



Allianz Nederland Groep N.V.

Annual Report 2021



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INTRODUCTION

About Allianz Nederland Groep N.V.

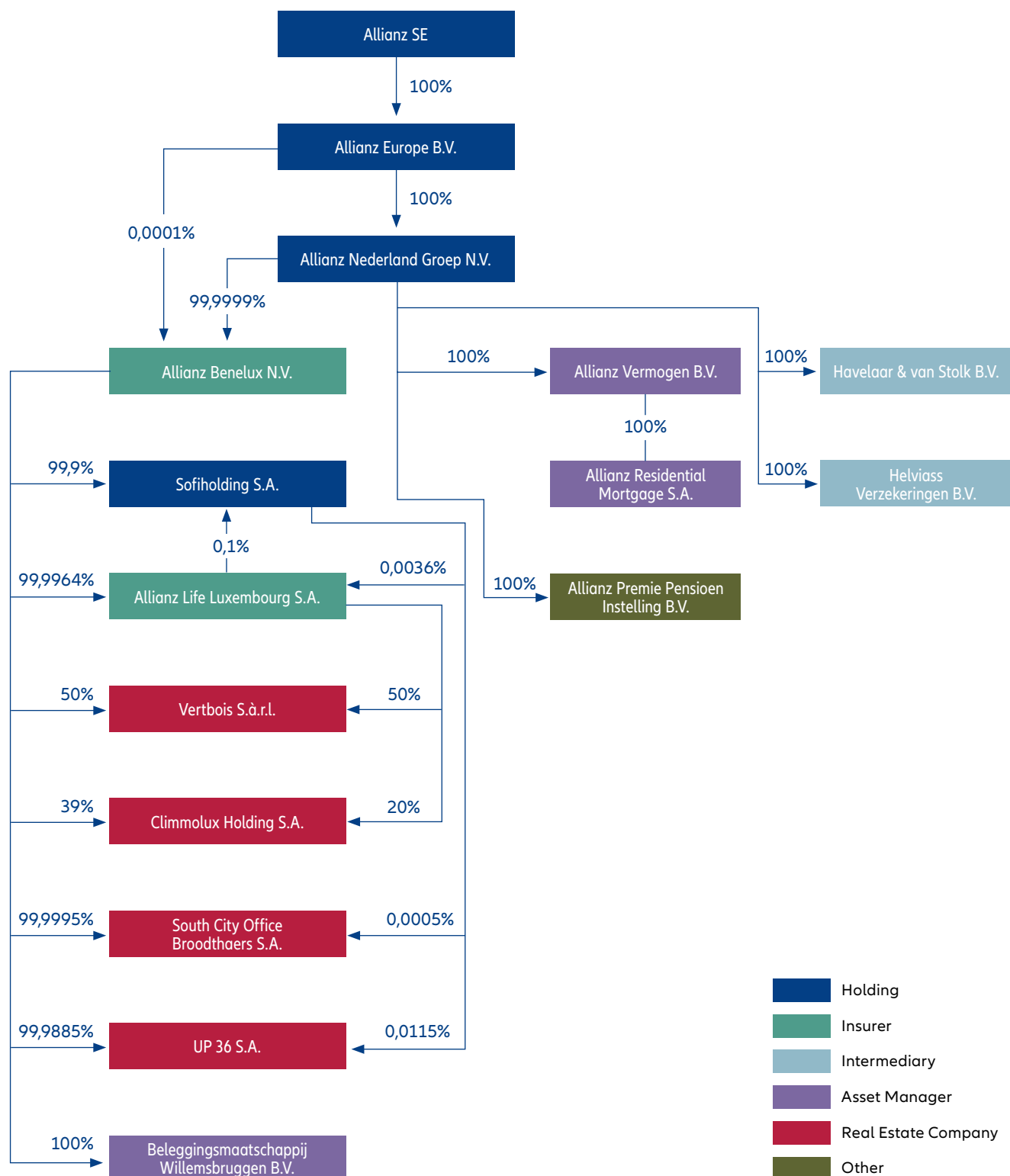
Allianz Nederland Groep N.V. (ANG) is a holding company, that holds the insurance and insurance related activities of Allianz SE in the Benelux. ANG employs the Dutch personnel and recharges the costs to its subsidiaries.

The issued shares in Allianz Nederland Groep N.V. are all held by Allianz Europe B.V.

Allianz SE in Germany is the 100% ultimate shareholder in Allianz Europe B.V.

Consolidated financial statements are not prepared by the Company. Its financial data is consolidated in the financial statements of its ultimate parent company Allianz SE, Munich, Germany.

Organizational chart



REPORT OF THE SUPERVISORY BOARD

Introduction

The Supervisory Board works according to standing orders, written down in a charter, which set out its general duties and powers and roles and responsibilities. The current charter was adopted in 2020 and remained unchanged in 2021.

The responsibilities of the Supervisory Board include:

1. Supervision of financial reporting.
2. Assessment of risk management.
3. Nomination and assessment of the external independent auditor.

The Supervisory Board passes resolutions on the proposals of the Compensation Committee. It also lays down the remuneration policy.

The Supervisory Board charter contains provisions for the supply of information, the preparation and conduct of meetings, the decision-making protocol and the procedure for dealing with possible conflicts of interest. Finally, the charter includes requirements with regard to the Supervisory Board's profile, size, expertise, independence and diversity. Both the Board of Management and the Supervisory Board conduct an annual self-evaluation.

Meetings of the Supervisory Board

During the year of account, the Supervisory Board held four plenary meetings. The Supervisory Board dealt with the strategic course of Allianz in the Netherlands, the market and economic trends, the company's

outlook and the operating and financial results.

Between the meetings, there was frequent contact between individual members of the Supervisory Board and the Board of Management, senior management and representatives of the Works Council. The Supervisory Board ensured that it was apprised of current topics within Allianz and the general state of affairs in the company at various levels. The members of the Board of Management, senior management, the head of Risk Management and the external independent auditor issued regular reports, on the basis of which the Supervisory Board conducted its discussions. That enabled the Supervisory Board to keep close track of the operational activities and projects. Minutes of all meetings were taken and the action points and resolutions explicitly recorded. This supports the follow-up on the business agreed during the meetings.

Due to the COVID-19 pandemic, all but one meeting took place remotely in 2021, via videoconferencing. On a few occasions, a member of the Board of Management was unable to attend a meeting. In those cases, the absent Board Member gave their input to the meeting beforehand and authorized a colleague to exercise their vote if and when needed.

The exceptional situation caused by the COVID-19 pandemic (remote meetings only) and the cancellation of one of the meetings, prompted the Supervisory Board to postpone its annual performance evaluation in 2020. The evaluation has been performed in the first meeting of 2021.

Topics discussed by the Supervisory Board in 2021 were:

1. The quarterly financial and business results.
2. The financial statements for 2020 including the findings of the external independent auditor, the audit report to the Supervisory Board and the management letter.
3. The appropriation of profit for 2020.
4. The distribution of interim dividends.
5. The budget for 2022.
6. Developments with regard to Allianz Direct and associated governance requirements.
7. The acquisition of the Rabo PGGM Premie Pensioen Instelling.
8. Developments regarding unit linked insurances and the status of regulatory surveys.
9. Derisking of the pension fund.
10. Developments with regard to IT and operations, including the outsourcing of IT services to Allianz Technology SE.
11. The effects of the COVID-19 pandemic on staff and business.
12. The implementation of the new work model Ways of Working and ESG measures.
13. Employee engagement and development prospects for employees.
14. The Olympic sponsorship activities

Risk management

Risk control and risk management were repeatedly on the agenda. The Supervisory Board was informed by the independent auditor and the internal Risk Management function. This included discussing the recommendations from these parties and determining the status of prior recommendations. Where necessary, the Supervisory Board ensured that the agreed actions are pursued.

