Agenda

A  Introduction  Oliver Bäte
Christof Mascher
Solmaz Altın

B  Modular health – disrupting the market  Aylin Somersan-Coqui

C  Digital Agency 2.0  Joachim Müller

D  Claims handling in the digital world  Birgit König

E  Genialloyd – profitable growth  Leonardo Felician

F  Smart home  Sylvie Ouziel

G  Allianz in the low interest rate environment  Dieter Wemmer

Disclaimer
A. Introduction

Oliver Bäte, CEO
Christof Mascher, COO
Solmaz Altın, CDO

Munich, November 30, 2016
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Question</th>
</tr>
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<tbody>
<tr>
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<td>How?</td>
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</table>
A. Introduction

We all know that we need to transform

Insurance is changing … … consumers too … … and time is of the essence
That is why Digital is an essential part of our Renewal Agenda
We have accomplished a lot already¹ …

- Efficiency of claims assessment process improved by 30-40%.
- Share of digital mailing at 90%.
- More than 10bn kilometers recorded.
- Site inspections 17 times faster than with traditional methods.
- Two data points are enough for a binding quote.
- In 2015 Allianz Craftsman Service handled 26,000 cases with NPS 84%.
- NPS improved from 4% to 26% in only 2 years.
- Collaboration to develop new agency concept was rated 4.8 on scale 1 - 5.
- Expectation to grow revenues by 35% p.a. until 2020.

¹ Data refers to selected parts of Allianz Group – please refer to respective presentations for details.

Today’s topics

- Allianz Turkey
- Allianz Germany
- Allianz Germany Health
- Genialloyd
- Allianz Global Assistance
- Global Digital Factory
- Telematics
- Property Solutions
- Digital Agency Turkey
- Fairfleet
A. Introduction

…but this is still only the beginning

- 2016: Laying the foundations
- 2017: Embedding digital culture
- 2018+: Accelerating and embedding digital culture
- 2018+: Harvesting the digital dividend
The good news – we have all it takes

A. Introduction

The good news – we have all it takes

Budget and scale

People, processes and products

Customers and brands

~ EUR 650mn investments in digitalization p.a.¹

Today’s event: best practice examples from Allianz Group

85mn customers
Strong global brands

¹) Total IT spend ~ EUR 3bn p.a.
1 Oliver Bäte Why?
2 Christof Mascher What?
3 Solmaz Altın How?
Customer experience as the ultimate goal – platforms as the connection – services strength as the differentiator

**Digital business model**

**Digital ecosystems**

Customers connect their assets to digital ecosystems.

Allianz: the platform connecting customers and insurance services in these ecosystems.

Provide **superior customer experience**

Use Allianz **platform** to connect to the customers

Deliver **services** leveraging existing networks and assistance skills

**A. Introduction**

Digital business model

Supply

Simple & convenient
Individual & tailor-made
Anywhere & anytime
Protected & private

Social
Mobile
Analytics
Cloud

**Digital culture**
A. Introduction

Through the Allianz digital ecosystem …

<table>
<thead>
<tr>
<th>Customer experience</th>
<th>Platforms</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>► Digital journeys: transformation of the core (NPS!)</td>
<td>► Agile hybrid 2-speed IT architecture</td>
<td>► Shift from traditional product logic to service logic</td>
</tr>
<tr>
<td>► New offers: transform, augment, substitute current services</td>
<td>► Integrated platform: customer, business, analytics, AI, robotics, security …</td>
<td>► Radical reduction of transaction costs</td>
</tr>
<tr>
<td>► Connect to the customer: mobile first</td>
<td>► Data, data, data</td>
<td>► Technologically shaped services</td>
</tr>
<tr>
<td>► No replication of chaos of analog world</td>
<td>► Open platform</td>
<td>► Transformation from push to pull</td>
</tr>
<tr>
<td>► Open platform</td>
<td>► Customer excellence</td>
<td>► Harmonization of products and services</td>
</tr>
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<td>► Latent &quot;new demand“</td>
<td>► New types of digital risks</td>
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Innovation
- Ideation, design thinking
- Allianz X

Digital
- Convergence global and local
- Network of global and local digital factories

Culture
- Co-creation, collaborative networks
- Agile
… Allianz connects with retail and commercial customers
Digital by Default ambition 2018 on track

Digital productivity gains EUR bn

A. Introduction

1.0

0.8

0.4

Ambition 2018

Mature initiatives

Early stage initiatives

Digital P/C business\(^1\)

GPW in EUR bn

CAGR ~ +8%

2015

2019e

Digital GPW as % of overall GPW

6.0

8.2

11.6%

Digital health claims

Allianz Private Krankenversicherung

2015

2016e

693

1,473

15%

33%

Allianz Worldwide Care

2015

2016e

572

674

85%

88%

\(^1\) Premium volume includes digital sales from Direct and B2B2C business

# digital business transactions ('000) … in % of all transactions

# digital retail claims ('000) … in % of all retail claims
A. Introduction

Agenda today

**Digital factories co-creation**
- Digital transformation (Solmaz Altın)
- Modular health (Aylin Somersan-Coqui)
- Digital Agency 2.0 (Joachim Müller)

**Guided tour Global Digital Factory**
- Digital Agency Turkey
- Allianz Property Solutions

**Global #1 service and assistance provider**
- Smart home (Sylvie Ouziel)

**Drone flight**

**Agile hybrid 2-speed IT architecture**
- Claims handling in the digital world (Birgit König)
- Genialloyd – profitable growth (Leonardo Felician)

**Telematics**

Presentations
Showcases in Global Digital Factory

© Allianz SE 2016
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A Single Digital Agenda to transform the Allianz core and to create new business

Single Digital Agenda
Shaping and organizing the digital transformation of Allianz Group together

Global Digital Factory
Conducting end-to-end digital journey transformation of existing business

Global digital partnerships
Become a key player and partner of choice in relevant ecosystems

Digital pure play
Develop and scale-up digital offerings and fully digital distribution models

Allianz X
Connect to start-up ecosystem to adopt from successful disruptors and benefit from company building

Advanced business analytics
Apply analytics to enhance and transform the Allianz value chain

Global management of platforms, infrastructure and services (AMOS\(^1\))

Increase NPS and retention
Create new business
Allianz X: build companies and connect to the start-up ecosystem

Start date: **1 January 2017**

**Fund structure**
- Group-wide vehicle
- Setup as general partners / limited partners structure
- Initial fund size EUR 430mn, OEs to participate as further limited partners

**Fields of activity**
- Company building (majority share)
- Venture investments (minority share)
- Fund-in-fund investments (international venture funds)

**CEO**
Peter Borchers (formerly hub:raum)

Enhance our core business and hedge against disruption
Global Digital Factory (GDF): we innovate globally

Agile development factories and labs

- Digital factory
- Digital lab

Global Digital Factory

- Driver of global digital initiatives
- Center of digital knowledge
- Role model for Allianz’ digital culture

plus local digital initiatives

Ibero-LatAm

Asia-Pacific
The factory approach: radical transformation of the way we work

**Way of working**

- Faster at scale
- Cost efficient
- Higher quality

**Digital transformation at scale**

**Design**

Market-led co-creation of digital customer journeys within the Global Digital Factory

