

Allianz Global Corporate & Specialty

12M 2021 Results update

Briefing February 2022

This document summarizes the financial results for the full year 2021 ('12M 2021') for Allianz Global Corporate & Specialty (AGCS) as well as for Allianz Group, which were announced on February 18, 2022.

Further information

Full details of Allianz Group results for 12M 2021, including the analysts' presentation, are available at Allianz Group's Investor Relations [web pages](#).

¹ Specifically, Allianz Global Corporate & Specialty SE, Allianz Risk Transfer AG, Allianz Risk Transfer (Bermuda) Ltd., Allianz Global Corporate & Specialty North America (legal names Allianz Global Risks US Insurance Company, Allianz Underwriting Insurance and AGCS Marine Insurance Company), Fireman's Fund Insurance Company and subsidiaries, AGCS Japan (legal name Allianz Fire and Marine Insurance Japan Ltd.), AGCS Re Brazil (legal name Allianz Global Corporate & Specialty Resseguros Brasil S.A.) and Allianz Global Corporate & Specialty South Africa Ltd.

² Adjusted for foreign currency and consolidation effects.

1. Allianz Group results 2021

Allianz Group posted strong operating results in all business segments for 2021. "With record-high operating profit, strong value growth in life, health and asset management businesses and strongly improved P/C margins and productivity, we are scaling the power of our global franchise", said Allianz CEO Oliver Baete.

Total revenues increased 5.7% to €148.5 billion in 2021 (12M 2020: €140.5 billion). **Operating profit** jumped by 24.6% to €13.4 billion (12M 2020: €10.8 billion). The **Solvency II capitalization ratio** was at 209% at the end of 2021, compared to 207% at end of 2020. **Net income attributable to shareholders** declined 2.9% to €6.6 billion as a result of a one-time pre-tax provision of €3.7 billion in anticipation of settlements with major investors in the Allianz GI U.S. Structured Alpha funds.

In the **Property-Casualty** segment, total revenues increased to €62.3 billion (12M 2020: €59.4 billion). **Internal growth**² was at 4.1%, mostly driven by Allianz Partners, AGCS and Australia. **Operating profit** rose 30.6% to €5.7 billion (12M 2020: €4.4 billion). **Combined ratio** improved by 2.5%-p to 93.8% (12M 2020: 96.3%) despite high claims from weather events "due to our continuous focus on underwriting discipline and productivity improvements", said Allianz Chief Financial Officer Giulio Terzariol.

In the **Life/Health** insurance segment, the **present value of net business premiums** increased to €78.7 billion (12M 2020: €61.5 billion). **Operating profit** rose to €5.0 billion (12M 2020: €4.4 billion).

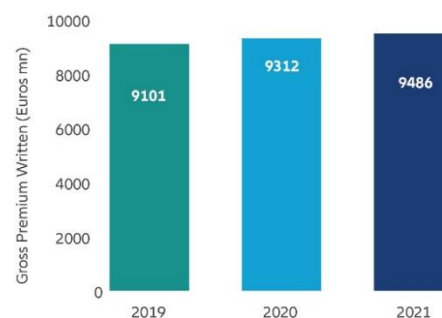
In **Asset Management**, **operating profit** grew by 22.3% to €3.5 billion (12M 2020: €2.9 billion). **Third-party assets under management** rose to €1.966 trillion – an increase of €255 billion or 14.9%, compared to year-end 2020.

2. AGCS¹ results 12M 2021

In 2021, AGCS delivered on its strategic goals and returned to profitability, following a portfolio remediation to secure the basis for future sustainable growth.

AGCS' 2021 **gross premium written** increased year-on-year by €174 million to €9.486 billion (12M 2020: €9.312 billion). The positive impact from effective rate changes of 18% for renewal business (adjusted for terms and conditions), a higher renewal base and new business have more than offset selected corrective underwriting actions targeting unprofitable accounts and segments.

