



Allianz Nederland Groep N.V.
Annual Report 2022



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INTRODUCTION

About Allianz Nederland Groep N.V.

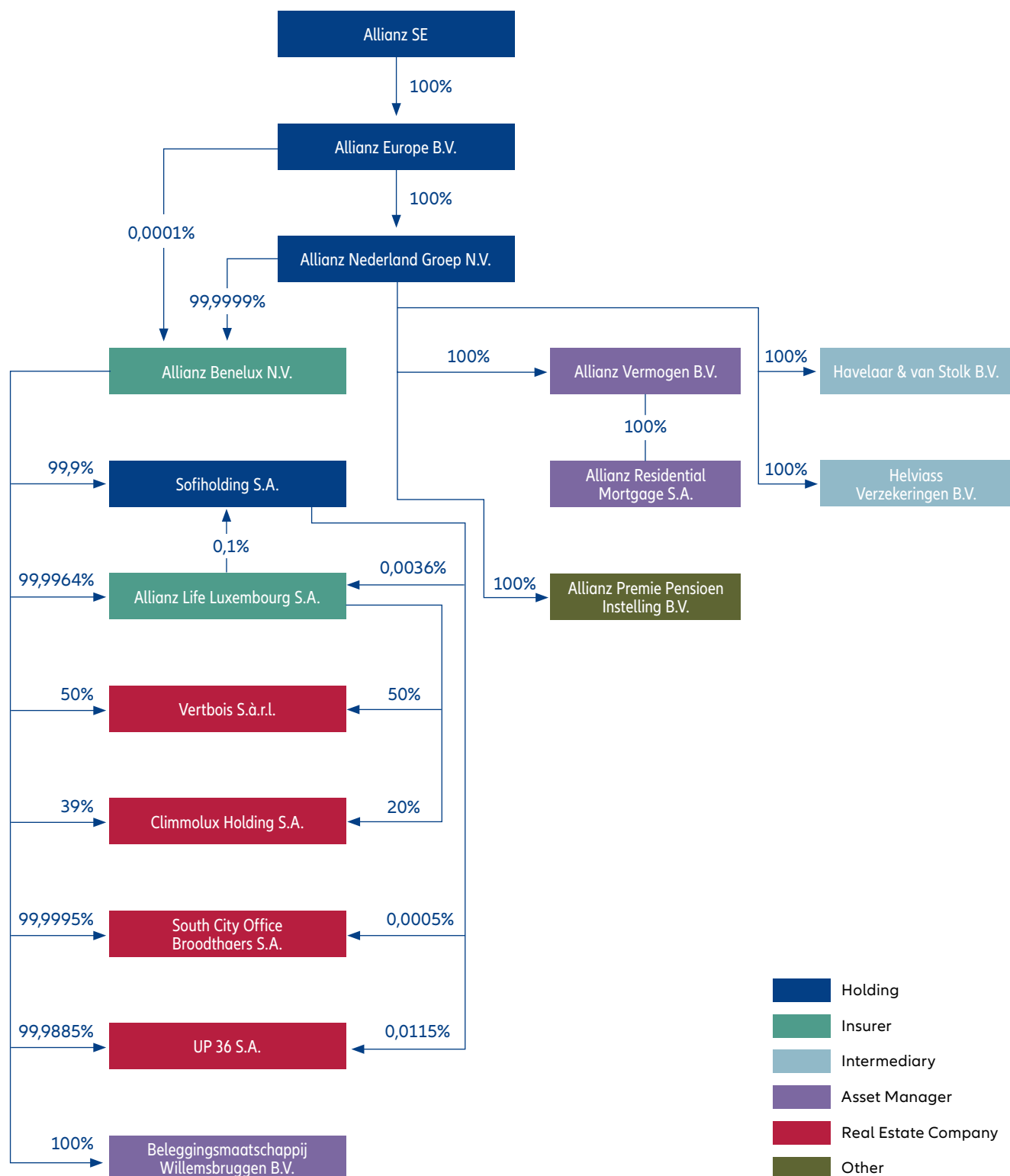
Allianz Nederland Groep N.V. (ANG) is a holding company, that holds the insurance and insurance related activities of Allianz SE in the Benelux. ANG employs the Dutch personnel and recharges the costs to its subsidiaries.

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 2022.

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 about 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 auditor issued regular reports, based on 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.

