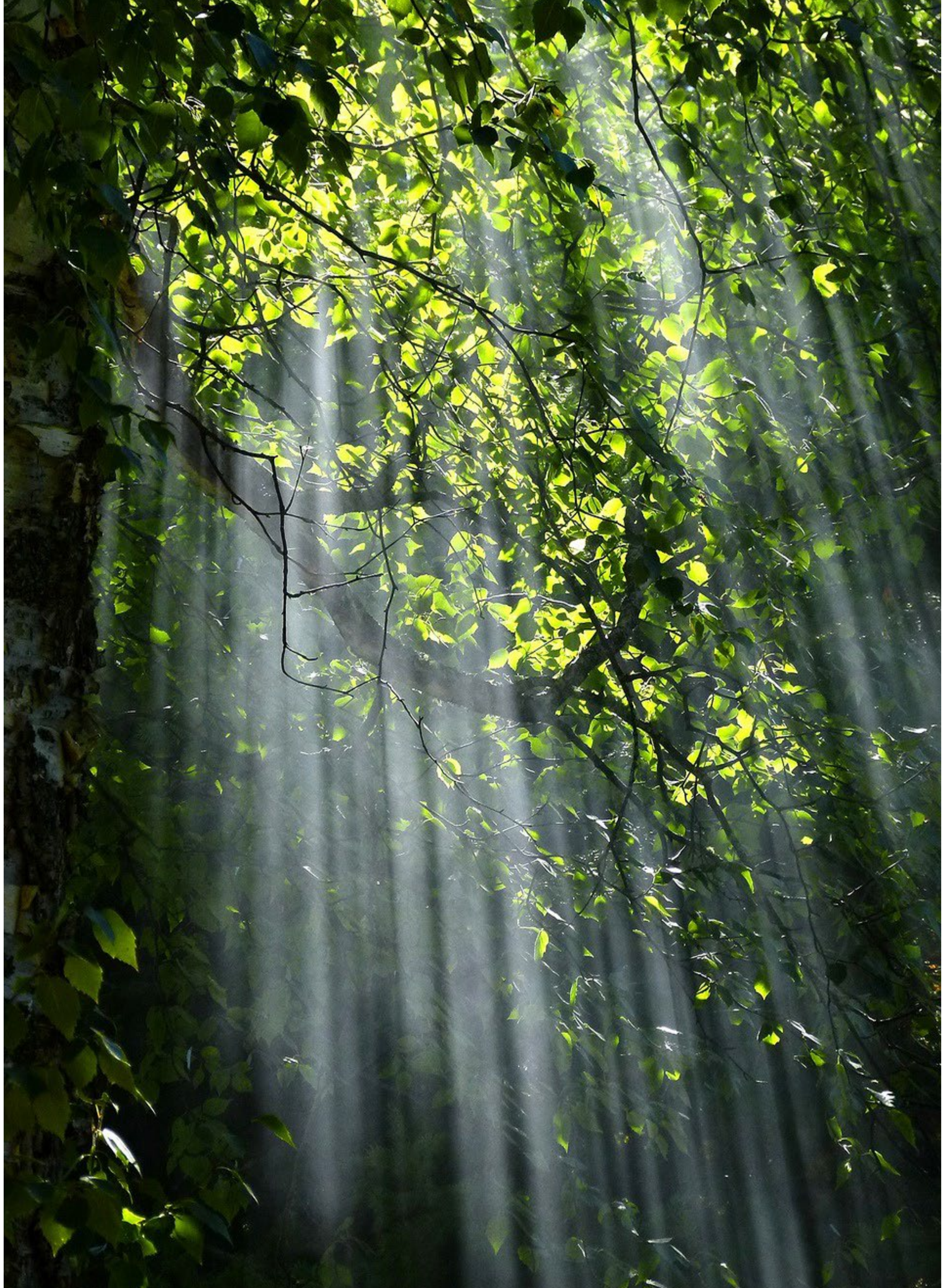
POSITIVE STATEMENT ON PRINCIPAL ADVERSE IMPACTS OF INVESTMENT DECISIONS ON SUSTAINABILITY FACTORS



June 2024

Contents

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant: Allianz Life Luxembourg, LEI: 5299008KOP6QNQ1WNH72

Summary

The concept of Principal Adverse Impact (PAI) is described in the EU Regulation on sustainability related disclosures in the financial services sector (SFDR) regulatory technical standards: "Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti-bribery matters."

Allianz Life Luxembourg, LEI: 5299008KOP6QNQ1WNH72 considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Allianz Life Luxembourg.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2023.

Reporting scope

The following disclosure under Article 4 SFDR refers to the proprietary investments of Allianz Life Luxembourg. Proprietary investments are defined for this statement as all insurance investment assets, excluding assets for which the investment decision is made by the customer and/or assets held for index-linked and unit-linked contracts[1].The assets for which the investment decision is taken by the customer are, in accordance with circular letter 15/3 of the Commissariat aux Assurances relating on investment rules of life insurance contracts linked to investment funds, all types of unit-linked products, While Allianz Life Luxembourg is involved in the fund selection process for unit-linked insurance products, the customer makes the investment decision for a specific product and hence, explicitly or implicitly chooses the funds to invest in, not Allianz Life Luxembourg.

Allianz Life Luxembourg considers principle adverse impacts of its investment decisions with respect to insurance investment assets[2] and has a robust framework in place to identify and assess those impacts. Key internal policy documents are defining and governing this investment approach, which is rooted in four fundamental convictions: 1.) match liabilities: We invest long-term, driven by the profile of our liabilities. 2.) capture opportunities: We provide capital to sustainable business models because these will deliver better returns in the long run. 3.) manage material risk: We are committed to managing all material sustainability risks for our portfolio. 4.) manage impact: As a long-term investor, our decision-making process includes assessing and managing

[1] In line with ESA Q&A III. 2. (17.11.2022) assets held for index-linked and unit-linked contracts are included in the calculation of the PAI indicators in Annex

[2] Please note that this does not extend to the investment decisions with respect to the underlying investments of unit-linked products, as those are made by the customer, not the insurance undertaking

the impacts of our investments on the environment and society. Our business can only be successful if we respect planetary boundaries and contribute to people being able to live a decent life. Hereby principal adverse sustainability impacts such as greenhouse gas (GHG) emissions, biodiversity loss, water stress, hazardous waste and toxic emissions treatment, human rights violations, health & safety, adverse community impacts, bribery and corruption are taken into account through various methods such as exclusions[3], detailed investment guidelines, short-term and long-term reduction targets, and engagement. To identify and assess principle adverse impacts we take several indicators into account depending on their materiality for the respective investment. We strive to implement best practices across all asset classes, guided by the recommendations of leading sustainable investor organizations such as the Principles for Responsible Investment (PRI) and the Institutional Investors Group on Climate Change (IIGCC). At the same time, the world is changing fast, and our ambition is to shape the direction of travel through our contributions to partnerships. Allianz has made several commitments to strategic initiatives related to climate change, amongst other topics, which strengthen our approach to mitigate potential adverse impacts.

Description of the principal adverse impacts on sustainability factors

General explanatory notes

For investee company PAI metrics: Percentages or investor allocation per million EUR invested are calculated with reference to the entire proprietary investments (without unit-linked investments, but including assets held for index-linked and unit-linked contracts In line with the ESA Q&A (17.11.2022) I. 2.) held by Allianz Life Luxembourg, where the denominator also includes cash and cash equivalents as well as derivatives[4]. The calculation logic aims at aligning the figures in the following table with our product disclosures on sustainable investments and EU Taxonomy aligned investments, which are also communicated as a share based on the entire proprietary investments (in market values). The calculation approach likewise seeks to enable customers to better compare the disclosed principal adverse impacts on sustainability factors in line with rational (7) of SFDR RTS.

