

Plan Portfolio Impact Report (PIR)

Frequently asked questions

Developed by Allianz Investment Management U.S. (AIM US), a wholly owned subsidiary of Allianz Life Insurance Company of North America (Allianz), the Plan Portfolio Impact Report (PIR) tool provides data-driven insights to help plan sponsors understand the measurable benefits of annuities.

1 What is the Plan Portfolio Impact Report (PIR) tool?

The Plan PIR tool is designed to demonstrate how including an annuity in an employer-sponsored retirement plan can quantitatively improve participants' likelihood of achieving their retirement goals.

Specifically, it highlights how adding the Allianz Lifetime Income+® Annuity to a plan could improve participant outcomes by showcasing measurable improvements in retirement outcomes for participants in the plan.

The tool can also translate these improvements into tangible metrics, such as the additional dollar amounts that would need to be contributed to the plan or the returns that would be required from other investments to achieve comparable outcome improvements.

2 When should I use the Plan PIR tool?

This proactive tool is ideal for engaging plan sponsors, offering clear, data-driven evidence of how the Allianz Lifetime Income+® Annuity can enhance participant outcomes. Use this capability as a conversation starter on the value of guaranteed lifetime income solutions for both participants and the overall plan.

3 How do I request a Plan PIR?

To request a Plan PIR, please send a request with the plan name to retirement-income-support@allianzlife.com. Optionally, include the plan's EIN to help with plan identification. You will receive an email response within 1 business day and a complete report within 10 business days.

If you need more expedited delivery for an upcoming meeting, please include the date/time when you need the report in the subject line of the email.

4 How does the Plan PIR tool work?

The Plan PIR tool uses advanced modeling techniques to simulate hypothetical portfolios for each participant in the plan. It conducts 5,000 Monte Carlo simulations to measure the probability of achieving retirement goals with and without an allocation to Allianz Lifetime Income+®.

Specifically, the tool evaluates:

- **Probability of Success:** The likelihood of achieving the hypothetical annual income goal, which is based on a 70% income replacement ratio.
- **Median Legacy Value:** The median legacy value of the participant's entire retirement portfolio at age 95.

The tool can also translate these outcomes into actionable dollar amounts, such as:

- The dollar amount that would need to be injected into the plan (through employee/employer contributions) to achieve the same probability of success without an annuity.
- The return other investments would need to achieve to match the probability of success provided by the annuity.

5 Can the tool be used to show outcome improvements for specific age cohorts?

Yes. The output of the Plan PIR tool provides both aggregate insights for the entire plan and detailed results for different age cohorts.

6 What information is needed about the plan?

To run the Plan PIR, Allianz needs the plan name and EIN. The Plan PIR incorporates plan-specific assumptions derived from data sources such as Form 5500 and BrightScope. These assumptions include:

- Industry type
- Number of participants
- Plan assets
- Average participant age

Additionally, participant-specific inputs are based on industry studies to generate:

- Asset allocation for the portfolio
- Account balances
- Contribution amounts
- Monthly income goals

The sources and assumed demographics (by age cohort) are detailed in the Plan PIR output. Assumptions can be adjusted based on actual plan information available.

7 What are some characteristics of plans that could be a good fit for a Plan PIR?

While many plans could see improved outcomes, our analysis shows that the lifetime income provided through an annuity could be a significant opportunity for plans with the following characteristics:

- Plans that already have or are considering adding managed accounts, as income benefits can enhance participant value.
- Plans in lower-turnover industries, such as government, real estate, transportation, financial services, construction, or manufacturing.
- Plans with a sizeable number of participants age 40-55, allowing time to build income benefits and provide education on annuity allocations.
- Plans with average to above-average participation and contribution rates to enhance the benefits of guaranteed lifetime income.

8 Can the Plan PIR tool be used to evaluate other income products?

Yes. In addition to the comparison to a portfolio without an annuity, the Plan PIR tool can be used to model the following:

- A portfolio with **Allianz Lifetime Income+® Annuity**
- A portfolio with a hypothetical **fixed annuity**
- A portfolio with a hypothetical **variable annuity**

These hypothetical annuity products are not tied to any specific annuity offered by any provider. The details provided should not be interpreted as a definitive guide to any single annuity product. Potential buyers are encouraged to consult with a financial advisor or insurance professional to explore options that may suit their specific retirement plan needs.

9 Where can I find the assumptions used?

All assumptions used in the analysis are outlined in the Plan PIR output. By default, the Plan PIR uses J.P. Morgan 2025 Long-Term Capital Market Assumptions. However, these assumptions can be adjusted based on specific needs or preferences.

Learn more

For questions, please refer to **Bringing up the Plan Portfolio Impact Report (PIR) with plan sponsors (LIA-481)**. To learn more about the Allianz Lifetime Income+® Annuity, please visit www.allianzlife.com/dcplan

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Allianz Lifetime Income+® Annuity is issued by Allianz Life Insurance Company of North America (Allianz). www.allianzlife.com (C64712-MVA)

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