After the wind-down of the COVID-19 restrictions, all meetings took place at the Rotterdam office. On one occasion, a member of the Board of Management was unable to attend a meeting in person. The absent Board Member gave their input to the meeting beforehand and authorized a colleague to exercise their vote when needed.

The Supervisory Board held its annual performance evaluation directly after the meeting of 28 November 2022.

Topics discussed by the Supervisory Board in 2022 were:

1. The quarterly financial and business results.
2. The financial statements for 2021 including the findings of the external auditor, the audit report to the Supervisory Board and the management letter.
3. The appropriation of profits for 2021.
4. The distribution of interim dividends for the financial year 2022.
5. The budget for 2023.
6. The North Star strategic program, goals and ambitions.
7. Developments with regard to Allianz Direct and associated governance requirements.
8. The integration of business of Allianz Premie Pensioen Instelling B.V. .
9. Developments regarding unit linked insurances and the status of regulatory surveys.
10. Developments with regard to IT and operations, including the outsourcing of IT services to Allianz Technology SE (Gearshift).
11. Developments in the Dutch insurance market, the position of Allianz in the Benelux and mergers and acquisitions.
12. Developments regarding the captive broker subsidiaries.
13. Allianz Group own insurance solutions.
14. Reporting by the Internal Audit, Risk management and Compliance functions.
15. The implementation of the new work model Ways of Working and ESG measures.
16. Employee engagement and development prospects for employees.

Risk management

Risk control and risk management were repeatedly on the agenda. The Supervisory Board was informed by the external 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 Avais Karmali (as from 14 March 2022). 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 was given to the Supervisory Board by the chairman.

The Compensation Committee met once in 2022. 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" subsidiaries of 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 (tenure renewed per 14 March 2022) and chairman of the Compensation Committee (per 27 May 2019).
2. Mrs Monique Donga, member of the Supervisory Board (per 15 March 2019), Member of the Compensation Committee, recommended on behalf of the Works Council.
3. Mr Avais Karmali, member of the Supervisory Board, member of the Compensation Committee (per 14 March 2022) and recommended on behalf of the shareholder.

Mr Karmali 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. The Allianz Group diversity and inclusion target of 30% female representation on the Supervisory Board is therefore met.

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 2022, 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, 19 June, 2023

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 2022 of € 272.9 mn (2021: € 301.3 mn). The result of ANG mainly depends on dividends received from its subsidiaries, in 2022 € 273.1 mn (2021: € 301.6 mn).

The equity position remained very strong. The total shareholders' equity increased from € 2,019 mn to € 2,031 mn. Of the total assets 94% was financed via equity per year end 2022 (2021: 93%).

The liquidity position remained stable. No material outgoing cashflows substantially impacting our liquidity position are currently expected in 2023.

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. The standing orders remained unchanged in 2022.

No changes were made to the Board of Management in 2022.

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. In accordance with the Allianz Group diversity and inclusion targets and ambitions, 30% of the Managing Directors should be female.

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 Risk Management function reports on a quarterly basis to the statutory Board of Management on the main risks of the Company, the business and regulatory environment, opinions of actuarial function, the solvency position and the risk control framework.

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 Groep 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 N.V. (99,99%) is subject to Solvency II regulation. The main activity conducted in service of Allianz Benelux N.V. 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 for at least 12 months after the financial year-end 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

During 2022, an agreement was signed between Allianz Nederland Groep NV and Vanbreda Nederland to sell two brokers shares (Havelaar & van Stolk B.V. and Helviass Verzekeringen B.V.) in exchange for a minority participation in Vanbreda Nederland N.V.. This transaction finalized during the first quarter of 2023 without any material financial impact.

Due to upcoming salary indexations in several European countries as well as ongoing geopolitical uncertainty, inflation is expected to remain high following its rapid rise the previous year. This inflation paired with the large interest rates hikes by the ECB has impacted the ongoing recovery of the economic and debt stresses suffered during the COVID pandemic triggering uncertainty regarding the credit worthiness of existing corporate and government debt. Furthermore, climate change pressure is growing which can cause both transitional and physical costs to increase for insurers. 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, 19 June 2023

Management board

S.L. Laarberg
(CEO Netherlands, Chairman)
B. Bourgeois
(CFO)
K.L. van den Eynde
(CEO Belgium)
J.J. Louwerier
(Regional CEO)

Supervisory board

N.J.M. van Ommen
(Chairman)
M.D. Donga
A.A. Karmali
(as of 14 March 2022)