The PAI metrics are calculated as the average of impacts on 31 March, 30 June, 30 September and 31 December 2023. For the calculation, we use the latest available PAI data at each quarter end date to reflect the sustainability data available at the point of investment decision making. Despite engaging with our data providers, there remains at least one year time-lag on most quantitative datapoints. PAI consideration is a continuous process throughout the year, including due diligence for new investments. For PAI reporting, due to the static nature of PAI data for not listed investments, data updates are in most cases provided yearly and forward-filled until the next data update for not listed investments. We are in continuous discussions with our internal and external asset managers as well as data providers to address data gaps and broaden our understanding of potential adverse impact.

For measuring and steering the decarbonization of our portfolio, and for our sustainability reporting, we calculate the emissions attributed to an investment in our portfolio by computing the fractional share of the respective company's total GHG/water/waste emissions relative to the amount of the company that we 'own'. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value including cash[5] (EVIC), multiplied with the company's total emissions. While the regulatory technical standards suggest the use of year-end EVIC, we deem it reasonable for the calculation of metrics based on the investor allocation approach to recalculate the EVIC quarterly with the share prices at quarter ends so that the denominator (EVIC) is aligned with the nominator (value of investment in investee companies). As the EVIC is based on the book value of total debt we likewise use the nominal value of our fixed income investments in investee companies for the investor allocation approach PAI metrics. The different EVIC components (Company Market Cap, Preferred Stock, Non-

[3] Please note that the exclusions for proprietary investments do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the exclusions on a best effort

[4] In line with the ESA Q&A (17.11.2022) I. 2.

[5] Enterprise value means the sum "market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents." SFDR RTS p.38

Redeemable (Net), Total Debt, Minority Interest) are sourced from the Refinitiv Eikon database. If these components are not available from Refinitiv, EVIC data from MSCI is used instead. If the necessary data is still not available, we use the company's market cap from MSCI instead of EVIC.

Indicators applicable to investments in investee companies						
Adverse sustainability indicator		Metric	Impact 2022	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS						
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	3.73 kT CO2	0.85 kt CO2	We calculate the owned emissions of an investment in our portfolio by computing the fractional share of the respective company's GHG emissions relative to the amount of the company that we 'own'. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. The total emissions are the sum of all those owned emissions in our portfolio, expressed as carbon dioxide equivalents (CO2e). For the carbon footprint per million EUR invested the total GHG emissions are divided by our proprietary investments (in EUR market value). There is usually at least a one-year time-lag between financial data and emission data within the calculation. Scope 1 and 2 emissions are based on an emissions waterfall combining several data sources and reported as well as estimated data. In addition to the estimated data we source from data providers, we apply sector averages based on NACE sectors. More details on the methodology and enrichment process can be found here. Scope 3 emissions data are sourced from data vendors and limited to reported data. We do not source Scope 3 estimated data due to methodological and data quality concerns.	Allianz commits to net-zero greenhouse gases (GHG) by 2050 for its proprietary investment portfolio. As a founding member of the U.N.-convened Net-Zero Asset Owner Alliance (NZAOA), Allianz advocate for ambitious decarbonization strategies. The whole investment management function of Allianz is responsible for implementing climate topics in the existing processes and hence in the proprietary investment portfolio. Allianz/we follow NZAOA recommendations and apply a four-part approach to target setting to cover all relevant aspects, including intermediate decarbonisation targets: **1. Quantitative sub-portfolio intermediate targets:** As a first milestone towards our net-zero GHG target for our proprietary investments, by 2025 we aimed to reduce Scope 1 +2 GHG emissions in equities and corporate bonds by 25% compared to 2019. For these asset classes data is largely available and methodologies are most advanced. In addition, we set targets for funds (equity) and private debt investments such as private equity funds. The approach for fund and private debt investments is based on three components: **a. Transparency:** Carbon footprint reporting as explicit target
		Scope 2 GHG emissions	0.46 kT CO2	0.12 kT CO2		
		Scope 3 GHG emissions	21.41 kT CO2	5.76 kT CO2		
		Total GHG emissions	25.61 kT CO2	6.74 kT CO2		
	2. Carbon footprint	Carbon footprint	72.06 T CO2/mEUR invested	25.62 T CO2/mEUR invested		
	3. GHG intensity of investee companies	GHG intensity of investee companies	755.30 T CO2/mEUR of revenues	22.75 T CO2/mEUR invested		

					Green bonds are a special case in the process of our portfolio's carbon footprint calculation. These are bonds where the money raised by the issuer is used exclusively to finance projects that have a positive environmental impact, such as funding further development of renewable energy or green buildings. To incentivize the investment in such bonds, we apply a percentage factor (currently 10%) to the calculation of owned emissions for green bonds. This is in general a conservative approach and will be applied until financed emissions of green bonds are available from our data providers. Green bonds are identified via a respective flag from our data provider. Our Scope 1 +2 emission carbon footprint data and methodology is subject to reasonable assurance due to disclosure in the AZ Annual Report. The figures reported are based on the following coverage figures of our proprietary investments in investee companies: Scope 1 GHG emissions: 3.4% Scope 2 GHG emissions: 11.6% Scope 3 GHG emissions: 17.9% (Scope 3 covers a wide range of emission categories, of which companies often only disclose single categories. This leads to a distortion of the data and data coverage might appear higher, while comparability between the reported figures might not be given.) Total GHG emissions: 33% Carbon footprint: 3% GHG intensity of investee companies: 33%	**b. New investments:** Phase-in of net-zero targets **c. Existing assets:** Engagement approach Generally, we organise regular deep-dive meetings where we monitor and discuss the decarbonisation performance of our asset managers against the set intermediate targets. As the 2025 GHG reduction targets on a Group-wide level were already reached, Allianz decided to update the complete range of intermediate targets in 2023 and define new intermediate targets for 2030. Consequently, the quantitative intermediate targets were enhanced in scope and ambition level on Group- level: 1. Absolute GHG emission reduction target for listed corporates (corporate bonds and public equity) by 50 % compared to the 2019 baseline emissions 2. Emission intensity reduction target covering all listed and unlisted corporate exposure (e.g. private equity) by 50 % compared to the 2019 baseline emission intensity For unlisted corporates, we are still in the process of gathering emission data and we do not know beforehand how many of our portfolio companies and indirect investments via funds will deliver data in the coming years until 2030. As data coverage is uncertain and changing, we cannot set a reasonable absolute GHG emission reduction target for our overall corporate portfolio. An intensity metric does not rely on coverage as absolute GHG emissions are divided by the respective portfolio exposure. Allianz therefore decided to set an emission intensity reduction target. In addition, Allianz is committed to engage Asset Managers on developing credible transition plans for direct investments in not listed issuers with a carbon intensity above 100tCO2e per mn € invested.

						We aim to finance the transition of companies in the hard-to-abate cement and steel sector that are aligned with a 1.5-degree world and have well-defined decarbonization strategies. We will therefore create a separate emission bucket and adjust the sub-portfolio target for listed equity and corporate bonds to reflect additional exposure[6] in those transition leaders included on the new Allianz steel and cement climate list. Selection criteria for the climate list include a) various thresholds based on TPI Carbon Performance and Management Quality assessment b) above MSCI ESG scoring threshold c) pass DNSH and Good Governance Practices screening. The number of companies per sector is limited to ten to reflect only true sector leaders. For details, please see Allianz Intermediate Climate Target Setting 2030. We do not set quantitative reduction targets on scope 3 emissions, because of data comparability, coverage, transparency, and reliability issues. We closely monitor Scope 3 disclosures across sectors and are in the process of developing a more systematic approach within dedicated NZAOA working groups. **2. Intermediate sector targets:** Allianz has set Group-level intermediate sector targets for selected high-emitting sectors in the proprietary investment portfolio, which will trigger three types of actions supporting our overall GHG emission reduction target: sector engagements, exclusions, and moving from climate laggards to climate leaders within the respective sectors. Sector specific actions were broadened in scope to include the Steel and Automobile sector in 2023.