Report from the Compensation Committee

The Compensation Committee comprised of Mr Nick van Ommen (chairman), Mrs Monique Donga and Mr Thomas Lösler (until 13 September 2021). The Compensation Committee advised the Supervisory Board about performing its oversight functions for the areas set out in the Compensation Committee Charter. A verbal report of the meeting of the Compensation Committee is given to the Supervisory Board by the chairman.

The Compensation Committee met twice in 2021. Routine members of the meeting were the Regional CEO, the CEO Netherlands and the Head of HR for Allianz in the Benelux.

The main topics on the agenda were as follows:

1. Overseeing Allianz's remuneration policy, with a view to the balance between performance and risk control.
2. The structure of the remuneration of the Board of Management and the Supervisory Board.
3. Developments in legislation and the collective labor agreement for the insurance sector.
4. The compensation planning for year of account.
5. The awarding of variable remuneration on the basis of agreed financial and non-financial targets for the short, medium and long term for all groups with variable remuneration, to the extent allowed by law.
6. Confirmation of the (Solvency II) "Risk Takers" employed by Allianz Nederland Groep N.V.
7. Setting new financial and non-financial targets, such as for employee engagement, leadership and customer loyalty.
8. Developments in the terms of employment at Allianz itself and sector-wide, including the introduction of the Early Retirement Policy.

The remuneration of the Board of Management and the Supervisory Board are in line with Allianz's policy and the applicable laws.

Composition of the Supervisory Board

Members of the Supervisory Board in the reporting year:

1. Mr. Nick van Ommen, chairman of the Supervisory Board (per January 1, 2018) and chairman of the Compensation Committee (per May 27, 2019).
2. Mrs. Monique Donga, member of the Supervisory Board (per March 15, 2019), Member of the Compensation Committee, recommended on behalf of the Works Council.
3. Mr. Thomas Lösler, member of the Supervisory Board, member of the Compensation Committee, member of the Audit Committee (per May 15, 2019) and recommended on behalf of the shareholder. Mr. Lösler resigned as Supervisory Director on 13 September 2021, leaving a vacancy in the Supervisory Board. The shareholder has recommended a successor for Mr. Lösler, who may be appointed after in- and external approvals.

Mr. Lösler works for the ultimate shareholder Allianz SE. Apart from their membership of the Supervisory Board, the other members have no relations with Allianz and are therefore independent. Owing to the number of members of the Supervisory Board, Allianz satisfied the Financial Supervision Act and the Articles of Association that stipulate that the Supervisory Board must be composed of at least three members.

The members of the Supervisory Board are appointed by the General Meeting of Shareholders for a period of four years, with the possibility of immediate reappointment.

Allianz aims for diversity in the composition of the Supervisory Board. To this end, the Supervisory Board has defined a job profile to ensure the necessary strategic diversity. The composition of the Supervisory Board reflects the political, managerial and social experience and specific knowledge and experience in relation to Allianz Benelux's activities in the Netherlands. The Supervisory Board has ample knowledge of the financial markets and is diverse in experience, background and gender. It has sufficient specialist financial knowledge. All members have sufficient

regulatory experience as well as experience with managing large organizations. This ensures that the Supervisory Board possesses sufficient knowledge and skills to fulfil its oversight function properly.

In the current composition, one-third of the Supervisory Board members is female.

Lifelong learning

The chairman ensures that a lifelong learning program is established. The aim of the program is to retain and add to the level of knowledge of the Supervisory Board in the areas relevant to its oversight function. The chairman is advised by the secretary about the content of the program, which is reviewed annually.

The topics of the program are revised each year by the Supervisory Board, to accommodate for current and/or urgent topics that may take priority.

In 2021, a lifelong learning session was organized about IFRS 9/17, which was attended by both the Supervisory Board and the Board of Management.

Remuneration and dedication

The members of the Supervisory Board receive a fixed remuneration for sitting on the Supervisory Board and for any committees which they chair. The individual members have sufficient time available to fulfil their oversight responsibilities.

Promise

All members of the Supervisory Board have taken the promise and oath for the financial sector.

Words of thanks

The Supervisory Board thanks all employees, the Board of Management and the Works Council for their dedication in the year under review.

The Supervisory Board has complete confidence in Allianz's ability to continue building on its positions in its target markets. The Supervisory Board wishes to thank the staff and managers for all their hard work and encourages them to carry on in their dedication.

Rotterdam, 30 May, 2022

Nick J.M. van Ommen

Chairman of the Supervisory Board

REPORT OF THE BOARD OF MANAGEMENT

Developments and financial results

Allianz Nederland Groep N.V. (ANG) is a holding company, that holds the insurance and insurance related activities of Allianz SE in the Benelux. ANG employs the Dutch personnel and recharges the costs to its subsidiaries. There are currently no expectations for significant changes in the company's investments, financing activities or operations (including staffing).

ANG realized a net profit in 2021 of € 301.3 mn (2020: € 64.9 mn). The result of ANG mainly depends on dividends received from its subsidiaries, in 2021 € 301.6 mn (2020: € 62 mn). The increase in dividend is a direct result of the release of the dividend restrictions issued in 2020 by the NBB to safeguard the equity positions of the Belgian insurance companies during the COVID pandemic.

The equity position remained very strong. The total shareholders' equity increased from € 1,998 mn to € 2,019 mn. Of the total assets 93% was financed via equity per year end 2021 (2020: 92%).

The liquidity position remained stable. No material outgoing cashflows substantially impacting our liquidity position are currently expected in 2022.

Board of Management

RESPONSIBILITY

The Board of Management is responsible for managing the company and for its day-to-day business. It is guided in its management by the Articles of Association, the Dutch Civil Code and the Financial Supervision Act. The Board of Management works according to standing orders, setting out its main tasks, responsibilities and powers. The standing orders also contain provisions for the division of areas of responsibility within the management, the supply of information, how meetings are to be prepared and conducted, the decision-making protocol and the procedure for dealing with possible conflicts of interest. Finally, the standing orders include requirements for the necessary knowledge and experience. The current set of standing orders was adopted in 2020, in alignment with those of the Supervisory Board.

One change was made to the Board of Management in 2021. Mr J.J. Louwerier was appointed to the Board of Management per 16 July 2021, as the successor of Mr A.J. Bradshaw, who accepted a position at Allianz Group.

The composition of the Board of Management meets the criteria for a complementary, diverse and cooperative Board of Management. Under the Articles of Association, the Board of Management must be made up of at least two members. As the Board of Management comprised four members, this condition was met during the year of account.

During the year of reporting, one quarter of the Managing Directors was female. With each future appointment, Allianz will continue to take into account the aim to achieve sufficient diversity within the Board of Management.

LIFELONG LEARNING

In the year under review, the Board of Management participated in the lifelong learning program for the Supervisory Board.

