

ALLIANZ EQUITY INCENTIVE (AEI) 2020/2021 RSU “RSU CONDITIONS”

1 INTRODUCTION

1.1 The Allianz Equity Incentive (“AEI”) is offered by a Company to senior executives and members of the board of management of Allianz Group Companies and also to selected senior employees, not being senior executives, as part of their variable compensation (such persons the “Participants”).

1.2 The Allianz Equity Incentive is granted in form of restricted stock units of Allianz SE (“RSU”) and entitle the Participant, upon expiry of the Vesting Period (defined in Section 4 below) to receive an amount in cash or shares (shares of Allianz SE).

1.3 These RSU Conditions apply to all RSU granted to Participants as of 1st January 2021. They themselves do not create any right to or expectation of participation in the AEI on the same basis, or at all, at any time or in any future year, even if the AEI was granted over several years or participation happened repeatedly. Participation in the AEI does not create any right to continued employment.

1.4 The AEI/RSU recognize the Participant’s continuous employment with the Company or any member of Allianz Group over the relevant period and shall be an incentive to continue in employment. Therefore, unless stated otherwise herein or agreed otherwise with the Participant, grants of RSUs will only be made if the Participant was employed with the Company at the end of the Financial Year for which RSUs shall be granted. If a Participant Leaves Employment between the end of the Financial Year and the Grant Date and is not a Risk Taker or Retiree, he/she shall receive a cash payment on a pro-rata temporis basis instead of a RSU grant.

1.5 Where a grant is made to a Participant who is or becomes during the term of a relevant Financial Year (i) a person who is covered by Appendix A (Sustainability Assessment) or (ii) resident in or otherwise subject to a particular jurisdiction covered by an Appendix to these Conditions, the provisions of the relevant Appendix modify the RSU Conditions.

1.6 The following terms which are not explicitly defined in the previous or subsequent provisions shall have the following meaning:

“Allianz Group” means: Allianz SE; and any other company which is affiliated with Allianz SE in the meaning of Sections 15 ff. German Stock Corporation Act (AktG).

“Average Share Price” means the arithmetic average of the closing prices of the Allianz SE share in the electronic cash market trading system Xetra (or any successor system).

“Bad Leaver” is a Participant if he/she Leaves Employment for one or more of the following reasons:

- the Participant has terminated the employment with the Company or any other member of Allianz Group or is otherwise Leaving Employment upon own initiative;
- the employment of the Participant has been terminated by the Company or any other member of Allianz Group for cause (e.g. because of willful or gross negligent misconduct, substantial non-performance of duties, material violation of laws and regulations or any other reason allowing the Company to terminate the Participant’s employment for cause under applicable laws and regulations or the Participant’s employment contract).

“Business Transfer” occurs if an undertaking, business operation of the Company or a part thereof is transferred or sold to an entity or a person which is not a member of Allianz Group.

“Change of Control” means that a third party not being a member of Allianz Group obtains directly or indirectly, alone or together with other shareholders which are acting together in the sense of an acting in concert, more than 50% of the voting rights of the Company (including voting rights that are attributed to that person or entity according to applicable laws).

“Company” means such member of Allianz Group which has an employment relationship with the relevant Participant and has invited such Participant to receive RSU. Employment within the meaning of these RSU Conditions also comprises the office as a member of the Board of Management of such Company.

“Fair Value at Grant” means with respect to one RSU the Share Price at Grant less the present value of dividends expected to be paid on one Allianz SE share over the Vesting Period less the fair value of the payout cap of 300% of the Share Price at Grant set forth in Section 5.2 below. If the Fair Value at Grant shall be expressed in a currency other than EUR, it shall be converted into the relevant currency at the arithmetic average of the exchange rates quoted at the interbank London foreign exchange market at 5:00 p.m. CET on each Trading Day which was relevant for determining the Share Price at Grant, rounded to four decimal places.

“Financial Year” means a financial year of Allianz SE.

“Good Leaver” is a Participant who is not a “Bad Leaver” (e.g. if the Participant Leaves Employment because of ill-health or disability, death, regular or early retirement of the Participant, redundancy, Business Transfer that includes a transfer of his/her employment or any other reason).