**Develop**

Development and implementation by leading entities, supported by central team

**Deploy at scale**

Globally coordinated rapid scale up at all entities

© Allianz SE 2016
A. Introduction

New journeys will increase retention and NPS, thereby growing our business

The customer …

- ... sees personalized Allianz ad on Facebook
- ... browses visual and personalized content on landing page
- ... fills in interactive and visual questionnaire (PRIIPS compliant risk assessment)
- ... checks possible appointments at nearest brokers with matching competencies
- ... signs personal policy offer via phone, broker or online
- ... installs app that analyzes payment streams to help save money for pension
- ... sees pop-over for video- / text-advisory with broker
- ... receives personal product recommendation incl. adjustable graphical forecast on savings portfolio
- ... administers policy in customer portal and dashboard

Becoming aware — Discovering the need — Understanding options — Making the decision — Purchasing — Use

Illustrative

© Allianz SE 2016
Outlook: we will build new digital businesses at scale

### 2016
- Proof of concept successful with 10+ local entities participating
  - Motor claims
  - Life customer onboarding

### 2017
- 6 additional key journeys in 2017 to be transformed with 30+ OEs, e.g.
  - Health claims
  - Home claims
  - Motor onboarding

Deployment at scale of first journeys

### 2018+
- Further prioritized journeys to be implemented in 2017+

Overwhelming contribution from 10+ OEs in 2016

Participants represent > 50% of insurance premiums

+ global lines
B. Modular health – disrupting the market

Aylin Somersan-Coqui
CEO Allianz Turkey

Munich, November 30, 2016
Turkey at a glance

**Key data 2015**

- Population: 79mn
- GDP (EUR): 647bn
- GDP/capita (EUR): 8,300
- Inflation: 8.8%
- Insurance penetration\(^1\): P/C&H 1.3% Life 0.2%
- Country rating (S&P): BB+
- FX rate: EUR 1 = TRY 3.02\(^2\)

**Market specifics**

- P/C&H market composition: motor 48%, fire 14%, health 13%, casualty 10%, others 15%
- P/C&H distribution: agency 66%, bank 14%, broker 12%, other 8%
- Life distribution: bank 80%, agency 7%, broker 3%, other 8%
- Life distribution: bank 80%, agency 7%, broker 3%, other 8%
- Fragmented market with ~40 players in P/C&H; life and pension markets dominated by captives of banks\(^3\)
- Market showing signs of hardening in MoD, prices doubled in MTPL

**Market size and growth (CAGR)**

<table>
<thead>
<tr>
<th>Year</th>
<th>GPW, TRY bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>24.2</td>
</tr>
<tr>
<td>2014</td>
<td>26.0</td>
</tr>
<tr>
<td>2015</td>
<td>31.1</td>
</tr>
<tr>
<td>2016e</td>
<td>39.8</td>
</tr>
</tbody>
</table>

**Pension AuM (CAGR)**

<table>
<thead>
<tr>
<th>Year</th>
<th>TRY bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>26.3</td>
</tr>
<tr>
<td>2014</td>
<td>37.8</td>
</tr>
<tr>
<td>2015</td>
<td>48.0</td>
</tr>
<tr>
<td>2016e</td>
<td>61.2</td>
</tr>
</tbody>
</table>

**Market shares in % (2015)**

- P/C&H (GPW)
- Life (GPW)
- Pension (AuM)
- Combined ratio (%\(^4\))

**B. Modular health – disrupting the market**

1) Sigma, GPW in % of GDP
2) FX rate as an average for 2015
3) Insurance companies owned by banks
4) Local GAAP (2015)
Allianz Turkey (1/2)

Revenues (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>P/C&amp;H</th>
<th>L/P</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,082</td>
<td>854</td>
<td>1,936</td>
</tr>
<tr>
<td>2015</td>
<td>1,312</td>
<td>985</td>
<td>2,297</td>
</tr>
</tbody>
</table>

Operating profit (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>P/C&amp;H</th>
<th>L&amp;P</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>90</td>
<td>26</td>
<td>116</td>
</tr>
<tr>
<td>2015</td>
<td>90</td>
<td>54</td>
<td>144</td>
</tr>
</tbody>
</table>

Combined ratio (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Loss ratio</th>
<th>Expense ratio</th>
<th>Combined ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>75.1</td>
<td>22.6</td>
<td>97.8</td>
</tr>
<tr>
<td>2015</td>
<td>79.0</td>
<td>23.1</td>
<td>102.2</td>
</tr>
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</table>

New business margin (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>P/C&amp;H</th>
<th>L&amp;P</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>4.8%</td>
<td></td>
<td>4.8%</td>
</tr>
<tr>
<td>2015</td>
<td>4.3%</td>
<td></td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Highlights

- More than 5.3 million customers
- ~3,900 agents and 99 brokers
- Co-operation with 501 car dealers
- 2,481 employees
- Collaboration with HSBC and Yapı Kredi Bank
- Customer loyalty leader in terms of NPS

Legal setup

1998 Market entry
2013 Allianz acquires Yapı Kredi Sigorta
Ownership P/C&H (AZS) 96% Allianz
Ownership L&P (AZYE) 80% Allianz
Ownership L&P (AZHE) 88% Allianz

1) Local currency
B. Modular health – disrupting the market

Allianz Turkey (2/2)

2015 Product mix (GPW)

P/C & H
- Other 6%
- Casualty 4%
- Fire 10%
- Health 31%

Motor 49%

L/P
- Life savings 2%
- Life risk 16%
- Pension 81%

2015 Distribution mix (GPW)

Sal. sales force 1%
- Car dealers 8%
- Banks 8%
- Corporate 23%
- Agents 59%

Profitability

RoE (%)¹

2014 15.1
2015 14.9

2014 3.3
2015 6.9

¹ Excl. unrealized gains/losses on debt securities (net of shadow DAC) and goodwill
High potential in Turkish health insurance market: low penetration, young population and accelerated healthcare investments

Turkey 2015¹

Europe 2015¹

¹ Source UN Population Division Department of Economic and Social Affairs
High potential in Turkish health insurance market: low penetration, young population and accelerated healthcare investments

Turkey 2015

Below 25 yrs: Turkey 42.3%

Healthcare expenditure expected to grow

Total health expenditure (THE)

OECD: 9.0%
Turkey: 5.2%


Aging population and increasing healthcare costs pressurize sustainability of social security system

Private health insurance (PHI) penetration

EUROPE avg.: 0.50%
Turkey: 0.18%

---

1) Source UN Population Division Department of Economic and Social Affairs
2) As % of GDP; source OECD Health Statistics 2016
3) Premiums to GDP; source Insurance Europe (European insurance and reinsurance federation)
Allianz Turkey health at a glance

Dominant leader
in GPW and profitability
(98% CR vs 102% market)

36.5%
market share

882,000
customers

70%
straight through
processing in claims

932 hospitals / diagnostic centers
2,030 pharmacies
612 physicians

90%
of claims in own network

Widest medical network
in the market

Direct settlement
with hospital

2,030 pharmacies
612 physicians

90% of claims in own network

932 hospitals / diagnostic centers

Fast reimbursement through
invoice upload to mobile app

36.5%
market share

B. Modular health – disrupting the market
The challenge: private health insurance with limited product variety and too expensive for mass segment