[6] Exposure in newly issued bonds after 01.01.2024 or an increase in number of shares held compared to 01.01.2024 (adjusted for corporate actions).

						Setting sector targets enables us to enhance the link between overall portfolio emissions reductions and sectoral efficiency gains. Most companies have not yet set Scope 3 targets, making it difficult to track progress. Via sector targets we start to include Scope 3 emissions of investee companies into our decarbonisation actions. To address the potential problem of inconsistency or unavailability of the production and emissions data required for the calculation of productivity-based carbon intensity metrics, Allianz has set the scope for the intermediate sector targets as follows: Target coverage is set to companies included in the Transition Pathway Initiative (TPI) dataset or those companies falling under the classification in the Allianz statement on oil and gas business models with the largest hydrocarbon production (above 60 million barrels of oil equivalent production in 2020) or Allianz statement on coal-based business models. Substantial coverage in each sector was ensured during the target scope setting. All quantitative figures apply to the average of covered companies to be reached in December 2030 an aggregated Allianz Group-level.
						
						1. Oil & Gas (coverage Allianz O&G 100 list, see above):
						   o Scope 1, 2 and 3 (cat 11) 43.07 gCO_2e/MJ in line with IEA Net Zero Emissions by 2050 scenario[7]
						   o Net-zero targets across all 3 emission scopes (target year 2025)
						2. Utilities:
						   o Scope 1 0.17 tCO_2e/MWh in line with IEA Net Zero Emissions by 2050 scenario (Coverage TPI, see above)

[7] Net Zero Emissions by 2050 Scenario of the International Energy Agency (IEA): Global Energy and Climate Model – Analysis - IEA

						o Coal phase-out in line with 1.5°C pathway (as per Allianz thermal coal guideline) 3. Steel (Coverage TPI, see above): ▪ Scope 1 and 2 1.18 tCO_2e/t steel in line with IEA Net Zero Emissions by 2050 scenario 4. Automobiles (Coverage TPI, see above): ▪ Scope 3 (cat 11) 41.68 gCO_2e/km in line with IEA Net Zero Emissions by 2050 scenario 3. **Engagement activities:** We consider engagement as one of the most important mechanisms that asset owners have for contributing to a net-zero economy transition. Our intermediate engagement ambitions are set in conjunction with our sub-portfolio and intermediate sector targets. In 2023, Allianz has already achieved its initial 2025 engagement targets (engaged the top 30 (non-aligned) emitters in our proprietary investment portfolio, increased engagement activities by 100 %, and fully participated in all NZAOA sector and asset manager engagements). Consequently, the following intermediate targets were set for 2030 (vs. Sep 2023) for our proprietary investment portfolio: 1. Asset Manager Engagement: Systematic assessment of all external asset managers on sustainability and climate expectations with mandatory engagement for all those scoring “below expectations”. Allianz already regularly reviews and engages public equity asset managers against best practice guidance (e.g., NZAOA guidance on best practice for proxy voting and climate lobbying). 2. Multilateral Engagements: Participate in 30 multilateral engagements (at least half being focus on climate themes). In order to reach this target,

						Allianz will continuously review existing or new multilateral engagement initiatives. 3. Bilateral Corporate Engagement: Engage 15 companies on achieving net-zero emissions with a focus on Allianz proprietary investment's top emitters that are not yet covered by multilateral initiatives (e.g., CA100+) and are not already engaged by internal Asset Managers on climate themes. **4. Financing the transition:** We are targeting investments in economic activities that contribute to climate change mitigation and climate-positive solutions such as forestry, hydrogen, dedicated transition finance funds and in the area of blended finance co-investments alongside IFC in emerging market Paris-aligned infrastructure projects. With the new intermediate climate solutions target in 2023, Allianz is raising the bar with a focus on a subset of sustainable investments that contribute toward decarbonizing of key economic sectors and support the deployment of renewable energy infrastructure. Allianz is targeting to increase Climate Solutions investments by at least € 20bn from current level (€37.1bn as of 31.12.2023) by 2030, subject to market environment and constraints on Group-level. Internal, asset-class specific intermediate targets will support the overall group target. Climate solutions investments are classified as: a) sustainable activities, which are aligned with EU Taxonomy climate change mitigation and adaption activities, or b) investments that meet Allianz' SFDR Article 2(17) aligned sustainable investments criteria as contributing to an environmental climate change objective and passing a DNSH and good governance screening, e.g. green bonds, sustainable forestry or blended

						finance funds. Sovereign or sub-sovereign debt investments are out of scope.
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	3.07%	0.81%	For computing our portfolio's share of investments in companies active in the fossil fuel sector, we compute the sum of all exposures in companies involved in fossil fuels related activities (including extraction, processing, storage and transportation of petroleum products, natural gas, and thermal and metallurgical coal) divided by our proprietary investments (in EUR market value). Please see the general explanatory notes above. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	As part of our commitment to decarbonise our proprietary investment portfolio, we are restricting investments in certain energy-related sectors and issuers. To accelerate clean and just transition to renewable energy we exempt from these restrictions ring-fenced direct / project investments (defined by a clearly specified and well governed use of proceeds) in renewable and low-carbon energy. This allows us to approach and work with companies to create more renewable / low-carbon projects[8]. The exemption also includes non-fossil energy storage technologies and blue hydrogen (under the condition that lifecycle emissions of the specific project are verified to be similar to green hydrogen, which needs to be demonstrated in a case-by-case assessment). We likewise evaluate and exempt on an individual basis investment in companies with credible and public transition strategies compatible with the scientific pathways of limiting global warming to 1.5°C (independent third-party assessments of target and performance required). A company planning/building new coal activities is not 1.5°C aligned. The renewable / low-carbon energy allowance as laid out above are unaffected by this. The exemptions require prior due diligence on other sustainability dimensions as set out by the internal Allianz Standard for Integration of Sustainability, and the publicly available Allianz Sustainability Integration Framework.

[8] Renewable/low-carbon energy in this context includes power and heat technologies based on bioenergy, geothermal, green hydrogen (i.e. fully renewable-energy based), hydro, on/off-shore wind, solar, tidal.

						▪ Exclusion of coal-based business models[9]: o companies deriving 25% or more of their revenues from mining thermal coal; o companies deriving 25% or more of their generated electricity from thermal coal o and/or planning more than 0.3 giga-watts (GW) of thermal coal capacity addition; o We are continuously tightening our threshold to fully phase-out coal-based business models across our insurance proprietary investment assets by 2040, at the latest. For more details, see here. ▪ Exclusion[10] of oil sand-based businesses: o No funding for companies with more than 20% of revenue from oil sands across all lines of business (10% as of December 31th, 2024). ▪ Restrictions on funding of projects in line with the Allianz Oil and Gas Policy. These pertain to both new and existing projects/operations. We will further tighten our policy in 2025. No new funding for projects in: o exploration and development of new oil and new gas fields (upstream) o construction of new midstream infrastructure related to oil, o construction of new oil power plants o practices relating to the Arctic (as defined by AMAP, excluding operations in

[9] Exclusion means: Divestment of equity stakes and existing fixed income investments are put in run-off. Please note that the exclusions do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the exclusions on a best effort.
[10] Exclusion means: Divestment of equity stakes and existing fixed income investments are put in run-off. No reinvestments of fixed income instruments. Please note that the exclusions for proprietary investments do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the exclusions on a best effort.

