

# Glossary (1)

<b>After-tax operating capital generation</b>	Represents the after-tax change in SII capitalization following regulatory model changes and which is attributable to a) changes in own funds as a consequence of operating SII earnings and b) changes in SCR as a consequence of business evolution. Factors such as market developments, dividends, capital management activities, etc. are not taken into account.
<b>AGCS</b>	Allianz Global Corporate & Specialty.
<b>AllianzGI</b>	Allianz Global Investors.
<b>AM</b>	(The Allianz business segment) Asset Management.
<b>APR</b>	Accident insurance with premium refund (“Unfallversicherung mit Beitragsrückzahlung”): Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents, has a guaranteed claim to the refund of premiums, either at the agreed maturity date or in the event of death. Starting 1Q 2025 the German accident insurance with premium refund (APR) was transferred from the P/C segment to the L/H segment.
<b>Attritional LR</b>	Represents the loss ratio excluding claims from natural catastrophes (net) and the results of the prior year’s reserve development (net). Please refer to “LR” (loss ratio), “NatCat”.
<b>AuM</b>	Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. Assets under management include portfolios sub-managed by third-party investment firms. The portfolios are managed on behalf of third parties as well as on behalf of the Allianz Group.  <b>Net flows:</b> Net flows represent the sum of new client assets, additional contributions from existing clients (including dividend reinvestment), withdrawals of assets from and termination of client accounts, and distributions to investors.  <b>Market &amp; dividends:</b> Represents current income earned on and changes in fair value of securities held in client accounts. This also includes dividends from net investment income and from net realized capital gains to investors of open-ended mutual funds and closed-end funds.
<b>AY LR</b>	Accident year loss ratio: Represents the loss ratio excluding the results of the prior year’s reserve development (net). Please refer to “LR” (loss ratio).
<b>AZ</b>	Allianz.

# Glossary (2)

<b>BBA</b>	Building Block Approach, IFRS 17 measurement model also referred to as “General Measurement Model (GMM)” in the standard.
<b>Bps</b>	Basis points: 1 Basis point = 0.01%.
<b>CEAG</b>	Capital-efficient alternative guarantee [products]. Please refer to “L/H lines of business”.
<b>CE</b>	Central Europe.
<b>CIR</b>	Cost-income ratio: Operating expenses divided by operating revenues.
<b>CO</b>	(The Allianz business segment) Corporate and Other.
<b>Comprehensive shareholders’ capital</b>	Shareholders’ equity plus net CSM.
<b>Core EPS</b>	Core earnings per share: Calculated by dividing the respective period’s shareholders’ core net income, adjusted for net financial charges related to undated subordinated debt classified as shareholders’ equity, by the weighted average number of shares outstanding (basic core EPS). To calculate diluted core earnings per share, the number of common shares outstanding and the shareholders’ core net income are adjusted to include the effects of potentially dilutive common shares that could still be exercised. Potentially dilutive common shares result from share-based compensation plans (diluted core EPS).
<b>Core RoE</b>	Core return on equity – Group: Represents the annualized ratio of shareholders’ core net income to the average shareholders’ equity at the beginning and at the end of the period. Shareholders’ core net income is adjusted for net financial charges related to undated subordinated bonds classified as shareholders’ equity. From the average shareholders’ equity undated subordinated bonds classified as shareholders’ equity, unrealized gains and losses from insurance contracts and other unrealized gains and losses are excluded.  Core return on equity – business segments: Represents the annualized ratio of shareholders’ core net income to the average shareholders’ equity at the beginning and at the end of the period. From the average shareholders’ equity unrealized gains and losses from insurance contracts and other unrealized gains and losses are excluded and participations in affiliates not already consolidated in this segment are deducted.
<b>CR</b>	Combined ratio: Represents the total of operating acquisition and administrative expenses including non-attributable acquisition and administrative expenses, claims and insurance benefits incurred, and the operating reinsurance result divided by operating insurance revenue.
<b>CSM</b>	Contractual service margin: Balance sheet liability, containing deferred discounted future profits of in-force long duration business. “Gross CSM” also includes (i) the present value of non-attributable expenses, (ii) the part of the CSM ceded to third-party reinsurers, (iii) tax and (iv) non-controlling interests. “Net CSM” is an adjusted CSM which deducts the respective items (i), (ii), (iii) and (iv) from Gross CSM.