Challenges to overcome

- Two different product portfolios and customer expectations after merger with YK (9 products, 96 different plans)
- Fierce competition
- Increasing costs: medical inflation > consumer price index
- Customers require advice given product complexity
- Expensive and standardized product. Difficulty in reaching mass segment
The solution: modular health to attract more customers

Modular product taps into wide range of customer segments

Segments
- Top service seekers
- Quality seekers
- Value PHI seekers
- Low-mid income
- Low income

B. Modular health – disrupting the market
The solution: modular health «custom made for you»
The solution: modular product tailored to meet customer needs with flexible features

### Modular health product features

- **Inpatient**
  - Base package (compulsory)
  - Limit
  - Co-payment
  - Deductible
  - Coverage abroad
  - Personal accident / life insurance

- **Outpatient**
  - Optional
  - Limit
  - Co-payment
  - Medication
  - Coverage abroad

- **Maternity**
  - Optional
  - Limit
  - Routine controls
  - Newborn limits

- **Dental & vision**
  - Optional
  - Limit
  - Co-payment
  - Prestige package

- **Additional services**
  - Optional
  - Check-up

---

1) Customers can choose 2-6 options per feature; exception Prestige package
The solution: modular health solves pain points in the customer experience

<table>
<thead>
<tr>
<th>Pain point</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult to compare plans and prices</td>
<td>Immediate price comparison possible for each option change</td>
</tr>
<tr>
<td>Complexity in policy design</td>
<td>New user friendly design</td>
</tr>
<tr>
<td>Lack of clear options (i.e. price, coverage)</td>
<td>High degree of flexibility in choosing all options to tailor to individual requirements</td>
</tr>
<tr>
<td>Complex coverages, terms and conditions</td>
<td>User friendly guidelines and digital support</td>
</tr>
<tr>
<td>Time of contract delivery</td>
<td>Digital delivery, automated system to reduce time</td>
</tr>
<tr>
<td>Time to finalize offer</td>
<td>Higher straight through processing in policy production</td>
</tr>
</tbody>
</table>
B. Modular health – disrupting the market

The result: a winning solution in all aspects

New business growth (TRY mn, 12M)

<table>
<thead>
<tr>
<th></th>
<th>Old products</th>
<th>Modular products</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 14 - March 15</td>
<td>87.8</td>
<td>20.8</td>
</tr>
<tr>
<td>April 15 - March 16</td>
<td>116.1</td>
<td></td>
</tr>
</tbody>
</table>

+56%

Optimized treatment costs

Customers able to select hospital network that fits their needs

- Lower treatment costs
- Customer co-payment decreases
- Policy renewal loss ratio improves

Selection of lower cost medical network increased from 2% to 39% after introduction of modular product

NPS\(^1\) results

<table>
<thead>
<tr>
<th></th>
<th>Other</th>
<th>Modular</th>
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<td></td>
<td>34%</td>
<td>48%</td>
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Lower costs

Increased new sales

Win

Higher customer satisfaction

Win

Win

Win

Win

---

1) NPS is based on likelihood to recommend Allianz based on modular health purchasing process; 'other' captures all products except modular health
Allianz Turkey shapes the market with innovative products and services

Everyone needs a doctor friend!!
Dr. Allianz is a 24/7 dedicated healthline offering these services
- Medical information
- Steering
- Preventive advice
- Doctor home visit
- Lab at home

Next to come
- Chronic disease management
- Network and doctor rating and engagement tools to increase customer adherence
- 7 million diabetes patients in Turkey

Aspiration
Own the health space in Turkey
Dominant leader
Lifetime health partner
Pioneering solutions

Expanding beyond core capabilities
C. Digital Agency 2.0

Joachim Müller
Member of the Board
Allianz Deutschland AG
CEO Allianz Beratungs- und Vertriebs-AG

Munich, November 30, 2016
Germany at a glance

Key data 2015

- Population: 81.5mn
- GDP (EUR): 3,026bn
- GDP/capita (EUR): 37,129
- Inflation: 0.5%
- Insurance penetration: P/C 3.4% Life 2.9%
- Country rating (S&P): AAA

Market specifics

P/C
- Mature market, strong competition

Life
- Challenging business environment due to volatile financial markets and low interest rates
- Market trend towards new products

Health
- 2-pillar system with compulsory statutory health insurance, supplementary private health insurance and comprehensive private health insurance

Market size and growth (GPW, EUR bn)

- CAGR +1.9%

<table>
<thead>
<tr>
<th>Year</th>
<th>P/C</th>
<th>Life</th>
<th>Health</th>
</tr>
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<tbody>
<tr>
<td>2013</td>
<td>61</td>
<td>91</td>
<td>36</td>
</tr>
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<td>2014</td>
<td>63</td>
<td>94</td>
<td>36</td>
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<td>64</td>
<td>93</td>
<td>37</td>
</tr>
<tr>
<td>2016e</td>
<td>66</td>
<td>91</td>
<td>37</td>
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Market shares 2015 (GPW, %)

- C 2
Allianz Germany (1/2)

Revenues\(^1\) (EUR bn)

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<th>2014</th>
<th>2015</th>
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<tr>
<td>P/C</td>
<td>9.3</td>
<td>9.5</td>
<td>9.6</td>
</tr>
<tr>
<td>Life</td>
<td>17.0</td>
<td>19.0</td>
<td>17.7</td>
</tr>
<tr>
<td>Health</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Bank</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>CAGR</td>
<td>+1.7%</td>
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</tbody>
</table>

Operating profit\(^1\) (EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>P/C</td>
<td>1,596</td>
<td>1,304</td>
<td>1,216</td>
</tr>
<tr>
<td>Life</td>
<td>656</td>
<td>1,079</td>
<td>1,257</td>
</tr>
<tr>
<td>Health</td>
<td>862</td>
<td>31</td>
<td>40</td>
</tr>
<tr>
<td>Bank</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>CAGR</td>
<td>+30.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Combined ratio\(^1\) (%)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>99.5</td>
<td>91.5</td>
<td>91.9</td>
</tr>
<tr>
<td>Expense ratio</td>
<td>73.4</td>
<td>65.7</td>
<td>66.8</td>
</tr>
<tr>
<td>9M 16</td>
<td>26.1</td>
<td>25.8</td>
<td>25.1</td>
</tr>
<tr>
<td>9M 16</td>
<td>93.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

New business margin (%)\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>2.8</td>
<td>2.5</td>
<td>2.1</td>
</tr>
<tr>
<td>Health</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>P/C</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Bank</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>CAGR</td>
<td>+1.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Highlights

- Leading market position
- ~20mn retail customers
- Leading P/C insurer in Germany with nearly 2x market share of number 2
- Market leader in Life with respect to AuM, GPW, new business and corporate pensions
- Strong player in health insurance with an 8.8% market share in 2015

Legal setup

- 1890 Formation of Allianz as an accident and transport insurance company
- 1918 Entry into the motor insurance business
- 1922 Formation of Allianz Lebensversicherungs-AG
- 1990 Takeover of the East German state insurance authority
- 2001 Minority buy-outs
- 2005 Foundation of a direct business entity, initially named Allianz 24, renamed into AllSecur in 2009
- 2006 Foundation of Allianz Deutschland AG

