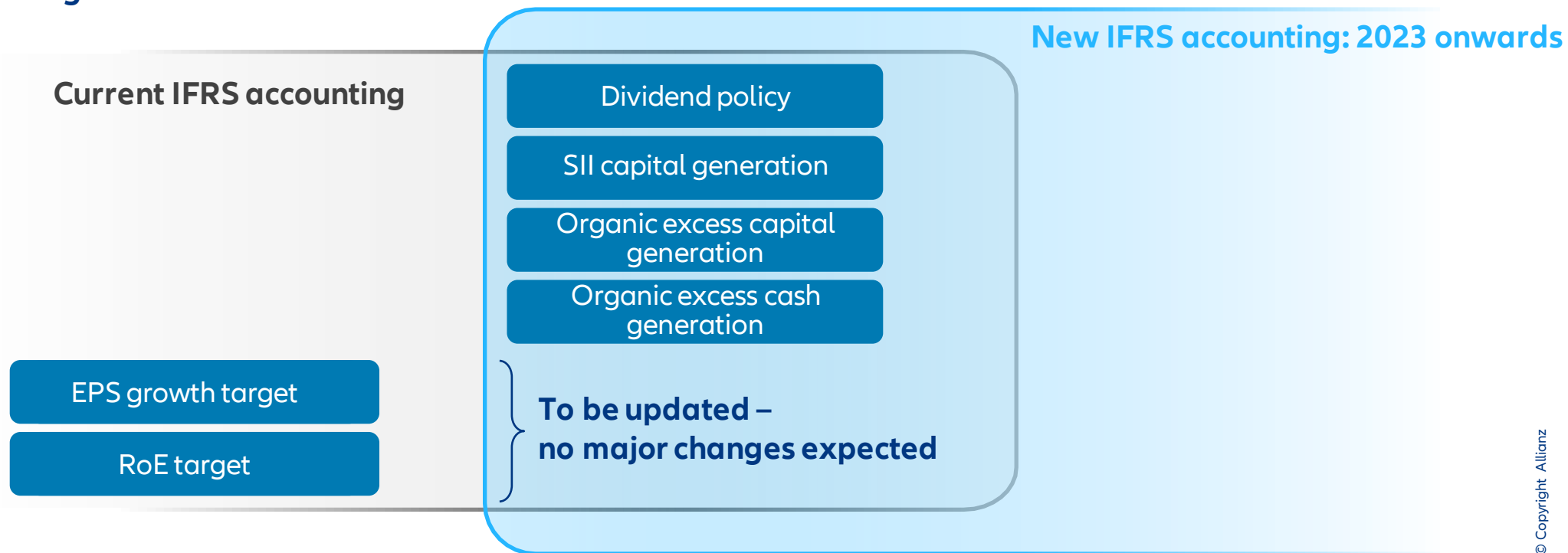
RoE Allianz Group<sup>1</sup>  
%



1) Adjusted for extraordinary and volatile items and IFRS 9/17 accounting changes

# IFRS 9/17 – no major changes expected

## Key financial targets



# To sum it up – a confident outlook

 **Bottom-up planning**

 **Consistent track record**

 **Great team**

 **Strong culture**

**Targets  
2024<sup>1</sup>**

**5-7%**

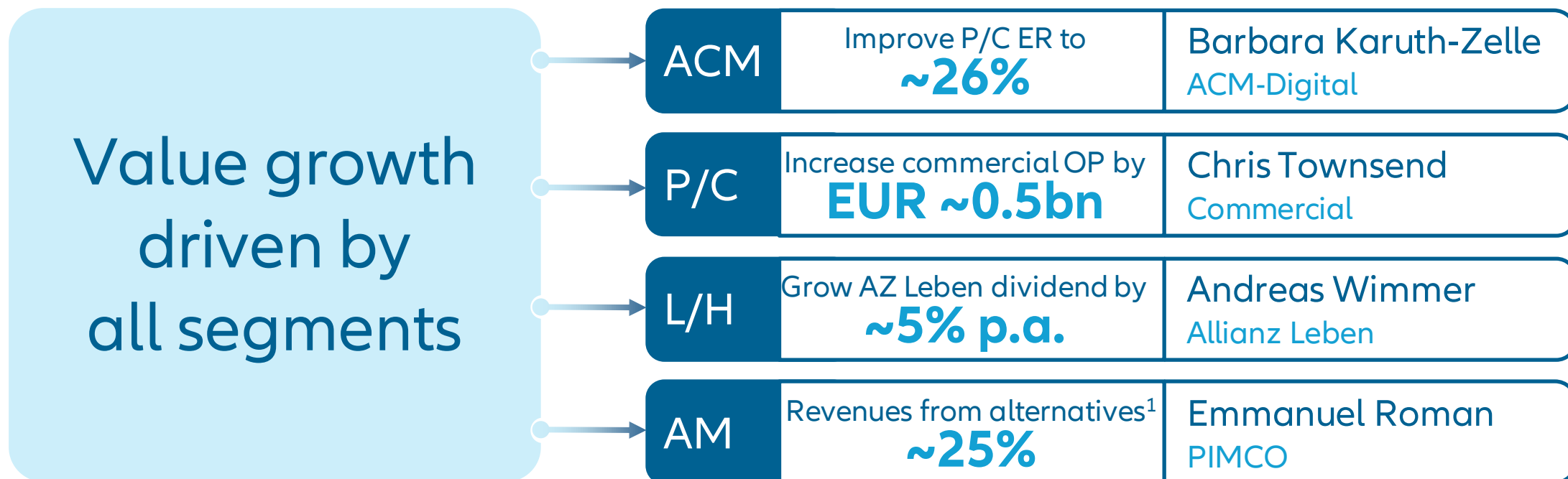
**EPS CAGR**

**13%**  
plus

**Return on  
equity**

1) Targets are before IFRS 9/17 accounting changes

# From big picture to detail



1) Revenue share of alternatives at PIMCO

# Content / topics

**1** Strategy and targets  
*Delivery*  
Oliver Bäte

**2** The CFO view  
*Confidence*  
Giulio Terzariol

**3** **ACM – Digital**  
*Transformation*  
**Barbara Karuth-Zelle**

**4** P/C – Commercial  
*Opportunity*  
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*Reliability*  
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*Performance*  
Emmanuel Roman

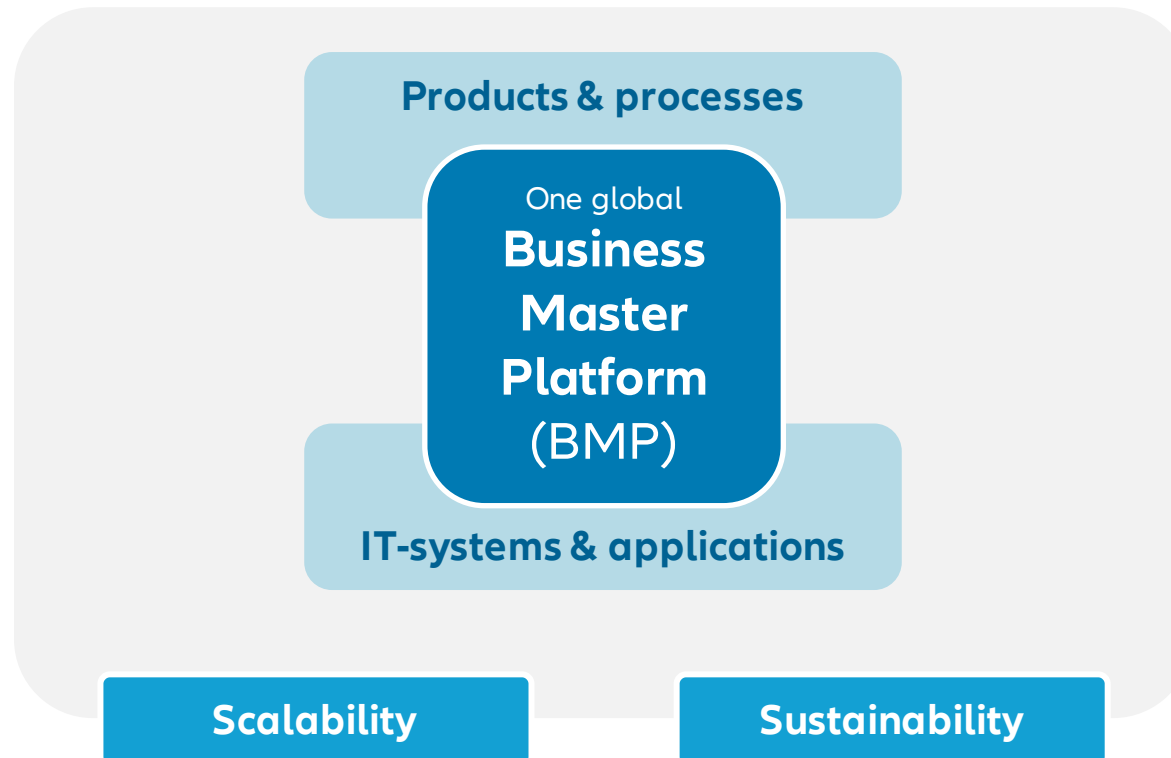


# ACM – Digital Transformation

**Barbara Karuth-Zelle**  
**Member of the Board Allianz SE**

Allianz Capital Markets Day  
December 2021

# Vision: the Allianz Customer Model (ACM)





# Enabler: Allianz Technology

## Tasks and skills

Global IT service provider for Allianz Group

**>12,000**  
IT-experts<sup>1</sup>

Platform roll-out and decommissioning of IT legacy

**~60%**  
apps<sup>2</sup>

System availability, security and resilience

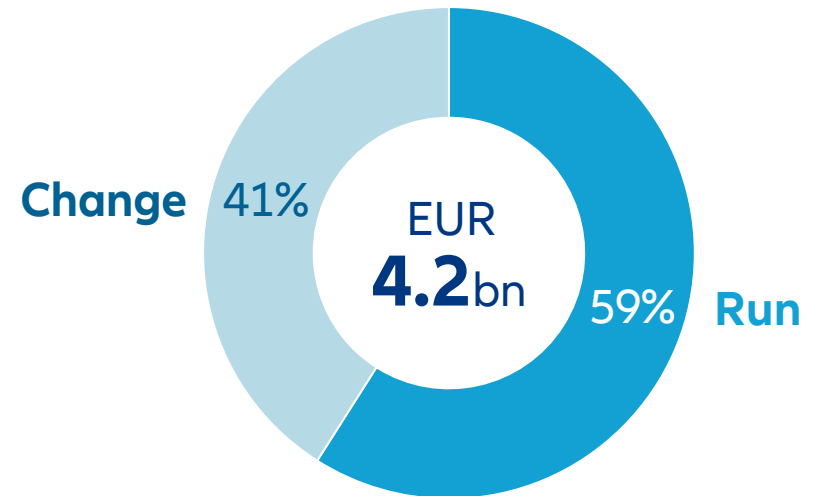
**24h**  
monitoring

Business process outsourcing partner

**~4,500**  
FTE<sup>3</sup>

**Allianz**  
Technology

## Group IT-budget<sup>4</sup> 2021e

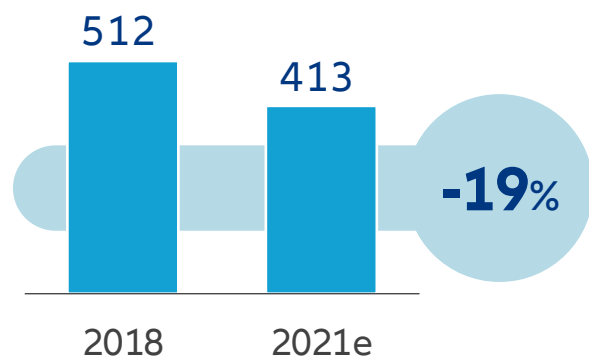


1) Including planned changes in 2022  
2) Target for decommissioning of IT applications  
3) Workforce for business process outsourcing in India, Romania and Mauritius employed at Allianz Services (part of Allianz Technology)  
4) Cash view; insurance OEs only

# Progress: infrastructure cost down 19%

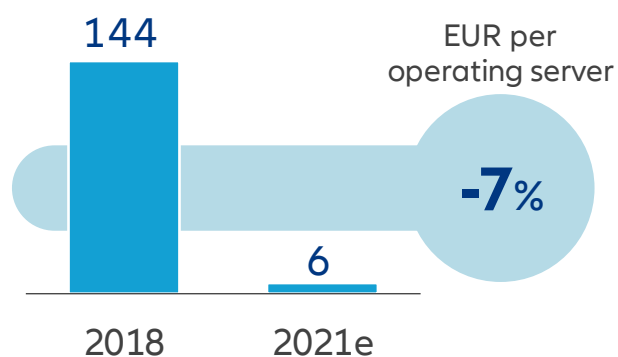
## IT-infrastructure

Total cost (EUR mn)



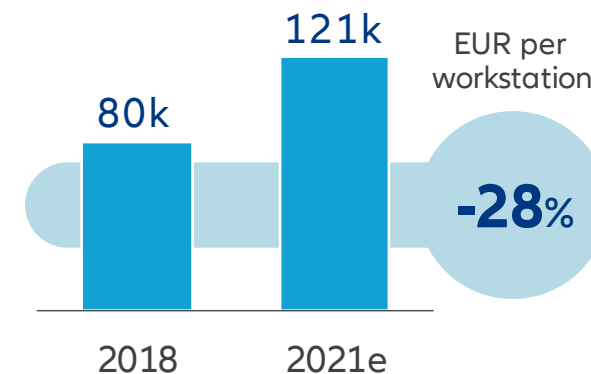
## Data storage

# data centers



## Virtual workplace

# users of AVC<sup>3</sup>



### Resilience

**-64%** reduction of technical incidents<sup>1</sup>

### Cloud

**66%** of infrastructure already migrated to cloud<sup>2</sup>

### Flexibility

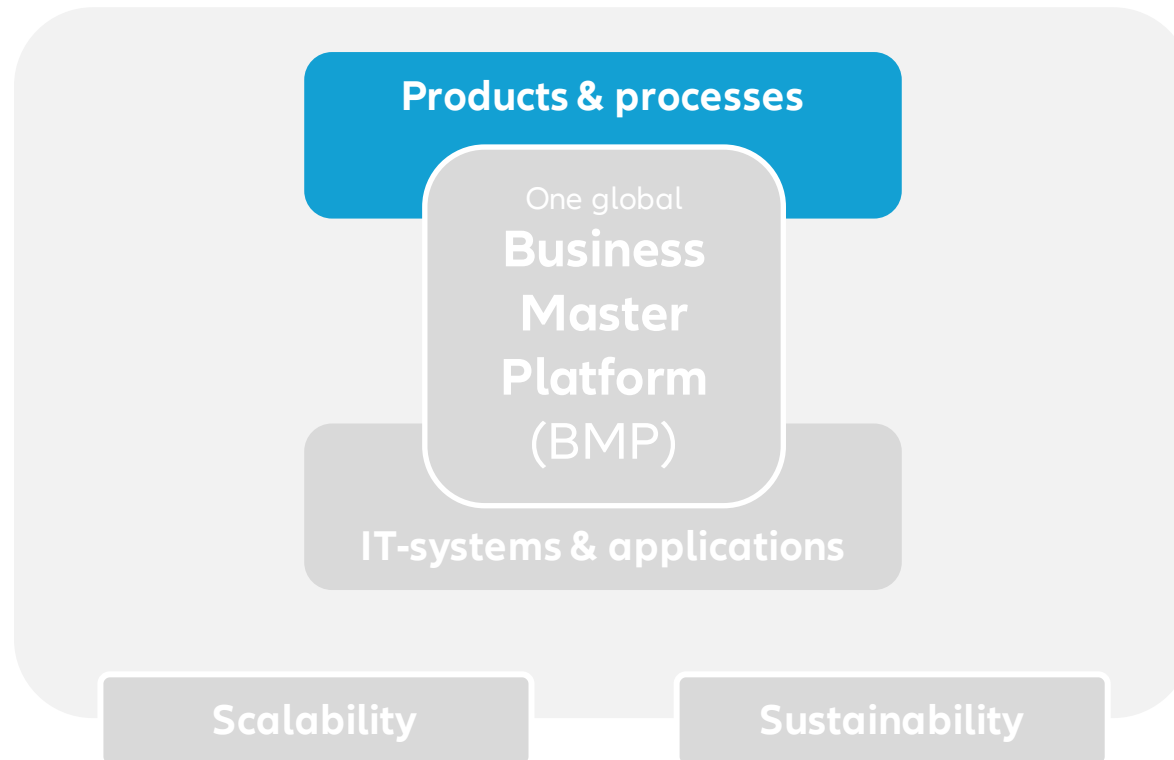
**>90%** work from home during Covid-19 pandemic