# Glossary (3)

<b>Current yield</b>	Represents interest and similar income divided by average asset base at book value.
<b>dNPS</b>	Digital net promoter score: A measurement of customers' willingness to recommend Allianz.
<b>ECL</b>	Expected credit loss.
<b>Economic reinvestment yield</b>	Reflects the reinvestment yield, including F/X hedging costs on non-domestic hard-currency F/X bonds as well as expected F/X losses on non-domestic emerging-market bonds in local currencies. The yield is presented on an annual basis.
<b>EIOPA</b>	European Insurance and Occupational Pensions Authority.
<b>ER</b>	Expense ratio: Represents operating acquisition and administrative expenses including non-attributable acquisition and administrative expenses divided by operating insurance revenue. All income and expenses related to reinsurance contracts held are part of the operating reinsurance result which is part of the loss ratio.
<b>Expected in-force return</b>	Unwind from discount plus normalized investment over-returns from in-force book above valuation rate.
<b>F/X</b>	Foreign exchange rate.
<b>FIA</b>	Fixed index annuity: Annuity contract under which the policyholder can elect to be credited based on movements in equity or in bond market indices, with the principal remaining protected.
<b>FV</b>	Fair value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
<b>FVTOCI</b>	Fair value through other comprehensive income – change in fair value shown in OCI.
<b>FVTPL</b>	Fair value through P&L – change in fair value shown in P&L.
<b>Goodwill</b>	Difference between the cost of acquisition and the fair value of the net assets acquired.
<b>Government bonds</b>	Government bonds include government and government agency bonds.
<b>Gross/net</b>	In insurance terminology the terms “gross” and “net” mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term “net” is used where the relevant expenses have already been deducted.
<b>GS&amp;A</b>	Guaranteed savings & annuities [products]. Please refer to “L/H lines of business”.
<b>Held for sale</b>	A non-current asset is classified as held for sale if its carrying amount will principally be recovered through a sale transaction rather than continued use. On the date a non-current asset meets the criteria for being considered as held for sale, it is measured at the lower of its carrying amount and its fair value less costs to sell.

# Glossary (4)

<b>IFRS</b>	International Financial Reporting Standards: As of 2002, the term IFRS refers to the total set of standards adopted by the International Accounting Standards Board. Standards approved before 2002 continue to be referred to as International Accounting Standards (IAS).
<b>IMIX</b>	Our Inclusive Meritocracy Index (IMIX) measures the progress of the organization on its way towards inclusive meritocracy. This internal index is based on ten items from the Allianz Engagement Survey (AES) which deal with leadership, performance, and corporate culture.
<b>Insurance revenue</b>	The amount charged for insurance coverage and other services when it is earned.
<b>Insurance service result</b>	Presents in profit or loss insurance revenue, insurance service expenses including incurred claims and other incurred insurance service expenses as well as the reinsurance service result. The following components are also included by Allianz in the operating insurance service result: 1) Non-attributable acquisition, administrative and claims expenses of our operating entities; 2) Adjustments for claims and expense variances where our operating entities share the technical results with the policyholders (only for insurance contracts under the variable fee approach); 3) Restructuring expenses that are shared with the policyholder.
<b>Internal growth</b>	Total business volume performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
<b>JV</b>	Joint venture.
<b>KPI</b>	Key performance indicator.
<b>L/H</b>	(The Allianz business segment) Life and Health insurance.
<b>L/H lines of business</b>	<p><b>Guaranteed savings &amp; annuities [products] (GS&amp;A):</b> Life insurance products linked to life expectancy, offering life and / or death benefits in the form of single or multiple payments to beneficiaries and possibly including financial and non-financial guarantees.</p> <p><b>Capital-efficient alternative guarantee [products] (CEAG):</b> Products that involve a significantly lower market risk, either through comprehensive asset/liability management or through significant limitation of the guarantee. This also includes hybrid products which, in addition to conventional assets, invest in a separate account (unit-linked). Capital-efficient products offer a guaranteed surrender value at limited risk, due to, e.g. precise asset-liability management or market value adjustment.</p> <p><b>Protection &amp; health [products] (P&amp;H):</b> Insurance products covering the risks associated with events that affect an individual's physical or mental integrity.</p> <p><b>Unit-linked [products] without guarantees (UL):</b> With conventional unit-linked products, all benefits under the contract are directly linked to the value of a set of assets which are pooled in an internal or external fund and held in a separate account by the insurer. In this constellation, it is the policyholder rather than the insurer who bears the risk.</p>