REMUNERATION AND DEDICATION

Part of the remuneration received by the members of the Board of Management is linked to their performance.

RISK MANAGEMENT

Responsibility for risk management lies with the Chief Financial Officer. He has no commercial responsibilities and operates independently of the financial results. Decision-making and risk monitoring are the responsibility of the statutory board of each company that is part of Allianz. Support is provided by advisory committees, as stated in the committee charters. This ensures that the latent and manifest risks, the risk analysis, decision-making on the risk appetite and control procedures are dealt with at the right place.

The Supervisory Board assesses the risk management performed by the Board of Management. The various risks of Allianz Nederland Groep are regularly discussed at the meetings of the Supervisory Board. The risk functions ensure that risks are reported as needed.

Governance

TWO-TIER BOARD

Governance at Allianz Nederland Groep N.V. is based on a limited structure regime, applicable to two-tier entities. The main features of this organizational structure under the Articles of Association:

1. Allianz Nederland Groep N.V. is managed by a Board of Management, which is supervised by a separate and independent Supervisory Board.
2. The Supervisory Board has far-reaching internal powers and the right of assent in respect of certain decision making.
3. The Supervisory Board nominates new members to the Annual General Meeting, which may be preceded by a recommendation from the Annual General

Meeting or the Works Council. The Works Council has the right to make recommendations for at least one-third of the Supervisory Board.

The Board of Management manages the company and is responsible for the implementation of the policy and for day-to-day business. The Supervisory Board oversees and provides both solicited and unsolicited advice to the Board of Management about the strategy, performance and risks associated with the company's activities. In the performance of its duties, the Supervisory Board takes into account the interests of the company and all its stakeholders.

COMPLIANCE WITH LEGISLATION AND REGULATIONS

Each year, Allianz Nederland Groep N.V. must implement new requirements flowing from legislation and regulations, new rules, the active stance taken by the regulatory authorities and demands by trade organizations. All have an effect on the tasks and responsibilities of both the Board of Management and the Supervisory Board. Transparency and compliance with internal and external standards go without saying at Allianz Netherlands. The tasks that the company is asked to perform in relation to oversight take high priority.

REMUNERATION POLICY

Allianz has a remuneration policy. The policy is regularly updated to keep pace with new and changing legislation and regulations and Allianz Group policies. Allianz Netherlands complies with the requirements for a sound remuneration policy in accordance with the Financial Supervision Act.

OATH OR PROMISE

The oath or promise for the financial sector extends to all persons who can influence the company's risk profile and to employees with direct customer contact. All employees who qualify as such have taken the oath or made the promise. The oath or promise is mandatory to all new employees at Allianz.

CO-DETERMINATION WELL ORGANIZED

Consultation with the Works Council runs smoothly. Allianz has an engaged Works Council which is capable of putting itself in the position of the employer and of the employees. Allianz often asks a representative of the Works Council to think along with the Board. Consequently, the Works Council is always well informed.

RISK AND CONTROL FUNCTIONS

The Internal Audit function meets all relevant standards, including the Allianz internal standards. Internal Audit reports on a quarterly basis to the statutory Board of Management of Allianz its audit plan and status, results of audit reports and the follow-up on open findings.

The Compliance function is well equipped to fulfil the role expected by all stakeholders. Compliance reports to the Board of Management semi-annually on the execution of its compliance plan, results of its monitoring activities and relevant issues and findings. Compliance may also report any material or relevant Compliance issue to the Chairman of the Supervisory Board.

INTEGRITY AND ETHICS

Employee integrity is an important condition to win and retain the trust of customers and the market. Allianz has a whistle-blower scheme in place to report misconduct and abuse cases, which goes by the name of SpeakUp! Any case concerning the integrity of the company, its employees, business partners and customers can be reported, anonymously if so desired. The SpeakUp! tool is hosted by a third party and cases can be reported by telephone and internet 24/7. Cases are assessed and discussed confidentially by the Benelux Integrity Committee, which operates according to a Charter.

Principal risks and uncertainties

Allianz Nederland Group N.V. is a holding company and is therefore primarily indirectly exposed to the risks inherent to the business of its subsidiaries. Consequently, those risks are managed at the level of the subsidiaries. Its main subsidiary Allianz Benelux S.A. (98%) is subject to Solvency II regulation. The main activity conducted in service for Allianz Benelux S.A. is the payment of salaries and pension premiums of the Dutch based employees, and to transfer dividend to Allianz Group. The company's objective is to preserve its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

An overview of relevant risks is provided in Note 19 – Risk Management.

Outlook

Recent world developments characterized by strong geopolitical tensions due to the invasion of Ukraine by Russia, which are added to the pre-existing context variables that negatively affect the macroeconomic environment, represent a factor of uncertainty that could have important repercussions on everyone. the sectors of activity. In this context, a possible reduction in purchasing power and a particularly negative trend in the financial markets could be relevant for the insurance sector.

However, to date, the scenario still appears unpredictable and does not currently allow for the identification of all direct and indirect economic effects, but it is more than likely that they will have a global and pervasive impact on various sectors.

In the context of clear general uncertainty about its duration and extent, the Company will continue to closely monitor the situation and its effects and, if necessary, will promptly adopt risk reduction measures.

The economic Outlook for Allianz Nederland Groep N.V. depends on the performance of its insurance subsidiaries. A summary of prospects in relation to the economy and business context is discussed in the chapters above.

Rotterdam, 30 May 2022

Management board Supervisory board

S.L. Laarberg (Chairman)	N.J.M. van Ommen (Chairman)
B. Bourgeois (CFO)	M.D. Donga
A.J. Bradshaw (until 15 July 2021)	T. Lösler (until 13 September 2021)
K.L. van den Eynde	Vacancy
J.J. Louwerier (as of 16 July 2021)	(as of 13 September 2021)

FINANCIAL STATEMENTS 2021 ALLIANZ NEDERLAND GROEP NV

BALANCE SHEET

Before profit appropriation

as at 31 December 2021

€ 1,000

	Note	2021	2020
Non-current assets			
Property and equipment	3	72,047	77,749
Investments in subsidiaries	4	2,053,563	2,042,763
Financial assets carried at fair value through income	5	2,019	1,762
		2,127,629	2,122,274
Current assets			
Receivables from group companies	6	33,554	41,217
Deferred tax assets	7	3,655	139
Other assets	8	6,747	6,568
Cash and cash equivalents	9	3,255	251
		47,211	48,175
Total assets		2,174,840	2,170,449
Shareholders' equity	10		
Share capital		59,813	59,813
Share premium		1,855,666	1,855,666
Retained earnings		(197,612)	17,780
Unappropriated result for the period		301,300	64,868
Total equity		2,019,167	1,998,127
Non-current liabilities			
Loans from group companies	11	25,000	37,500
Provisions	12	15,131	18,119
Other liabilities	13	63,310	68,806
		103,441	124,425
Current liabilities			
Payables to group companies	14	218	201
Provisions	12	7,365	2,709
Current tax liability	15	7,173	7,141
Other liabilities	13	37,476	37,846
		52,232	47,897
Total liabilities		155,673	172,322
Total equity and liabilities		2,174,840	2,170,449