FINANCIAL STATEMENTS 2022 ALLIANZ NEDERLAND GROEP NV

BALANCE SHEET

Before profit appropriation
as at 31 December 2022

€ 1,000

	Note	2022	2021
Non-current assets			
Property and equipment	3	73,973	72,047
Investments in subsidiaries	4	2,054,463	2,053,563
Financial assets carried at fair value through income	5	2,840	2,019
		2,131,276	2,127,629
Current assets			
Receivables from group companies	6	28,499	33,554
Deferred tax assets	7	3,562	3,655
Other assets	8	7,802	6,747
Cash and cash equivalents	9	349	3,255
		40,212	47,211
Total assets		2,171,488	2,174,840
Shareholders' equity			
	10		
Share capital		59,813	59,813
Share premium		1,855,666	1,855,666
Accumulated losses		(157,078)	(197,612)
Unappropriated result for the period		272,865	301,300
Total equity		2,031,266	2,019,167
Non-current liabilities			
Loans from group companies	11	12,500	25,000
Provisions	12	12,584	15,131
Other liabilities	13	66,379	63,310
		91,463	103,441
Current liabilities			
Payables to group companies	14	280	218
Provisions	12	5,201	7,365
Current tax liability	15	6,090	7,173
Other liabilities	13	37,188	37,476
		48,759	52,232
Total liabilities		140,222	155,673
Total equity and liabilities		2,171,488	2,174,840

INCOME STATEMENT

for the year ended 31 December 2022

€ 1,000

	Note	2022	2021
Dividend income subsidiaries	16	273,142	301,600
Income from financial assets carried at fair value through income	5	107	157
Interest income		120	-
Other financial income		15	141
Financial income		273,384	301,898
Interest expense and similar expenses		-	(93)
Financial expenses		-	(93)
Net financial income		273,384	301,805
Operating expenses	17	(746)	(622)
Profit before tax		272,638	301,183
Income taxes	18	227	117
Profit for the year		272,865	301,300

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2022

€ 1,000	2022	2021
Profit for the year	272,865	301,300
Items that will not be reclassified to profit or loss		
Changes in actuarial gains and losses on defined benefit plans	(167)	54
Income tax relating to the actuarial gains and losses	43	(14)
Total items that may never be reclassified to profit or loss	(124)	40
Total comprehensive income	272,741	301,340

STATEMENT OF CHANGES IN EQUITY

€ 1,000

	Paid-in capital	Share premium	(Accumulated losses) / Retained earnings	Net income	Shareholders' equity
Balance as at 1 January 2021	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 profit previous years to reserves	-	-	64,868	(64,868)	-
Shareholders' dividend	-	-	(280,300)	-	(280,300)
Balance as at 31 December 2021	59,813	1,855,666	(197,612)	301,300	2,019,167
Net income	-	-	-	272,865	272,865
Other comprehensive income	-	-	(124)	-	(124)
Total comprehensive income	-	-	(124)	272,865	272,741
Transfer profit previous years to reserves	-	-	301,300	(301,300)	-
Shareholders dividend	-	-	(260,642)	-	(260,642)
Balance as at 31 December 2022	59,813	1,855,666	(157,078)	272,865	2,031,266

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

CASH FLOW STATEMENT

for the year ended 31 December 2022

€ 1,000	2022	2021
Increase/(Decrease)		
Loss for the year - excluding dividend income from subsidiaries	(504)	(417)
Dividend received from subsidiaries	273,142	301,600
Change in other assets and liabilities	6,003	(1,453)
Change other provisions	(2,139)	(8,245)
Income taxes	(3,997)	17,486
Net cash from operating activities	272,505	308,971
Property & equipment	-	(44)
Investment/acquisition PPI*	(900)	(10,800)
Financial assets carried at fair value	(714)	(756)
Net cash from investing activities	(1,614)	(11,600)
Lease net	(655)	(1,567)
Long term financing paid	(12,500)	(12,500)
Dividend paid to shareholders	(260,642)	(280,300)
Net cash from financing activities	(273,797)	(294,367)
Change in cash and cash equivalents	(2,906)	3,004
Cash and cash equivalents at 1 January	3,255	251
Cash and cash equivalents as at 31 December	349	3,255

*The value in 2021 represents the acquisition of Allianz PPI while in 2022 the value represents an increase of the capital.