# Glossary (5)

<b>LatAm</b>	Latin America: South America and Mexico.
<b>LIC</b>	Liability for incurred claims.
<b>LoB</b>	Line of business.
<b>LR</b>	Loss ratio: Represents the total of claims and insurance benefits incurred and the reinsurance result divided by operating insurance revenue.
<b>LRC</b>	Liability for remaining coverage: Liability relating to coverage that will be provided to the policyholder for insured events that have not yet occurred.
<b>LTC</b>	Long-term care.
<b>NatCat</b>	Accumulation of net claims impact that are all related to the same natural or weather/atmospheric event during a certain period and where the estimated gross loss for the Allianz Group exceeds EUR 20mn.
<b>NBM</b>	New-business margin: Performance indicator to measure the profitability of new business in the Life/Health business segment. It is calculated as the Value of New Business (VNB), divided by the present value of new business premiums (PVNBP), both based on the same assumptions to ensure a valid and meaningful indicator.
<b>Net</b>	Please refer to "Gross/net".
<b>Non-controlling interests</b>	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
<b>Normalized CSM growth</b>	Sum of the contributions from new business (CSM at inception), expected investment returns (expected in-force return) and CSM release. It represents a core KPI, describing the growth in the CSM from regular business. The normalized CSM growth rate is divided by the beginning of period CSM balance.
<b>OCG</b>	Operating capital generation.
<b>OCI</b>	Other comprehensive income – component of equity, includes revenues, expenses, gains, and losses not shown in net income.
<b>OE</b>	Operating entity.
<b>Onerous contracts</b>	Contracts for which the unavoidable costs of meeting the contractual obligation outweigh the expected benefits.

# Glossary (6)

<b>OP</b>	Operating profit: The portion of income before income taxes that is attributable to the ongoing core operations of the Allianz Group, which generally excludes the following non-operating effects: realized gains/losses (net), expected credit loss allowance, income from derivatives (net), interest expenses from external debt, impairments of investments (net), valuation result from investments and other assets and financial liabilities measured at fair value through profit and loss, specific acquisition and administrative expenses (net), consisting of acquisition-related expenses (from business combinations), income taxes related incidental benefits/expenses, litigation expenses, and one-time effects from significant reinsurance transactions with disposal character, amortization of intangible assets, restructuring and integration expenses and income and expenses from the application of hyperinflation accounting. For insurance products with policyholder participation, all items listed above are included in operating profit if the profit sources are shared with policyholders.
<b>Operating SII earnings</b>	Operating SII earnings represent the change in own funds, before tax and dividend accrual, that is attributable to the Allianz Group's ongoing core operations. As such, operating SII earnings comprise: expected return from existing business, new business value, operating variances and changes in assumptions, and interest expense on external debt. Operating SII earnings exclude the following effects, which are disclosed separately in our analysis of own funds movements: regulatory / model changes, economic variances driven by changes in capital market parameters, including F/X rates, taxes, non-operating restructuring charges, capital management (e.g. issuance or redemption of subordinated debt, dividend accruals and payments, share buy-back programs), one-off impacts from, e.g., the acquisition and disposal of subsidiaries, changes in transferability restrictions, and the effects resulting from the application of tier limits.
<b>Organic growth</b>	3rd party net inflows divided by 3rd party AuM at the beginning of the year
<b>Own funds</b>	The capital eligible to cover the regulatory solvency capital requirement.
<b>P/C</b>	(The Allianz business segment) Property and Casualty [insurance].
<b>P&amp;H</b>	Protection & health [products]. Please refer to "L/H lines of business".
<b>PAA</b>	Premium Allocation Approach, simplified measurement model as defined by IFRS 17 for short term business, in particular applicable to most P/C business.
<b>PIMCO</b>	Pacific Investment Management Company Group.