INCOME STATEMENT

for the year ended 31 December 2021

€ 1,000

	Note	2021	2020
Dividend income subsidiaries	16	301,600	62,000
Income from financial assets carried at fair value through income	5	157	-
Other financial income		141	53
Financial income		301,898	62,053
Expenses from financial assets carried at fair value through income	5	-	(16)
Interest expense and similar expenses		(93)	(9)
Financial expenses		(93)	(25)
Net financial income		301,805	62,028
Operating expenses	17	(622)	(446)
Profit before tax		301,183	61,582
Income taxes	18	117	3,286
Profit for the year		301,300	64,868

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

€ 1,000		
	2021	2020
Profit for the year	301,300	64,868
Items that will not be reclassified to profit or loss		
Changes in actuarial gains and losses on defined benefit plans	54	(678)
Income tax relating to the actuarial gains and losses	(14)	151
Total items that may never be reclassified to profit or loss	40	(527)
Total comprehensive income	301,340	64,341

STATEMENT OF CHANGES IN EQUITY

€ 1,000

	Paid-in capital	Share premium	(Accumulated losses) / Retained earnings	Revaluation reserve	Net income	Shareholders' equity
Balance as of 01/01/2020	59,813	1,855,666	(280,629)	46,161	252,775	1,933,786
Net income	-	-	-	-	64,868	64,868
Other comprehensive income	-	-	(527)	-	-	(527)
Total comprehensive income	-	-	(527)	-	64,868	64,341
Transfer revaluation reserve to retained earnings	-	-	46,161	(46,161)	-	-
Transfer profit previous years to reserves	-	-	252,775	-	(252,775)	-
Shareholders' dividend	-	-	-	-	-	-
Balance as of 31/12/2020	59,813	1,855,666	17,780	-	64,868	1,998,127
Net income	-	-	-	-	301,300	301,300
Other comprehensive income	-	-	40	-	-	40
Total comprehensive income	-	-	40	-	301,300	301,340
Transfer revaluation reserve to retained earnings	-	-	-	-	-	-
Transfer profit previous years to reserves	-	-	64,868	-	(64,868)	-
Shareholders dividend	-	-	(280,300)	-	-	(280,300)
Balance as of 31/12/2021	59,813	1,855,666	(197,612)	-	301,300	2,019,167

Further information about the changes in equity is provided in Note 10.

CASH FLOW STATEMENT

for the year ended 31 December 2021

€ 1,000

	2021	2020
Profit for the year - excluding dividend income from subsidiaries	(417)	(418)
Dividend received from subsidiaries	301,600	62,000
Change in other assets and liabilities	(1,453)	(29,709)
Pensions	-	(70,760)
Change other provisions	(8,245)	(15,261)
Income taxes	17,486	11,921
Net cash from operating activities	308,971	(42,227)
Property & equipment	(44)	(5,803)
Financial assets carried at fair value	(756)	(412)
Net cash from investing activities	(800)	(6,215)
Lease net	(1,567)	(247)
Long term financing (paid) / received	(12,500)	17,279
Purchase PPI	(10,800)	-
Dividend paid to shareholders	(280,300)	-
Net cash from financing activities	(305,167)	17,032
Change in cash and cash equivalents	3,004	(31,409)
Cash and cash equivalents at 1 January	251	31,660
Cash and cash equivalents as at 31 December	3,255	251

Further information about the cash flow statement is provided in Note 2.

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

1 - Basis of preparation

Basis of measurement

On the basis of management's assessment, the financial statements have been prepared on a going concern basis. Assets and liabilities are generally valued at cost with the deviation in the valuation methods are described in note 2. The financial statements of Allianz Nederland Groep N.V. have been prepared in thousands of euro's (€), except when indicated otherwise..

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (IFRS-EU) and with Art. 2:363 (g) of the Dutch Civil Code.

Reporting entity

Allianz Nederland Groep N.V. is a company domiciled in the Netherlands. The address of the Company's registered office is Coolsingel 120 Rotterdam. The file number at the Chamber of Commerce is 24155648. The issued shares in Allianz Nederland Groep N.V. are all held by Allianz Europe B.V. Allianz SE in Germany is the 100% ultimate shareholder in Allianz Europe B.V. Allianz Nederland Groep N.V. (ANG) is a holding company, that holds the insurance and insurance related activities of Allianz SE in the Benelux. ANG employs the Dutch personnel and recharges the costs to the subsidiaries. There are currently no expectations for significant changes in the company's investments, financing activities or operations (including staffing). The financial data of Allianz Nederland Groep N.V. and its subsidiaries have been included in the consolidated annual report and accounts of Allianz SE (the ultimate holding company), Königinstrasse 28, 80802 Munich.

The financial statements of Allianz Nederland Groep N.V. are approved by the Management Board and by the Supervisory Board on 30 May, 2022. The financial statements will be put for adoption to the General Meeting of Shareholders on 30 May, 2022.

The shareholders meeting can decide against adoption of the financial statements but cannot amend them.

Recognition and derecognition

Financial assets and liabilities are generally recognized and derecognized on the trade date. A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or Allianz transfers the asset and substantially all of the risks and rewards of ownership. A financial liability is derecognized when it is extinguished.

Consolidation

As provided for by IFRS 10.4, consolidated financial statements are not prepared by the Company. Its financial data is consolidated in the financial statements of its ultimate parent company Allianz SE, Munich, Germany. The consolidated financial statements of Allianz SE have been prepared in accordance with IFRS-EU.

Use of estimates and assumptions

The preparation of financial statements requires Allianz Nederland Groep to make estimates and assumptions that affect items reported in the balance sheet and income statement and under contingent liabilities. The estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The actual results may differ from these estimates. The most significant accounting estimates are associated with the impairment of investments in subsidiaries, deferred taxes and reserves for employee related obligations.

Foreign currency translation

Allianz Nederland Group's reporting and functional currency is the euro (€). Income and expenses are translated at the rate per transaction date. The monetary assets and liabilities in foreign currency are translated at the closing rate on the balance sheet date. For all non-monetary items in foreign currency carried at historical cost the historical exchange rate at the date of transaction is applied. For all non-monetary items in foreign currency carried at fair value the exchange rate at the date when fair value was determined is applied. Currency gains and losses arising from foreign currency transactions are reported in other income or other expenses respectively in the income statement.

2 - Summary of significant accounting and valuation policies

SUPPLEMENTARY INFORMATION ON ASSETS

Property and equipment

Equipment is carried at cost, less accumulated depreciation and impairments. The equipment is all related to leasehold improvements. Depreciation is computed using the straight-line method. Leasehold improvements are depreciated over the shorter of the estimated useful life (between 5 and 15 years) of the improvements and the respective lease terms. Expenditures to restore the future economic benefit are capitalized if they extend the useful life as improvements. Costs for repairs and maintenance are expensed.

A right-of-use asset and a corresponding lease liability is recognized at the lease commencement date when the leased asset is available for use. The lease liability is measured at the present value of the lease payments due over the lease term, discounted using the incremental borrowing rate. Any options to extend or terminate a lease that the Group is reasonably certain to exercise are included in the lease term. The right-of-use asset is initially recognized at an amount equal to the lease liability adjusted for lease prepayments made or lease incentives received, initial direct costs and any estimated costs to dismantle or restore the leased asset. The right-of-use asset is depreciated over the shorter of the leased asset's useful life or the lease term on a straight-line basis. The right-of-use asset is included in 'Property and equipment'. Lease liabilities are included within 'Other Liabilities.'