AGCS GPW 12M 2019-21



The **combined ratio** for 2021 stands at 97.5% (2020: 115.5%), which is 18.0%-p better than prior year. While AGCS achieved a positive **underwriting result**, it has seen significant claims impact from natural catastrophes and also losses from Covid-19 (reserves booked amounted to approx. €100 million in 2021 compared to €521 million for the same period in 2020). This result reflects AGCS's focus on volatility management as well as the benefits of a new reinsurance structure.

AGCS' 2021 **operating profit** of €366 million (2020: operating loss of €482 million) is €848 million above prior year driven by a significantly lower impact from Covid-19 losses and an overall positive underwriting performance.

Solvency ratios

AGCS shows solid local solvency ratios as of Q4 2021**, which are listed below for the primary operating companies.

AGCS SE	151%**
AGCS NA	290% (as of 2020)
ART AG	140%**

*S&P and A.M. Best ratings for ART AG and ART Bermuda.

**Preliminary and not yet audited.

AGCS ratings

(showing date rating published)

AGCS Company	Standard & Poor's	A. M. Best
AGCS SE	AA (Oct 21)	A+ (Oct 21)
AGCS NA	AA (Oct 21)	A+ (Oct 21)
ART*	AA- (Oct 21)	A+ (Oct 21)
AGCS Japan	AA (Oct 21)	(N/A)
AGCS Re Brazil	(N/A)	A+ (Oct 21)
AGCS South Africa	BB+ global; zaAAA local (Oct 21)	(N/A)

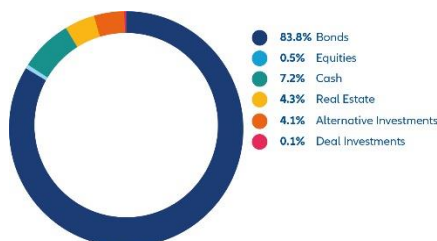
AGCS has not seen any rating updates in the fourth quarter of 2021.

Asset allocation & investments

In Q4 2021 the market value of our **total invested assets**, excluding strategic participations, increased to €16.4 billion (Q3 2021: €16.3 billion).

In the current low yield environment, AGCS continues to focus its **investment strategy** on portfolio diversification across high quality liquid assets, and on yield enhancing measures within well-defined risk limits.

AGCS asset allocation 12M 2021



Total assets continue to be primarily invested in interest-bearing securities (bonds). The **cash quota** in Q4 2021 decreased to 7.2% (Q3 2021: 7.5%).

AGCS Board change



As announced on December 15, 2021, AGCS has appointed **Shanil Williams** as new Chief Underwriting Officer Corporate. He joined the

AGCS SE Board of Management on January 1, 2022. Previously Global Head of Financial Lines at AGCS, Williams succeeded Tony Buckle who left Allianz for personal reasons.

AGCS leadership appointments in regions and lines of business

As announced on November 15, 2021,

AGCS Allianz Global Corporate & Specialty SE (AGCS) is strengthening its leadership team. **Alfredo Alonso** who



previously led AGCS' Regional Unit London & Nordics became Global Head of Liability. Alonso will be succeeded in May 2022 by **Nadia Côté** who

joins AGCS as the new Regional Managing Director for London & Nordics from her current role as Head of Major Accounts Europe and International Broking Distribution for



Chubb. **Gianluca Piscopo** (pictured left) has taken over as Regional Managing Director for the Ibero/LatAm region in February 2022

succeeding Nuno Antunes. Piscopo was CEO for W.R. Berkley Spain & Portugal and will remain based Madrid.

AGCS also appointed a new Global Head of Energy & Construction, **Max Benz** who joined in February 2022 from AXA. **Michele Williams** who led the CEO Office at AGCS, took over as Global Head of Allianz Risk Consulting in Munich. Last but not least, AGCS strengthened its distribution team with the appointment of **Jody Yee** as **Global Industry Solution Director for Technology, Media & Telecom**; Yee had previously worked in AGCS's Alternative Risk Transfer team in New York.

Contact Us

For further information please contact your local AGCS manager or **Hugo Kidston**, AGCS Global Head of Communications, +44.203.451.3891

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Results for the first quarter 2022 for Allianz Group and Allianz Global Corporate & Specialty will be available on May 12, 2022. For further details please see Allianz Group's [Investor Relations](#) website pages.