1) 2020 vs. 2018, based on technical issues and major outages

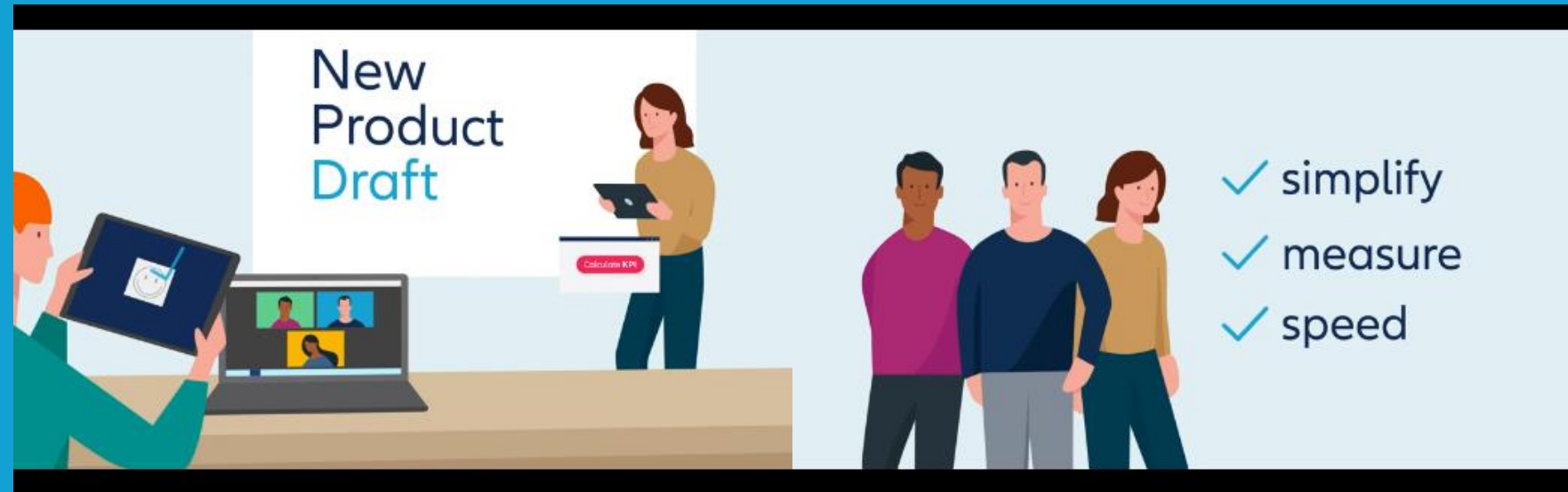
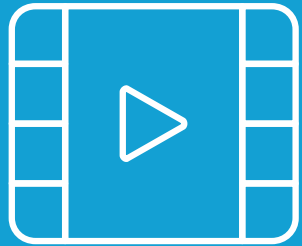
2) IT-infrastructure addressable by cloud migration; EU IT-infrastructure in private and public cloud

3) Allianz Virtual Client, a fully virtual Windows workstation which is securely accessible at any time, from any device

# Allianz Customer Model



# Use case Product Lab: rapid design ...







# ... creating successful ACM products

## Global scalability and simplicity by design

## New business GPW

Allianz Product Lab  
**Non-motor  
 retail  
 master  
 product**

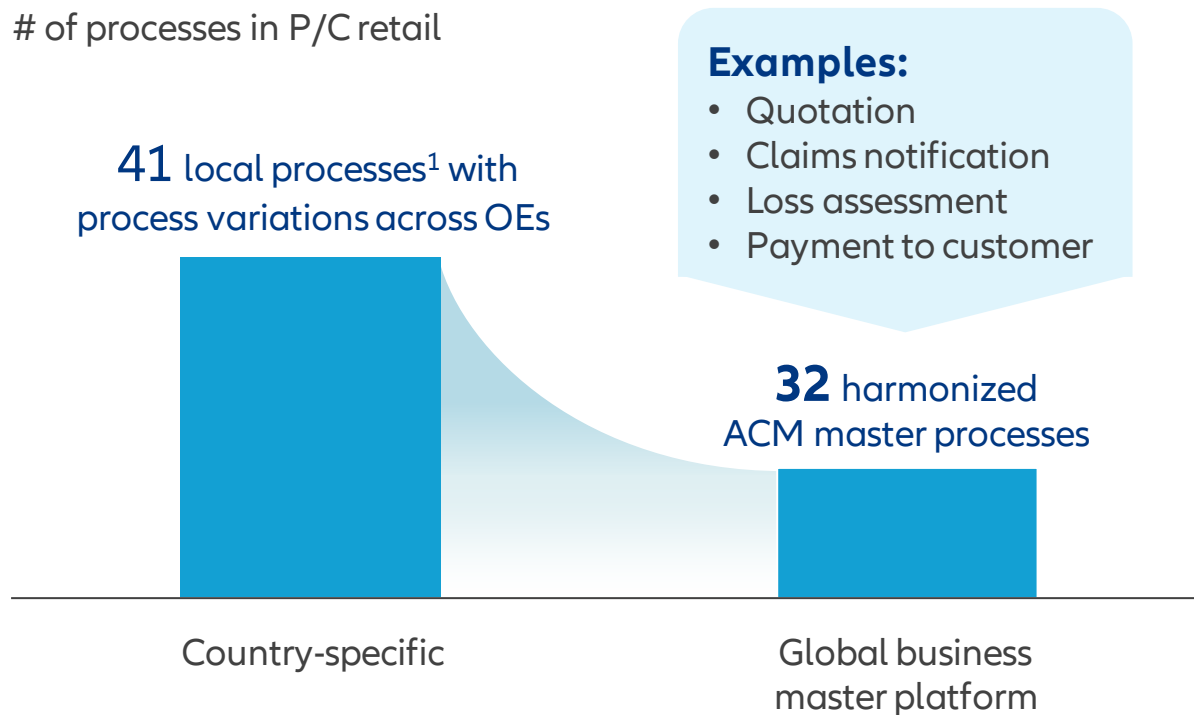
<b>MyHome / MyCar</b> launched during 2019		Identical product offers for <b>9 markets</b>	★★★★★ <b>4.8/5</b> Customer feedback <sup>1</sup>	<b>+6-7%</b> <sup>2</sup>
<b>Privatschutz 2.0</b> launched 1Q 2020		From up to <b>40</b> to <b>max. 8</b> clicks to quote	<b>93%</b> straight- through processing	<b>+18%</b> <sup>3</sup>
<b>Yuvam "My Home"</b> launched 1Q 2020		From <b>486</b> to <b>12</b> product combinations	<b>-80%</b> Ø time for quote	<b>+46%</b>
<b>Allianz Ultra</b> launched 2Q 2020		<b>777</b> old products replaced by <b>one</b> product family	<b>95%</b> straight- through processing	<b>+27%</b>

1) Sales and onboarding journey (purchase)  
 2) Total GPW  
 3) Including price increases and cover extensions for existing portfolio

# Process optimization ...

## Harmonization ...

# of processes in P/C retail



## ... supported by

**Process mining** driving effectiveness, productivity and customer experience

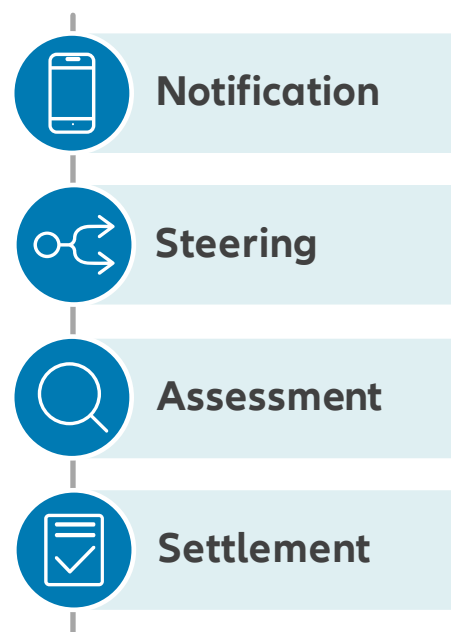
**Automation, AI and robotics**

Acquisition of **strategic assets** e.g. ControlExpert

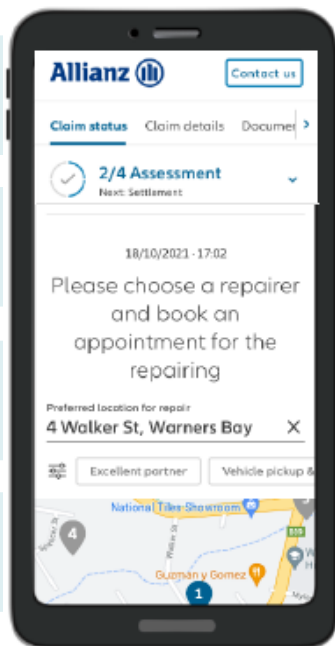
1) Average number of processes across OEs