“Grant Date” means the 10th Trading Day following the date of the Allianz SE Media Conference of Allianz SE for the results of a relevant Financial Year.

“Leaving Employment” or “Leaves Employment” means if the Participant ceases to be an employee or member of the board of management of the Company but only when the Participant is also no longer an employee or member of the board of management of any other member of Allianz Group.

“Risk Taker” means any Participant who has been selected by the Company as a “Risk Taker” on the basis of any applicable regulatory regulation such as Solvency II Delegated Act Art. 275 as an executive or employee whose actions have a material impact on the risk exposure of the Company.

“Share Price at Grant” means the Average Share Price at the Grant Date and the nine immediately preceding Trading Days.

“Share Price at Vesting” means the Average Share Price at the last day of the Vesting Period and the nine immediately preceding Trading Days.

“Trading Day” means a day on which the electronic cash market trading system Xetra (or any successor system) is open for business.

2 CONTRACTUAL RELATIONSHIP

2.1 These RSU Conditions themselves do not create a contractual relationship between the Participant and the Company. Any rights and obligations regarding the RSU (grant, payout, etc.) follow exclusively the employment relationship between the Participant and the Company with these RSU Conditions becoming an integral part of such employment relationship by way of reference.

2.2 In case of a change of the employer company of a Participant within the Allianz Group, – unless otherwise agreed – the new Allianz employer company will become the “Company” under these RSU Conditions and thus the only member of Allianz Group with rights and obligations under any existing RSUs which have been granted to the Participant by any member of Allianz Group and also responsible for future grants (if any). In such case the Participant shall have no rights and claims whatsoever against the previous Allianz employer company in relation to any existing or future RSUs.

3 GRANT OF THE RSU/ CONFIRMATION OF GRANT

- 3.1 The RSU are granted in accordance with the rules of the Participant's employment contract. The RSU may also be granted by an individual offer by the Company in accordance with the relevant compensation guidelines of the Company and Allianz Group.
- 3.2 Each Participant shall receive an AEI/RSU information (in writing, by email or by other means of electronic communication). In order to obtain the granted RSU, within a period set by the Company, the Participant confirms acceptance of the grant in an online service platform showing details of the Participant's RSU grants ("Online Service"). The Online Service is currently provided by an external service provider. By confirming the grant, the Participant shall simultaneously declare his/her consent to the RSU Conditions. The date and time recorded in the Online Service shall determine whether or not the grant confirmation has been made within the specified confirmation period.

4 VESTING PERIOD/VESTING DATE

- 4.1 The RSU are subject to a vesting period of four years (the "Vesting Period").
- 4.2 The Vesting Period starts on the Grant Date and ends on the earlier of (i) the tenth Trading Day following the Allianz SE Media Conference for the results of the fourth Financial Year after the Grant Date (including the year of grant) or (ii) the last Trading Day in March of the year in which such Media Conference should have taken place.

5 RELEASE AND PAYOUT OF THE RSU

- 5.1 As soon as reasonable practicable after the expiry of the Vesting Period or in accordance with Section 7 below, the Participant shall receive from the Company, as elected by the Allianz SE, for each vested RSU either – one Allianz SE share ("Share Settlement") or – a cash payment in the amount of the Share Price at Vesting ("Cash Settlement").
- 5.2 The payout is limited to a Share Price at Vesting of a maximum amount equal to 300% of the Share Price at Grant. If necessary to meet the cap, in case of a Share Settlement the Company shall reduce the number of Allianz SE shares to which the Participant is entitled accordingly.
- 5.3 In case of a Cash Settlement, the payout shall be made by the Company in the currency set forth in the Participant's employment or service contract for salary payments. If the payout is not made in Euro, the Euro payout amount shall be converted into the relevant currency at the arithmetic average of the exchange rates quoted at the interbank London foreign exchange market at 5.00 p.m. CET on the last day of the Vesting Period and the nine immediately preceding Trading Days.
- 5.4 Payouts of the RSU may further be subject to the sustainability assessment set forth in Annex A and adjustments due to significant compliance breaches (malus) as set forth in the Participant's employment or service contract or the relevant priority or target letter.

