ALLIANZ SE BOARD REMUNERATION SYSTEM

This is a summary of the remuneration system for the members of the Board of Management of Allianz SE effective as of 01/01/2019. For more comprehensive information please refer to the Annual Report 2018 of Allianz Group.

Allianz Investor Relations

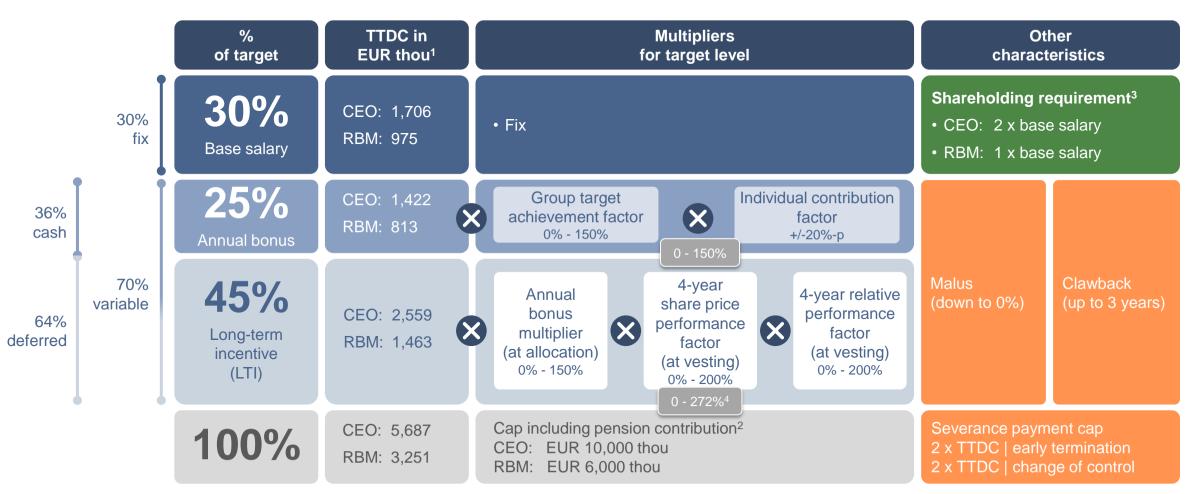
Abbreviations:

- ICF = Individual Contribution Factor
- KPI = Key Performance Indicator
- LTI = Long Term Incentive
- RBM = Regular Board Member
- RSU = Restricted Stock Unit
- TSR = Total Shareholder Return
- TTDC = Total Target Direct Compensation





Board remuneration system at a glance



- 1) Allocation value, excluding pension contribution
- 2) Pension contribution equals 15% of TTDC
- 3) Build-up over 3 years through pre-defined automatized process (compliance)
- The overall compensation cap of EUR 10mn | EUR 6mn limits the payout of the LTI relative to target to a maximum of 255% | 272% (CEO | RBM)

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Annual bonus in detail

of target

TTDC in **EUR thou**

Annual bonus multiplier

25%

Annual bonus

CEO: 1.422 **RBM: 813**

Group operating profit (50%)

Group net income (50%)

Individual contribution factor +/-20%-p

0 - 150%

Disclosure

Financial targets

Group target achievement factor

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0 - 150%

• Metrics (0%, 100% = target, 150%) to be disclosed ex post in Remuneration Report

Individual contribution factor

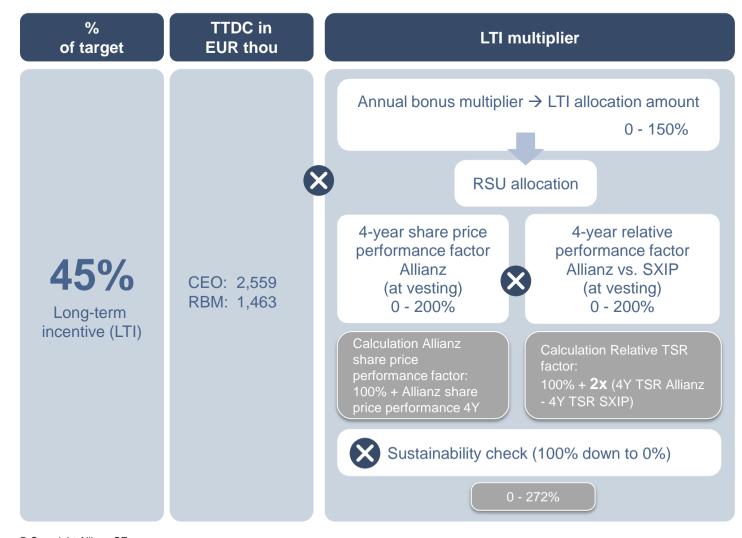
- · Discretionary assessment of individual performance (KPI incl. financial and nonfinancial targets)
- · Individualized disclosure of ICF in Remuneration Report

Malus and Clawback

- Up to full annual bonus payment
- Clawback up to 3 years



LTI in detail



Grant and vesting

- Granted in form of Restricted Stock Units (RSU); number of RSU determined by dividing LTI allocation amount by allocation value per RSU (share price minus net present value of expected dividends until vesting)
- As allocation is based on annual bonus multiplier, grant takes place in the year following the performance year (example: grant in March 2020 for performance year 2019)
- Grant is followed by a vesting period of 4 years (example: vesting period for grant March 2020 ends in March 2024)
- Payout in cash

Relative performance

- Allianz TSR to be benchmarked against TSR of STOXX Europe 600 Insurance (SXIP)
- Members of index: 35, Allianz weight 12/31/2018: 16.6%
- 1%-p 4Y outperformance leads to a relative TSR factor of 102%;
 1%-p 4Y underperformance corresponds to a relative TSR factor of 98%
- Zero payout in case of 4Y underperformance of 50%-p
- The overall compensation cap of EUR 10mn | EUR 6mn limits the payout of the LTI relative to target to a maximum of 255% | 272% (CEO | RBM)
- **Disclosure** of parameters for calculation (ex post)

Malus and Clawback

- Up to full LTI
- Clawback up to 3 years

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