						Norwegian territories) and Antarctic, coal-bed methane, extra-heavy oil and oil sands, as well as ultra-deep sea. Engagement at the industry level: to support the shift towards a low-carbon economy, we are deep-diving into high-emitting sectors (such as Utilities and Oil & Gas) in our proprietary investment portfolio with intermediate sector targets (please refer to disclosure under PAI #1 – PAI #3). We will increase our participation in collaborative engagements such as CA100+ and will drive sector and asset manager engagements activities as part of the AOA.
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	72.87%	80.36%	For computing our portfolio's weighted average share of non-renewable energy consumption and non-renewable energy production of investee companies, we multiply the weight of each investee company with the company's share of non-renewable energy consumption and non-renewable energy production and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company proprietary investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 66.64% coverage of our proprietary investments in investee companies.	In our proprietary investment portfolio we are restricting investments in certain sectors and issuers related to coal-based and oil-sand based business models as well as Oil and Gas. Please see actions taken under PAI #4. By combining engagement efforts and exemptions for ring-fenced direct / project investments in renewable and low-carbon energy, we aim to influence the share of non-renewable energy production. Another key pillar of our commitment to net-zero GHG in our proprietary investments are our investment strategies in a net-zero economy. We have a growing global portfolio of climate solutions including investing in renewable energy, energy innovations and fostering the transition to a net-zero economy. Allianz, on group level, targets to increase the exposure in renewables by 5.85 percent per year in line with the International Renewable Energy Agency projections. Our own asset management is delegated within the Group to AIM, the objectives of the Allianz Group are

						de facto taken into account in our asset allocation planning.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	A — AGRICULTURE, FORESTRY AND FISHING: 0 GWh per MEUR revenue	A — AGRICULTURE, FORESTRY AND FISHING: 0 GWh per MEUR revenue	For computing our portfolio's weighted average energy consumption in GWh per million EUR of revenue of investee companies, we multiply the weight of each investee company with the company's energy consumption in GWh per million EUR of revenue and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company proprietary investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on the following coverage figures of our proprietary investments in investee companies in the respective NACE sectors: MANUFACTURING: 47.01 % ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY: 13.77% We have no investment in the other sectors.	Please see PAI #1-#3 for our climate related intermediate targets, which include specific sector targets. Based on existing efforts on high emitting sectors (Oil and Gas and Utilities), we broadened the scope to Automobiles and Steel in 2023 and are continuing our sector-based as well as sector overarching engagements as detailed above and in section Engagement policies.
			B — MINING AND QUARRYING: 0.34 GWh per MEUR revenue	B — MINING AND QUARRYING: 0 GWh per MEUR revenue		
			C — MANUFACTURING: 0.54 GWh per MEUR revenue	C — MANUFACTURING: 0.14 GWh per MEUR revenue		
			D — ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY: 1.16 GWh per MEUR revenue	D — ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY: [0.13 GWh per MEUR revenue		

			E — WATER SUPPLY; SEWERAGE, WASTE MANAGE-MENTAND REMEDIA-TION ACTIVI-TIES: 0 GWh per MEUR revenue	E — WATER SUPPLY; SEWERAGE, WASTE MANAGE-MENTAND REMEDIA-TION ACTIV-ITIES: 0 GWh per MEUR reve-nue		
			F — CON-STRUCTION: 0 GWh per MEUR reve-nue	F — CON-STRUCTION: 0 GWh per MEUR reve-nue		
			G — WHOLE-SALE AND RETAIL TRADE; RE-PAIR OF MO-TORVEHI-CLES AND MOTORCY-CLES: 0 GWh per MEUR revenue	G — WHOLE-SALE AND RETAIL TRADE; RE-PAIR OF MO-TORVEHI-CLES AND MOTORCY-CLES: 0 GWh per MEUR revenue		
			H — TRANS-PORTATION AND STOR-AGE: 0 GWh	H — TRANS-PORTATION AND STOR-AGE: 0 GWh		

			per MEUR revenue	per MEUR revenue		
			L — REAL ESTATE ACTIVITIES: 0.31 GWh per MEUR revenue	L — REAL ESTATE ACTIVITIES: 0 GWh per MEUR revenue		
Biodiversity	7. Activities negatively affecting biodiversity- sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	0%	For computing our portfolio's share of investments in companies negatively affecting biodiversity-sensitive areas, we compute the sum of all exposures in companies, which report having operations in or near to biodiversity sensitive areas and have been implicated in controversies with severe or very severe adverse impact on the environment divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	Engagement with selected investee companies: In 2021 we extended the Allianz ESG Functional Rule for Investments[11] to specially consider issuers in our listed investment portfolio that are below our scoring threshold for issues relating to Biodiversity & Land Use. In 2023 we enhanced our ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new Adverse Impact Steering (AIS) process is first initiated in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. Investment transactions into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
Water	8. Emissions to water	Tonnes of emissions to water generated by investee	0.02%	0%	We calculate the owned tons of emissions to water of an investment by computing the fractional share of the respective company's emissions to water relative to the amount of the company that we 'own'. This is determined by the ratio of our	Engagement with selected investee companies: In 2021 we extended the Allianz ESG Functional Rule for Investments[12] to specially consider issuers in our listed investment portfolio within our proprietary investment portfolio that are below our scoring

[11] As of 01.01.2024 renamed to "Functional Rule for Sustainability in Investments". Please see Description of policies to identify and prioritise principal adverse impacts on sustainability factors.
[12] As of 01.01.2024 "Functional Rule for Sustainability in Investments". Please see Description of policies to identify and prioritise principal adverse impacts on sustainability factors.

		companies per million EUR invested, expressed as a weighted average			exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. We compute our water emissions footprint per million EUR invested by dividing the total owned emissions by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 18.87% coverage of our proprietary investments in investee companies.	threshold for issues relating to Toxic Emissions & Waste. In 2023 we enhanced our ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new AIS process is first initiated in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. Investment transactions into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0.07%	0.01%	We calculate the owned tons of hazardous waste and radioactive waste generated of an investment by computing the fractional share of the respective company's emissions to water relative to the amount of the company that we 'own'. This is determined by the ratio of our exposure in the company (equity or bond) and the company's total enterprise value, multiplied with the company's total emissions. We compute our waste emissions footprint per million EUR invested by dividing the total owned emissions by our entire proprietary investments (in EUR market value). Due to data availability issues, the present figure only represents hazardous waste. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 59.65% coverage of our proprietary investments in investee companies.	Engagement with selected investee companies in our proprietary investment portfolio: In 2021 we extended the Allianz ESG Functional Rule for Investments to specially consider issuers in our listed investment portfolio that are below our scoring threshold for issues relating to Toxic Emissions & Waste. In 2023 we enhanced our ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new AIS process is first initiated in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. In 2023 Allianz Investment Management joined the collaborative engagement Investor Initiative on Hazardous Chemicals (IIHC). The initiative aims to reduce adverse impacts of manufacture and use of hazardous chemicals, especially chemicals that have a persistent impact on human health and the environment. Hence, the main objective of this initiative is to

						engage with investee companies for disclosure on hazardous chemicals, time-bound commitments to phase out hazardous chemicals, a shift towards a circular strategy and responses to controversies, lawsuits, and regulation. Investment transactions into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
		INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS				
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.43%	0%	For computing our portfolio's share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises, we compute the sum of all exposures in companies, which are identified as non-compliant with UN GC principles, divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	Engagement with selected investee companies: In 2021 we extended the Allianz ESG Functional Rule for Investments[13] to specially consider issuers in our listed investment portfolio within our proprietary investment portfolio that are flagged for issues relating to principle adverse impact indicators in non-compliance with UN GC principles, human rights, labor rights and governance principles. In 2023 we enhanced our ESG scoring process by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. The new AIS process is first initiated in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors" and Engagement Policies. Likewise, Allianz SE has been a member of PRI since 2011, which underlines our long-term commitment to work with our investee companies to protect the environment, uphold human and labor rights and promote good corporate governance practices. In
	11. Lack of processes and compliance mechanisms to monitor compliance	Share of investments in investee companies without policies to	1.18%	0.18%	For computing our portfolio's share of investments with a lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises, we compute the sum of all exposures in companies, which are identified to lack	