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any accumulated impairment losses. If any indication exists that the investments in subsidiaries may be impaired, the value in use of the asset is estimated in accordance with the steps as described in IAS 36. In case of an impairment indication, the fair value of equity securities is determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected cash flows and a market-related discount rate.

Financial assets carried at fair value through income

These financial assets are measured at fair value and are equity instruments that are classified as held for trading. Changes in fair value are recorded in the income statement as income from financial assets and liabilities carried at fair value through income (net).

Deferred taxes

The calculation of deferred taxes is based on temporary differences between the carrying values of assets and liabilities in the balance sheet and their tax values. The tax rate used for the calculation of deferred taxes is the local rate per reporting date; changes to tax rates already adopted as at balance sheet date are taken into account. Deferred tax assets are recognized if sufficient future taxable income is probably available for realization. Deferred tax assets and liabilities are not discounted.

Other assets

Other assets include receivables and prepaid expenses. Receivables are recorded at face value, net of appropriate valuation allowances.

Cash and cash equivalents

Cash and cash equivalents include balances with banks payable on demand. Cash funds are stated at their face value at year-end closing prices.

SUPPLEMENTARY INFORMATION ON EQUITY AND LIABILITIES

Shareholders' equity

Paid-up capital: Paid-in capital represents the mathematical value per share received from the issuance of shares.

Share premium: Share premium represents the premium, or additional paid-in capital, received from the issuance of shares.

Retained earnings: Retained earnings include the retained earnings of Allianz Nederland Groep.

Provisions

Provision for pensions and similar obligations

The provision for pensions and similar obligations concerns obligations for compensating health insurance cost to employees that have retired. The provision is valued according to IAS 19 principles.

Provisions for restructuring

A provision for restructuring is recognized when Allianz Nederland Groep has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced publicly before balance sheet date. Future operating costs are not provided for. The provision is valued at the present value of expected future outflow of means. No discounting is applied.

Lease Liabilities

The lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method.

Right-of-use assets and lease liabilities for short-term leases and leases of low-value assets are not recognized. Furthermore are right-of-use assets and lease liabilities for vehicle leases not recognized.

Other payables and accrued liabilities

Other payables and accrued liabilities include accounts payable and miscellaneous liabilities. These are reported at the amortized cost. In case accrued liabilities are long-term these are calculated on basis of an estimation of future cash flows.

Taxes payable

The expected tax payable on the taxable profit, calculated in accordance with local tax laws and regulations.

SUPPLEMENTARY INFORMATION ON NET INCOME**Financial income and expenses**

Financial income comprises dividends from investments, interest income, gains on the sale of investments and reversal of impairment losses on financial assets. Distributions from subsidiaries are disclosed as dividend income if the distributions arise from retained earnings created after the acquisition by the Company of the related party; otherwise the distribution is disclosed as return of capital. Dividends are recognized in the period in which they are declared. Interest income is recognized in the period it relates to. Financial expenses comprise impairment losses on financial assets, interest on leases and interest expenses on borrowings.

Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary

differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Segment reporting

No disaggregated segment information of the Company is presented as the Company only engages in one type of business activity (acting as holding company). The results of the Company are reviewed by its management as a whole and not allocated to underlying sub-components and as such the Company considered to represent only one segment.

OTHER SUPPLEMENTARY INFORMATION**Statement of cash flows**

The statement of cash flows, prepared according to the indirect method, shows the structure of and changes in cash and cash equivalents of Allianz Nederland Groep during the financial year from the cash flows arising from operating activities and financing activities. Financing activities include all cash flows from transactions involving the issuing of own shares, participation certificates and subordinated liabilities. Investing activities include the cash flows from transactions related to the financial assets carried at fair value. Cash flows from operating activities contain all other activities, which belong to the principal revenue-generating activities.

Share based remuneration plans

The equity remuneration plans are cash settled plans. Allianz Nederland accrues the fair value of the award as compensation expense over the vesting period.

Activities in the field of research and development

The Company is not engaged in such activities.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

The following amendments and revisions to existing standards became effective for the Allianz Nederland Group's financial statements as of 1 January 2021:

- IFRS 9, IAS 39, IFRS 4 and IFRS 16, Interest Rate Benchmark Reform (Phase 2)
- IFRS 4, Extension of the Temporary Exemption from Applying IFRS 9

These changes had no material impact on the Allianz Nederland Group's financial results or financial position.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In addition to the above-mentioned accounting pronouncements that recently issued, the following amendments, revisions to standards and interpretations have been issued by the IASB but are not yet effective for or have not been adopted early by the Allianz Group.

Standard/ Interpretation	Effective date
IFRS 3, Updating a reference to the Conceptual Framework	1 January, 2022
IAS 16, Property Plant and equipment: Proceeds before intended use	1 January, 2022
Annual Improvements to IFRS Standards 2018-2020 cycle (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	1 January, 2022
IAS 37, Onerous Contracts – Cost Fulfilling a Contract	1 January, 2022
IAS1, Classification of Liabilities as Current or Non-current	1 January, 2023
IAS 1, Disclosure of Accounting Policies, and IFRS Practise Statement 2, Making Materiality Judgements	1 January, 2023
IAS 8, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January, 2023
IFRS 17, Initial Application of IFRS 17 and IFRS 9 – Comparative Information	1 January, 2023

The amendments and interpretations are not expected to have a material impact on the financial position and financial results of Allianz Nederland Groep. Early adoption is generally allowed but not intended by Allianz Nederland Groep.

SUPPLEMENTARY INFORMATION TO THE BALANCE SHEET – ASSETS

3 - Property and equipment

€ 1,000

	2021	2020
Equipment	21,036	22,513
Right-of-use assets	51,011	55,236
Balance as at 31 December	72,047	77,749

€ 1,000

	2021	Equipment	Right-of-use asset
Purchase price	86,936	23,344	63,592
Accumulated depreciation	(9,187)	(831)	(8,356)
Carrying amount as at 1 January	77,749	22,513	55,236
Purchases	44	44	-
Recalculation	(603)	-	(603)
Depreciation	(5,143)	(1,521)	(3,622)
Carrying amount as at 31 December	72,047	21,036	51,011
Accumulated depreciation	14,330	2,352	11,978
Cost as of 31 December	86,377	23,388	62,989

Depreciation is computed using the straight-line method. Leasehold improvements are depreciated over the shorter of the estimated useful life (between 5 and 15 years) of the improvements and the respective lease terms. No property, plant and equipment has been pledged as security for liabilities.

The right-of-use asset at balance sheet 2021 is related to the new Allianz office Coolensingel 120, Rotterdam. The corresponding lease liability is recorded in other liabilities (Note 13). Further information about the lease arrangements is provided in Note 22.

Recalculation refers to a correction from previous year figures.

4 - Investments in subsidiaries

€ 1,000

	2021	2020
Balance as at 1 January	2,042,763	2,042,763
Acquisition	10,800	-
Balance as at 31 December	2,053,563	2,042,763

All risks associated with shares in related subsidiaries can be found on page 12 in paragraph *Principal risks and uncertainties*.