# ... supporting scalable platform solutions

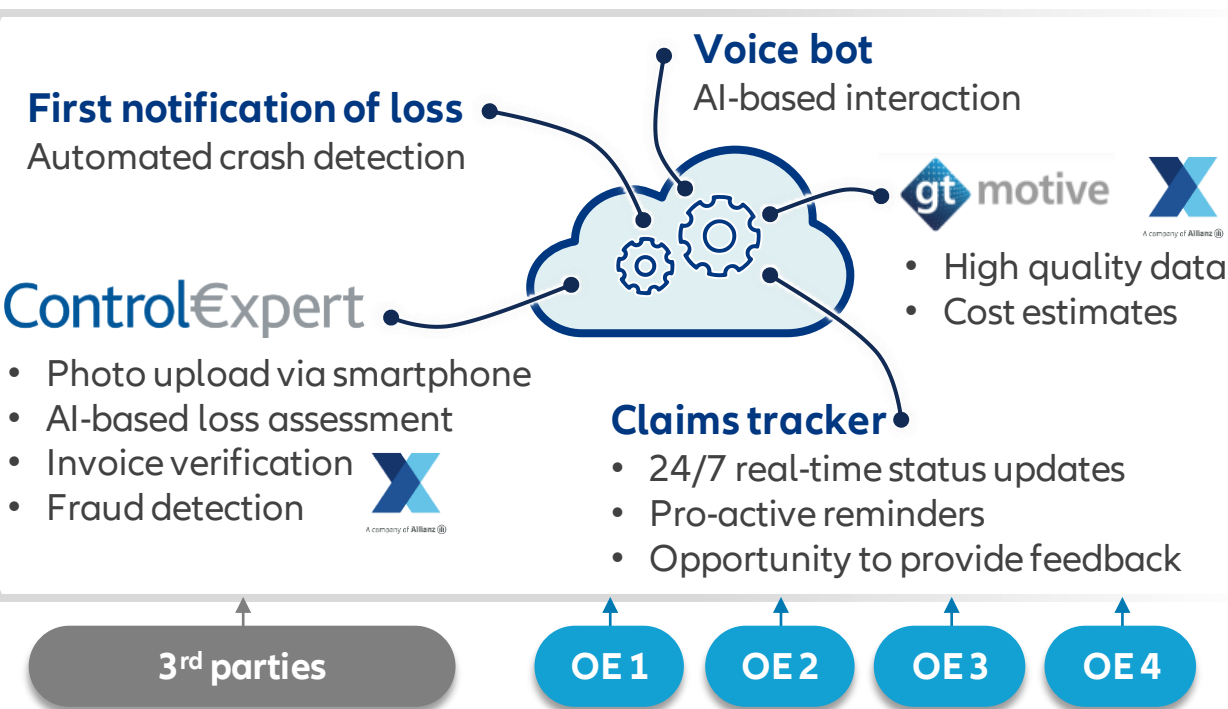
## Claims journey



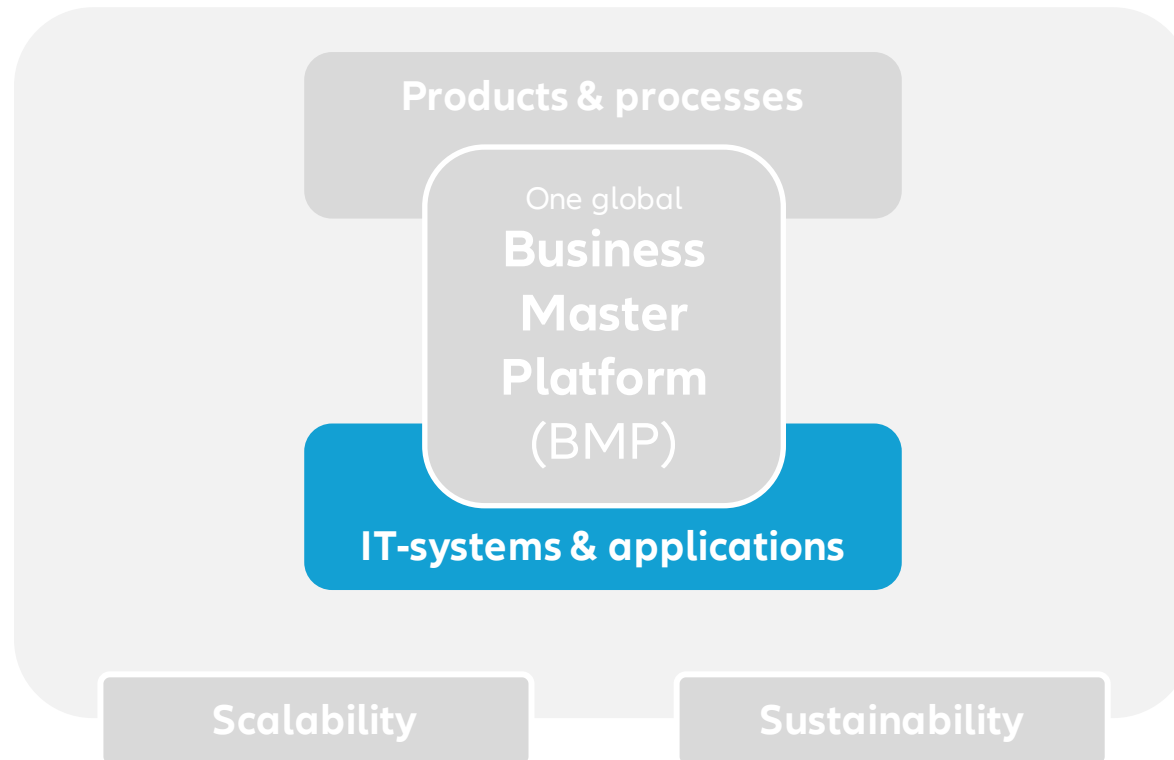
## Customer view



## Utility for claims platform – examples of included applications



# Allianz Customer Model

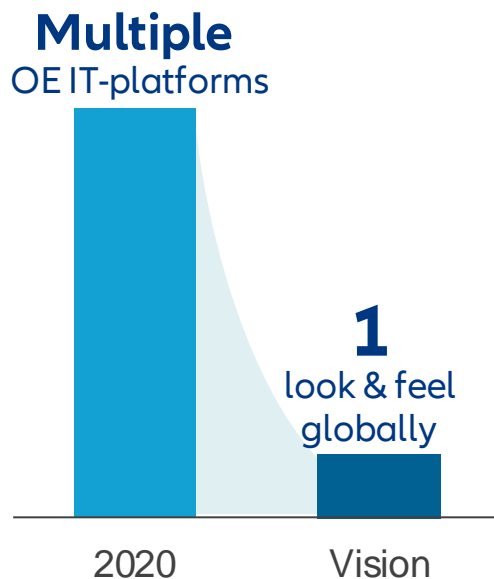




# Significant productivity and efficiency gains

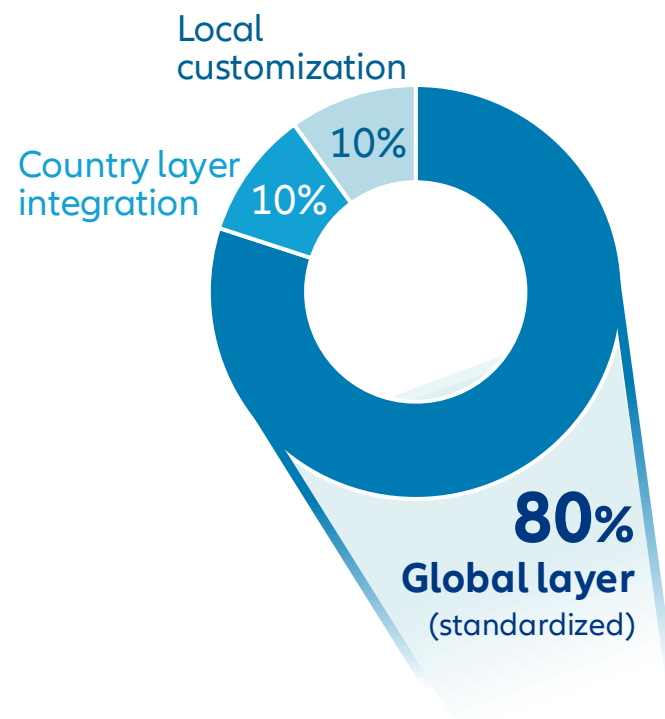
## Business master platform

Simplicity



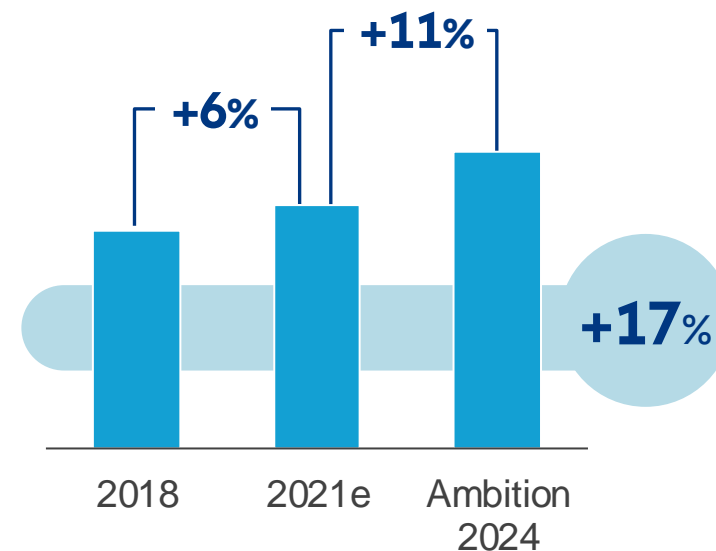
## Economies of scale

% effort for business master platform<sup>1</sup>



## Productivity enhancements

P/C: # managed policies per FTE<sup>2</sup>

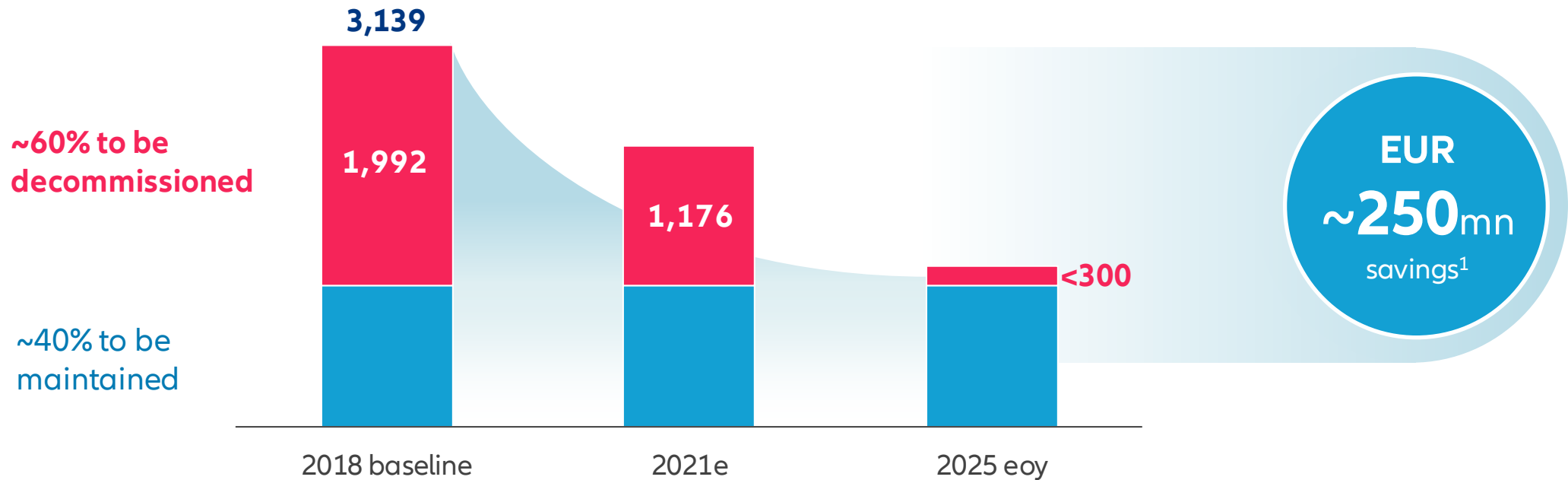


1) Estimated Group wide average across OEs  
2) OEs in scope: GER, FRA, ITA, SPA, SUI, Benelux

# Continuing system simplification

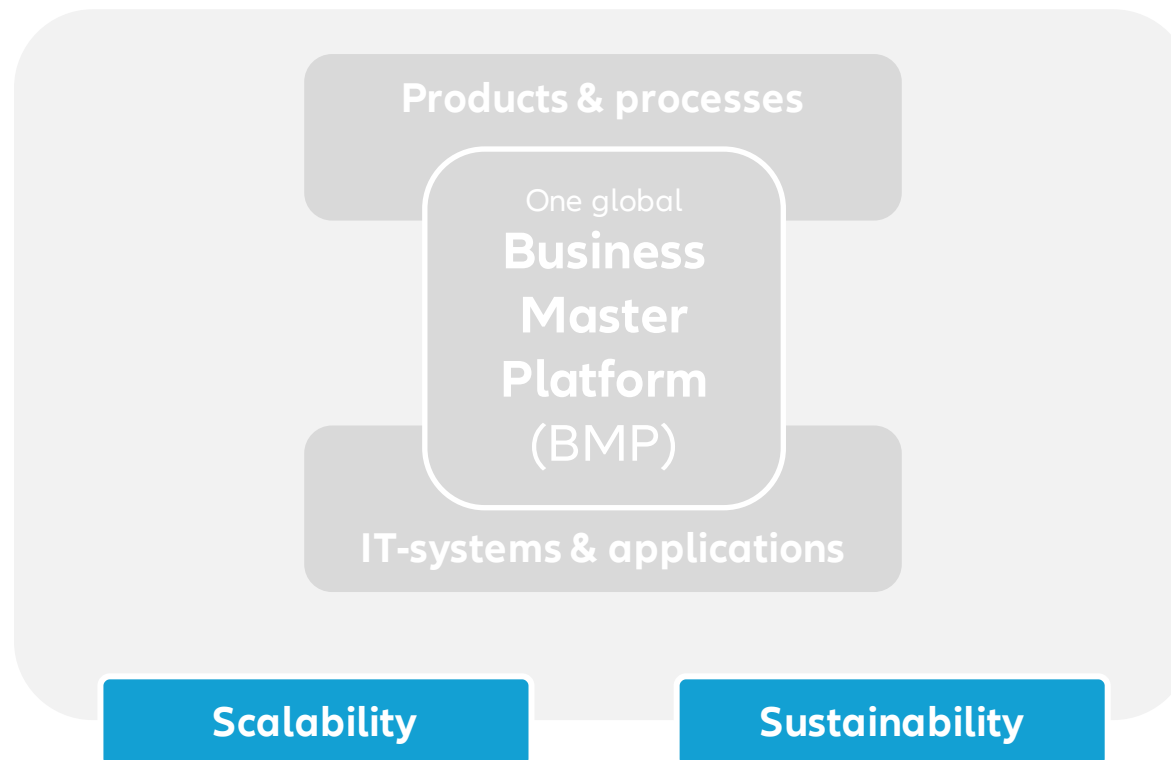
## IT-applications in scope

**Ambition 2027**  
vs. 2021e

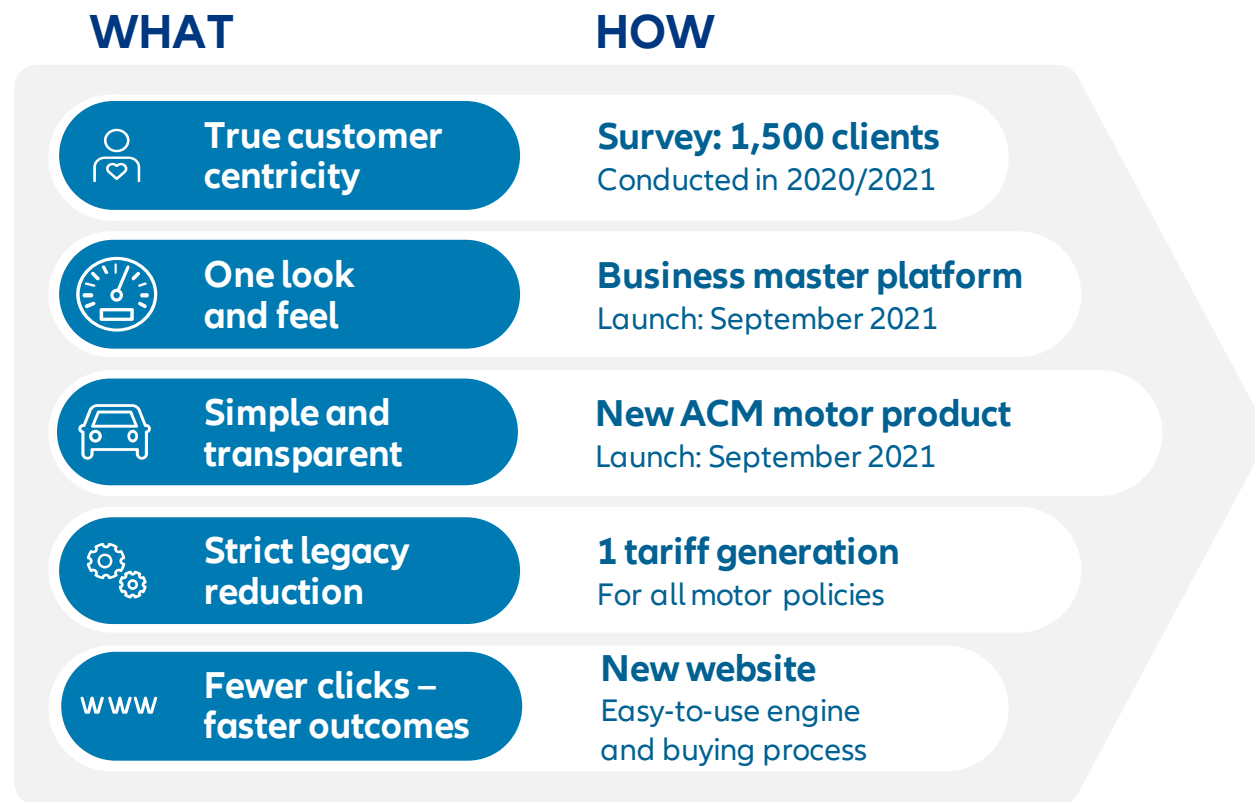


1) Steady state IT spend savings related to decommissioning of applications before investments

# Allianz Customer Model



# How it all interacts – case study Australia



## RESULTS

Direct motor business<sup>1</sup>



Call center conversion rate	<b>+50%</b>
New business GPW (yoy)	<b>+40%</b>
New business contracts	<b>+30%</b>
Online conversion rate	<b>+20%</b>

1) First 2 months following BMP go-live in September 2021

# Digitalization drives sustainability



## GHG<sup>1</sup> emissions

30% reduction  
by 2025<sup>2</sup>

Digital collaboration,  
less business travel and  
flexible capacity usage via cloud

## Claims

62% claims steering<sup>3</sup>  
by 2024

Repair of car parts  
instead of replacement

## Electricity

100% renewable electricity  
by 2023

4/6 datacenters already using 100% renewable energy

## Paper use

20% reduction  
by 2025<sup>4</sup>

Paperless communication

1) Green house gas  
2) GHG emissions per employee; baseline 2019  
3) Motor retail material damage; weighted average for OEs in scope (GER, FRA, ITA, SPA, AUT); baseline 2020: 52%  
4) Paper use per policy in force; baseline 2019

# Summary – simple, digital, scalable

1

## Clear strategic vision

- Allianz Customer Model
- Scalability, sustainability

2

## Substantial digital resources

- Centralized global IT service function
- Strong digital infrastructure

3

## Operational optimization

- Product, process and system simplification
- Sustainable operations

=

## Productivity gains

- P/C expense ratio: ~-30bps p.a.

# Content / topics

**1** Strategy and targets  
*Delivery*  
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*Performance*  
Emmanuel Roman



# P/C – Commercial Opportunity

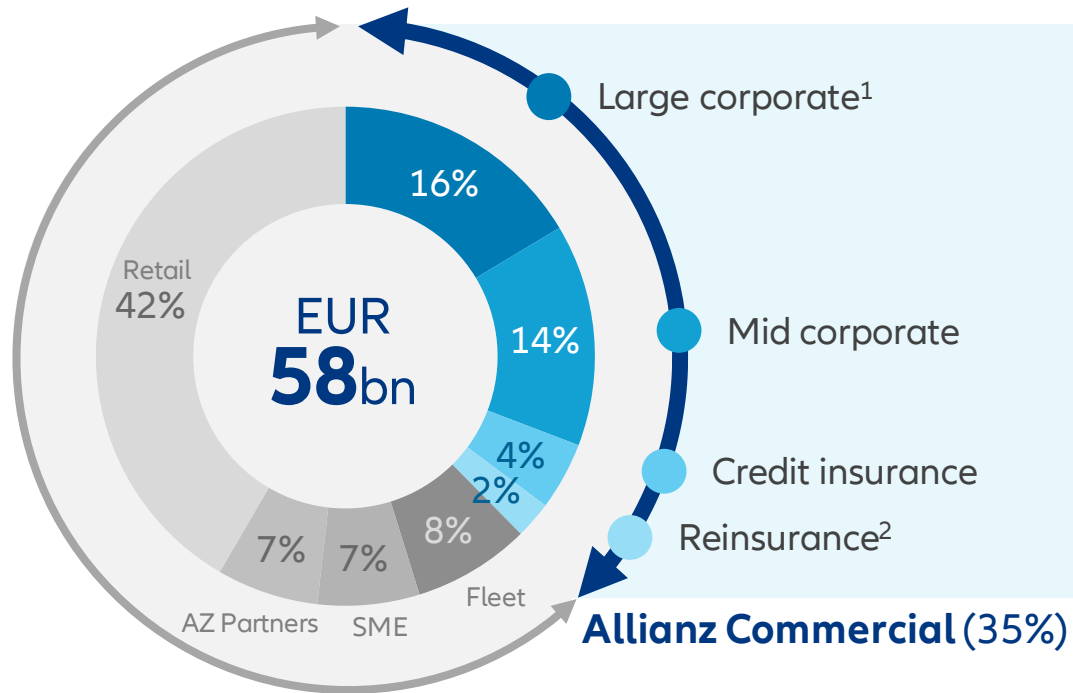
**Chris Townsend**  
**Member of the Board Allianz SE**