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

Based on 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 19 June 2023. The financial statements will be put for adoption to the General Meeting of Shareholders on 19 June 2023. 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 Groep'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 on the expected future outflows. 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, right-of-use assets and lease liabilities for vehicle leases are 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 Groep's financial statements as of 1 January 2022:

- IFRS 3, Updating a Reference to the Conceptual Framework,
- IAS 16, Property, Plant and Equipment: Proceeds before Intended Use,
- IAS 37, Onerous Contracts – Cost of Fulfilling a Contract, and
- Annual Improvements to IFRS Standards 2018–2020 cycle (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41).

These changes had no material impact on the Allianz Nederland Groep'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
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
IAS 12, Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January, 2023
IFRS 17, Initial Application of IFRS 17 and IFRS 9 – Comparative Information	1 January, 2023
IAS 1, Classification of Liabilities as Current or Non-current	1 January, 2023
IAS 1, Non-current Liabilities with Covenants	1 January, 2023
IFRS 16, Lease Liability in a Sale and Leaseback	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

	2022	2021
Equipment	19,516	21,036
Right-of-use assets	54,457	51,011
Total as at 31 December	73,973	72,047

€ 1,000

	2022	Equipment	Right-of-use asset
Purchase price	86,377	23,388	62,989
Accumulated depreciation	(14,330)	(2,352)	(11,978)
Carrying amount as at 1 January	72,047	21,036	51,011
Purchases	-	-	-
Recalculation	7,089	-	7,089
Depreciation	(5,163)	(1,520)	(3,643)
Carrying amount as at 31 December	73,973	19,516	54,457
Accumulated depreciation	19,493	3,872	15,621
Cost as of 31 December	93,466	23,388	70,078

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 2022 is related to the 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 change in the expected development of the future indexation of the rent.

4 - Investments in subsidiaries

€ 1,000	2022	2021
Balance as at 1 January	2,053,563	2,042,763
Acquisition	-	10,800
Capital increase	900	-
Balance as at 31 December	2,054,463	2,053,563

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

As at 31 December 2022, the Company holds the following shares:

Company	Country	Interest 2022 %	Interest 2021 %
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	100

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

As of 31 December 2022, Allianz Nederland Groep did not recognize any adjustments on the impairment of its investments. Investments are 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	2022	2021
Balance as at 1 January	2,019	1,762
Purchases	767	756
Sales	(53)	(656)
Result	107	157
Balance as at 31 December	2,840	2,019

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	2022	2021
Receivables from group companies	28,499	33,554
Less receivables > 1 year (non-current assets)	-	-
Current assets as at 31 December	28,499	33,554

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	2022	2021
Balance as at 1 January	3,655	139
Recognised in equity	42	(13)
Recognised in income	(135)	3,529
Balance as at 31 December	3,562	3,655

8 - Other assets

€ 1,000	2022	2021
Receivables		
Other receivables	2,830	404
Prepaid expenses	3,309	4,756
Other assets	1,663	1,587
Total as at 31 December	7,802	6,747

The receivables and other assets expire within one year.

9 - Cash and cash equivalents

€ 1,000	2022	2021
Balances with banks payable on demand	349	749
Cash pool balance payable on demand	-	2,506
Balance as at 31 December	349	3,255

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	2022	2021
Issued capital	59,813	59,813
Share premium	1,855,666	1,855,666
Accumulated losses	(157,078)	(197,612)
Profit for the year	272,865	301,300
Total as at 31 December	2,031,266	2,019,167

As of 31 December 2022, and 31 December 2021, the Company's authorized capital consists of 113.125 shares. The Company's issued capital as per 31 December 2022 and 31 December 2021 consists of 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, 2022 the Management Board will propose to shareholders at the General Meeting the distribution of a dividend of € 260.642 mn (€2,304.02 per share). This dividend has been distributed as interim dividend in 2022.

ACCUMULATED LOSSES

€ 1,000	2022	2021
Balance as at 1 January	(197,612)	17,780
Transfer from revaluation reserve	-	-
Addition from profit	301,300	64,868
Dividend	(260,642)	(280,300)
Pensions IAS-19 gains/losses through equity	(124)	40
Balance as at 31 December	(157,078)	(197,612)

11 - Loans from group companies

€ 1,000	2022	2021
Balance as at 1 January	37,500	50,000
Addition	-	-
Paid	(12,500)	(12,500)
Balance as at 31 December	25,000	37,500
Payable within 1 year	12,500	12,500
Non-current	12,500	25,000

Repayment of the loan is scheduled in 2 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	2022	2021
Pensions and similar obligations	1,764	1,786
Restructuring plans	3,546	6,465
Other provisions	7,274	6,880
Balance as at 31 December	12,584	15,131

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	2022	2021
Balance as at 1 January	8,165	9,062
Additions	-	-
Usage	(2,119)	(897)
Balance as at 31 December	6,046	8,165
Less: current	2,500	1,700
Non-current	3,546	6,465

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 2023 – 2024.