As at 31 December 2021, the Company holds the following shares:

Company	Country	Interest 2021 %	Interest 2020 %
Allianz Benelux N.V.	Belgium	100	100
Allianz Vermogen B.V.	Netherlands	100	100
Havelaar & van Stolk B.V.	Netherlands	100	100
Helviass verzekeringen B.V.	Netherlands	100	100
Allianz PPI B.V.	Netherlands	100	-

On 1 August 2021 Allianz Nederland Groep N.V. acquired 100% of the PPI activities from RABO/PGGM for an amount of EUR 10.8 mn, which included EUR 1.5 mn of own funds. Following the acquisition the entity was renamed Allianz PPI B.V.

Investments in subsidiaries are stated at cost less any accumulated impairment losses.

As at 31 December 2021, Allianz Nederland Groep did not recognize any adjustments on the impairment of its investments. Investments are considered to be impaired if objective evidence indicates that one or more events had a negative impact on the estimated future cash flows of that asset. Impairment losses are recognized if the recoverable amount is less than the carrying amount. Impairment losses are reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. The reversal is recognized in the statement of comprehensive income.

5 - Financial assets carried at fair value through income

€ 1,000

	2021	2020
Balance as at 1 January	1,762	1,833
Purchases	756	412
Sales	(656)	(467)
Result	157	(16)
Balance as at 31 December	2,019	1,762

These assets are directly linked to the share based Restricted Stock Units (RSU) plan, granted to the senior management (Note 23).

6 - Receivables from group companies

€ 1,000

	2021	2020
Receivables from group companies	33,554	41,217
Less receivables > 1 year (non-current assets)	-	-
Current assets	33,554	41,217

Group companies only relate to subsidiaries.

The receivables from group companies expire within one year.

7 - Deferred tax assets

The movement in the deferred tax position can be specified as follows:

€ 1,000

	2021	2020
Balance as at 1 January	139	15,651
Recognised in equity	(13)	151
Recognised in income	3,529	(15,663)
Balance as at 31 December	3,655	139

8 - Other assets

€ 1,000

	2021	2020
Receivables		
Other receivables	404	453
Prepaid expenses	4,756	4,250
Other assets	1,587	1,865
Total	6,747	6,568

The receivables and other assets expire within one year.

9 - Cash and cash equivalents

€ 1,000

	2021	2020
Balances with banks payable on demand	749	251
Cash pool balance payable on demand	2,506	-
Balance as at 31 December	3,255	251

The entity takes part in the cash pooling arrangement of Allianz SE, under which ANG is allowed to utilize an overdraft facility up to a maximum of EUR 10mn. The applied interest rate is the Overnight Rate (€STR). The €STR reflects the wholesale euro unsecured overnight borrowing costs of banks located in the euro area.

SUPPLEMENTARY INFORMATION TO THE BALANCE SHEET – EQUITY AND LIABILITIES

10 - Shareholders' equity

The shareholders' equity comprises the following:

€ 1,000	2021	2020
Issued capital	59,813	59,813
Share premium	1,855,666	1,855,666
(Accumulated losses) / Retained earnings	(197,603)	17,780
Profit for the year	301,300	64,868
Total	2,019,176	1,998,127

As at 31 December 2021 and 31 December 2020, the Company's authorized capital consists of 113,125 shares. The Company's issued capital as per 31 December 2021 and 31 December 2020 consists 59,813 fully paid-in shares. The company has issued only one type of shares which has a nominal value of € 1,000.

The issued shares are owned by Allianz Europe B.V. in Amsterdam. Allianz SE in Munich (Germany) is the ultimate parent company. For the year ended December 31, 2021 the Management Board will propose to shareholders at the General Meeting the distribution of a dividend of € 280.3 mn (€ 4,686,27 per share). This dividend has been distributed as interim dividend in 2021.

RETAINED EARNINGS

€ 1,000	2021	2020
Value stated as of 1/1	17,780	(280,629)
Transfer from revaluation reserve	-	46,161
Addition from profit	64,868	252,775
Dividend	(280,300)	-
Pensions IAS-19 gains/losses through equity	40	(527)
Value stated as of 31/12	(197,612)	17,780

11 - Loans from group companies

€ 1,000	2021	2020
Balance as at 1 January	50,000	32,721
Addition	-	65,000
Paid	(12,500)	(47,721)
Outstanding loans as at 31 December	37,500	50,000
Payable within 1 year	12,500	12,500
Non-current	25,000	37,500

Repayment of the loan is scheduled in 3 instalments of € 12.5 mn at the end of each year. The loan bears an interest rate of 0.2825% negative.

12 - Provisions

€ 1,000	2021	2020
Pensions and similar obligations	1,786	2,040
Restructuring plans	6,465	9,062
Other provisions	6,880	7,017
Value stated as of 31/12	15,131	18,119

PROVISION RESTRUCTURING PLANS

The provision for restructuring is related to the execution of the Allianz 2017 & 2019 restructuring plans. No discounting is applied.

The development of the Provision restructuring plans is as follows:

€ 1,000	2021	2020
Value stated as of 1/1	9,062	17,794
Additions	-	-
Usage	(897)	(2,732)
Transferred to group company	-	(6,000)
Value stated as of 31/12	8,165	9,062
Less: current	1,700	-
Non-current	6,465	9,062

Allianz strives for continuously simplicity and productivity improvements in especially the area of digitalization of processes. This will have an impact on our workforce in certain areas of the company. The expectation is that this provision will be settled in the period 2022 – 2024.

OTHER PROVISIONS

€ 1,000

	2021	2020
Staff related provisions	9,779	7,075
Other provisions	2,766	2,651
Total	12,545	9,726
Less: current	5,665	2,709
Non-current	6,880	7,017

The development of the other provisions were as follows:

€ 1,000

	2021	Staff related expenses	Other
Value stated as of 1/1	9,726	7,075	2,651
Additions to existing provisions	8,573	8,573	-
Release of provisions via payments	(6,235)	(5,869)	(366)
Amounts released	481	-	481
Value stated as of 31/12	12,545	9,779	2,766

13 - Other liabilities

€ 1,000

	2021	2020
Lease liability	63,310	68,806
Accounts payable to suppliers	15,987	13,328
Payables to employees	4,672	5,495
Repayment on Loan	12,500	12,500
Other	4,317	6,523
Value stated as of 31/12	100,786	106,652
Less: current other liabilities	37,476	37,846
Non-current other liabilities	63,310	68,806

The development of the lease liability was as follows:

€ 1,000

	2021	2020
Value stated as of 1/1	68,806	19,873
Additions	-	53,435
Recalculation	(603)	-
Payments	(5,188)	(4,685)
Interest	295	183
Value stated as of 31/12	63,310	68,806

Further information about the lease liability is provided in Note 22 Lease arrangements.

14 - Payables to group companies

€ 1,000

	2021	2020
Payables to group companies	218	201
Value stated as of 31/12	218	201

The payables to group companies expire within one year.

15 - Current tax liability

The movement in the current tax position can be specified as follows:

€ 1,000

	2021	2020
Balance as at 1 January	7,141	8,336
Increase / (Decrease)	32	(1,195)
Balance as at 31 December	7,173	7,141

This position mainly consists of payroll related taxes.

SUPPLEMENTARY INFORMATION TO THE INCOME STATEMENT

16 - Dividend income subsidiaries

The Company received cash dividends from subsidiaries of € 301.6 million (2020: € 62.0 million cash dividends).