1) IFRS
Allianz Germany (2/2)

Product mix (GPW)

- **P/C 2015**
  - Other 13%
  - Liability 12%
  - Accident 14%
  - Motor 37%
  - Property 25%

- **L 2015**
  - Corporate 41%
  - Retail 59%

- **H 2015**
  - Supplementary 21%
  - Comprehensive 79%

Distribution mix (GPW)

- **Direct 2%**
- **Other 3%**
- **Agents 68%**
- **Banks 4%**
- **Automotive 8%**
- **Brokers 15%**

Market shares 2015 (GPW, %)

- **Talanx**
- **AXA**
- **HUK R+V**
- **ERGO**
- **Generali**
- **Debeka**
- **ERGO**
- **AXA**
- **Signal**

1) GDV 08/2016; local GAAP; Life incl. internal pension funds
The digital transformation of Allianz Germany’s proprietary channel

Since 2011
“Fixing the basics”

- Needs-based advisory process
- Targeted customer approach
- Systematic sales support
- Professional agency processes

Salesmen in Pro3

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2017e incl. wave 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>5,503</td>
<td>6,848</td>
<td>7,819</td>
<td>8,500 - 9,000</td>
<td></td>
</tr>
</tbody>
</table>

Since 2015
“Digital transformation”

- (Web) presence & lead management
- Digital Agency 2.0
- After sales & service
- Advice & sales

Change management guiding the digital transformation: 70,000 days of training and coaching in the last 4 years

1) For more information on Pro3, please refer to www.Allianz.com
2) Green bubbles represent share of Pro3 salesmen in % of total salesmen
Digital Agency 2.0: tied agents as integral part of the digital value chain

Key components:
- Social media: Facebook, XING, LinkedIn
- Agency homepage
- New opportunities to communicate with customers
- Online scheduling & lead management
- Digital online & offline advisory
- Comparison app
- eSign
- Digital Specialist Unit (DSE)
- Claims app
- Health app
- Meine Allianz & Allianz Vorteilsprogramm (customer loyalty program, e-mail replaces letter)

After sales & service
Advice & sales
(Web) presence & lead management

Digital services
Online agency evaluation
Digital Agency 2.0
ABP
Higher customer satisfaction and lead conversion with digital customer journey

(Web) presence & lead management

Google search

Allianz.de

Agent selection

Agency webpage

Contact

Rank 1 in Google results

35.1mn visits\(^1\) +53% (YoY)

Best match agent offered based on regionality, competency and online affinity

9.7mn visits\(^1\) +66% (YoY)

Contact via all channels

© Allianz SE
Setting new standards in advisory quality – online and offline

Excellence in advisory

(Web) presence & lead management

Advice & sales

After sales & service

Offline

Only agent network with significant coverage in every region

Only agent network with significant coverage in every region

Online

>70,000 online meetings within only 5 months

Online support & training

Digital Specialist Unit (DSE)
Go live 01/2016

>6,000 Salesmen in webinars and trainings

~30,000 Calls per month (10/2016)
90% Reachability

As of 21/10/16

C. Digital Agency 2.0

1) Reachability: DSE salesman answers a call within 30 seconds
Holistic and convenient after sales process ensures sustainable customer satisfaction

80% with score ≥4.9

>7,000 evaluations in just two months enhance agents’ credibility

Online agency evaluation

Digital interaction

Meine Allianz

Digital insurance admin system + benefit and loyalty program

“Meine Allianz”

Claims app

“Claims app” – covers all customer needs

Health app

“Health app” – convenient, safe, digital

Ad hoc support, quick coverage, fast interaction and payment

After sales & service

(W) presence & lead management

Advice & sales

Rollout 08/2016

Evaluation of agencies, as of 09/2016
Significant positive impact in all sections of the customer journey\(^1\)...

### Agency homepage
- **Visits per agency homepage per month**
  - 2015: 92, 2016: 247 (+168%)
  - 2015: 1.2, 2016: 1.9 (+58%)

### Social media
- **Tied agent with commercial FB\(^3\) page**
  - 2015: 2,430, 2016: 3,337 (+37%)
- **Weekly reach\(^4\)**
  - 2015: 800,000, 2016: 1,500,000 (+88%)

### Online advisory
- **Online consulting appointments per month**
  - 2015: 3,400, 2016: 14,700 (+332%)

---

1. 09/2016 vs 09/2015
2. SISTRIX Visibility index: the SISTRIX Visibility index is a reference number for a domain’s visibility in Google’s search result pages. The higher the value, the more visitors the domain is expected to gain from Google
3. FB: Facebook
4. Weekly reach: number of people who see tied agents’ posts on Facebook within one week
... outperforming the competition in customer contact frequency, ...

Advantage over competition¹

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2Q 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency of customer contact</td>
<td>45%</td>
<td>51%</td>
<td>81%</td>
</tr>
</tbody>
</table>

NPS²

- 2014: Ø 4.0
- 2015: Ø 16.9
- 10/2016: Ø 27.6

... leading to significantly increased customer satisfaction ...

Ambition: market leader in customer centricity

¹ Allianz Kundendialog, 2Q 2016
² In 2016, 30 interviews with customers per agency (in total ~250,000) via market research institute; survey includes four dimensions: recommendation, ratings on advisory parameters, contact frequency and occasions, questions about satisfaction with needs-based advisory process; additionally varying "question of the month"
... and resulting in sustainable growth

Agent productivity at all-time high

P/C\(^1\), new business\(^2\) (in ‘000)

\[
\begin{align*}
2013: \ & 62 \\
2014: \ & 63 \\
2015: \ & 65 \\
2016e: \ & 68
\end{align*}
\]

+10%

Life, new business\(^3\) (in ‘000)

\[
\begin{align*}
2013: \ & 538 \\
2014: \ & 633 \\
2015: \ & 591 \\
2016e: \ & 656
\end{align*}
\]

+22%

Health, new business\(^4\)

\[
\begin{align*}
2013: \ & 303 \\
2014: \ & 335 \\
2015: \ & 363 \\
2016e: \ & 415
\end{align*}
\]

+37%

New business (in ‘000)\(^5\)

\[
\begin{align*}
2013: \ & 75 \\
2014: \ & 81 \\
2015: \ & 83 \\
2016e: \ & 89
\end{align*}
\]

+19%

---

1) 2013 and 2014 w/o CapitalPlus and APR single premiums according to the logic of 2015
2) Average GPW of new business per agent
3) Weighted premium sum new business (Bewertungssumme) p.a. per agent
4) Average monthly new business premium per agent
5) Ausschließlichkeitsorganisation, i.e. tied agents incl. salaried sales force (w/o specialized sales force); valuation of average total new business business per tied agent
Digital Agency 2.0 as role model for Allianz’ digital journey

Enable full digital relationship between customers and agents – improve customer experience along all relevant touchpoints with agents – develop indicator for digital readiness of agencies

1. Homepage optimization
2. Online counselling & online scheduling
3. Lead management / marketing suite
4. Sales method
5. Tablets / sales tools
6. KPIs & transparency