Allianz Capital Markets Day  
December 2021

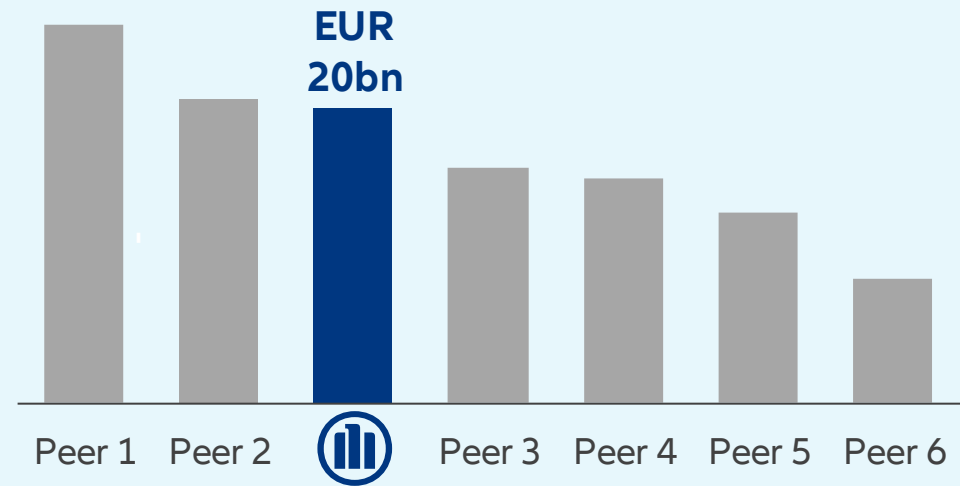


# Balanced commercial portfolio

P/C – gross premiums written 2020



International P/C insurers – commercial GPW 2020



1) AGCS  
2) Assumed reinsurance only

# AGCS: progress on track ...

## Profitability

### Right markets and segments

Exited EUR 700mn GPW, e.g. long tail

### Positive rate momentum

Portfolio rate change at +26% in 2020 and +15% in 2021e

### Efficiency

Expense ratio improved ~1%-p<sup>1</sup>

## Resilience

### Exposure management

Total portfolio exposure reduced by more than 30%<sup>1,2</sup>

### Reinsurance optimization

Lower maximum net retention per single event

### Balance sheet strengthening

Ongoing actions since 2019

**NEW  
AGCS**

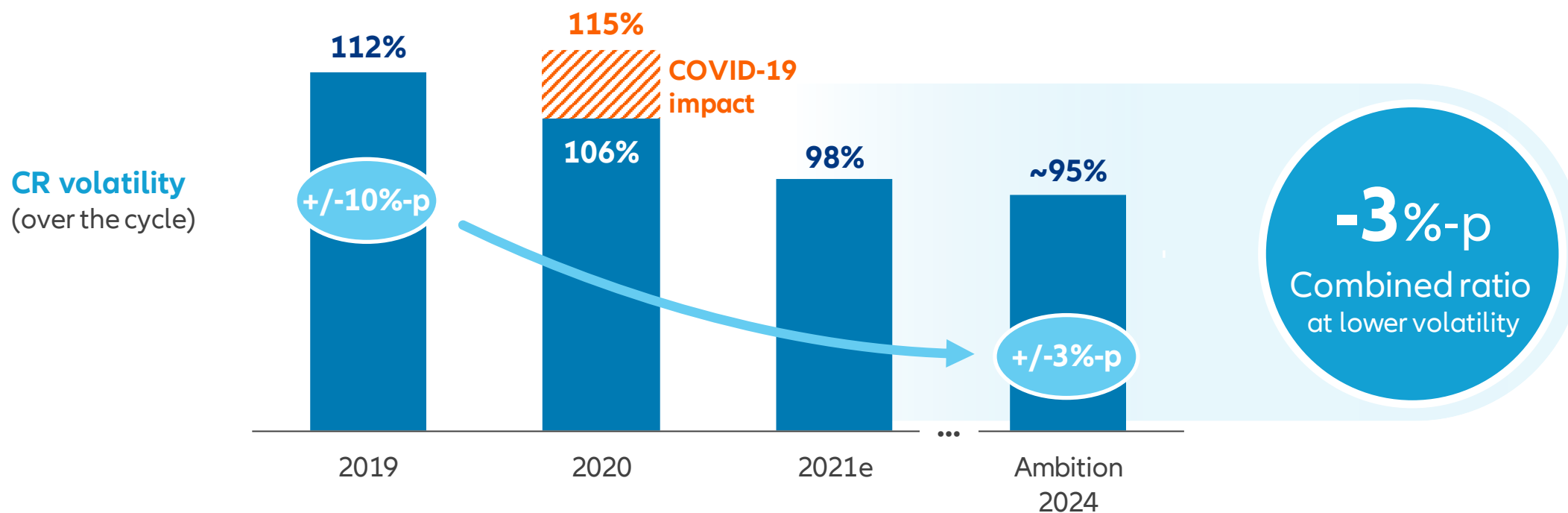
1) 2021e vs. 2019

2) Portfolio capacity gross net (excl. facultative reinsurance and fronting business)

# ... driving consistent profitability

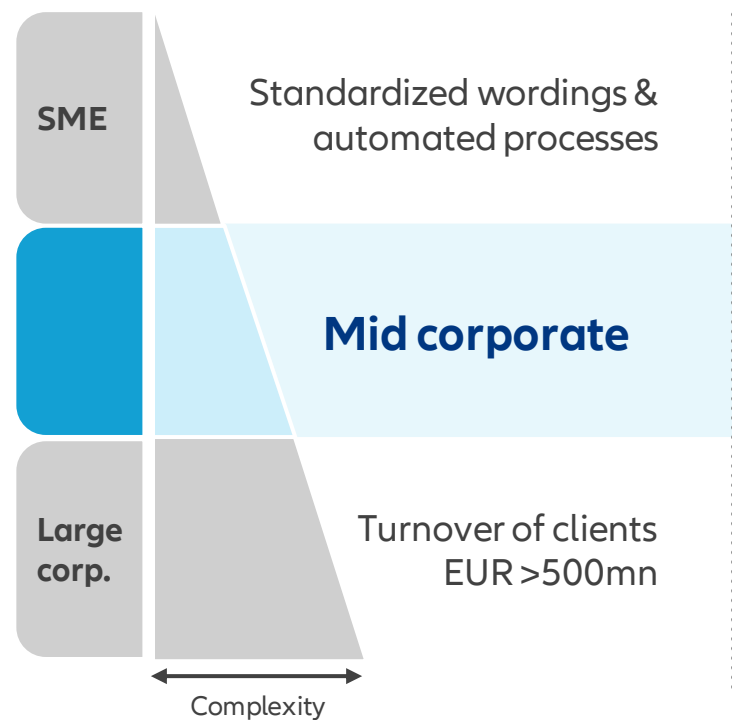
Combined ratio

Ambition  
2021e - 24



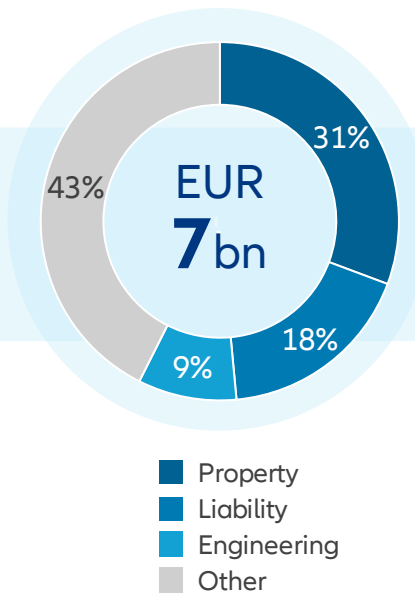
# Mid corporate: building from a strong base

## Customer segments

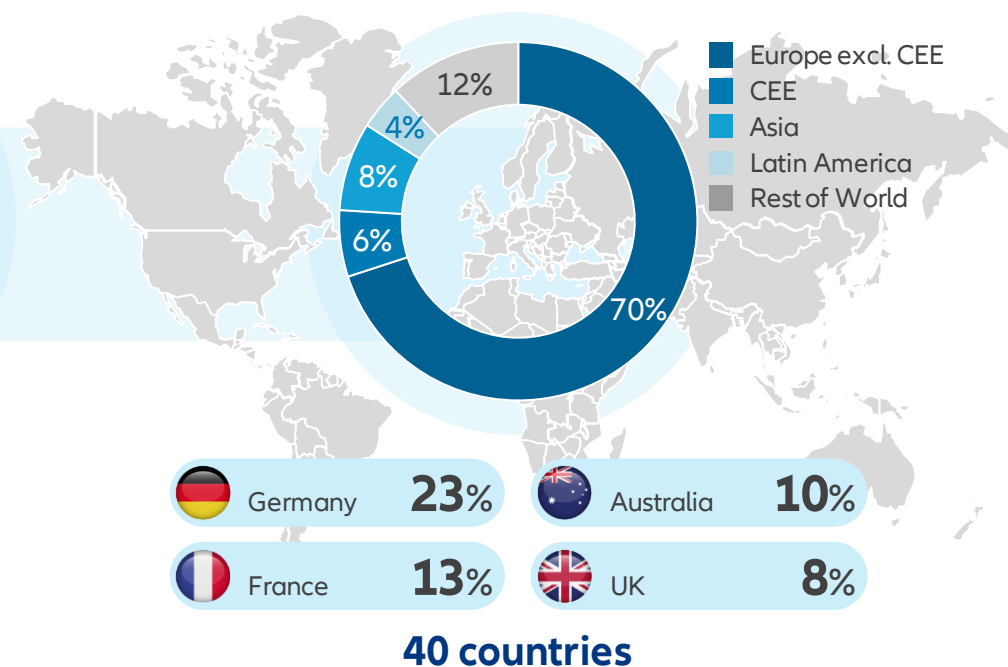


## GPW (2021e)

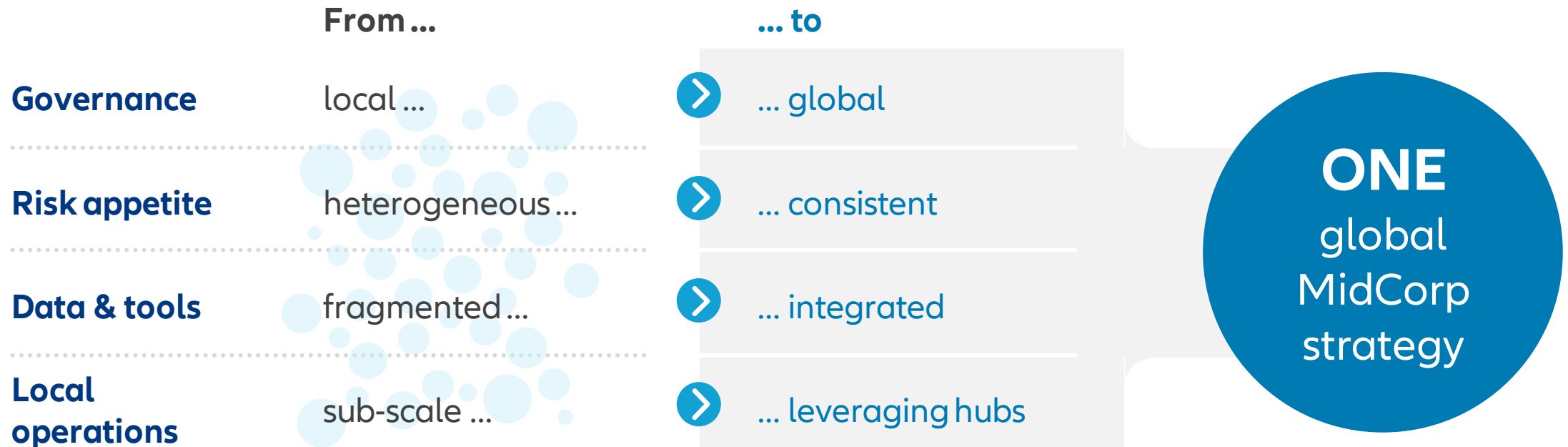
### By line of business



### By region



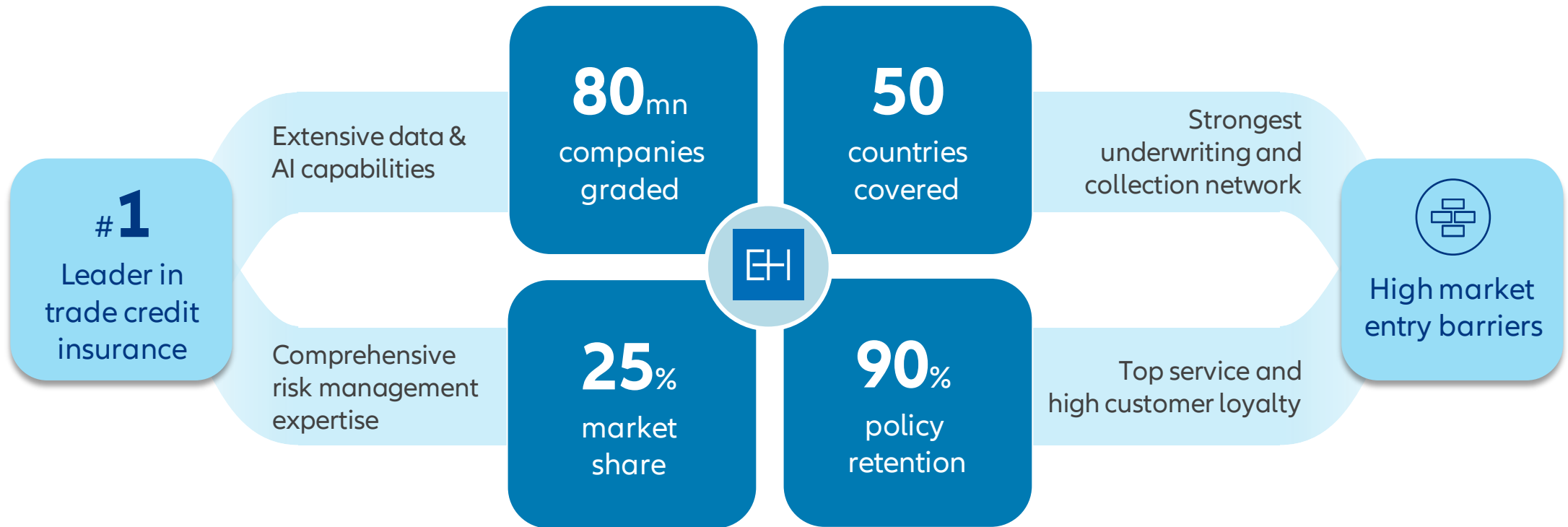
# Mid corporate: seizing the opportunity



# Mid corporate: three-step transformation

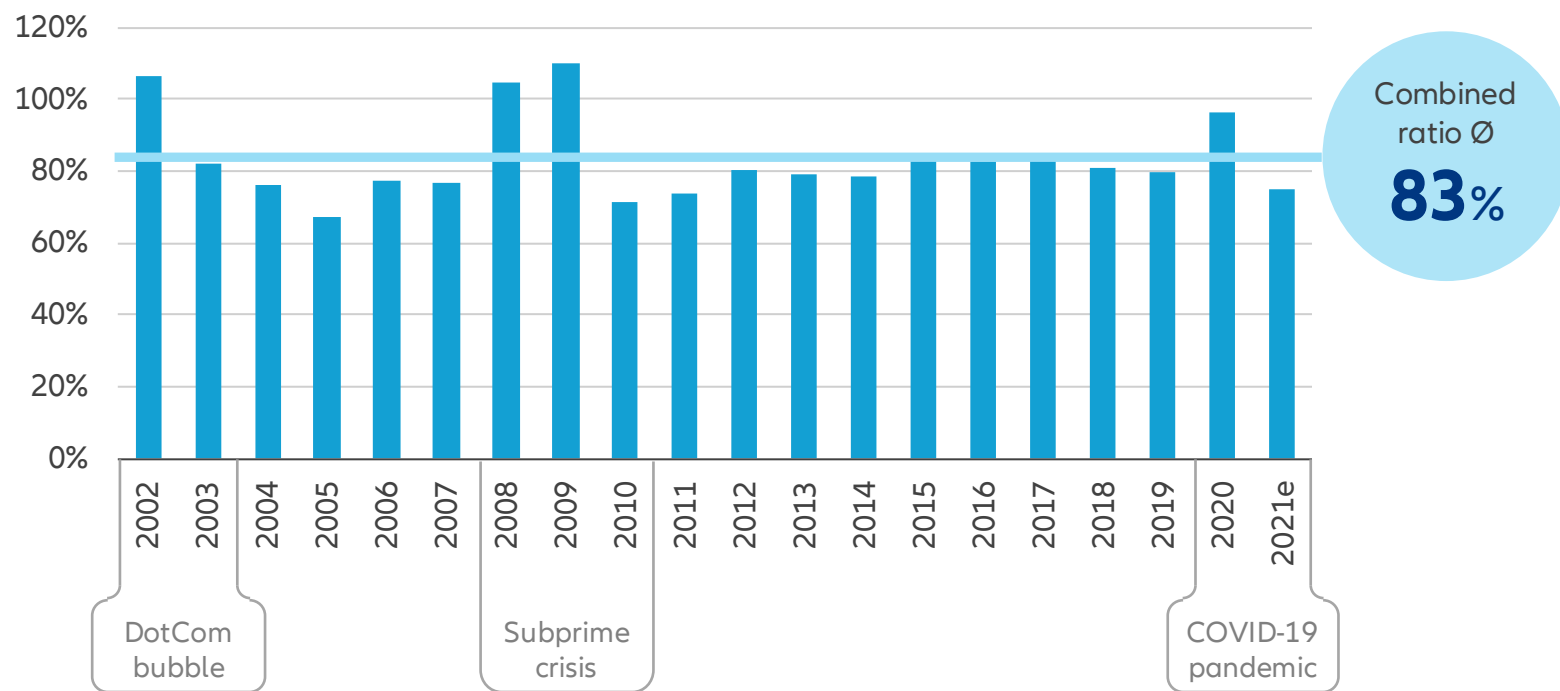


# Euler Hermes: unique global platform



# Euler Hermes: strong track record

## Combined ratio – 20-year overview



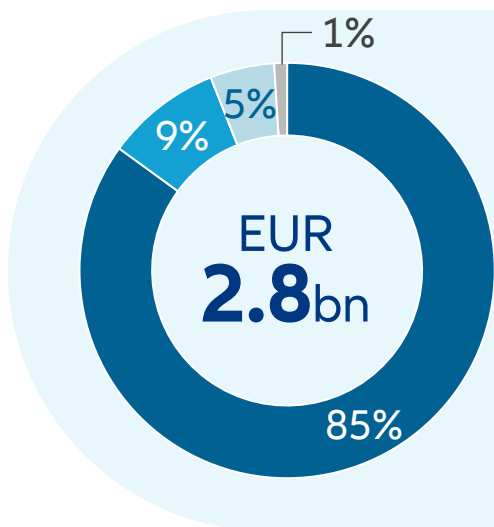
Successful acquisition of **36% minority stake** (2018)