# Glossary (7)

<b>PVFCF</b>	Present value of future cash flows, balance sheet liability representing the policyholder reserve of the in-force business based on discounted expected cash flows to policyholders including attributable expenses.
<b>PVNBP</b>	Present value of new business premiums: i.e. the present value of future premiums on new business written during the period in question, discounted at a reference rate. This includes the present value of projected new regular premiums plus the total amount of single premiums received. PVNBP is shown before non-controlling interests, unless otherwise stated.
<b>RA</b>	Risk adjustment – additional reserve for non-financial risks.
<b>Recycling</b>	Reclassification of unrealized gains and losses from accumulated other comprehensive income (OCI) to the income statement (P&L).
<b>R/I</b>	Reinsurance: Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies.  <b>Reinsurance result:</b> Represents the total of premiums (ceded to reinsurers), claims and insurance benefits (ceded to reinsurers) and expenses (ceded to reinsurers).  <b>Reinsurance ratio:</b> Represents the reinsurance result divided by operating insurance revenue.
<b>RILA</b>	Registered index-linked annuities.
<b>Run-off ratio</b>	The run-off result (net result from reserve developments for prior (accident) years in P/C business) as a percentage of operating insurance revenue.
<b>SII</b>	Solvency II.
<b>SII capitalization / SII ratio</b>	Solvency II capitalization ratio; ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
<b>SBB</b>	Share buy-back.
<b>SCR</b>	Solvency capital requirement.
<b>SE</b>	Societas Europaea: European stock company.
<b>SFCR</b>	Solvency and Financial Condition Report.
<b>Shareholders' core net income</b>	Presents the portion of shareholders' net income before non-operating market movements and before amortization of intangible assets from business combinations (including any related income tax effects).
<b>SPPI</b>	Solely payments of principal and interest – criterion determining whether fixed income assets are measured at amortized cost, FVTOCI or FVTPL.

# Glossary (8)

<b>TBV</b>	<p>Total business volume: It presents a measure for the overall amount of business generated during a specific reporting period. According to our business segments, total business volume in the Allianz Group comprises:</p> <ul style="list-style-type: none"><li>- Gross premiums written as well as fee and commission income in Property-Casualty;</li><li>- Statutory gross premiums in Life/Health; and</li><li>- Operating revenues in Asset Management.</li></ul>
<b>Total equity</b>	<p>The sum of shareholders' equity and non-controlling interests.</p>
<b>UFR</b>	<p>Ultimate forward rate: The UFR is determined using the EIOPA methodology and guidelines, and is used for extrapolation of periods after the last liquid point defined by the SII regulation. The UFR is calculated for each currency based on expected real rates and inflation for the respective region. The UFR is subject to revision in order to reflect fundamental changes in long term expectations.</p>
<b>UL</b>	<p>Unit-linked: Please refer to "L/H lines of business".</p>
<b>VA</b>	<p>Variable annuities: The benefits payable under this type of life insurance depend primarily on the performance of the investments in a mutual fund. The policyholder shares equally in the profits or losses of the underlying investments. In addition, the contracts can include separate guarantees, such as guaranteed death, withdrawal, accumulation or income benefits.</p>
<b>VFA</b>	<p>Variable Fee Approach, IFRS 17 measurement model for direct participating business.</p>
<b>VNB</b>	<p>The additional value to shareholders that results from the writing of new business. The VNB is determined as the present value of pre-tax future profits, adjusted for acquisition expenses overrun or underrun and non-attributable expenses, minus a risk adjustment, all determined at issue date. Value of new business is calculated at point of sale, interpreted as at the beginning of each quarter economic assumptions.</p>