Note: flags represent OEs which aligned on digital agency standards and in which those are initially implemented. Current status varies by OE.
D. Claims handling in the digital world

Birgit König
CEO Allianz Private Krankenversicherungs-AG

Munich, November 30, 2016
German health insurance market at a glance

Market size and growth (GPW, EUR bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Supplementary</th>
<th>Comprehensive</th>
<th>CAGR +1.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>8.3</td>
<td>27.8</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>8.5</td>
<td>27.8</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>8.7</td>
<td>28.1</td>
<td></td>
</tr>
<tr>
<td>2016e</td>
<td>24%</td>
<td>76%</td>
<td></td>
</tr>
</tbody>
</table>

Product mix 2015 (GPW)

<table>
<thead>
<tr>
<th>Product Type</th>
<th>GPW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplementary</td>
<td>24%</td>
</tr>
<tr>
<td>Comprehensive</td>
<td>76%</td>
</tr>
</tbody>
</table>

Channel mix 2015 (new business total)

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks</td>
<td>5%</td>
</tr>
<tr>
<td>Brokers</td>
<td>34%</td>
</tr>
<tr>
<td>Tied agents</td>
<td>52%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
</tr>
</tbody>
</table>

1) GDV as of April 6th, 2016
Sources: PKV data as of May 23rd, 2016 (preliminary), Towers Watson Survey 2015
Allianz Health Germany at a glance

GPW (EUR mn)

| Year | Comprehensive | Supplementary | CAGR
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,607</td>
<td>657</td>
<td>-0.1%</td>
</tr>
<tr>
<td>2014</td>
<td>2,587</td>
<td>658</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2,573</td>
<td>684</td>
<td></td>
</tr>
</tbody>
</table>

Operating profit (EUR mn)

| Year | Comprehensive | Supplementary | CAGR
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>201</td>
<td></td>
<td>+3.0%</td>
</tr>
<tr>
<td>2014</td>
<td>209</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>214</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

New business (EUR k)

| Year | Comprehensive | Supplementary | CAGR
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>6,092</td>
<td>3%</td>
<td>+5.4%</td>
</tr>
<tr>
<td>2014</td>
<td>6,275</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>6,772</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

Channel mix²

- Tied agents: 19%
- Brokers: 77%
- Banks: 3%
- Other: 1%

Highlights

- Two-pillar German health system unique in the world
- No long-term guarantees plus ability to adjust premiums reduce interest rate sensitivity substantially
- Demographic trends negative for industry, stable premium income strong achievement
- Allianz Health offers strong coverage and superior financial strength
- On top, Allianz Health is working on simplifying its product design, streamlining its cost base and offering delightful customer journeys

Legal setup

- 1890 Formation of Allianz as an accident and transport insurance company
- 1927 Formation of Vereinigte Krankenversicherungs-AG¹, later renamed in Vereinte Krankenversicherung AG
- 1996 Takeover of Vereinte Group by Allianz (incl. Vereinte Krankenversicherung AG)
- 2003 Renaming in Allianz Private Krankenversicherungs-AG
- 2006 Foundation of Allianz Deutschland AG, since then sole shareholder of Allianz Private Krankenversicherungs-AG

Notes:
1) Original name "Kosmos" Kranken- und Sterbegeldversicherungbank AG
2) New business, 2015

D. Claims handling in the digital world
The challenge: processing > 53,000 claims every day

- **53,033** claims received per working day
- **€ 8-11mn** claims paid out per day
- **> 95t** weight of claims processed per year*

- **21.9mn** documents processed per year
- **12.6mn** claims without correction
- **573k** claims with correction

* If all submitted paper-based
The solution: full digitalization of claims management to ensure a hassle-free and efficient process for customers and Allianz

1. Claims app
2. Automated processing
3. Online tracking
4. “Best-of” bonus check
One-click claims submission per app

Number of claims submitted via app
January 2013 – October 2016

Go-live photo app

~ 10%\(^1\) of claims submitted via app

1) In total 33% of claims submitted digitally
Artificial intelligence in operations

Issue

- Reduction potential of complex claims unknown to claims manager before time is invested in going through the claim item by item
- Inefficient allocation of time between “low value” and “high value” claims (often based on rules of thumb)

Solution:
spline-based regression models

- Spline-based regression model with over 370 individual input variables
- Instant feedback of recent invoice settlement decisions into prediction model for self-learning
- Prediction of correction potential
- In case of potential, routing to the appropriate claims specialist

2018 target: 85% of invoices checked automatically
24/7 transparency through status tracking and bonus check

**Online status tracking**
- Online tracking of claims status in Allianz’ customer portal
- Display of expected processing time
- Free SMS and e-mail service in every case (full push and pull functionality)

**User statistics 2016**
- Close to 20,000 registered users
- 25,000 messages sent per month
- Up to 850 visits per day

**“Best-of” bonus check**
- “Best-of” bonus check in Allianz’ customer portal
- Display of possible premium refund for current year and previous two years
- Selection of “best of” option from customers’ perspective (also retroactively)

**Statistics 2016**
- 417,000 customers potentially eligible for premium refund
- 139,000 customers with actual premium refund
## Summary and outlook: application of digital assets across Allianz Group

### Customer satisfaction
- Convenient processes and high transparency

### Efficiency
- Large degree of automation leads to significant efficiency gains

### Effectiveness
- Even complicated medical cases can be settled error free

---

### Outlook

#### App
- Roll-out of app functionalities from Allianz Health Germany to other operating entities within the Group (currently 29 Allianz OEs with health insurance business)

#### Artificial intelligence
- Application of artificial intelligence technologies to other high volume processes beyond health, e.g. claims handling in motor
E. Genialloyd – profitable growth

Leonardo Felician
CEO Genialloyd S.p.A.

Munich, November 30, 2016
Italian Direct market at a glance

Direct motor share in total motor market

- Hard market GPW CAGR +21%
- Soft market GPW CAGR 0%

Direct market shares 2015 (% based on GPW)

- ~5mn customers
- Predominantly motor
- Ongoing market concentration
  - 75% market share for top 3 companies
  - 93% market share for top 2 aggregators
- Ø combined ratio Direct motor 2015: 99.8% (total motor market: 93.5%)
- Ø combined ratio Direct motor 2009-2015: 102.5% (total motor market: 97.3%)
Genialloyd at a glance

**Revenues (EUR mn)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>GL Direct market share</td>
<td>21%</td>
<td>21%</td>
<td>22%</td>
<td>23%</td>
<td>25%</td>
<td>28%</td>
<td>30%</td>
</tr>
<tr>
<td>CAGR</td>
<td>+18%</td>
<td>422</td>
<td>512</td>
<td>566</td>
<td>617</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit (EUR mn)</td>
<td>56</td>
<td>47</td>
<td>24</td>
<td>57</td>
<td>47</td>
<td>72</td>
<td>89</td>
</tr>
<tr>
<td>Combined ratio (%)</td>
<td>81%</td>
<td>90%</td>
<td>94%</td>
<td>91%</td>
<td>89%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss ratio</td>
<td>61%</td>
<td>83%</td>
<td>77%</td>
<td>80%</td>
<td>76%</td>
<td>74%</td>
<td></td>
</tr>
<tr>
<td>Expense ratio</td>
<td>20%</td>
<td>16%</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Operating profit (EUR mn)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAGR</td>
<td>+8%</td>
<td>47</td>
<td>24</td>
<td>57</td>
<td>47</td>
<td>72</td>
<td>89</td>
</tr>
</tbody>
</table>