**EUR >1.4bn** cumulative operating profit (2018 - 2021e)



# Euler Hermes: high value growth potential

## Total revenues (2021e)



## Opportunities and levers

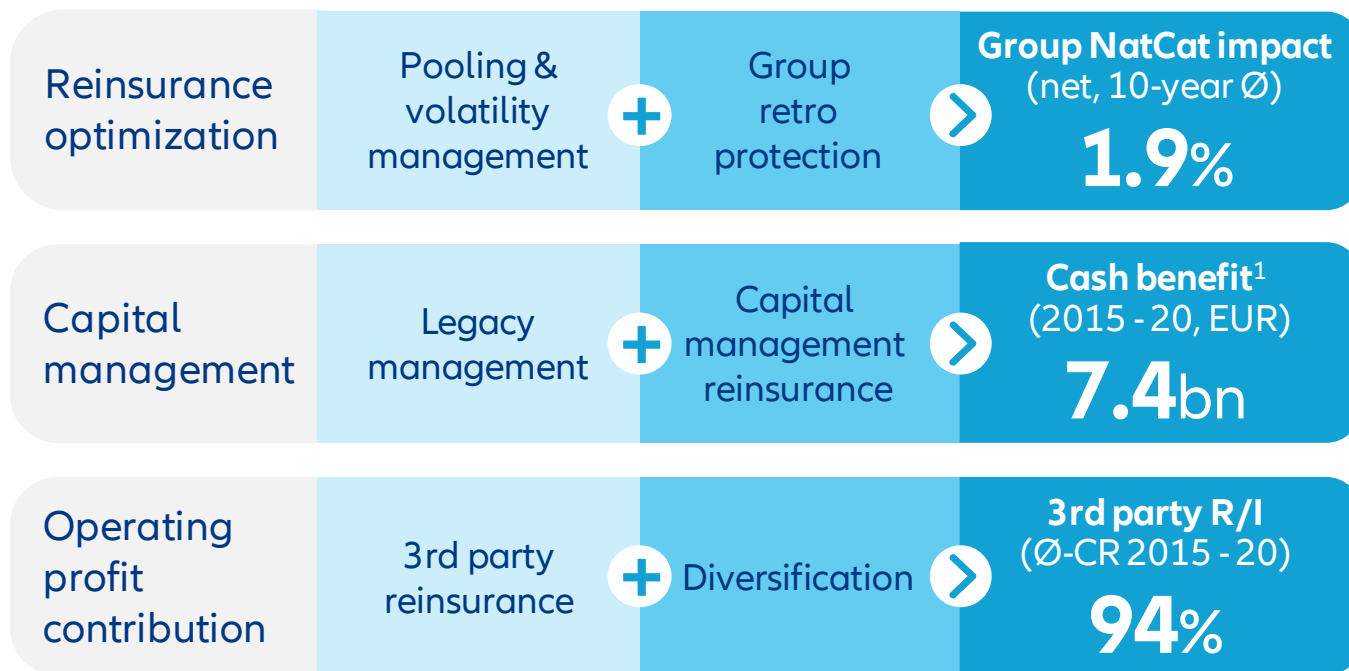
- International **trade momentum**
- Growth in **US market** and **surety**
- **SME potential** on B2B trade platforms
- **Re-branding**

## Ambition 2021e - 24

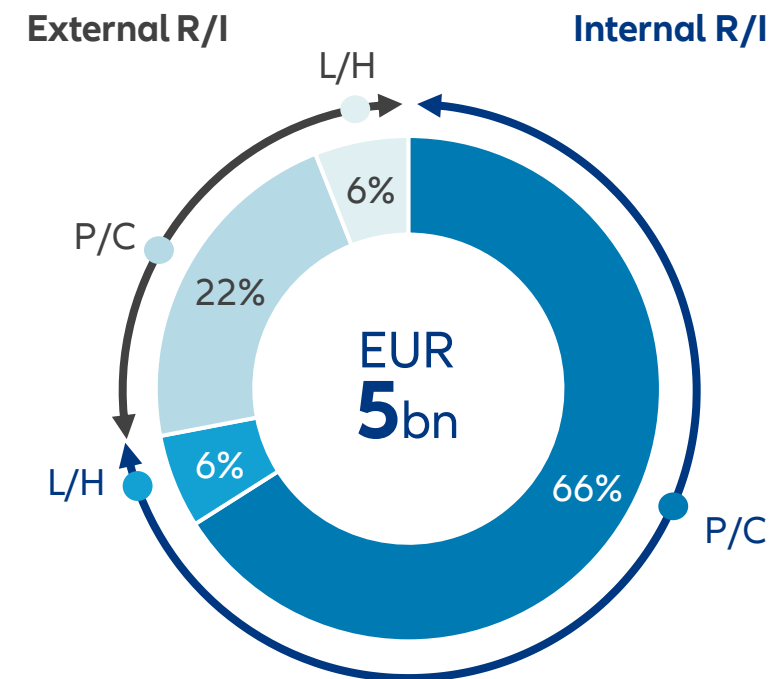


1) Combined ratio average 2002-2021e (83%)

# AZ Re: managing capital and risk



Total revenues (2021e)

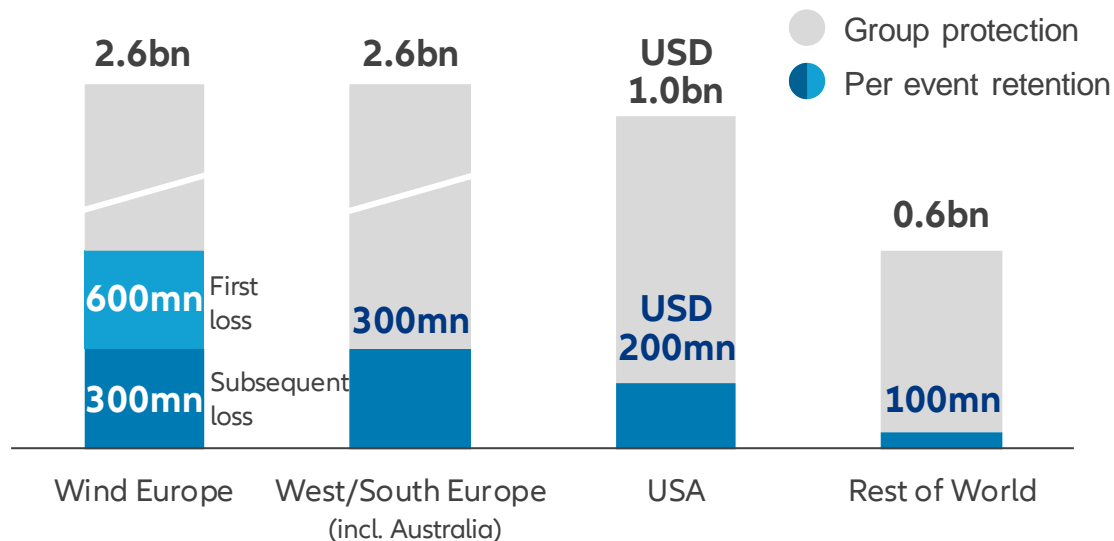


1) Group benefit from cash upstreaming or avoidance of cash injections

# AZ Re: tight NatCat management

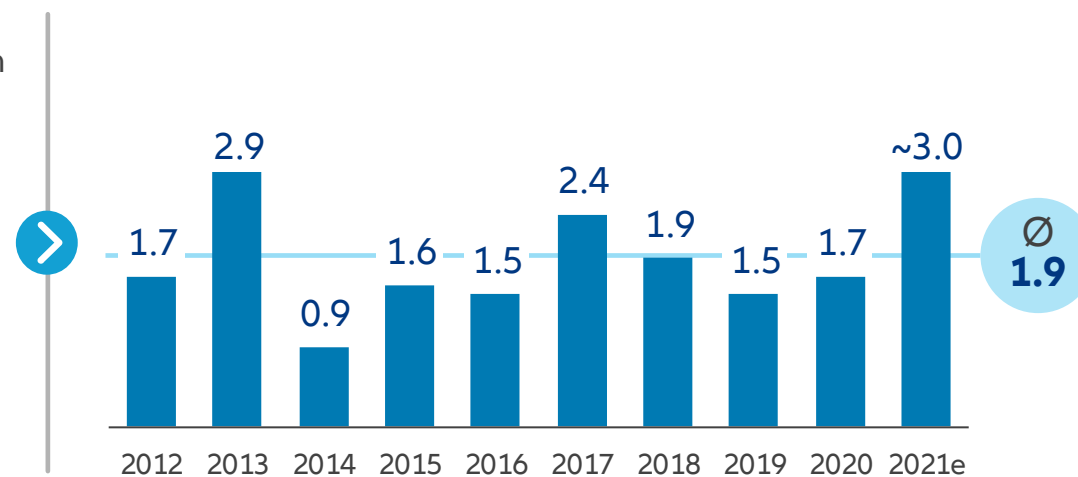
## 2021 NatCat protection (natural perils)

Group retentions<sup>1</sup> (simplified, EUR mn, if not stated otherwise)



## Track record

Group NatCat impact (in % of NPE)



**+** Aggregate cover of EUR 0.3bn xs EUR 1.3bn

1) Retentions do not consider 5% self retention across natural peril covers

# Ambition 2024: EUR ~0.5bn OP uplift

Combined ratio  
(2021e)

AGCS

Mid corporate

Euler Hermes

OP uplift  
2021e - 24

98%

97%

75%

Operating profit  
(2021e, EUR)

~330mn

~720mn

~400mn

EUR  
~+0.5bn

Ambition 2024 ...

Combined ratio  
-3%-p

Combined ratio  
-4%-p

Revenues  
+6% CAGR

... OP uplift

EUR  
~+0.1bn

EUR  
~+0.3bn

EUR  
~+0.1bn

# Content / topics

1

Strategy and targets  
*Delivery*

Oliver Bäte

2

The CFO view  
*Confidence*

Giulio Terzariol

3

ACM – Digital  
*Transformation*

Barbara Karuth-Zelle

4

P/C – Commercial  
*Opportunity*

Chris Townsend

5

**L/H – Allianz Leben**  
*Reliability*

**Andreas Wimmer**

6

AM – PIMCO  
*Performance*

Emmanuel Roman



# L/H – Allianz Leben Reliability

**Andreas Wimmer**  
**Member of the Board Allianz SE**

Allianz Capital Markets Day  
December 2021

# Allianz Leben core part of L/H segment



# Leading market position and profitability

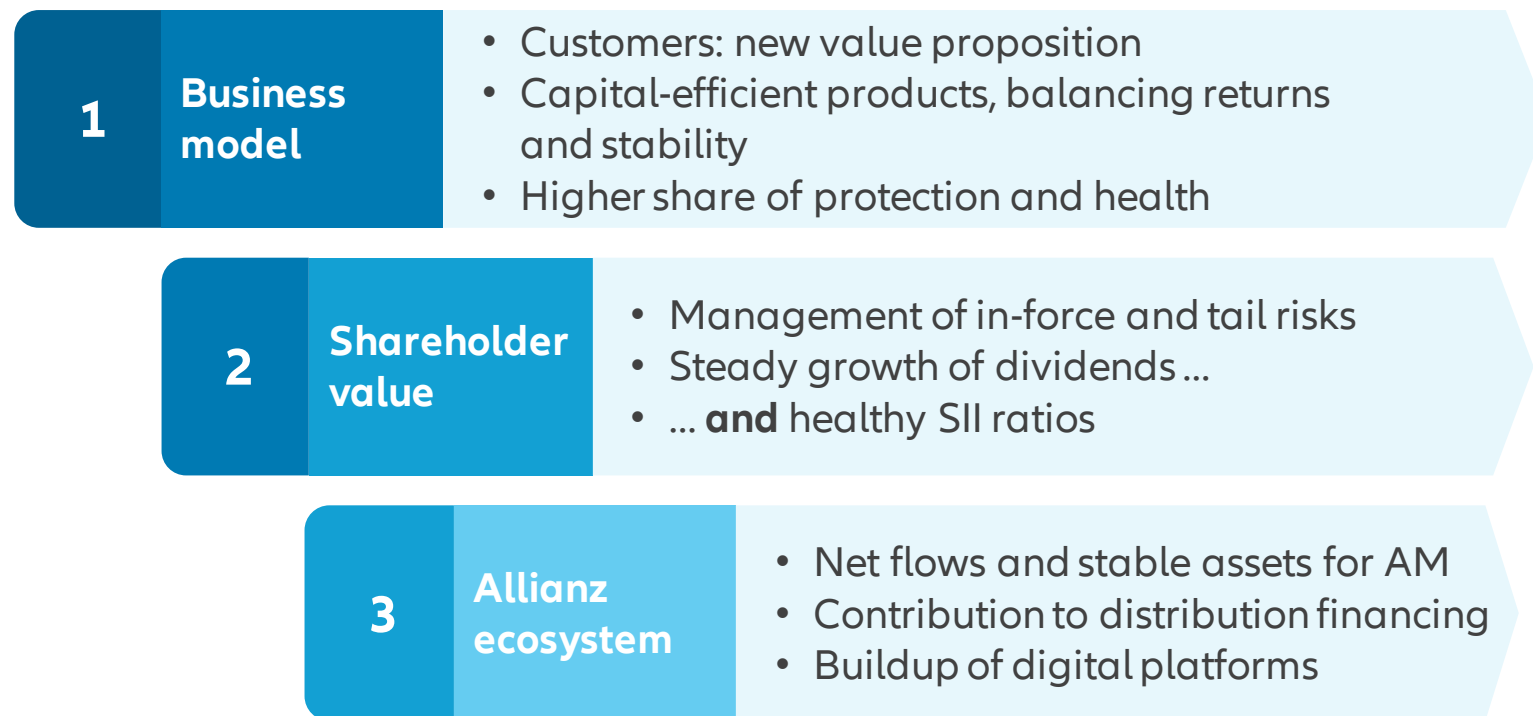
2021e



1) Including the application of transitional measures for technical provisions, the Solvency II capitalization expected at ~375%