OTHER PROVISIONS

€ 1,000	2022	2021
Staff related provisions	6,674	9,779
Other provisions	3,301	2,766
Total as at 31 December	9,975	12,545
Less: current	2,701	5,665
Non-current	7,274	6,880

The development of the other provisions were as follows:

€ 1,000	2022	Staff related expenses	Other
Balance as at 1 January	12,545	9,779	2,766
Additions to existing provisions	6,128	5,447	681
Release of provisions via payments	(9,046)	(8,552)	(494)
Amounts released	348	-	348
Balance as at 31 December	9,975	6,674	3,301

13 - Other liabilities

€ 1,000	2022	2021
Lease liability	66,379	63,310
Accounts payable to suppliers	15,380	15,987
Payables to employees	4,042	4,672
Repayment on Loan	12,500	12,500
Other	5,266	4,317
Balance as at 31 December	103,567	100,786
Less: current other liabilities	37,188	37,476
Non-current other liabilities	66,379	63,310

The development of the lease liability was as follows:

€ 1,000	2022	2021
Balance as at 1 January	63,310	68,806
Additions	-	-
Recalculation	7,089	(603)
Payments	(4,299)	(5,188)
Interest	279	295
Balance as at 31 December	66,379	63,310

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

14 - Payables to group companies

€ 1,000	2022	2021
Payables to group companies	280	218
Value as at 31 December	280	218

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	2022	2021
Balance as at 1 January	7,173	7,141
Increase / (Decrease)	(1,083)	32
Balance as at 31 December	6,090	7,173

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 € 273.1 million (2021: € 301.6 million cash dividends).

17 - Operating expenses

€ 1,000	2022	2021
Employee benefits	681	616
Other	65	6
Total	746	662

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	2022	2021
Current income taxes	362	(3,412)
Deferred income taxes	(135)	3,529
Total	227	117

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 N.V. (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 taxpayer, 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	2022	2021
Anticipated tax rate in %	25.8%	25.0%
Profit before tax	272,638	301,183
Expected tax charge	(70,341)	(75,296)
Tax exempt dividend	70,471	75,400
Tax exempt cost	(439)	(100)
Result from tax rate change	-	113
Result of adjustments previous years revenue	536	-
Total	227	117
Effective tax rate %	0.1%	0.0%

In 2022 the Dutch government increased the general corporate income tax rate from 25.0% to 25.8%.

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 company level. However, in accordance with Solvency II regulations, its main subsidiary Allianz Benelux N.V. has implemented a framework to mitigate the risk of operational losses to an acceptable low level.

Following the COVID-19 pandemic, remote work has become more prevalent. The infrastructure and tools to do so were already in place at Allianz Benelux N.V.. This new way of working has not led to the discontinuity of the operational processes.

FRAUD RISK

Fraud Risk represents the risk of unexpected financial, material or reputational loss as the result of fraudulent action of internal or external counterparties to the organization. The company's exposure to fraud risk comes mainly via its subsidiaries where sources of fraud can vary from employees, customers, brokers or other internal/external counterparties.

CLIMATE CHANGE RISK

The company's exposure to climate change risk is influenced mainly by the risk of its subsidiary Allianz Benelux N.V.. Climate change has the potential to materially affect the global economy and insurance business, especially in the long run. Risks arising from climate change can be seen already today and their

relevance will increase over the mid- and long-term. The most significant risks that have a material impact on the business of Allianz Benelux N.V., or are expected to have a material impact in the future, are:

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

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

- As an insurer providing insurance policies, e.g., covering health impacts, property damage or litigation claims, and through changes in the sectors and business models it underwrites.
- As a large-scale institutional investor with significant stakes in various economies, companies, infrastructure, and real estate that might be affected by the physical impact of climate change and by the transition to a low-carbon economy. This can directly influence the ability of assets to generate long-term value.