**Combined ratio (%)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>81%</td>
<td>90%</td>
<td>94%</td>
<td>91%</td>
<td>89%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss ratio</td>
<td>61%</td>
<td>83%</td>
<td>77%</td>
<td>80%</td>
<td>76%</td>
<td>74%</td>
<td></td>
</tr>
<tr>
<td>Expense ratio</td>
<td>20%</td>
<td>16%</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Highlights**

- #1 Direct insurer in Italy, #5 in Europe
- #8 motor insurer in Italy
- Largest Direct operation of Allianz Group (1/3 of global Direct GPW)
- #1 in terms of 3-year CAGR²: Genialloyd +13% versus Direct peers +1%
- Highest customer satisfaction: #1 Italy, global #2 Brand Advocacy Index³
- Front runner in innovation: Fast Quote®, customer service on Facebook, Twitter and WhatsApp
- Combined ratio consistently better than market⁴: ∅ CR 2015 P/C market 92.0%, Direct 93.8%, Genialloyd 89.0%
- Best expense ratio in the market⁴: ∅ ER 2015 P/C market 29.0%, Direct 22.9%, Genialloyd 14.9%
- Local regulatory solvency ratio: 247% (31/12/2015)
- Normalized RoE 2015⁵: 21.3%
- GenialClick: fully digital product line without call center support and without document control, introduced 2015
- GenialPiù: network of independent agents cooperating with Genialloyd, established 2009

---

1) GPW, 2015
2) GPW, 2012-2015
3) Boston Consulting Group survey 2015
4) Italian GAAP
5) Adjusted for one-offs
Today’s presentation

1. How digital enhances pricing, underwriting, operations, customer experience and growth
2. GenialClick as a new sales trigger
3. Scalability within Allianz Group
Digital enhances pricing, underwriting, operations …

**Underwriting**
- Use of 10 different national databases for information gathering
- Better risk selection and less u/w leakage
- Strong antifraud defense
- Extensive use of Big Data: we rely on facts and do not guess

**Document request for new business**

<table>
<thead>
<tr>
<th>Year</th>
<th>% of policies issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>25%</td>
</tr>
<tr>
<td>2016</td>
<td>7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>% of policies issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>25%</td>
</tr>
<tr>
<td>2016</td>
<td>7%</td>
</tr>
</tbody>
</table>

**Loss ratio (Ø 2009-2015)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Loss ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>74.4%</td>
</tr>
<tr>
<td>2016</td>
<td>75.8%</td>
</tr>
</tbody>
</table>

**Expense ratio (Ø 2009-2015)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Expense ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>15.5%</td>
</tr>
<tr>
<td>2016</td>
<td>21.6%</td>
</tr>
</tbody>
</table>

**Productivity & operations**
- High automation
- Best expense ratio in the market for many years
- Very modular motor product, click and drop additional coverage
- All relevant insurance documents sent by e-mail, including green card

**Physical document delivery**

<table>
<thead>
<tr>
<th>Year</th>
<th>% of policies issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>13%</td>
</tr>
<tr>
<td>2016</td>
<td>2%</td>
</tr>
</tbody>
</table>

**EUR ~3mn savings per year**

**Forecast based on November 2016 data**

1) % of policies issued
2) Forecast based on November 2016 data
3) Italian GAAP
E. Genialloyd – profitable growth

… customer experience and growth

Experience

- #1 in customer satisfaction (NPS)
- Simplicity of customer-related processes as key driver of customer satisfaction
- Significantly less complaints due to easy to use processes
- 90% of customers very satisfied or satisfied with speed and ease of quotation, policy description and speed of policy issuance

Growth

- More new business & better retention via dynamic & behavioral pricing based on individual risk profiling
- Increase of conversion rate due to reduced policy issue time
- Low cost / fully digital process from candidature to recruiting GenialPiù intermediary network
- GenialPiù: 1,450 intermediaries

# of complaints per EUR 1mn MTPL GPW²

GenialPiù fast recruiting (2016¹)

Net Promoter Score (NPS)³

Growth: MTPL GPW CAGR 2009-2015⁴

1) As of November 2016
3) Bottom-up NPS
4) 14 largest insurance companies in Italy
GenialClick as a new sales trigger (1/2)

Business model
- Fully digital business model: 100% web, no call center support
- Focused on aggregators’ shelf space
- Monoliner: modular motor products, click and drop additional coverage

Enhanced customer experience
- Mobile first
- Social login: customer identified via Google+ / Facebook
- Fast Quote® / Fast Buy: 1-2 inputs for binding quote, 2-4 inputs to buy a policy
- Fast Pay: digital payments via credit card / Paypal

Processes
- 100% paperless & digital; e-mails and pdf only
- Relevant data automatically retrieved from national databases
- Full self-service policy management

Architecture
- “Allianz Direct Platform” developed to be shared with other OEs
- Leverage of AMOS / Allianz Group IT skills, services and tools

160,000 policies in 19 months
GenialClick as a new sales trigger (2/2)

Webpage

Mobile

Aggregators
Business case transferable within Allianz Group

- “Allianz Direct Platform” = off-the-shelf software with back-end neutrality ready for other Allianz entities
- Global and local layer design – usable also in countries outside Italy
- Concrete projects about use of platform in other OEs
- Flexible solution to fit different business models (Direct, multi access, ROPO)
F. Smart home

Sylvie Ouziel
Allianz Worldwide Partners
CEO Global Assistance

Munich, November 30, 2016
The Allianz Worldwide Partners market

Key data

- Global travel market expected to grow 9% p.a., roadside assistance market 6% p.a. until 2018
- Mobile device and appliance protection market expected to grow 7% p.a. and to reach EUR 29bn by 2018

Market specifics

- Continuing increase in number of organizations seeking global healthcare solutions for their staff
- Increasing reliance on private sector healthcare funding and assistance services
- Automotive with strong trend away from individual car ownership is reshaping automotive market
- Growing travel markets in Asia and online channels as main drivers. New direct players enter the market
- Mobile devices: market driven by customer behavior and increased level of cyber risk

Modelled market size and growth (EUR bn)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2018e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Int. health</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Travel</td>
<td>12</td>
<td>27</td>
</tr>
<tr>
<td>Global Automotive</td>
<td>23</td>
<td>55</td>
</tr>
<tr>
<td>Assistance</td>
<td>46</td>
<td>109</td>
</tr>
</tbody>
</table>

CAGR 2015-2018:
- Int. health: +6% (EUR 91bn -> EUR 109bn)
- Travel: +6% (EUR 12bn -> EUR 27bn)
- Global Automotive: +6% (EUR 23bn -> EUR 55bn)
- Assistance: +6% (EUR 46bn -> EUR 109bn)

AWP unique in size and presence

Market share 2015

1. International health: 15%
2. Travel: 12%
4. Roadside assistance: 7%

1) Based on 2015
2) Based on 2014
3) Own estimates, B2B2C market
AWP at a glance (1/2)