[13] As of 01.01.2024 "Functional Rule for Sustainability in Investments". Please see Description of policies to identify and prioritise principal adverse impacts on sustainability factors.

	with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises, divided by our proprietary investments (in EUR market value). We have developed a waterfall to determine alignment with PAI #11, which combines several data sources: UNGC signatory status of investee company; investee company reports to follow OECD guidelines; investee company has a labor due diligence policy (ILO)], policy on anti-corruption and anti-bribery (UN Convention against Corruption) and defines processes, set targets or reports achievements for monitoring the effectiveness of its human rights policy. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	addition, Allianz is committed to Advance, an PRI collaborative engagement initiative on Human Rights. Investment transactions into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	9.89%	5.16%	For computing our portfolio's weighted average unadjusted gender pay gap of investee companies, we multiply the weight of each investee company with the company's unadjusted gender pay gap and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data.	Despite best effort, data availability limits the degree of consideration of specific principle adverse impact metrics such as unadjusted gender pay gap. On the specific metric, we see raising awareness and increasing transparency as key for now and consequently request the information from our asset managers. Against the background of insufficient coverage, methodological consensus, limited reporting scope (UK vs. global disclosures) our aim is to receive comparable information based on companies' entire operations in the long-term (vs. UK based disclosures). In our investment strategy, we consider the

					We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 14.02% coverage of our proprietary investments in investee companies.	underlying adverse sustainability indicator theme "social and employee matters" through our Sustainability Integration approach for listed assets and workforce related topics in our ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	40.43%	39.97%	For computing our portfolio's average board gender diversity of investee companies we multiply the weight of each investee company with the company's percentage of female board members and compute the final sum. The weight of each company is determined by the exposure in EUR market value divided by our investee company investment portfolio. For the calculation we only take into account those companies for which we could source data to avoid assuming "real zeros" for missing data. We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	For our proprietary investments, we see raising awareness and increasing transparency as key and consequently request information on board gender diversity from our asset managers. Our aim is to receive comparable information for our entire portfolio in investee companies. In our investment strategy, we consider the underlying adverse sustainability indicator theme "social and employee matters" through our Sustainability Integration approach for listed assets and workforce related topics in our ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors". For our public equity investments (within our proprietary investment portfolio) managed by Allianz Global Investors (AGI), AGI includes thresholds for board gender diversity in their proxy voting guidelines. For details, please see here.
	14. Exposure to controversial weapons (anti-personnel mines, cluster	Share of investments in investee companies involved in the manufacture	0%	0%	For computing our portfolio's share of investments in investee companies, which are involved in the manufacture or selling of controversial weapons, we compute the sum of all exposures in companies, which are identified to be involved with controversial weapons as described below, divided by	We avoid principle adverse sustainability impacts in our proprietary investment portfolio by excluding[14] all investments in companies that are involved in the development, production, maintenance, and trading of banned and nuclear weapons in accordance with the following international conventions:

[14] Please note that the exclusions for proprietary investments do not apply to index-linked instruments, index-linked structured products, and seed money. Moreover, for mutual funds we apply the exclusions on a best effort.

	munitions, chemical weapons and biological weapons)	or selling of controversial weapons			our entire proprietary investments (in EUR market value). Please see the general explanatory notes above. Controversial weapons are defined as weapons that fall under the scope of the following international conventions: ▪ Ottawa Convention (anti-personnel landmines) ▪ Convention on Cluster Munitions (cluster ammunition/bombs) ▪ Biological and Toxin Weapons Convention (biological weapons) ▪ Chemical Weapons Convention (chemical weapons) The figures reported are based on 100% coverage of our proprietary investments in investee companies.	▪ **Anti-personnel landmines** as defined in Article 2 of the *Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction* (Ottawa Treaty) ▪ **Cluster munitions** as defined in Article 2 of the *Convention on Cluster Munitions* ▪ **Biological and toxin weapons** as defined in Article I of the *Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction* (Biological Weapons Convention) ▪ **Chemical weapons** as defined in Article II of the *Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction* (Chemical Weapons Convention) ▪ **Nuclear weapons** as defined in the *Treaty on the Non-Proliferation of Nuclear Weapons* (NPT). Companies involved in nuclear weapon programs outside NPT are excluded from proprietary investment portfolio.
		Indicators applicable to investments in sovereigns and supranationals				
Adverse sustainability indicator		Metric	Impact 2022	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Environmental	15. GHG intensity	GHG intensity of investee countries	323.16 T CO2 per mEUR of GDP	319.05 T CO2 per mEUR of GDP	For computing our portfolio's weighted average sovereign GHG intensity, we multiply the weight of each country in our sovereign portfolio with the sovereign's total GHG emissions to GDP ratio and compute the final sum. The weight of each country is determined by the exposure in EUR to the sovereign divided by our entire sovereign investment portfolio. Exposure is defined as nominal value for sovereign bonds. We only take into account those	We are working with the NZAOA to finalize the methods for sovereign bonds for target setting on GHG emissions reductions. Once the recommended is released by the NZAOA, we will set targets for this asset class within 12 months. Decarbonization requires for all stakeholders to act together. It's vital to support Sovereigns that have 1.5° C aligned targets, so that they can set the right boundaries and incentives for companies and citizens to act on these.

					countries for which we could source GHG and GDP data. The figures reported are based on 99.48% coverage of our proprietary investments in sovereign and supranational issuers. We follow PCAF recommendations on sovereign emissions calculation and use Scope 1, 2 and 3 GHG emissions excluding land use, land use change, and forestry (LULUCF). The main reasons are high uncertainty around LULUCF data and that there is no commonly accepted standard for accounting of LULUCF emissions. Also, LULUCF emissions have the potential to distort the overall trends of key sectors that contribute to global warming. We are planning to calculate the Sovereign carbon footprint including LULUCF in the future. GDP is sourced from the Worldbank database. Based on (a) country coverage, (b) recency of data, and (c) data quality considerations, we use sovereign production emission data from UNFCCC, PRIMAP and OECD database.	Consequently, for our sustainable sovereign investment methodology we use NGO data from Net-Zero Tracker to identify sovereigns that have 'in law' or 'in policy paper' net-zero 2050, climate or carbon neutral targets. These are considered as sustainable. For our life products, we have set commitments on minimum quotas of sustainable investments and report on our exposure in sustainable sovereigns to our clients in the periodic reporting.
Social	16. Investee countries subject to social violations	Number of investee countries subject to social violations (absolute number and relative	0%	0%	We review the Human Rights situation in a country with the Allianz Human Rights Risk Score, which was developed in 2022. The number of investee countries reported with social violations is determined based on a scoring threshold. Based on the United Nations Universal Declaration of Human Rights (e.g. right to liberty, equality, education, prohibition of torture, etc.), Allianz experts assess	In our proprietary investment portfolio, we restrict investments in sovereign bonds from countries associated with severe human rights concerns and significant issues managing those. In addition to ESG ratings from external data providers, we review the Human Rights situation in a country with the Allianz Human Rights Risk Score. Sovereign issuers below the scoring threshold are excluded for new investments