# Three strategic priorities



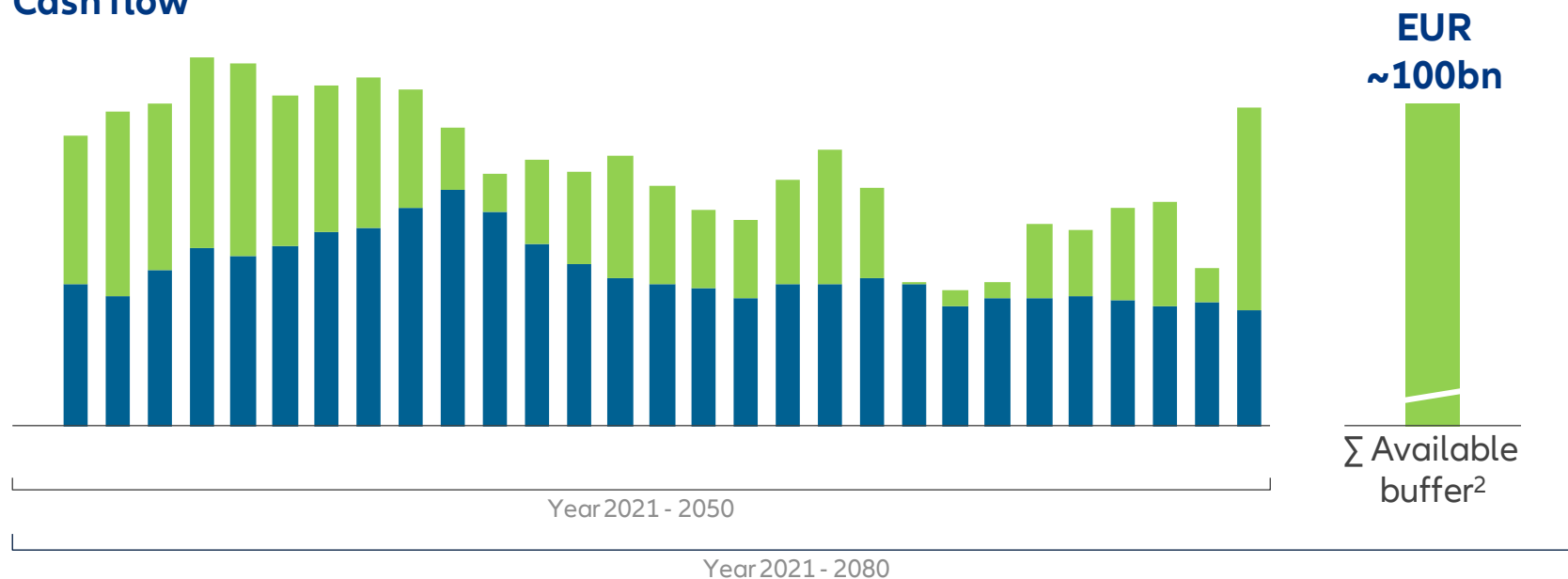
## Ambition 2024



1) 2020 - 2024

# In-force business matched and profitable

## Cash flow



### Duration matched<sup>3</sup>

Assets	13.4
Liabilities	13.3

### Declining Ø guarantee<sup>4</sup>

2020	1.4%
2024e	0.9%

### Return on reserves<sup>5</sup>

Target	44bps
--------	-------

- In-force minimum guarantee benefits and expenses
- Surplus (expected current income<sup>1</sup> minus minimum guarantee benefits and expenses)

1) Current fixed income cash-flows before reinvestment and real asset recurrent payments of 2% p.a. until year 2050  
 2) Appr. EUR 100bn available as buffer exceeding minimum guarantees for bonus crediting and shareholder returns  
 3) 2Q 2021  
 4) Average guarantee rate takes ZZR (Zinszusatzreserve) into account  
 5) Profit before taxes divided by average reserves; compares with 25bps for the German Life industry (2020)

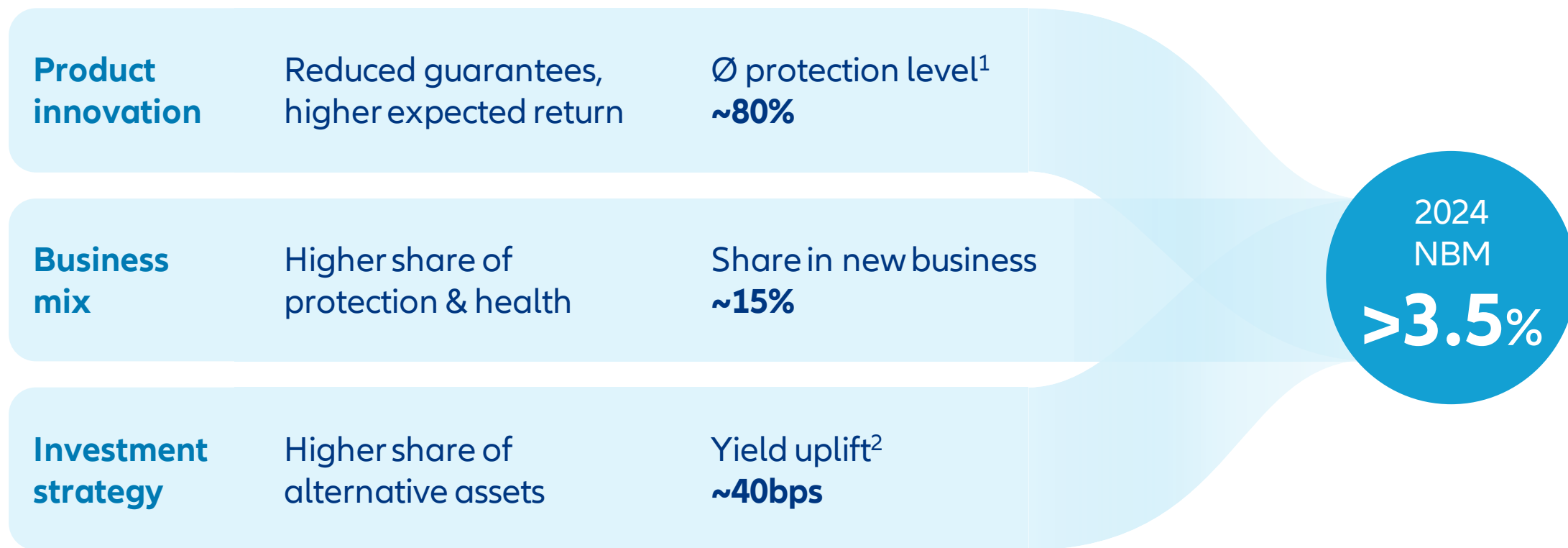
# Advanced asset allocation

Investments (market value YE 2020)



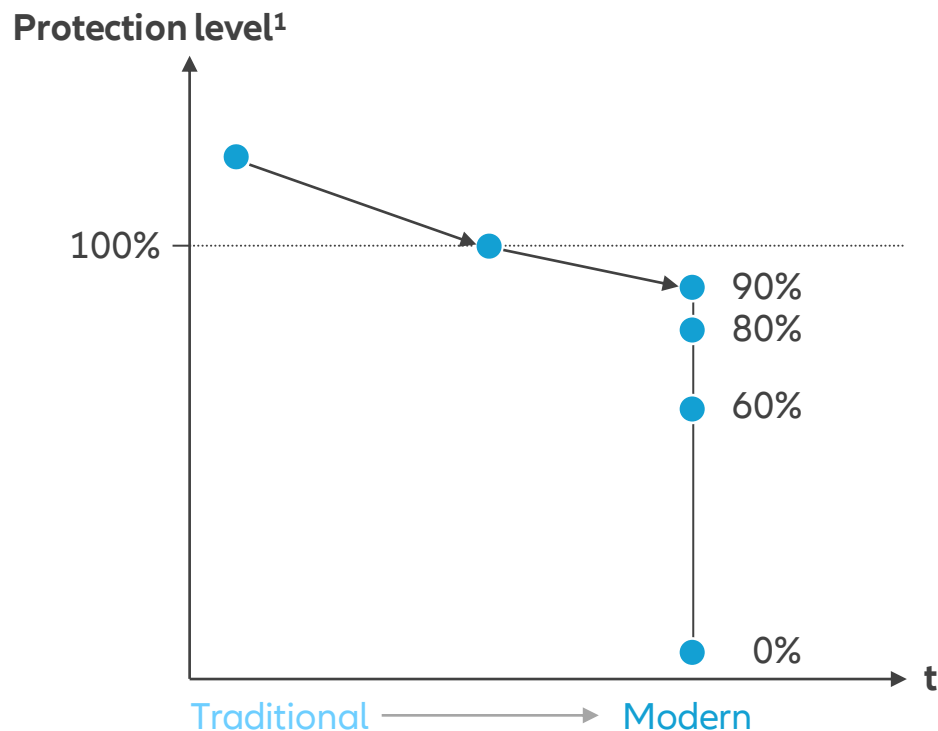
1) 3.8% is current yield of alternative assets (based on book value); uplift = recurring asset yield including alternatives minus recurring asset yield excluding alternatives (2020)

# Attractive and profitable modern products



1) Guaranteed minimum benefit at maturity as percentage of gross premiums written  
2) Uplift = recurring asset yield including alternatives minus recurring asset yield excluding alternatives

# Shareholder and customer value



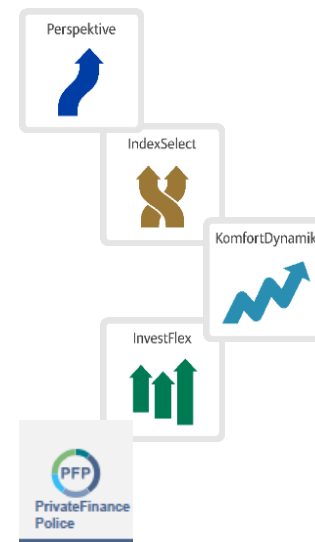
## Customer benefit

- More flexible asset allocation results in higher return expectations
- Downside protection
- Life-long income
- Attractive riders

## Shareholder benefit

- SII ratio of new business > 350%
- Lower SII sensitivity
- Higher NBM

## Modern product portfolio



Basis for international product factory

1) Guaranteed minimum benefit at maturity as percentage of gross premiums written

# Product example InvestFlex

## Create your own pension plan

Payable: Monthly ✓ Single-premium

Duration of contract: 25  



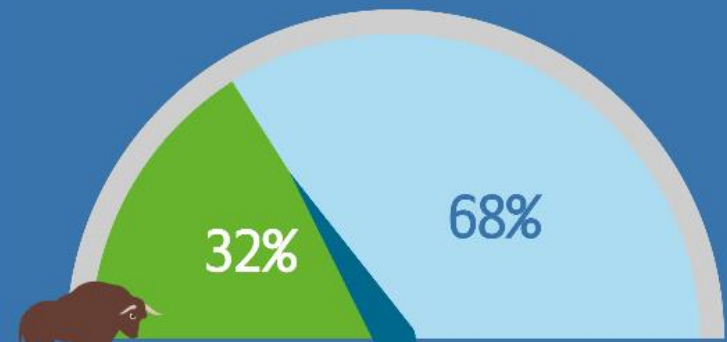

12 years 45 years

Set potential return:

Choose your investment preference ?

Fixed income
Balanced
Stocks ✓

More information: InvestFlex InvestFlex Green



Initial UL quote: 32%


General account: 68%

Guarantee level in %

90 ✓
80
60
0


at maturity

Volatility



during term

Potential total return



# Product example InvestFlex

## Create your own pension plan

Payable: Monthly ✓ Single-premium

Duration of contract: 25  




12 years 45 years

Set potential return: 





€ €

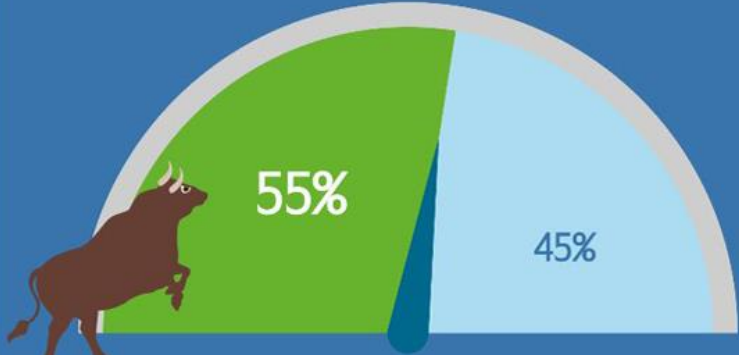
Choose your investment preference ?

Fixed income Balanced Stocks ✓

More information: InvestFlex InvestFlex Green







55% 45%

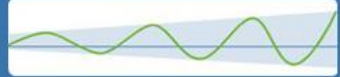
■ Initial UL quote     ■ General account

Guarantee level in %

90
80
60 ✓
0


at maturity

Volatility



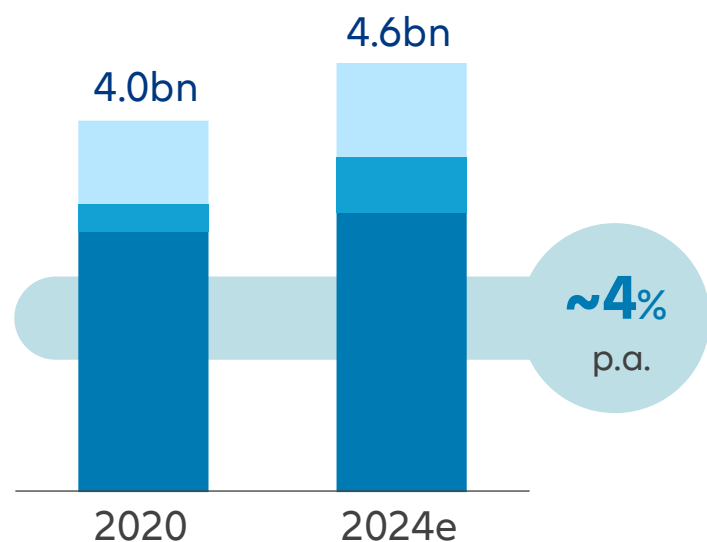
during term

Potential total return

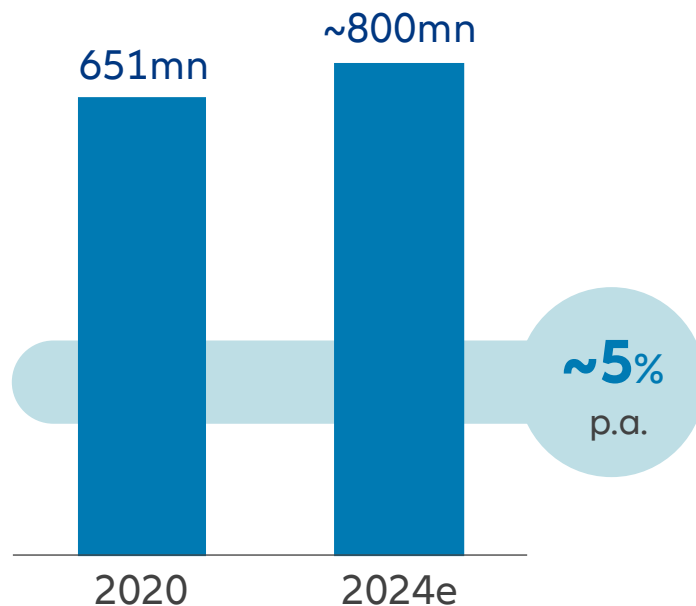


# 5% dividend growth – predictable + resilient

## Gross surplus<sup>1</sup> EUR



## Dividend EUR



### ✓ Predictability

- In-force business matched
- Strong underlying profitability
- Growing expense and risk result
- Modern product portfolio

### ✓ Resilience

- Strong balance sheet
- Low volatility of investment result
- Dividend growth feasible even in 2008 stress scenario<sup>2</sup>

■ Underwriting result  
■ Expense result  
■ Investment result

1) Sum of investment result (net of expenses for guarantees), technical result and expense result (local GAAP)

2) Stress test scenario: IR -50bps; credit spreads +150bps; traded equity -30%; private equity -20%; real estate and infrastructure investments -10%