17 - Operating expenses

€ 1,000

	2021	2020
Employee benefits	616	443
Other	6	3
Total	662	446

The employee benefits relate to the Restricted Stock Units (RSU) plan, refer to Note 23 for more details in respect to the plan.

18 - Income Taxes

The companies taxes are comprised of the following:

€ 1,000

	2021	2020
Current income taxes	(3,412)	18,949
Deferred income taxes	3,529	(15,663)
Total	117	3,286

The company is part of a fiscal unity for corporate income tax purposes together with group companies Allianz Vermogen BV, Havelaar & Van Stolk BV, Helviass Verzekeringen BV, Allianz PPI BV and Allianz Benelux SA (Dutch branches Life and Non-Life). Allianz Europe BV is at the head of this fiscal unity. The corporate tax is stated for each company according to the portion for which the company involved would be assessed if it were an independent tax payer, taking into account tax relief facilities available to the company.

Tax deferrals are recognized if a future reversal of the difference is expected.

The following table shows the reconciliation of the expected tax:

€ 1,000

	2021	2020
Anticipated tax rate in %	25.0%	25.0%
Profit before tax	301,183	61,582
Expected tax charge	(75,296)	(15,395)
Tax exempt dividend	75,400	15,500
Tax exempt cost	(100)	(124)
Result from tax rate change	113	2,332
Result of adjustments previous years revenue/(cost)	-	973
Total	117	3,286
Effective tax rate %	0.0%	5.3%

In 2022 the Dutch government plans to increase the general corporate income tax rate from 25.0% to 25.8%, a tax gain of € 113 was realized on the recalculation of the deferred tax position.

ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

19 - Risk Management

In this section an overview is given of the risk relevant for the holding company level. This includes credit, liquidity, strategic, operational and market risk.

STRATEGIC RISK

Strategic risk is the risk of unexpected negative change arising from the adverse effect of management decisions regarding business strategies and their implementation. To ensure the proper implementation of strategic goals in the current business plan, the Company monitors market conditions. In addition, strategic decisions are discussed in various Board of Management level meetings, also at the level of the subsidiaries. The assessment of the associated risk is a fundamental element in these discussions.

OPERATIONAL RISK

Operational risk represents losses resulting from inadequate or failed internal processes, from personnel and systems, or from external events - including legal and compliance risk but excluding losses from strategic risks. This risk is limited at holding level. However, in accordance with Solvency II regulation, its main subsidiary Allianz Benelux S.A. has implemented a framework to mitigate the risk of operational losses to an acceptable low level.

With COVID-19 it was decided to work remotely in line with government advice. The infrastructure and tools to do so were already in place at Allianz Benelux SA. This new way of working has not led to discontinuity of the operational processes.

CREDIT RISK

The company's exposure to credit risk is influenced mainly by the default risk of its subsidiary Allianz Benelux S.A. as in that case the Company may not be able to fulfill its obligations to the Dutch personnel base. This risk is assessed very low in view of the fact that Allianz Benelux S.A. holds even more capital than strictly required by Solvency II regulation. ANG is continuously monitoring the Solvency ratio of Allianz Benelux SA also in light of the impact of COVID-19.

LIQUIDITY RISK

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions. Similar as for credit risk, this would occur in case of delayed payments by the subsidiaries. Due to the nature of its

main subsidiary the liquidity risk is expected to be low and is closely monitored.

CASH FLOW RISK

The company operates as a holding company and hence has limited own expenses, the salary costs are charged through to the subsidiaries of Allianz Nederland Groep N.V.

As a result of the the derisking of the pension fund, the risk related to the pension premiums has been neutralized.

MARKET RISK

The objective of market risk management is to manage and control market risk exposures within acceptable parameters by assessing at the end of each reporting period whether there is any indication that assets may be impaired. Exposure to market risk is mainly related to companies in which it invests. However, the subsidiaries are not measured at market value but at historical cost on the balance sheet of Allianz Nederland Groep N.V. and therefore their value is not directly subject to market fluctuations.

The company's objective is to preserve its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

20 - Fair value

INVESTMENTS IN SUBSIDIARIES

If any indication exists that the shares in related parties may be impaired, the value in use of the asset is estimated in accordance with the steps as described in IAS 36. In case of an impairment indication, the fair value of equity securities is determined using a valuation technique. Valuation techniques employed include market multiples and discounted cash flow analysis using expected cash flows and a market-related discount rate.

OTHER ASSETS AND LIABILITIES

Due to the short-term nature for other assets and liabilities it is assumed that the notional amount reflects the fair value.

21 - Commitments and guarantees

Subsidiaries are involved in legal proceedings, involving claims by and against them, which arise in the ordinary course of their business. It is not feasible to predict or determine the ultimate outcome of the pending or threatened proceedings. Management does not believe that the outcome of the proceedings will have a material effect on the financial position or results of operations of the Group, after consideration of any applicable provisions.

Allianz Nederland occupies leased premises and has entered into various operating leases covering the long-term use of real estate, motor vehicles, data processing equipment and other office items.

As of December 31, 2021 the future minimum lease payments under non-cancellable operating leases were as follows:

€ 1,000	2021	2020
Due in 1 year or less	1,121	1,103
Due in more than 1 and up to 5 years	2,170	2,170
Due in more than 5 years	-	-
Total	3,291	3,273

As of the end of the year no amount had been granted in respect of guarantees (2020: € 0 mn)

22 - Lease arrangements

The maturities for lease liabilities were as follows:

€ 1,000	Future minimum lease payments		Interest		Present value of minimum lease payments	
	2021	2020	2021	2020	2021	2020
Due in 1 year or less	3,173	4,180	280	300	2,893	3,880
Due in more than 1 and up to 5 years	17,642	17,484	934	1,017	16,708	16,467
Due in more than 5 years	44,614	49,579	905	1,120	43,709	48,459
Value stated as of 31/12	65,429	71,243	2,119	2,437	63,310	68,806

The lease liability is related to the Allianz office in Rotterdam. For the calculation of the present value an incremental borrowing rate was applied of 0.45%

For the year ended 31 December 2021, the total cash outflow for leases amounted to € 6.8 mn (2020: € 8.2 mn). All lease expenses are charged to subsidiaries.

23 - Employee information

At the end of 2021 Allianz Nederland Groep N.V. employed a total of 932 (2020: 960) employees. The employees are located in the Netherlands.

€ 1,000	2021	2020
Salaries	68,214	70,061
Social security expenses	8,452	8,736
Pensions expenses / (income)	13,548	13,435
Total	90,214	92,232

All personal expenses are charged to subsidiaries. The members of the board of management are not remunerated.

SHARE BASED COMPENSATION PLANS

Shares purchase plan for employees:

Shares in Allianz SE are offered to qualified employees within predefined timeframes at favourable conditions. In order to qualify employees must have been employed in continuous service, or had a position as an apprentice, for a period of six months prior to share offer and notice of termination of employment must not have been served. Share purchase plans also include restrictions relating to the amount that the employee can invest in purchasing shares.

The shares are freely disposable after the expiration of the minimum holding period of three years. The number of shares sold to employees under these plans was 7,268 (2020: 7,319). The difference between the acquisition price and the market price of Allianz shares of € 49.46 (2020: € 41.94) was reported as part of compensation expense.