CREDIT RISK

The company's exposure to credit risk is influenced mainly by the default risk of its subsidiary Allianz Benelux N.V. 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 since Allianz Benelux N.V. holds even more capital than strictly required by Solvency II regulation. ANG is continuously monitoring the Solvency ratio of Allianz Benelux N.V. also in light of the impact of the war in Ukraine.

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 all allocated to the subsidiaries of Allianz Nederland Groep N.V.

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 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 entered into various operating leases covering the long-term use of real estate.

As of 31 December 2022 the future minimum lease payments under non-cancellable operating leases (such as motor vehicles, data processing equipment and other office items) were as follows:

€ 1,000	2022	2021
Due in 1 year or less	1,104	1,121
Due in more than 1 and up to 5 years	1,908	2,170
Due in more than 5 years	-	-
Total	3,012	3,291

As of the end of the year no amount had been granted in respect of guarantees (2021: € 0 mn)

22 - Lease arrangements

The maturities for lease liabilities were as follows:

	Future minimum lease payments		Interest		Present value of minimum lease payments	
	2022	2021	2022	2021	2022	2021
Due in 1 year or less	3,306	3,173	293	280	3,013	2,893
Due in more than 1 and up to 5 years	19,016	17,642	977	934	18,039	16,708
Due in more than 5 years	46,172	44,614	845	905	45,327	43,709
Value stated as at 31 December	68,494	65,429	2,115	2,119	66,379	63,310

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 2022, the total cash outflow for leases amounted to € 6.4 mn (2021: € 6.8 mn). All lease expenses are charged to subsidiaries.

23 - Employee information

At the end of 2022 Allianz Nederland Groep N.V. employed a total of 827 (2021: 932) employees. The employees are located in the Netherlands.

	2022	2021
Salaries	63,181	68,214
Social security expenses	8,344	8,452
Pensions expenses / (income)	11,804	13,548
Total	83,329	90,214

All personal expenses are charged to subsidiaries. Further detail about the pension expenses is provided in Note 12. 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. 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 9,888 (2021: 7,268). The difference between the acquisition price and the market price of Allianz shares of € 41.15 (2021: € 49.46) 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	2022		2021	
	Number	Weighted average grant date fair value €	Number	Weighted average grant date fair value €
Nonvested as at 1 January	10,782	158	9,587	151
Granted	5,408	142	4,544	166
Inward from group companies	1,717	159		
Outward to group companies	(81)	159	(1,547)	155
Forfeited	(127)	153		
Exercised	(1,909)	149	(1,802)	149
Nonvested as at 31 December	15,790	157	10,782	158

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:

		2022	2021
Share price	€	200.99	207.65
Average dividend yield	%	5.80	5.10
Average interest rate	%	(0.32)	(0.50)
Expected volatility	%	21.90	20.90

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 2022 Allianz Group recognized compensation expense related to the non-vested restricted stock units of € 574 (2021: € 451). Considering the expired portion of the vesting period, a provision of € 1,801 (2021: € 1,266) was established on 31 December 2022, and reported under the heading Other accrued liabilities.

24- Related parties' transactions

In the normal course of business Allianz Nederland Groep enters various transactions with related parties. Parties are related if one party can 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 N.V. 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 N.V. 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 N.V., 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	2022 PricewaterhouseCoopers Accountants N.V.	2021 PricewaterhouseCoopers Accountants N.V.
Audit of financial statements	54	49
Other audit engagements	-	-
Tax services	-	-
Other non-audit services	1	-
Total	55	49

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

26 - Subsequent events

During 2022, an agreement was signed between Allianz Nederland Groep NV and Vanbreda Nederland to sell two brokers shares (Havelaar & van Stolk B.V. and Helviass Verzekeringen B.V.) in exchange for a minority participation in Vanbreda Nederland N.V.. This transaction finalized during the first quarter of 2023 without any material financial impact.

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 2022 is as follows:

€ 1,000	2022
Interim dividend 2022	260,642
Addition to the other reserves	12,223
Total profit to be appropriated	272,865

Rotterdam, 19 June 2023

Management board

S.L. Laarberg
(CEO Netherlands, Chairman)
B. Bourgeois
(CFO)
K.L. van den Eynde
(CEO Belgium)
J.J. Louwerier
(Regional CEO)

Supervisory board

N.J.M. van Ommen
(Chairman)
M.D. Donga
A.A. Karmali
(as of 14 March 2022)

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









CREDITS AND FEEDBACK

IMPRINT

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.

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For identification
purposes only