# Summary – sustainable value creation

1

**In-force business**

Stable and profitable

2

**Modern products**

Attractive and capital-efficient

3

**Profit and dividend**

Steady growth

4

**Allianz ecosystem**

Integral part

# Content / topics

**1** Strategy and targets  
*Delivery*  
Oliver Bäte

**2** The CFO view  
*Confidence*  
Giulio Terzariol

**3** ACM – Digital  
*Transformation*  
Barbara Karuth-Zelle

**4** P/C – Commercial  
*Opportunity*  
Chris Townsend

**5** L/H – Allianz Leben  
*Reliability*  
Andreas Wimmer

**6** **AM – PIMCO**  
*Performance*  
**Emmanuel Roman**



# PIMCO

## Performance

**Emmanuel Roman**  
**CEO PIMCO**

Allianz Capital Markets Day  
December 2021

# PIMCO – a leading global asset manager with significant breadth and scale

**EUR 1.9** trillion total AuM<sup>1</sup>

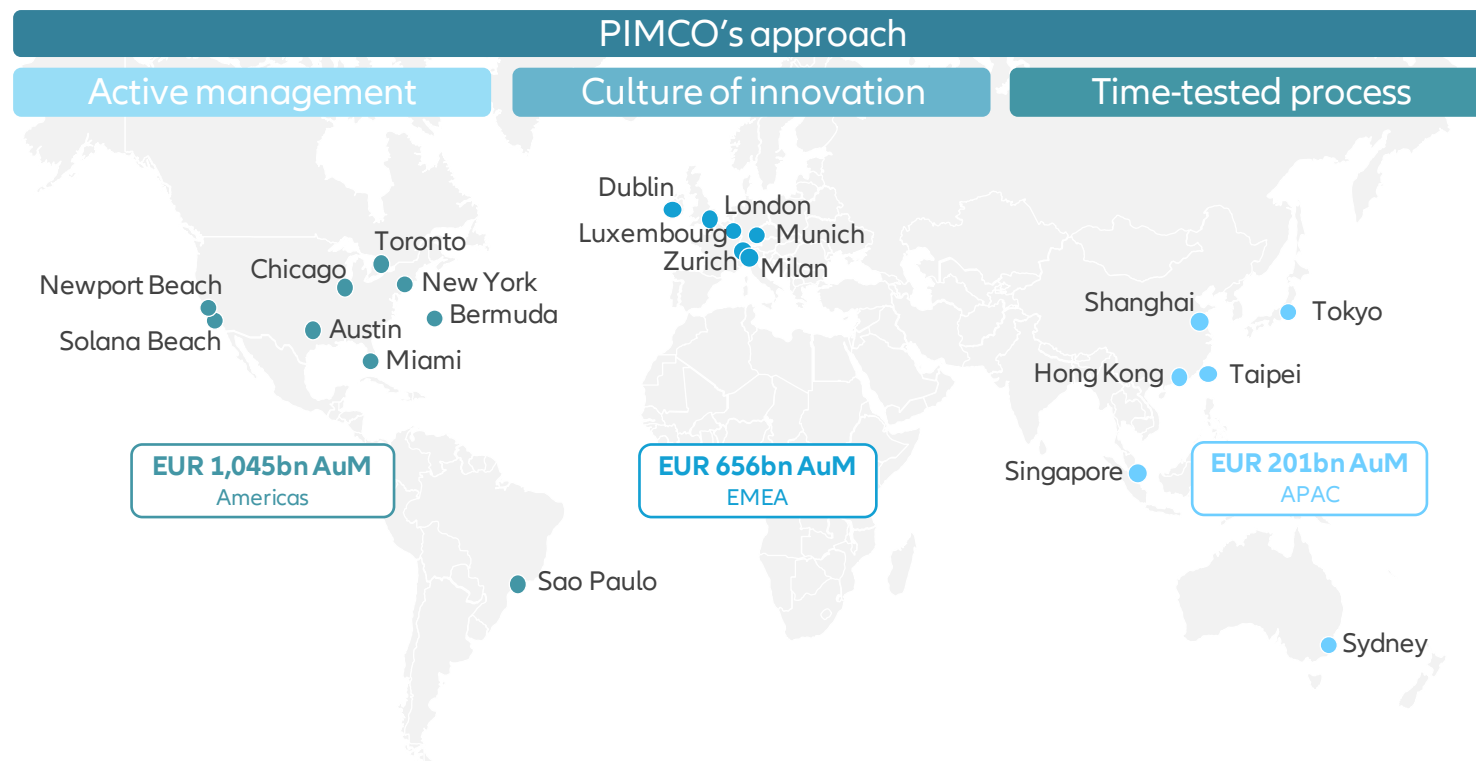
**50** years in industry

**900+** investment professionals

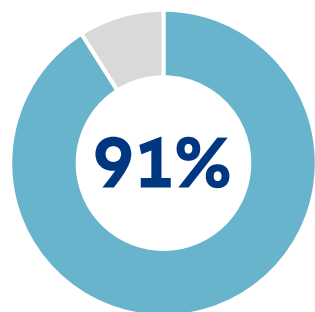
**3,100+** total employees<sup>2</sup>

**270+** portfolio managers with an average of 17 years experience

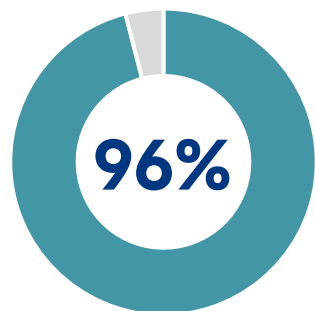
**50+** countries in which clients are based<sup>3</sup>



# PIMCO's time-tested investment process seeks to deliver investment excellence



AuM above benchmark over 5 years (after fees)<sup>1</sup>



Fund AuM above industry median over 5 years<sup>2</sup>

For notes and details see endnote 2)



## Morningstar U.S awards

### Investing Excellence, Rising Talent<sup>3</sup>:

- Sonali Pier (2021)
- Mohit Mittal (2020)

### U.S Fixed Income Manager of the Year<sup>4</sup>:

- **Short Term:** Jerome Schneider & Team (2015)
- **Income:** Dan Ivascyn & Alfred Murata (2013)
- **Corporate Credit:** Mark Kiesel (2012)



## Morningstar global awards

### Pan Europe Investing Excellence, Rising Talent<sup>5</sup>: Lorenzo Pagani (2020)

### Fixed Income Best Fund House<sup>7</sup>: Hong Kong (2015, 2017) & Singapore (2015)

### Fixed Interest Australian Fund Manager of the Year<sup>6</sup> (2015 - 2017)

### Larger Fixed Income Best Fund House<sup>7</sup>: Spain, Austria, Germany & Luxembourg (2015)



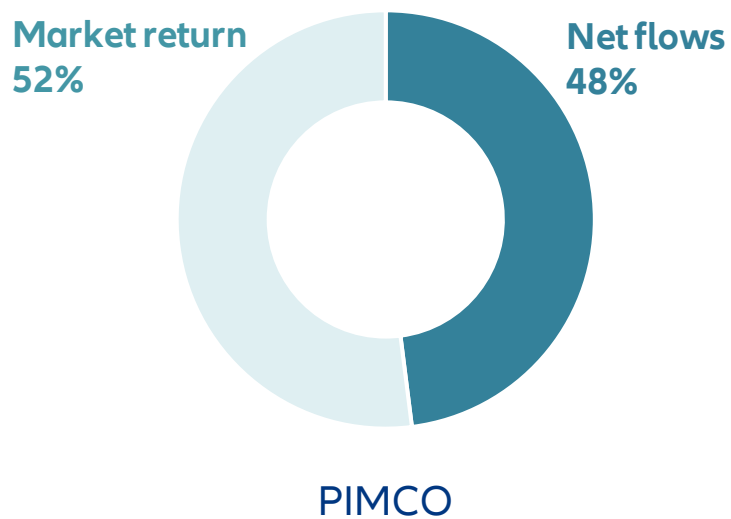
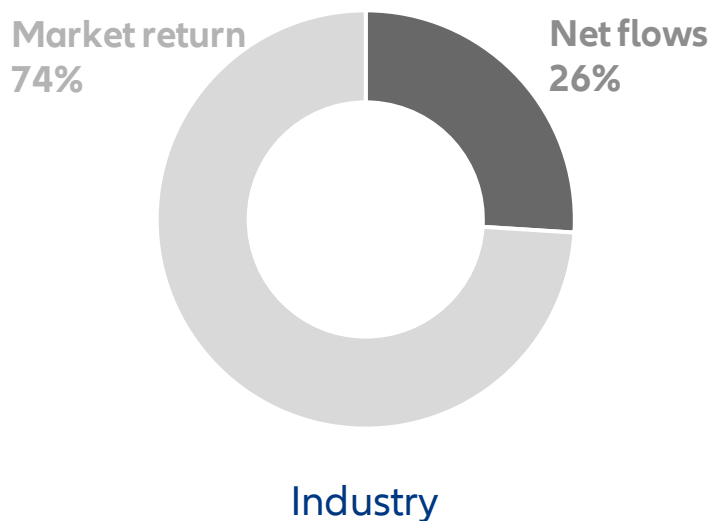
## Thomson Reuters Lipper U.S. fund family awards<sup>8</sup>

Large Company Overall (2019)

Large Company Equities (2019 & 2010 - 2013)

# PIMCO seeks to deliver high-quality growth driven by client demand

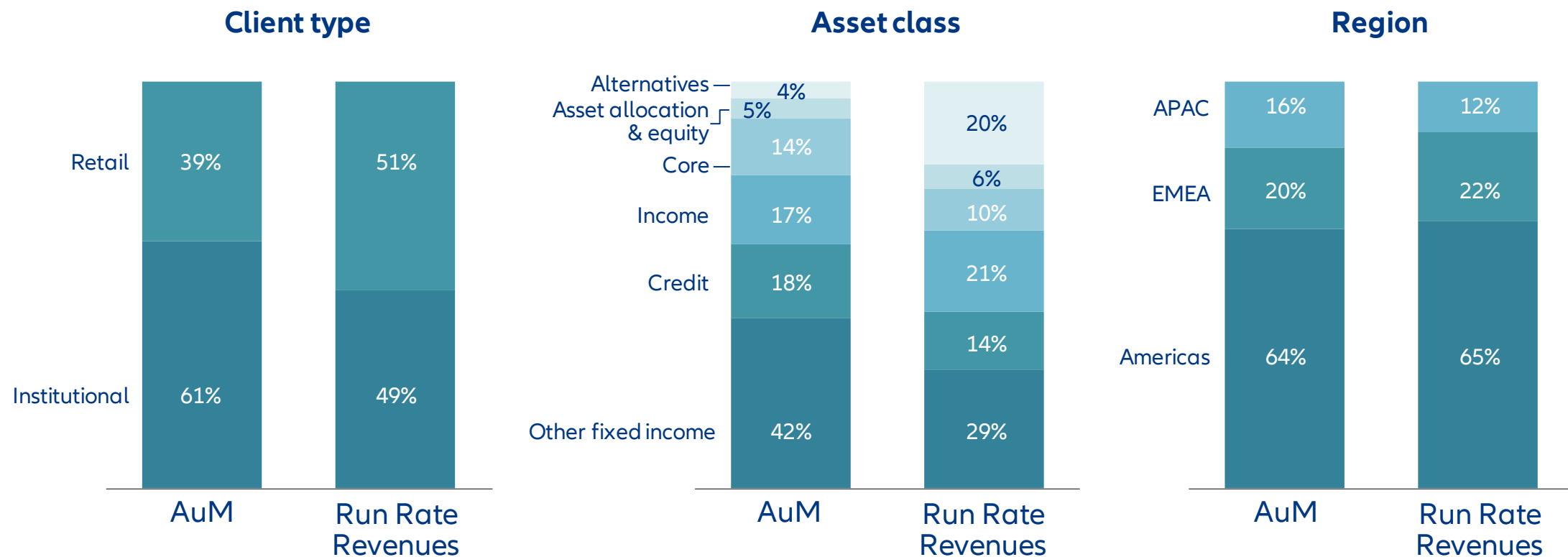
**Drivers of AuM growth**  
(2019 - 2021e)



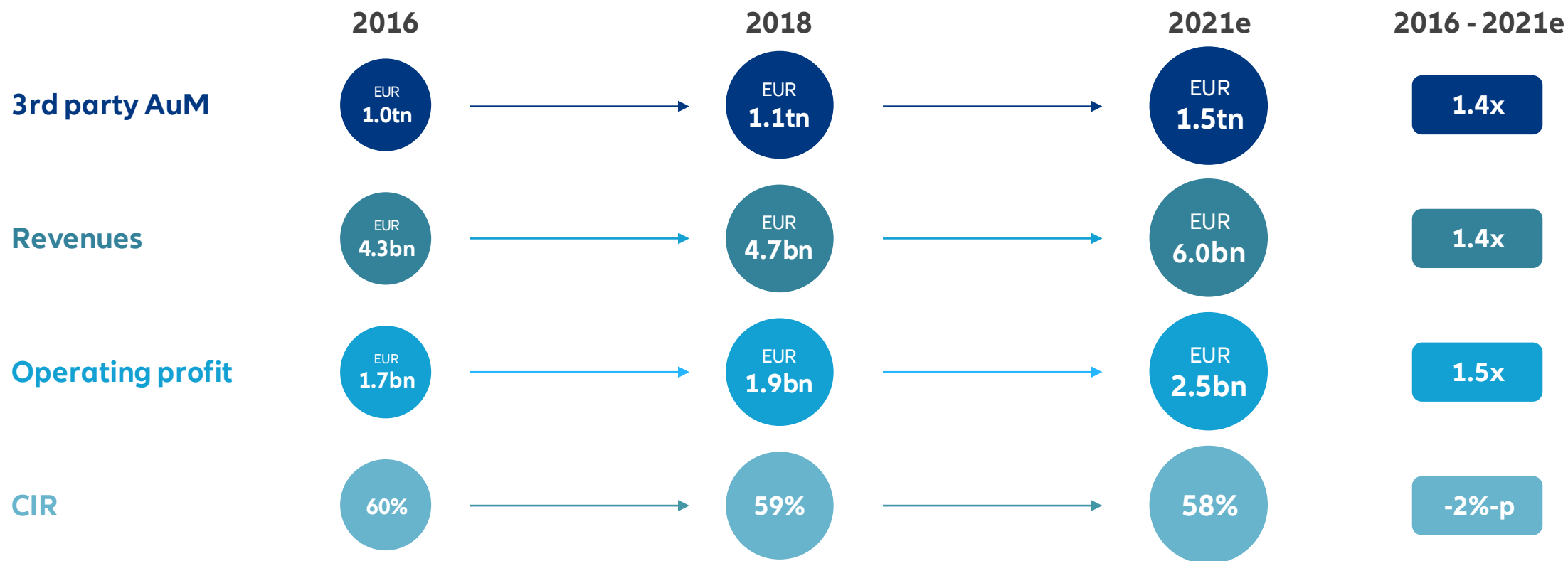
**Organic AuM CAGR**  
(2019 - 2021e)



# PIMCO – diversified across clients, asset classes and regions



# Development of PIMCO's strong performance and business results





# PIMCO's growth levers, shaped by our clients' evolving needs



# PIMCO's alternatives platform growth is a testament to decades of active investment management expertise

**EUR 121 billion**

Alternative strategies total AuM<sup>1</sup>

**100+**

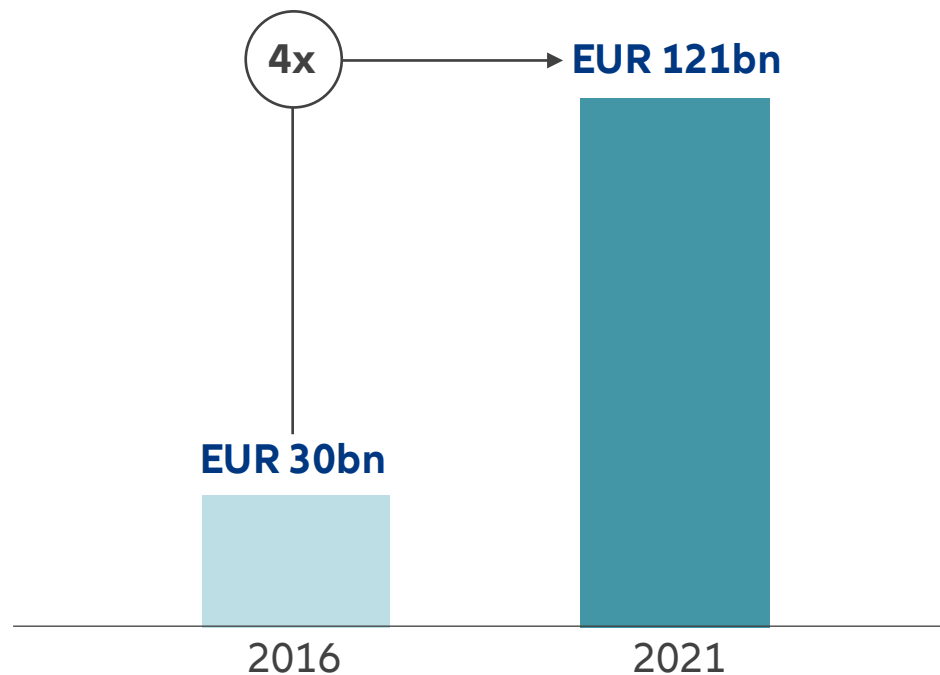
Private strategies investment professionals<sup>2</sup>