6 TAX TREATMENT

- 6.1 The Participant is responsible for all taxes, social security contributions and other levies in relation to the RSU. The amount of any such tax, contribution or levy may be deducted from any amounts payable to the Participant or otherwise may be satisfied by the sale, on behalf of the Participant of any shares of Allianz SE issued or transferred to the Participant or by reducing the number of shares to which he/she is entitled accordingly.
- 6.2 If the Participant works in different countries during the equity service period, taxation of the RSU payout shall be allocated on a pro-rata temporis basis according to the workdays or assignment periods the relevant Participant spent in each country from the start to the end of the equity service period.
- 6.3 The Company may require the Participant to issue an undertaking for recourse before any payments under the RSU are made. In the undertaking for recourse, the Participant declares that he/she will reimburse the Company for any payments made by the Company to the tax or social security authorities as a result of a missing, incomplete or incorrect tax return of the Participant. The obligations incumbent on the Company to withhold taxes and social security contributions are not affected hereby.

7 LEAVING EMPLOYMENT/ CHANGE OF CONTROL

7.1 Good Leaver

Continued Vesting: If during the term of the Vesting Period a Participant Leaves Employment as a Good Leaver in the cases listed below, the Participant's RSU shall remain valid and shall be paid out after expiry of the Vesting Period in accordance with these RSU Conditions:

- regular or early retirement,
- ill-health or disability (generally or job specifically),
- Good Leaver being a Risk-Taker (except in case of his/her death), or
- the mandate of a member of the board of management or the fixed term of his/her service contract being not renewed or extended by the Company after its expiry.

Payout: In all other cases, where a Participant Leaves Employment as a Good Leaver, the Vesting Period shall expire on the first Trading Day after the day on which his/her Leaving Employment became effective and the RSU shall be paid out in accordance with Section 5 above.

7.2 Bad Leaver

If a Participant Leaves Employment and is a Bad Leaver any RSU already granted to the Participant will immediately lapse and no further RSU will be granted nor any cash payment compensating future RSU grants will be made.

7.3 Leaving Employment based on mutual agreement

If a Participant Leaves Employment based on an individual settlement agreement, the above mentioned principles for Bad and Good Leavers shall be taken into account.

7.4 In case of a Change of Control the Vesting Period shall expire on the day on which the Change of Control becomes legally effective (or if that day is not a Trading Day, on the next subsequent Trading Day) and the RSU are paid out in cash in accordance with Section 5 above provided, however, if the RSU are released as a result of a public tender offer for the shares of Allianz SE, the cash payment for each RSU shall be equal to the value of the consideration offered per share on the last day of the offer period, provided this value is higher than the price pursuant to above.

7.5 In case of a final delisting of the Allianz SE shares, the Vesting Period shall expire on the day on which the delisting becomes legally effective (or if that day is not a Trading Day, on the previous Trading Day) and the RSU are paid out in cash in accordance with Section 5.

8 ADMINISTRATION

8.1 The technical administration and operation of the RSU will be conducted by the Company. The Company may use support of other members of Allianz Group (such as Allianz SE) and external service providers.

8.2 The Company shall appoint a coordinator being responsible for the collection and transfer of all necessary RSU-related data and for any communication and cooperation required for the administration of the RSU. As a rule, the coordinator shall be the Participant's contact person regarding the RSU.

8.3 The Participant shall provide the Company or its external service providers with correct personal and contact data necessary to properly administer the RSU. The Participant shall inform the Company of any change in his/her personal or contact data via the Online Service. In case the Participant fails to meet such obligation, he/she shall have no claim against the Company based on lack of notification or information.

8.4 The Participant's personal data as well as other basic information concerning RSU shall be accessible by the Participant via the Online Service. The Online Service shall be available via Internet and can be accessed by use of the Participant's individual authentication details provided by the administrator of the Online Service. All data, statements and explanations displayed in the Online Service are shown for information purposes only and are non-binding; such data, statements and explanations may not be used as a basis for a legal claim by a Participant.

9 VALIDITY

The Company can change the RSU Conditions in any way, particularly in order to meet administrative or regulatory requirements. New RSU Conditions shall become effective at the time when they have been made available to the Participant.