### Revenues (EUR mn)¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Health &amp; life</th>
<th>Global Automotive</th>
<th>Property &amp; casualty</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>6,387</td>
<td>1,110</td>
<td>2,619</td>
<td>2,659</td>
</tr>
<tr>
<td>2015</td>
<td>7,272</td>
<td>1,308</td>
<td>2,818</td>
<td>3,146</td>
</tr>
</tbody>
</table>

+13.9%

### Operating profit (EUR mn)¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Health &amp; life</th>
<th>Global Automotive</th>
<th>Property &amp; casualty</th>
<th>Central costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>220</td>
<td>53</td>
<td>88</td>
<td>102</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>266</td>
<td>65</td>
<td>101</td>
<td>115</td>
<td></td>
</tr>
</tbody>
</table>

+20.8%

### Combined ratio (%)¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Loss ratio</th>
<th>Expense ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>98.5%</td>
<td>69.6%</td>
<td>28.9%</td>
</tr>
<tr>
<td>2015</td>
<td>97.7%</td>
<td>66.9%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>

-0.8%-p

### NPS (%)²

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Health &amp; life</th>
<th>Global Automotive</th>
<th>Property &amp; casualty</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>69%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>70%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

+1%-p

### Highlights

- AWP is market leader in all lines of business
- Strong growth in all lines of business
- Comprehensive suite of services
- Bundled offers to get more integrated throughout entire Allianz operations; AWP realized EUR ~500mn revenues with Allianz OEs in 2015 (twice as high as in 2010)

### Setup

- Created in January 2014
- Allianz Worldwide Partners is Allianz Group’s entity specializing on B2B2C business
- AWP lines of business
  - Assistance & travel (AWP P&C)
  - Global Automotive (AWP GA)
  - International health (AWP H&L)
F. Smart home

AWP at a glance (2/2)

**Product mix (revenues)**

- **AWP health & life 2015**
  - Expats / corporate 63%
  - IGO / NGO² 37%
  - EUR 1,308mn

- **AWP Global Automotive 2015**
  - Warranty 11%
  - Motor 79%
  - PPI⁴ and other P/C 10%
  - EUR 2,818mn

- **AWP property & casualty 2015**
  - Home / other 8%
  - Health / lifecare 13%
  - Roadside assistance 35%
  - EUR 3,146mn

**Distribution mix (revenues)**

- Direct 39%
- Broker / TPA³ 61%

- **AWP Global Automotive 2015**
  - APAC & South Africa 14%
  - Australia 31%

- **AWP property & casualty 2015**
  - Other 10%
  - Finance 42%
  - Tourism B2C 3%
  - Tourism offline 13%
  - Automotive 14%
  - Tourism online 19%

---

1) Management view
2) IGO = inter-governmental organization / NGO = non-governmental organization
3) TPA = third party administrator
4) PPI = payment protection insurance
High touch & high tech services – the heart of AWP’s DNA

Insurance …

… bundled with high availability / high reliability emergency services …

… delivered via a capillary high quality network …

… supported by seamless technology integration along all ecosystem partners (business, consumer, network provider) …

… for a world-class customer experience

Illustrations

31 European countries served via one simple Freedom of Service setup

1.3 calls handled every second

9mn text messages every year

40mn cases handled¹:

- > 69,000 medical providers
- 50 air ambulance providers
- > 600,000 replacement cars rented

Claims paid in 135 currencies

70 languages spoken

¹) 2015
“Always connected” changes our lives – and our business model

Consumer life transformation

- 2 billion + people now own a smartphone
- 197 minutes daily mobile device use in 2014, more than TV or computer (source: Millward Brown)

Connected objects enter all home areas (alarms, sensors, cameras, lighting, thermostats, …)

Number of connected objects +30% CAGR 2013–2020 (source: Gartner)

21 billion objects linked together in the Internet of Things by 2020 (source: Gartner)

AWP transformation
Our response: smart home

- Elderly at home
- Safe home
- Connected pets
- Connected home repair
- Mobile devices & digital risks
Elderly at home

**Home adaption for convenience over time**
- E-commerce platform and network

**Home and health monitoring**
- Connected objects platform and providers

**Family communication and entertainment**
- Connected objects platform and providers

**Teleassistant to alert family, health professionals**
- Call center
- Highly specialized call center agents
- No lost call, 100% of alert calls handled

**Home assistance**
- Home assistance as recurring service, on site or remotely

### Example – France
- 80,000+ subscribers
- 860,000 alarms/year
- 120,000 interventions (incl. 30,000 emergency)
- 24/7 services

© Allianz SE 2016

1) Bottom-up NPS
Safe home

Sensor installation
- With a wide range of sensors: smoke, water, electricity, door / windows, …

Incident detection
- Via connected objects detection of: fire, water leakage, electric surge, intrusion, …

Emergency
- Warning of owner and full management of intervention with technical experts and emergency services

Post emergency
- Relocation services, VIP access to home repair services

Example – France
- 25,000 clients
- 1,400 locations for security intervention covering ~95% of France
- High customer satisfaction > 9/10
- E-commerce platform
Connected home repair

- **Repair in kind**
  - Repair of damage instead of claims payment

- **Privileged access**
  - Insured customers’ access to repair network in case of non-insured events

- **Repair network**
  - Urgency & maintenance

- **Web platform**
  - E-commerce & rating tool

- **Home concierge**
  - Assistance services related to home via concierge platform provided for business partners

- **Home services**
  - Access to craftsmen network via e-commerce platform

**Example – Germany**
- "Allianz Handwerker Service" – German repair network
- 70 central job schedulers
- 150 architects and engineers and 2,500 certified technicians
- 26,000 cases handled in 2015

**Example – Spain**
- > 1,000 independent providers network
- Appointment confirmed by provider with customer within 1h from 1st call
- Simultaneously digital loss adjustment, reducing average intervention time from 15 to 7 days
- 381,000 cases settled in 2015

**NPS 84%**

1) Bottom-up NPS
Mobile devices and digital risks

Accidental damage
Theft
Loss
Airtime abuse
Extended warranty

Digital risks
E-commerce protection
Banking protection
Data analysis & recovery
Legal protection
E-reputation

Example – Europe and China
- Allianz Worldwide Partners supports OnePlus and Huawei across 31 countries in Europe to insure mobile devices and coordinate service network in case of loss, theft, accidental damage, water damage, dysfunction or digital life / cyber security issues
- Allianz Worldwide Partners is also partner of Ingram in China
Connected pets

Pet insurance
- Health cover

Pet care
- Pet sitter

Network
- Veterinaries
- Pet sitters

Platform
- Call center
- Claims handling

Third party administration
- Claims management for other insurers

Pet assistance
- Health monitoring
- Geofencing, find my pet services

Center of competence – Allianz UK
- 1.1mn pets insured
- 90% customers renew contracts every year
- 9/10 veterinaries are promoters

1) Bottom-up NPS
Allianz well positioned to capture smart home opportunity

2020e
EUR 500mn revenues
35% CAGR\(^1\)

Experience in handling emergency situations
Capillary high quality network
World-class customer services
Seamless technology integration