**160+**

Public strategies investment professionals

**75+**

Global credit analysts



Core real estate  
**EUR 69bn**

Opportunistic  
**EUR 18bn**

Semi liquid  
**EUR 17bn**

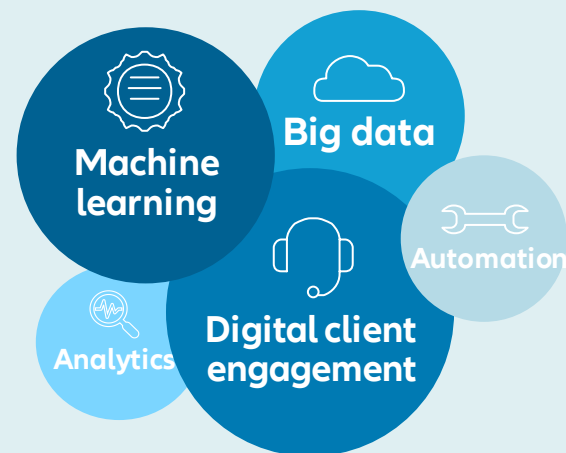
Diversifying  
**EUR 12bn**

Income oriented  
**EUR 5bn**

# PIMCO invests in technology to seek better outcomes for investors

## PIMCO leverages technology to:

- ✓ **Enhance PIMCO's time-tested investment process** through data tools, trade enhancements and machine learning
- ✓ **Build client data and analytics** to improve client experience and optimize business results
- ✓ **Increase operational efficiencies** to better support business and clients



## TRANSFORM OPERATIONS THROUGH STRATEGIC PARTNERSHIP AND INITIATIVES

**beacon** 

Platform that delivers a cloud-based, end-to-end development and production platform

 **HUB**

Industry leaders joint venture to build a cloud-based operating platform for asset managers

# The close partnership between Allianz and PIMCO fuels opportunities



# PIMCO is well positioned for growth



Size & scale



Strong performance



Diversification



Private strategies



Innovative technology



Strong collaboration with Allianz



## Ambition 2021e - 2024

- 25% of revenues from alternatives
- 30%+ of revenues in permanent capital or extended duration vehicles<sup>1</sup>
- Consistent **double-digit growth** rates in global growth markets<sup>2</sup>
- Stable **6-8% share** in mature markets<sup>3</sup>

# Endnotes

1) As of 30 September 2021. Source: PIMCO.

<sup>1</sup> EUR 1.9tn total assets, which includes 1.4tn in third party client assets, including EUR 16.5bn in assets of clients contracted with Gurtin Fixed Income Management, LLC and EUR 68.7bn in assets of clients contracted with Allianz Real Estate as of 30 June 2021, affiliates and wholly-owned subsidiaries of PIMCO.

<sup>2</sup> Includes Allianz Real Estate of America LLC employees; excludes employees of Allianz Real Estate GmbH and its subsidiaries.

<sup>3</sup> Based on client account tax domicile.

2) As of 30 September 2021. Third party assets only. Source: PIMCO, Morningstar, Lipper.

<sup>1</sup> Based on PIMCO managed portfolios with at least a 5-years history. The after-fees performance of each portfolio was compared to the portfolio's primary benchmark. If the after-fees portfolio performance was greater than the benchmark performance for a given period, the assets in that portfolio were included in the outperforming data. Benchmark outperformance indicates the performance of a portfolio as compared to its benchmark. As such, it does not indicate that a portfolio's performance was positive during any given period. For example, if a portfolio declined 3% during a given period, and its benchmark declined 4%, the portfolio would have outperformed its benchmark, even though it lost value during the period. Certain absolute return oriented portfolios contained within the data may inflate the data either positively or negatively due to the low return/volatility characteristics of the primary benchmark. For example a portfolio measured against 3-month USD Libor would be more likely to out- or underperform its benchmark. No measure of past performance should be understood to ensure that future performance will be positive, whether on a relative or absolute basis.

<sup>2</sup> Data includes global commingled mutual funds, UCITS funds, and exchange-traded funds. Certain funds and products were excluded from the analysis because of limited benchmark or peer group data. Had these been available, results may have been different.

Data is shown as of 30 September 2021. Includes fund AuM of EUR 683bn. Peer group rankings are sourced from Morningstar and Lipper and are asset-weighted in USD. Rankings are calculated against all funds in each peer group. Performance is calculated on an after fee monthly basis. Rankings for the primary share class of the most representative fund in each composite are applied to all products within each composite. Performance assumes the reinvestment of dividends. Past performance is not indicative of future results and may not reflect an investor's experience.

<sup>3</sup> Morningstar presents the Rising Talent Award to an up-and-coming manager in Morningstar's coverage universe. The manager must have less than seven years' tenure managing portfolios and yet has delivered exceptional results to investors over that span of time. Morningstar's manager research analysts conduct in-depth qualitative analyses in order to select nominees and, subsequently, vote to determine the award winner. To qualify for the award, the manager's strategy must earn a Morningstar Analyst Rating of Gold, Silver or Bronze, for at least one vehicle and/or share class, or be featured in Morningstar Prospects, a publication highlighting investments that Morningstar analysts are following closely but have not yet received full coverage.

## Endnotes (continued)

<sup>4</sup> The Morningstar Fixed Income Fund Manager of the Year award is based on the strength of the manager, performance, strategy and firm's stewardship.

<sup>5</sup> Morningstar presents the Rising Talent Award to an up-and-coming manager in Morningstar's coverage universe. The manager must have less than seven years' tenure managing portfolios and yet has delivered exceptional results to investors over that span of time. Morningstar's manager research analysts conduct in-depth qualitative analyses in order to select nominees and, subsequently, vote to determine the award winner. To qualify for the award, the manager's strategy must earn a Morningstar Analyst Rating of Gold, Silver or Bronze, for at least one vehicle and/or share class, or be featured in Morningstar Prospects, a publication highlighting investments that Morningstar analysts are following closely but have not yet received full coverage.

<sup>6</sup> The Morningstar Fixed Income Fund Manager of the Year award is based on the strength of the manager, performance, strategy and firm's stewardship.

<sup>7</sup> The Morningstar Best Larger Fixed Income Fund House award is based on five-year risk adjusted returns. Morningstar determines the mean percentile rank of each fund house (the lower a group's rank, the better its performance). The score is then adjusted to account for qualitative factors with the lowest overall score receiving the award.

<sup>8</sup> Lipper Asset Class Group Awards are awarded to eligible fund family groups and not individual funds. The Lipper Fund Best Group over 3 Years Large Equity award recognizes funds that have delivered consistently strong risk-adjusted performance, relative to peers. From Lipper Fund Awards from Refinitiv, ©2021 Refinitiv. All rights reserved. Used under license.

3) Source: PIMCO and McKinsey for industry data.

Market return and net flows are measured in USD.

Third party assets and flows only.

2021 data is based on forecasts.

4) As of 30 September 2021. Source: PIMCO. Third party assets only.

Alternatives include Closed-End and Interval Funds, which have EUR 13.7bn in AuM. Other Fixed-Income, among others, include Book Yield Oriented strategies, with EUR 49.1bn in AuM. Including EUR 67.9bn in assets of clients contracted with Allianz Real Estate, an affiliate and wholly-owned subsidiary of PIMCO and PIMCO Europe GmbH.

Run Rate Revenues "RRR" is estimated revenues based on fee rates on AuM.

Regional AuM breakdown reflects most recent assignment of AuM to regional servicing office.

Regional RRR may not add to 100%, as 1% is allocated to "Other" which includes accounts not specified to a designated region.

5) Source: PIMCO. Third party assets only. 2021 data is based on forecasts. Calculation of growth rates is based on actual numbers and thus may differ from growth rates based on rounded numbers.

## Endnotes (continued)

6) Source: PIMCO.

7) As of 30 June 2021 unless otherwise indicated.

<sup>1</sup> AuM is comprised of alternative credit and private strategies as well as diversifying absolute return strategies.

<sup>2</sup> Certain PIMCO personnel who will provide investment advice to the private funds are separated by an information barrier that has been established between the private side of the Alternatives platform (the "Special Alternatives Group") and PIMCO's public-side trading floor. As a result, communications between the Special Alternatives Group and PIMCO's public side investment professionals are subject to certain restrictions as set forth in PIMCO's policies and procedures pertaining to MNPI and information barriers.

8) Source: PIMCO.

9) As of 30 September 2021. Source: PIMCO.

10) Revenues shown reflect Run Rate Revenues and include annualized estimate of performance fees and carried interest.

<sup>1</sup> As of 2020, 19% was in semi liquidity vehicles.

<sup>2</sup> Based on Run Rate Revenues.

<sup>3</sup> Based on fixed income AuM.

Exchange rates used for currency translation: 1.19 USD/EUR end of June 2021; 1.16 USD/EUR end of September 2021.





# Appendix

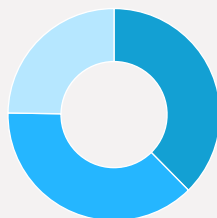
Allianz Capital Markets Day  
December 2021

# 5yr track record

## Operating profit 2020: EUR 10.8bn

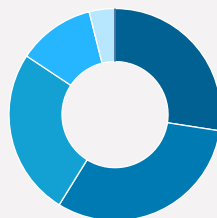
### By segments<sup>1</sup>

P/C Insurance	38%
L/H Insurance	38%
Asset Mgmt.	25%



### By regions:

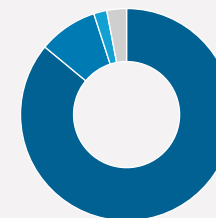
Germany	28%
W & S Europe	32%
USA	26%
Growth Markets <sup>2</sup>	12%
Anglo Markets <sup>3</sup>	4%
Specialty Ins. <sup>4</sup>	-1%



## Investment portfolio 2020: EUR 790bn

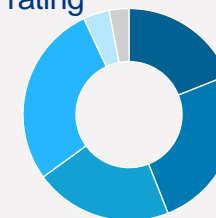
### Asset allocation

Debt instruments	86%
• Government	38%
• Covered	10%
• Corporate	42%
• Other	11%
Equities	9%
Real estate <sup>5</sup>	2%
Other	3%



### Debt instruments by rating<sup>6</sup>

AAA	19%
AA	25%
A	21%
BBB	28%
Non inv. g grade	4%
Not rated <sup>7</sup>	3%



In EUR		2016	2017	2018	2019	2020	Δ 20/19	CAGR 4yr
Income statement	Revenues <sup>8</sup> (bn)	122.4	126.1	132.3	142.4	140.5	-1.3%	+3.5%
	Operating profit (bn)	11.1	11.1	11.5	11.9	10.8	-9.3%	-0.7%
	Shareholders' net income (bn)	7.0	6.8	7.5	7.9	6.8	-14.0%	-0.7%
Capital	Shareholders' equity (bn)	67.1	65.6	61.2	74.0	80.8	+9.2%	+4.8%
	Solvency II ratio <sup>9</sup> (%)	218%	229%	229%	212%	207%	-5%-p	-
Other data	3rd party AuM (tn)	1.36	1.45	1.44	1.69	1.71	+1.5%	+5.9%
	Total AuM (tn)	1.87	1.96	1.96	2.27	2.39	+5.3%	+6.3%
	RoE (%)	12.3%	11.8%	13.2%	13.6%	11.4%	-2.2%-p	-
Share information	Basic earnings per share	15.3	15.2	17.4	18.9	16.5	-12.8%	+1.9%
	Dividend per share	7.60	8.00	9.00	9.60	9.60	0.0%	+6.0%
	Dividend yield (%) <sup>10</sup>	4.8%	4.2%	5.1%	4.4%	4.8%	+0.4%-p	-

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

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

3) UK, Ireland, Australia

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

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

6) Excluding seasoned self-originated private retail loans

7) Mostly mutual funds and short-term investments

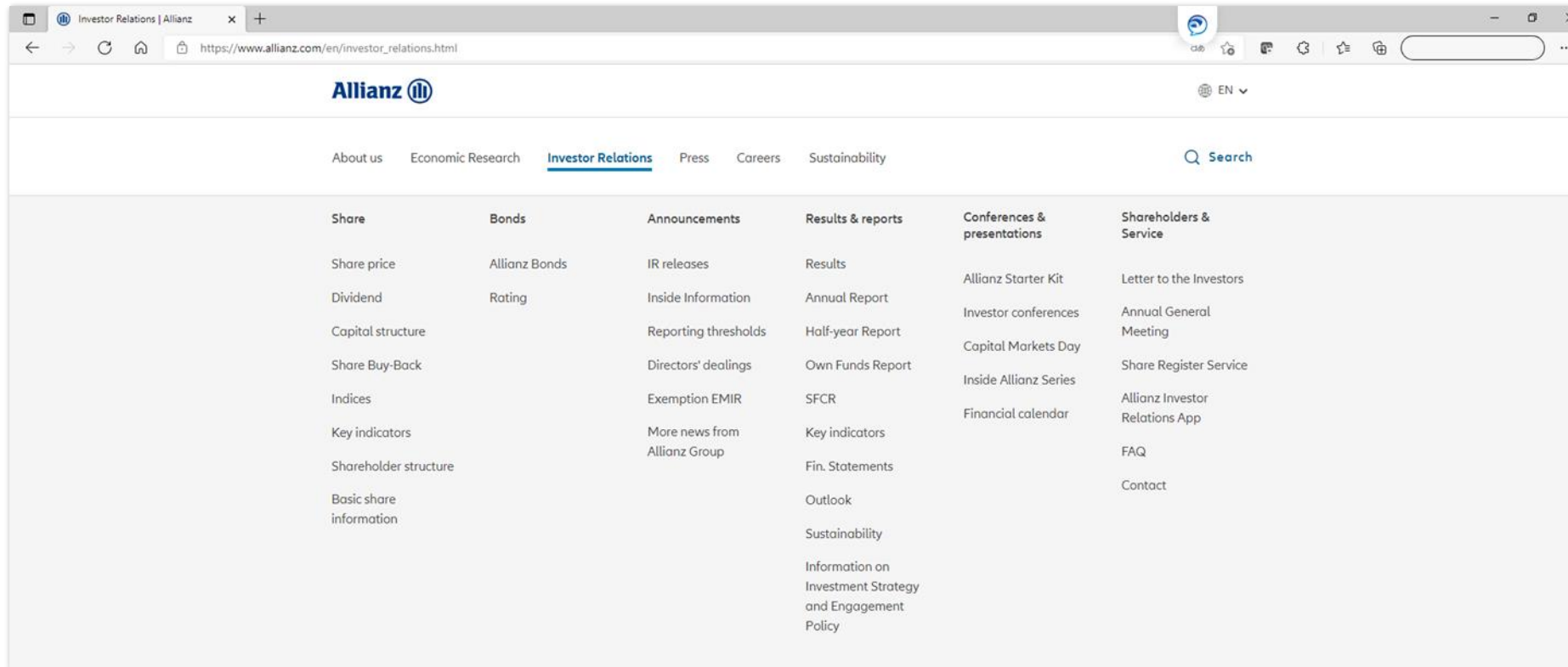
8) From 2018, total revenues also comprise P/C fee and commission income

9) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20

10) Divided by year-end share price

For a definition of alternative performance measures please refer to our [website](#)

# Additional information



# Disclaimer

## Cautionary note regarding forward-looking statements

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

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) adverse publicity, regulatory actions or litigation with respect to the Allianz Group, other well-known companies and the financial services 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 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.