		number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law			countries' human rights risk exposure, using NGO information as well as in-house research. We have no investment in these countries.	and a divestment plan is developed for existing investments. For more information please see section References to international standards and our Allianz Group Human Rights approach in section 04.2. of the Allianz Group Corporate Sustainability Report 2023.
		Indicators applicable to investments in real estate assets				
Adverse sustainability indicator		Metric	Impact 2022	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Fossil fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%	For computing our portfolio's exposure to fossil fuels through real estate assets, we compute the sum of all exposures in real estate assets, which are identified to be involved in the extraction, storage, transport or manufacture of fossil fuels divided by our proprietary investments in real estate (in EUR market value). Please see the general explanatory notes above. We are in continuous discussions with our asset managers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 21.16% coverage of our proprietary real estate and mortgage assets.	As part of our commitment to net-zero greenhouse gas emissions from our proprietary investment portfolio by 2050, we aim to align our real estate portfolio with a 1.5-degree pathway. Allianz applies external carbon emissions benchmarks in line with best practice in using region- and sector-specific benchmarks provided by The Carbon Risk Real Estate Monitor (CRREM). CRREM is an EU-funded research project that aims to guide real estate investments to avoid carbon-risk factors related to changing market expectations and legal regulation. Allianz on Group-level has already achieved its first intermediate target to align the overall proprietary fully owned real estate portfolio with 1.5-degree pathways of CRREM. Subsequently, the updated 2030 target on Group-level expands the scope to direct equity, joint ventures equity, equity funds (50%), and direct commercial real estate loans (CREL; mortgages) (60%). The
Energy efficiency	18. Exposure to energy-inefficient	Share of investments in	5.68%	28.21%	For computing our portfolio's exposure to energy-inefficient real estate assets, we compute the sum of all exposures in real estate assets, which are	

	real estate assets	energy-inefficient real estate assets			identified as energy-inefficient divided by our proprietary investments in real estate (in EUR market value). Please see the general explanatory notes above. Following the regulatory guidance we classify assets as energy-inefficient if: ▪ asset built before 31.12.2020 has energy performance certificate of C or worse ▪ assets built after 31.12.2020 has primary energy demand worse than nearly zero-energy building (NZEB) We are in continuous discussions with our asset managers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 21.16 % coverage of our proprietary real estate and mortgage assets.	coverage percentage means that Allianz will require that the best 50% of the funds and 60% of the CREL portfolio covered by carbon footprint reporting is, on average, in line with CRREM pathways. These limitations are necessary due to legacy assets in the portfolios and serve as a first steps towards better coverage in the next target-setting cycle. Debt funds related to real estate financing and retail mortgages are excluded from these quantitative focused targets. Nonetheless, Allianz aims to measure and improve the ESG performance of its entire proprietary real estate portfolio, among others, by seeking out pilot ‘lighthouse’ projects and Allianz group-wide initiatives. These initiatives include procuring certified green energy and investing in onsite energy production and energy efficiency measures like installing LED lighting. By improving the energy efficiency and replacing traditional energy sources with low-carbon alternatives we are transforming our buildings for the future. While our primary focus is on carbon emissions and energy efficiency, we also look at governance and social and well-being standards. Any new equity investment must have an environmental or sustainability certification (e.g. BREEAM or LEED). For investments in real estate funds and European commercial real estate lending (EU CREL) three components are requested: **a. Transparency:** Carbon footprint reporting as explicit target **b. New investments:** Phase-in of net-zero targets and for EU CREL: Targets aligned with 1.5°C pathways of CRREM **c. Existing assets:** Engagement approach

						We also aim to influence our partners and tenants to follow our lead and take an active role to bring about change, for example by promoting 'green leases' which include provisions designed to reduce environmental impacts. Generally, investment transactions in our proprietary investment portfolio into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".
		Additional climate and other environment-related indicators				
		Indicators applicable to investments in investee companies				
		CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS				
Adverse sustainability indicator		Metric	Impact 2022	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	5.99%	0.75%	For computing our portfolio's share of investments in investee companies without carbon emissions reduction initiatives, we compute the sum of all exposures in companies, which are identified to lack carbon emission reduction initiatives aimed at aligning with the Paris Agreement divided by our proprietary investments (in EUR market value). Please see the general explanatory notes above. To identify if companies' initiatives are Paris aligned we have developed a waterfall based on scientific third-party assessments: Science Based Targets initiative (targets) and Transition Pathway Initiative's carbon performance assessment (2050: '1.5 Degrees', 'Below 2 Degrees', 'Paris Pledges'). For non-listed investee company investments we request information from our asset managers.	As part of our commitment to net-zero greenhouse gas emissions from our proprietary investment portfolio by 2050, as asset owners, we will assist, incentivize, and require our portfolio companies to embark on decarbonization pathways consistent with the 1.5°C objective of the Paris Agreement. Please refer to PAI #1 for our four-part approach to net-zero target setting, which explicitly includes among others engagement actions focused on transitioning top emitters to net-zero emissions pathways. As elaborated under PAI #4 and PAI #5, we aim to support the transition away from fossil fuels to renewable energy by exempting companies from our energy-related exclusions with credible and public transition strategies, which are compatible with the scientific pathways of limiting global warming to

					We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 78.53% coverage of our proprietary investments in investee companies.	1.5°C and confirmed by independent third-party assessments of target and performance. We evaluate these exemptions using public company commitments on coal phase-out and corresponding long-term strategy, asset-based closing plans and their past performance on this, and company-level GHG reduction targets. Data sources used overlap with our voluntary PAI indicator and include the Climate Action 100+ Net-Zero Company Benchmark, Carbon Tracker, the Transition Pathway Initiative, the Global Coal Exit List, and the Science Based Targets initiative. Please see section References to international standards – Climate Change for further information on our initiatives and actions for example how we introduce the CA100+ Net-Zero Company Benchmark[15] to the companies we engage with and support the initiative's broader roll out of this measurement and tracking tool.
		Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters				
		Indicators applicable to investments in investee companies				
		INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS				
Adverse sustainability indicator		Metric	Impact 2022	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery	1.07%	0%	For computing our portfolio's share of investments lacking anti-corruption and anti-bribery policies, we compute the sum of all exposures in companies, which are identified to lack policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	Investee companies' corporate governance and business ethics practices are a key pillar in the ESG Scoring and controversy screening within the Sustainability Integration approach for listed assets in our proprietary investment portfolio. In the ESG score all companies are evaluated on their oversight and management of business ethics issues such as fraud,

[15] The Benchmark covers critical indicators to measure company progress against a 1.5°C aligned pathway, and to transparently report on their progress.

		consistent with the United Nations Convention against Corruption			divided by our proprietary investments (in EUR market value). We are in continuous discussions with our asset managers and data providers to address data gaps and broaden our understanding of potential adverse impact. The figures reported are based on 92.85% coverage of our proprietary investments in investee companies.	executive misconduct, corrupt practices, money laundering, or anti-trust violations[16]. In 2023 we enhanced our process for sustainability integration in listed assets by further integrating SFDR regulatory requirements to consider PAI indicators systematically in the investment process. One of the triggers remains ESG scoring below threshold. The new AIS process is first initiated in 2024. For more details see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors". In addition, companies with severe risk exposure in good governance practices are included in the engagement selection process. If insufficient governance practices persist for more than three consecutive years and/or the engagement process has failed, companies are excluded from Allianz's proprietary portfolio. Investment transactions in our proprietary investment portfolio into non-listed asset classes are subject to the ESG Guidelines and Referral process for non-listed assets, which includes screening for anti-bribery and anti-corruption plans/systems/procedures, please see section "Description of policies to identify and prioritise principal adverse impacts on sustainability factors".

