Asset Management

For 2025, we envisage overall moderate third-party net inflows and market returns at both PIMCO and AllianzGI, after a year of capital market volatility and decreasing inflation. Margins should remain relatively stable, and we expect performance fees within a normal range, resulting in modest operating revenue growth. All things considered and reflecting our current asset base, we expect our 2025 operating profit to be €3.3 bn (2024: €3.2 bn).

Our cost-income ratio should be around 61% in 2025 (2024: 61.1%) as we continue to invest in business growth. Over the medium term, we expect to grow further with net inflows; this also depends on the market development.

Corporate and Other (including consolidation)

In this business segment, we recorded an operating loss of €0.6 bn in 2024. For 2025, we envisage an operating loss of €0.8 bn.

Non-financial KPIs

As outlined in the Our Steering section in our Business Operations chapter, we have also set ourselves non-financial targets. For further information on the past and expected development of these non-financial KPIs, please refer to the Sustainability Statement.

Allianz Capital Markets Day

At our Capital Markets Day on 10 December 2024, the Board of Management of Allianz SE announced the company’s strategic agenda and lifted our ambitions for the coming years.

The world is faced with accelerating disruptions with significant implications for society. For our customers, this means a further widening of protection gaps and a growing need for integrated and innovative retirement solutions. As a recognized trusted partner, evidenced by being ranked the #1 insurance brand in the 2024 Interbrand Best Global Brands ranking for the sixth consecutive year and excellent Net Promoter Score® results, we are prepared to capitalize on our role to protect and to grow what is most important to our customers. Allianz’s transformation around the customer relationship is highly relevant as our position of trust and our successful customer focus create strong pull effects for our products that will further fuel the company’s growth ambition.

Having built the foundation to deliver growth at scale, we aim to grow our core earnings per share at a compound annual growth rate of 7% to 9%,1 and we strive for a core return on equity of at least 17%.2 In addition, we want to achieve a Solvency II operating capital generation of 24 to 25 percentage points in 2027,3,4 and a cumulative net cash remittance of more than € 27 billion in the years 2025 to 2027. We also commit to an attractive total payout ratio of at least 75% on average.5

These financial targets are complemented by ambitious operational and franchise indicators. For customer satisfaction levels, we want at least 60% of Allianz's customers to be "loyalty leaders" in their respective markets by 2027, as measured by the Net Promoter Score (NPS)6. In terms of employee engagement, our ambition is to score at least 75% in the Inclusive Meritocracy Index, which measures Allianz's progress in building a culture where both people and performance matter.

To continue our sustainable value creation and to deliver on our ambitions we will focus on three value accelerators:

- **Driving Smart Growth**: We want to transform Allianz from the world-class product provider that we are today into a truly customer-driven organization that builds even more enduring relationships with our customers.
- **Reinforcing Productivity**: We have simplified all elements of our business model – products, processes, and systems – and have implemented the "Beat-the-Best" principle. Significant advancements were also made in leveraging our global footprint and scaling our simplified model. We will continue this journey in order to accelerate value-creating investments in our brand and customer relationships, also leveraging the latest generative AI solutions, which will fuel our growth ambitions.
- **Strengthening Resilience**: Our financial strength and resilience is what gives us the right to grow. We have made great progress over the last years, but in a fast-changing world we want to continue this journey.

Financing, liquidity development, and capitalization

The Allianz Group benefits from a robust liquidity position, excellent financial strength, a well-balanced business mix and broad global diversification. This resilience allows us to maintain high performance – despite market volatility and challenges, including natural catastrophe events impacting our insurance segment. Our Group's Solvency II capitalization remains comfortably above regulatory requirements.

As a result, we have full access to financial markets and can secure financing at relatively low costs. We remain committed to maintaining financial flexibility through prudent liquidity management and a well-balanced debt maturity profile.

Our portfolios are managed with great diligence to ensure the Allianz Group has adequate resources to support both solvency capital and liquidity needs. In addition, we continuously monitor the sensitivity of our Solvency II capitalization ratio to fluctuations in interest rates and spreads, reinforcing our prudent asset/liability management and effective life product design.

Expected dividend development7

Allianz management is committed to shareholder participation in the economic development of the Allianz Group in the form of dividend payments and share buy-back programs. Through prudent capital management, the Allianz Group aims to maintain a healthy balance between delivering attractive returns, investing in profitable growth, while ensuring adequate capitalization. Due to our strong business performance and an attractive dividend policy, the dividend per share has increased by an average of 10% over the past 10 years (2014-2023) to € 13.80 per share in 2023. In line with our commitment to shareholders, the regular payout ratio remains at 60% of the Allianz Group’s net income attributable to shareholders, adjusted for extraordinary and volatile items. For 2024, the Allianz SE Board of Management and the Supervisory Board propose a dividend of € 15.40 per share.

In addition, Allianz SE executed eleven share buy-back programs with an aggregate volume of € 14.0 bn in the period from 2017 to 2024. Under the newly established Capital Management Policy, which builds upon our existing dividend policy, Allianz will return to its shareholders, on average, a minimum of 15% of Allianz Group net income (attributable to shareholders)8 over the period 2025-2027, for example as share buy-backs. In 2025, a share buy-back of up to € 2.0 bn will be executed.

The policy is subject to the absence of a significant earnings or capital event, as well as maintaining a Solvency II capitalization ratio of above 150% – a threshold that remains well below our year-end 2024 level of 209%1.

Management’s overall assessment of the Allianz Group’s current economic situation

At the date of issuance of this Annual Report and based on current information regarding natural catastrophes and capital market trends – in particular foreign currency, interest rates, and equities – the Board of Management has no indication of the Allianz Group facing any major adverse developments.

Cautionary note regarding forward-looking statements

This document includes forward-looking statements, such as prospects or expectations, that are based on management’s current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in Allianz’s core business and core markets; (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events); (iii) adverse publicity, regulatory actions or litigation with respect to the Allianz Group, other well-known companies, and the financial services industry generally; (iv) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses; (v) mortality and morbidity levels and trends; (vi) persistency levels; (vii) the extent of credit defaults; (viii) interest rate levels; (ix) currency exchange rates, most notably the EUR/USD exchange rate; (x) changes in laws and regulations, including tax regulations; (xi) the impact of acquisitions, including and related to integration issues and reorganization measures; and (xii) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

No duty to update

Allianz assumes no obligation to update any information or forward-looking statement contained herein, save for any information we are required to disclose by law.