1) CAGR 2015–2020
<table>
<thead>
<tr>
<th>Concern</th>
<th>Fact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declined yields reduce EPS growth</td>
<td>Impact from lower yields manageable</td>
</tr>
<tr>
<td>Combined ratio target of 94% too ambitious</td>
<td>Action plan implemented</td>
</tr>
<tr>
<td>Run-offs not sustainable</td>
<td>Excellent reserve quality</td>
</tr>
<tr>
<td>L/H business model not sustainable</td>
<td>Successful shift to modern products</td>
</tr>
<tr>
<td>Low reinvestment yields reduce L/H profits</td>
<td>Matched cash flows not affected by reinvestment yields</td>
</tr>
<tr>
<td>Forced bailout of weak German L/H players</td>
<td>High hurdles for activation of rescue fund; exposure manageable</td>
</tr>
<tr>
<td>Volatile environment puts potential buyback at risk</td>
<td>Transparent capital management policy – unchanged</td>
</tr>
</tbody>
</table>
# G. Allianz in the low interest rate environment

## Impact from lower interest rates manageable

### Net income impact of 50bps lower yields on 5% EPS growth target plan

<table>
<thead>
<tr>
<th>EUR</th>
<th>2018e</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>P/C</td>
<td>-0.1bn</td>
<td>▪ Duration of 5 with a current yield of 2.7% for debt securities as of 3Q 2016</td>
</tr>
<tr>
<td>L/H</td>
<td>-0.1bn</td>
<td>▪ Largely cash flow matched</td>
</tr>
<tr>
<td>AM</td>
<td>+0.0bn</td>
<td>▪ Higher AuM base, partly offset by lower returns in three years</td>
</tr>
<tr>
<td>Corp</td>
<td>0</td>
<td>▪ Lower costs for debt service offset by lower current income</td>
</tr>
</tbody>
</table>

**Σ net** ~ -150mn

### Potential compensation:

- **P/C**
  - Additional CR improvement … or additional P/C growth
    - about -0.4%-p
    - about +1.8% p.a.

- **L/H**
  - Additional exp. ratio improvement … or additional reserve growth
    - about -4bps
    - about +2.2% p.a.
2. **94% CR target 2018 achievable**

- **Normalization** for NatCat and run-off
- **Improvement** South America, AGCS / legacy FFIC business
- **Impact of price movements** up/down
- **Claims inflation** to be compensated by underwriting and portfolio management

**2015**

- 94.6%
- +1.1%-p
- -0.4%-p

**2018 pre-expense management**

- ~0%-p
- ~94.3%
- At least -1.0%-p
- At least -0.3%-p

**2018 target**

- ~94%
- Expenses / efficiency gains

**Underwriting**

- At least -1.0%-p
- -0.4%-p

**Expenses**

- +1.1%-p
- 94.6%
Excellent reserve quality

Run-off ratio 2006 – 3Q 2016

In % of NPE

Releases

Additions

G. Allianz in the low interest rate environment

Ø 4.5%

Ø 3.6%

Ø -1.0%

© Allianz SE 2016
**Successful shift to modern L/H products**

### Share of preferred lines of business

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection &amp; health</td>
<td>46%</td>
<td>13%</td>
<td>16%</td>
<td>20%</td>
</tr>
<tr>
<td>UL w/o guarantees</td>
<td>10%</td>
<td>21%</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>Capital-efficient products</td>
<td>16%</td>
<td>29%</td>
<td>39%</td>
<td>36%</td>
</tr>
</tbody>
</table>

### NBM

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR Swap 10Y (source: Bloomberg)</td>
<td>2.6%</td>
<td>2.1%</td>
<td>0.4%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

### L/H OEs with RoE > 10%

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 7%</td>
<td>54%</td>
<td>27%</td>
<td>19%</td>
<td>100%</td>
</tr>
<tr>
<td>&gt; 10%</td>
<td>29%</td>
<td>65%</td>
<td>75%</td>
<td></td>
</tr>
</tbody>
</table>

---

1) 9M 2016 excluding Korea
2) Excl. unrealized gains/losses on debt securities (net of shadow DAC) and goodwill; 9M 2016 annualized
Allianz Leben: cash flow matched for 30 years with sufficient buffers beyond

- Portfolio largely duration matched (3Q 2016)
  - Assets 11.0
  - Liabilities 12.0
- Non-fixed income assets not included in calculation of asset duration

New business
- Duration matched
- 3Q 2016 NBM 4.2%; NBM capital-efficient products 4.7% with reduced capital intensity
- Positive impact on own funds and risk capital in the long run

Resilient earnings

1) Market value as of 3Q 2016
6 Protektor: high hurdles for activation, exposure manageable

1 Low share of market at risk to need external help
   - Solid market participants with largest market share
   - Weaker market participants mostly part of solid conglomerates

2 Low probability of Protektor activation
   - Protektor not established to compensate impact of ECB politics
   - Protektor last resort only – after all other actions are exhausted

3 Wide range of actions possible, e.g.
   - Management change
   - Capital injection from affiliated companies
   - Reduction of P/H dividend to minimum
   - Discontinuation of new business and lean run-off management

4 Remaining potential impact manageable
   - Protektor protects customers, not companies
   - Existing Protektor funds of EUR 0.9bn sufficient to deal with small cases
   - Investments into Protektor are regular investments of the life company

Low probability of Protektor activation
G. Allianz in the low interest rate environment

7 Transparent capital management policy – unchanged

As of 3Q 2016

- Solvency II ratio at 186%
- Unused M&A budget at EUR 2.5 - 3.0bn

Stated dividend policy
- 50% pay-out ratio
- Dividend ratchet
- 20% of s/h net income allocated to M&A budget; unused amount paid out after 3 years

Re-assessment of dividend policy

Re-risking or capital actions

Target range

Minimum level
Summary: we stick to our ambitions for 2018

<table>
<thead>
<tr>
<th>9M 16</th>
<th>2018</th>
<th>9M 16</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5%¹</td>
<td>5%¹</td>
<td>EPS Growth</td>
<td>Businesses with NPS above market</td>
</tr>
<tr>
<td>12.4%²</td>
<td>13%</td>
<td>RoE Allianz Group</td>
<td>SII interest rate sensitivity</td>
</tr>
<tr>
<td>94.4%</td>
<td>94%</td>
<td>P/C CR</td>
<td>PIMCO CIR</td>
</tr>
<tr>
<td>75%²</td>
<td>100%</td>
<td>L/H OEs with RoE ≥10%</td>
<td>IMIX</td>
</tr>
<tr>
<td>2.6%³</td>
<td>3.0%</td>
<td>L/H NBM</td>
<td>Share of new digital retail products (P/C)</td>
</tr>
</tbody>
</table>

1) 9M 16: Growth rate of annualized EPS for 9M 16 vs. EPS for FY 2015; Ambition for 2018: 3-year CAGR. Annualized figures are not a forecast for full year numbers
2) RoE for 9M 16 annualized. Annualized figures are not a forecast for full year numbers. For more details on the RoE calculation please refer to the glossary
3) Figure presented excluding the effects from the Korean life business
4) Based on latest available data
Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

Forward-looking statements

The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the EUR/USD exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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