Restricted Stock Units (RSU) plan

Under the Allianz Sustained Performance Plan (ASPP), 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 RSU granted to a plan participant obligate the Allianz Group to pay in cash the average closing price of an Allianz SE share on the last day of the vesting period and the prior nine trading days, or to convert one RSU into one Allianz SE share. The pay-out is capped at a 200 % share price growth above the grant price. The restricted stock units vest after five years.

Allianz Group will exercise the restricted stock units on the first stock exchange day after their vesting date. On the exercise date Allianz Group can choose the settlement method for each restricted stock unit. In addition, upon the death of a plan participant, a change of control or notice for operational reasons, the RSUs vest immediately and will be exercised by the company. The RSUs are virtual stocks without dividend payments and a capped pay-out.

A summary of the number and the weighted-average grant date fair value of the non-vested restricted stock units are as follows:

€ 1,000				
	2021		2020	
	Number	Weighted average grant date fair value €	Number	Weighted average grant date fair value €
Nonvested as of 1/1	9,587	148	9,085	140
Granted	4,544	166	2,802	147
Outward to group companies	(992)	153	-	-
Exercised	(1,802)	135	(2,300)	113
Nonvested as of 31/12	11,337	157	9,587	149

The fair value is calculated by subtracting the net present value of expected future dividend payments until maturity as well as the fair value of the cap from the prevailing share price as of the valuation date. The cap is valued as a European short call option, using prevailing market data as of the valuation date.

The following table provides the assumptions used in calculating the fair value of the RSU 's at grant date:

		2021	2020
Share price	€	207.65	202.46
Average dividend yield	%	5.10	5.80
Average interest rate	%	(0.50)	(0.62)
Expected volatility	%	20.90	19.20

The restricted stock units are accounted for as cash settled plans as Allianz Group intends to settle in cash. Therefore, Allianz Group accrues the fair value of the restricted stock units as compensation expense over the vesting period. During the year ended 31 December 2021 Allianz Group recognized compensation expense related to the non-vested restricted stock units of € 451 (2020: € 443). Taking into account the expired portion of the vesting period, a provision of € 1,266 (2020: € 1,151) was established on December 31, 2021 and reported under the heading Other accrued liabilities.

24- Related parties' transactions

In the normal course of business Allianz Nederland Groep enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Transactions with related parties have taken place at arm's length basis.

All employees of Allianz Nederland as well as the employees of the Dutch Branches of Allianz Benelux NV are employed by Allianz Nederland Groep NV. Consequently, Allianz Nederland Groep NV is responsible for the personnel and salary administration. The vendor administration of Allianz Nederland and the Netherlands Branch of Allianz Benelux NV is centrally organized in Allianz Nederland Groep NV. Costs which are directly related to the participating companies, are directly assigned. Costs of Allianz Nederland Groep NV are allocated to the participating entities via allocation keys, without any surcharge.

Allianz Nederland Groep NV is part of the fiscal unity corporate tax Allianz Europe BV, Allianz Europe BV is responsible for the corporate tax declaration of the fiscal unity. For the settlement of corporate tax payments between Allianz Nederland Groep and

Allianz Europe BV it is decided to act as if the legal entities are individually liable for corporate tax. Allianz Nederland Groep NV is part of the fiscal unity VAT Allianz Nederland, Allianz Nederland Groep NV is responsible for the VAT declaration of its subsidiary companies as well as of the Netherlands Branch of Allianz Benelux NV, Allianz Nederland Groep NV is liable for VAT liabilities of the fiscal unity.

Allianz Nederland Groep NV is involved in the Allianz SE Cashpool facilities to transfer available liquidities on a daily basis.

25 - Independent auditor's fees

Independent auditor's fees can be specified as follows:

€ 1,000

	2021 PricewaterhouseCoopers Accountants N.V.	2020 PricewaterhouseCoopers Accountants N.V.
Audit of financial statements	49	48
Other audit engagements	-	-
Tax services	-	-
Other non-audit services	-	-
Total	49	48

The audit fee disclosed solely relates to the statutory audit of Allianz Nederland Groep N.V.

26 - Subsequent events

The Company was not subject to any subsequent events that significantly impacted the Company's financial results after the balance sheet date and before the financial statements were authorized for issue.

27 - Appropriation of profit

In accordance with article 25 of the articles of association, the General Meeting of Shareholders can dispose of the profit.

The proposed profit appropriation over 2021 is as follows:

€ 1,000	
	2021
Interim dividend 2021	280,300
Addition to the other reserves	21,000
Total profit to be appropriated	301,300

Rotterdam, 30 May 2022

Management board

S.L. Laarberg
(Chairman)
B. Bourgeois
(CFO)
A.J. Bradshaw
(until 15 July 2021)
K.L. van den Eynde
J.J. Louwerier
(as of 16 July 2021)

Supervisory board

N.J.M. van Ommen
(Chairman)
M.D. Donga
T. Lösler
(until 13 September 2021)
Vacancy
(as of 13 September 2021)

OTHER INFORMATION

28 - Appropriation of profit - Articles of Association

Provisions in the Articles of Association governing the appropriation of profit (article 25)

25.1 The General Meeting shall be authorized to allocate the profit determined by the adoption of the annual accounts and to make distributions, with due observance of the restrictions imposed by law.

25.2 Distributions on shares may only be made up to a maximum of the amount of the distributable equity and, if it concerns an interim distribution, this requirement has been met as evidenced by an interim statement of assets and liabilities as referred to in Article 2:105 paragraph 4 of the Dutch Civil Code. The Company shall file the statement of assets and liabilities at the office of the Trade Register within eight days after the day on which the resolution to make the distribution is announced.

25.3 The authority of the general meeting to make distributions shall apply both to distributions charged to profit not yet reserved and to distributions made on the occasion of the adoption of the annual accounts and to interim distributions.

25.4 A decision to make a distribution shall have no consequences as long as the management board has not given its approval. The managing board shall only withhold its approval if it knows or should reasonably foresee that the company will not be able to continue to pay its due and payable debts after the distribution.

29 - Independent auditor's report



Independent auditor's report

To: the general meeting and the supervisory board of Allianz Nederland Groep N.V.

Report on the financial statements 2021

Our opinion

In our opinion, the financial statements of Allianz Nederland Groep N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2021, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2021 of Allianz Nederland Groep N.V., Rotterdam.

The financial statements comprise:

- the balance sheet as at 31 December 2021;
- the following statements for 2021: the income statement, the statement of comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Accountants N.V.
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Independence

We are independent of Allianz Nederland Groep N.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of management is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the board of management and the supervisory board for the financial statements

The board of management is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of management should prepare the financial statements using the going-concern basis of accounting unless the board of management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The board of management should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

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The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 30 May 2022
PricewaterhouseCoopers Accountants N.V.

Original has been signed by A.R. Vermeulen RA MSc



Appendix to our auditor's report on the financial statements 2021 of Allianz Nederland Groep N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of management.
- Concluding on the appropriateness of the board of management's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/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 our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board 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.

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CREDITS AND FEEDBACK

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We would very much appreciate hearing what you think about this annual report and welcome your feedback via the following email address: communicatie@allianz.nl.

PUBLICATION

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This annual report is available in digital format only on the website www.allianz.nl.

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