10 DATA PROTECTION

By signing the priority letter or accepting the RSU grant in the Online Service, the Participant consents to the collection, storage, processing, transfer and use of his/her personal data provided by the Participant in the context of the AEI for the purposes of the operation of the AEI, including the transfer to other members of Allianz Group, trustees and a third party service provider as described below. This includes in particular for the purpose of the operation of the AEI:

- Administering and maintaining Participant records within the Company, Allianz SE and/or other members of Allianz Group;
- Providing personal/compensation data to
 - Allianz SE and/or other members of Allianz Group;
 - trustees of any employee benefit trust;
 - third party administrators of the AEI;
- Assessment of any entitlements under the AEI by the Company, Allianz SE and/or other members of Allianz Group.

11 MISCELLANEOUS

11.1 The RSU are not pledgeable or transferable and do not confer any voting or dividend rights.

11.2 The Participants shall not use personal hedging strategies or compensation- and liability related insurance to undermine the risk alignment embedded in the variable compensation provided by the AEI.

11.3 If capital measures, restructurings or other measures are carried out during the Vesting Period, which lead to a dilution of the value of the RSU, a fair adjustment of the number and/or the payout of the RSU will be undertaken by the Company by exercising equitable discretion and in accordance with generally recognized capital market standards. The goal in this process is to retain the value of the RSU which the RSU had immediately before implementation of the relevant measure. The calculation of the adjustment shall be carried out by the Company in line with Allianz Group guidelines. The Participants shall be informed of the adjustment and the day of its validity.

11.4 As far as these RSU Conditions contain rules which are contradictory to the provisions of the Participant's individual employment contract or mandatory applicable laws, the provisions of the employment contract and of the applicable laws shall prevail. If any of the provisions of these RSU Conditions is or becomes invalid or nonbinding or unenforceable (in total or in part), the contractual parties shall remain bound to the remaining part and shall to the extent necessary replace the invalid, non-binding or unenforceable part by provisions which are to the greatest extent possible, similar to the original purpose. The other provisions shall remain unaffected.

11.5 These RSU Conditions and the construction of the rules and any documentation issued in connection with it is governed by the laws applicable to the Participant's service or employment contract with the Company.

APPENDIX A

Sustainability assessment for Performance RSUs

The provisions of this Appendix A modify the RSU Conditions in respect of any grants made in relation to Financial Years during which the respective Participant (hereinafter a “Designated Participant”) was at any time

- holding an Allianz Global Executive position (grade 18 or higher in the Allianz Grading System); or
- holding an Allianz Senior Executive position (grade 16 or 17 in the Allianz Grading System) as member of the board of management or board of directors of an Allianz Group company provided the board member has a reporting line to an Allianz Global Executive; or
- holding a Risk Taker position (being any Participant who has been selected by the Company as a “Risk Taker” on the basis of any applicable regulatory regulation such as Solvency II Delegated Act Art. 275 as an executive or employee whose actions have a material impact on the risk exposure of the Company).

Any RSU granted to a Designated Participant is hereafter referred to a “Performance RSU”. Performance RSUs shall be allocated to such persons who at any time during a performance year for which RSU are granted, have assumed or held the status of a Designated Participant.

AMENDMENTS OF RSU CONDITIONS

The RSU Conditions are modified as follows:

1. Performance RSUs shall be subject to a sustainability assessment carried out by the Company prior to the expiry of the Vesting Period. Under the sustainability assessment the relevant body of the Company shall assess in its discretion and as approved by the relevant Compensation Committee/ the Group Compensation Committee whether the performance of the Company during the relevant Vesting Period of the Performance RSUs has failed to be sustainable in a significant way and whether the behavior of the respective Designated Participant has contributed to such situation (e.g. by violation of professional duties, excessive risk taking, serious error, significant breach of legal or regulatory requirements or any policy, code of conduct or other internal or external rule or procedure).
2. Based on the results of such sustainability assessment, the relevant body of the Company may, at its proper and due discretion, reduce the payout under Performance RSUs to the relevant Designated Participants and determine the final payout in the range of 0-100%.

APPENDIX B

U.S.A

[NOTE: still to be reviewed and included later]

APPENDIX C
Supplementary
Conditions for the AEI
Applicable to Allianz
Global Investors GmbH
only

[NOTE: still to be reviewed and
included later]