Description of policies to identify and prioritise principal adverse impacts on sustainability factors

To identify and assess principle adverse impacts we take several indicators into account depending on their materiality for the respective investment. The probability of occurrence and severity of PAI, including their potentially irremediable character, is considered through setting intermediate sectorial as well as intermediate absolute targets, taking into account the fact that some

[16] ESG Industry Materiality Map - MSCI

sectors are more material for certain PAI than others (in particular for the environmental PAI) whereas for other PAI all sectors are equally relevant and should therefore be held to the same standards (for example UNGC compliance). For the PAI we consider most severe, we have defined exclusion and/or investment restrictions (see above; for example PAI # 4 fossil fuel and PAI # 14 controversial weapons exclusions). Furthermore, Allianz SE has made several commitments to strategic initiatives related to climate change, amongst other topics, which strengthen our approach to mitigate potential adverse impacts. In particular Allianz supports the shift to a climate-friendly economy with an ambitious sustainability approach for our business segments and operations. The financial sector has a crucial role to play in enabling a low-carbon future. Human-made climate change is one of the greatest global challenges of our time and has already caused far-reaching negative consequences. It has also created far-reaching losses for nature and people, and various human and natural systems are being stressed beyond the limits of their adaptive capacity. Therefore, irreversible damage has already started to occur. In order to stop these developments, the Paris Agreement of 2015 set the goal of limiting global warming to a maximum of 1.5°C by the end of the century. As asset owners, we are uniquely positioned to help transforming the global economy and financial systems by driving decarbonization efforts of investee companies and reduction of GHG emissions in the real world. As a founding member of the U.N.-convened Net-Zero Asset Owner Alliance (NZAOA), Allianz SE advocates for ambitious decarbonization strategies and financing by industry. Our commitment is net zero GHG emissions in our proprietary investment portfolio by 2050. In line with our commitment, we have selected "Investments in companies without carbon emission reduction initiatives" as one of the two additional indicators. We further selected "Lack of anti-corruption and anti-bribery policies" as the additional social indicator. All companies are vulnerable to corruption, and the potential for damage is considerable. Consequently, policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption are a crucial foundation for responsible business practices. We also considered data quality and coverage in the selection.

The Allianz Climate Targets are based on the Target-Setting Protocol developed by the NZAOA. The protocol covers multiple asset classes and highest emitting sectors in the economy. Allianz is continuously working with the AOA to define methods on how to measure climate change-related performance and how to set appropriate targets across various asset classes and sectors, which are directly linked with the GHG emissions related PAI metrics in Annex I.

From 2024 onwards, the cornerstone of the overarching sustainability approach at Allianz is the Allianz Standard for Integration of Sustainability (ASIS), which replaces the Sustainability components of the Allianz Standard for Reputational Risk Management (AS RRIM) that had been in place since 2013. The ASIS, as well as previously the AS RRIM, defines our ESG Sensitive Business Guidelines, the Sensitive Countries List, alongside the ESG Referral Process. Further integration into the business processes of Allianz is achieved through reference of these within the Allianz Functional Rule for Sustainability in Investments (Sustainability FR). The ESG Sensitive Business Guidelines and the AS RRIM ESG Referral Process apply across all investments in non-listed asset classes (e.g. real estate, infrastructure, renewable energy and private equity). For investments in listed asset classes (tradeable equity and debt), Allianz integrates sustainability factors through the requirements set out in the-Sustainability FR. In addition, external (business) partners, such as external asset managers, are informed of the ESG Guidelines through the Allianz Sustainability Integration Framework. The Sustainability Integration Framework provides transparency around our sustainability-related processes and guidelines. Allianz published the fifth version of the Framework in 2023, publicly available here, which was approved by the Allianz Group ESG Board (June 21, 2023). Allianz internal asset management units also have set up their own set of processes, rules, and governance on sustainability integration in their investment activities. Operating entities and global lines also implement specific standards and rules regarding Sustainability integration for their given organizational unit.

	Allianz Standard for Reputational Risk and Issues Management (AS RRIM)	Allianz Standard for Integration of Sustainability (replacing the Sustainability components of the ASRRIM from 2024 onwards)	Allianz Functional Rule for Sustainability in Investments (former Allianz ESG Functional Rule for Investments)
Date on which the governing body of the financial market participant approved policies	**Version 5.4** Authorized by Group Finance and Risk Committee: 29.03.2023 Acknowledged by Allianz SE Board of Management:-20.06.2023	**Version 1.0** Authorized by Allianz SE Board Member Dr. G. Thallinger and Group Sustainability Board: 17.11.2023 Taken notice by Allianz SE Board of Management: 07.12.2023	**Version 6.0** Authorized by Allianz SE Board Member Dr. G. Thallinger: 27.11.2023 Authorized by Allianz Group Finance and Risk Committee: 05.12.2023

	Authorized by: Allianz Life Luxembourg Executive Committee: 30.06.2023	Authorized by: Allianz Life Luxembourg Executive Committee: 27.06.2024	Authorized by: Allianz Life Luxembourg Executive Committee: 27.06.2024
How the responsibility for the implementation of those policies within organisational strategies and procedures is allocated	The management of Allianz Life Luxembourg's own assets is delegated to Allianz Investment Management SE (AIM). The choice of Strategic Asset Allocation (SAA) and the Asset Liability Management (ALM) remain the responsibility of Allianz Life Luxembourg, which provides the guiding principles to AIM. The latter is free to choose investments, within the limits imposed by the SAA and ALM		The management of Allianz Life Luxembourg's own assets is delegated to Allianz Investment Management SE (AIM). The application of the Allianz Functional Rule for Sustainability in Investments remain the responsibility of Allianz Life Luxembourg, which provides the guiding principles to AIM.
Sustainability processes covered in policies	Referral Process, Sensitive Business Guidelines, Sensitive Countries List, Exclusion Policies		Sustainability Integration in Listed Assets / ESG Scoring Approach, ESG Integration, Systematic Engagement Approach, ESG Exclusion Policies, Asset Manager Mandating, Selection and Review, Integration of Regulatory Requirements, Allianz Climate Targets and Climate Change Risk Management

The specific mitigation actions described above are complemented with our overarching approaches that cover the broad variety of asset classes we invest in and the differing investment processes. To identify, assess, prioritize and avoid or mitigate principle adverse sustainability impacts we apply:

- Asset Manager Selection, Appointment and Monitoring: For the largest amount of our insurance investment assets, we mandate asset managers (e.g. AllianzGI and PIMCO) to execute the investments. Our portfolio goals cannot be achieved without the close collaboration and support of asset managers. We select and appoint asset managers that align their activities with our long-term sustainability interests. To support this, we have defined minimum expectations and systematic engagement and monitoring practices for asset managers. We require all asset managers investing on our behalf to integrate sustainability considerations into their investment and stewardship processes for both public and non-listed assets. Asset managers must meet the minimum obligation of being a PRI signatory[17] and to have qualified ESG policies including mandatory requirements for what these policies must fulfil (e.g., ESG governance structure with clear roles and responsibilities, ESG-specific principles according to which the asset manager acts and decides on investments, and considerations of regulatory requirements). 99 percent of our assets are managed by asset managers that meet this minimum requirement. The investment function systematically reviews and evaluates the sustainability approaches of external asset managers, including their climate change-related strategies and decarbonization approach. For existing mandates ESG-specific bi-annual review meetings are held with asset managers. The purpose of these reviews is to assess the asset managers' ESG policies, their application and related processes. Engagement dialogues focus on governance structures to ensure clear responsibilities for overseeing sustainability matters, systematic monitoring approaches for sustainability risks and opportunities, stewardship activities to ensure sustainability ambitions are aligned with our interests, and engagement approaches to improve sustainability practices in investee companies. When we engage with asset managers that are found to lag in one area of their approach but meet our overall expectations, we set expectations for improvement and we monitor their progress. This is a crucial step towards our goal to have a positive real-world impact and proactively address strategic sustainability issues.
  For more information on Allianz GI's PAI approach, please see here. For more information on PIMCO's PAI approach, please see here.

  Sustainability Integration in listed assets (such as sovereign bonds, corporate bonds and public equity): In 2023 Allianz enhanced the existing ESG scoring process to further aligned with EU regulatory requirements. Based on sustainability data from MSCI ESG Research in conjunction with own proprietary research to assess material adverse impacts, the Adverse Impact Steering

[17] As stated by the PRI principles, signatories commit amongst other to "incorporate ESG issues into investment analysis and decision-making processes". For more information on aspects of responsible investment as defined by PRI, please see .

(AIS) process was developed to systematically evaluate and manage material sustainability risks and principal adverse impacts on sustainability factors in our investment decision making process for proprietary investments. The ESG Scoring process was still applied in the 2023 reporting period.

ESG Scoring Process: Companies' ESG ratings are based on the analysis of key environmental, social and corporate governance factors, that are considered material for each sector. These include principal adverse impact metrics such as GHG emissions, biodiversity, human rights, labor standards, corporate governance. Companies with a low ESG score are linked to high unmanaged ESG risks and high unmitigated adverse impacts. For this reason, clear sustainability performance thresholds are set per region, determined by the bottom 10 % of companies assessed within the respective MSCI rating universe, below which investments are deemed "below threshold". When analysing investments in a given portfolio and when selecting new investments, asset managers must take the investment's ESG score and applicable threshold into account. This means that investments in issuers below the threshold are to be avoided. This applies to existing investments, reinvestments, and new investments. Should an asset manager hold investments below the threshold, a comply-or explain clause becomes effective. Asset managers must justify these investments in bi-annual ESG review meetings with Allianz Investment Management (AIM). Further, Allianz subjects issuers below the threshold in its portfolio to a systematic, goal-oriented and time-limited engagement process. For more details on ESG Scoring Process see Sustainability Integration Framework Chapter 3.6.

The AIS process is first initiated in 2024 and enhances the "comply or explain" approach of the ESG scoring with the following process: Allianz screens issuers in its portfolio for below threshold on predefined triggers (in addition to ESG ratings e.g., Biodiversity & Land Use score, UNGC or Good Governance Practice non-compliance). After discussion and evaluation of these issuers, internally and in close collaboration with our Asset Managers, further actions are agreed. Possible actions for issuers include: no restriction/watchlist, exclusion (fixed income investments may be held until maturity, no new or re-investments are allowed) or engagement activities with concrete targets for improvement. Such engagements are conducted on a case-by-case basis either by AIM and/or the respective Asset Manager. Details on the engagement approach are described below in section Engagement policies.

- Sustainability integration / Referral process for non-listed assets in our proprietary investment portfolio: Investment transactions into non-listed asset classes, such as real estate, infrastructure, private placements are subject to dedicated assessment criteria: Sensitive Business Areas and related Sensitive Business Guidelines as well as Sensitive Countries List and Human Rights. The Sensitive Business Guidelines were written in 2013 for sensitive business areas, which were identified as highly exposed to potential ESG risks and adverse impacts. Sectors include e.g. Oil & Gas, Mining, Agriculture. Allianz developed respective guidelines through dialogue with NGOs as well as an ongoing internal stakeholder engagement process. The guidelines are based on international best-practice standards and comprise adverse impact issues like impact on biodiversity, impact on protected areas, impact on local communities, violation of human rights. The mandatory application of ESG guidelines for any investment transaction in the defined business sectors ensures that potential adverse impacts are identified and further assessed. Each guideline contains criteria, which are reviewed in the context of a given transaction, to decide whether the transaction must be referred for an OE/global line and/or AZ Group ESG assessment. Information and data used for the review of ESG criteria include for example publicly available sources, ESG-specific data providers, information supplied by the clients, brokers, co-insurers and/or investors. The ESG Guidelines are not exclusion criteria, but criteria that assist all parties involved in the ESG screening of a transaction to determine if the transaction is potentially sensitive and must therefore be referred. The assessment result of the due diligence determines further course of action: a) In case of a negative assessment result, the Asset Manager must decline the investment opportunity. b) In case of a positive assessment result, i.e. no breach of exclusions, no substantial sustainability-related negative risks and impact, the Asset Manager can proceed with the transaction in compliance with the applicable investment governance and decision-taking process. c) In case a substantial non-mitigated risk or impact is detected, the Escalation Process is initiated. For more details on the ESG Guidelines and topics covered per business sector, see Sustainability Integration Framework Chapter 3.4. An overview with ESG referrals and assessments in 2023 can be found in the Allianz Group Sustainability Report section 02.1 Table ESG-1.

Also, for asset classes outside the PAI reporting scope, we are considering PAI in the investment decision processes with concrete intermediate reduction targets and integrated, where relevant, PAI metric related restrictions in our sourcing of new investments. For example, in 2021 Allianz has introduced intermediate targets for our equity and debt infrastructure investments. These targets foresee a) full transparency on financed emissions latest by year-end 2023 for all investments b) for direct equity investments an absolute carbon reduction of 28 percent by year-end 2025 c) new direct (equity and debt) investments in high emitting assets only in case a 1.5°C aligned decarbonization plan is in place and d) phase in of net-zero GHG targets for new fund investments until year-end 2024. As part of the Intermediate Climate Target Setting for 2030, Allianz has likewise included for all corporate, including infrastructure, an additional intermediate intensity target of -50% emission intensity compared to 2019.

Data sources, quality checks and margin of error within our methodologies

Given stark differences in data availability across the principle adverse impact metrics (as defined by EU regulators) and asset classes, we are in continuous discussions with our asset managers and data providers to address data gaps, broaden our understanding of potential adverse impact and look for new data sources. Our methodologies to assess and manage PAI are dependent on data availability and quality. Hence, we combine various data sources for listed and not listed data deliveries. In this, we prioritise data reported by companies.
At present, we mostly use data sourced from data providers such as MSCI, Refinitiv and ISS ESG in combination with data from SBTi, TPI, Worldbank, UNFCCC, OECD, PRIMAP, internal research, NGOs (e.g., Urgewalt) and other third-party data providers. In addition, we receive data from our asset managers, which directly obtain information from the investee companies and assets they manage. As asset owners we are, especially for fund investments, dependent on asset managers data collection efforts and hence actively engage with them for improvements in data coverage and methodological issues (e.g. EPC data collection for assets outside of the EU). Despite best effort, data availability limits the degree of consideration of specific principle adverse impact metrics. In those cases, we consider the underlying adverse sustainability indicator themes / PAI families (such as waste or social and employee matters) and use specific thematic management scores from MSCI ESG rating. We are continuously working on improving our data quality and consistency across data sources. However, in some instances data quality/consistency issues are rooted in regulatory uncertainty on terms such as "violations", which limits our ability to ensure consistency for data delivered from Asset Managers vs. data providers or vs. data provided via the EET.

A highly complex technical implementation is required to combine and calculate PAI indicators from various data sources. Hence, the data enrichment processes might be subject to technical issues that might in turn affect our reported impacts on PAI indicators. We have matured data checks for GHG emissions data, which inform our ongoing efforts to build out similar data checks for all other PAI indicators. In 2023 and 2024 we have made progress towards building out a PAI data quality dashboard and strive to further engage with Asset Managers and data providers for better PAI data and coverage. Before calculating quarterly impacts, we check the GHG input data for accuracy. For this purpose, we examine year over year development of GHG emissions and EVIC/GDP data for the top emitters in the various asset classes. Outliers are then manually verified against publicly available data (e.g. company's published annual reports) and corrected if necessary. Manual corrections are likewise required given mismatches of reporting levels between the company investment level and the level at which a company reports sustainability data. For example, carbon footprint KPIs for an investment can be displayed by different aggregation levels. This can entail aggregation by direct issuer level, parent issuer level or ultimate issuer level. Based on the Bloomberg company hierarchy, we define the different issuer levels as follows: 1.) Direct issuer: Issuer of investment. 2.) Parent issuer: Company that owns the direct issuer. 3.) Ultimate issuer: Highest/final company that owns the other companies. Because emissions of an investment are often only reported at the ultimate issuer level, and might be unavailable for the respective reporting year, we have defined a methodology for sourcing and determining GHG emissions used for the carbon footprint calculations. Details can be found here.

For further details on our data sources and respective disclaimers, please see the dedicated disclaimer document.

Engagement policies

Brief summary of engagement policies

Engagement is a cornerstone of how we see active ownership and is a core commitment to PRI Principle 2: "We will be active owners and incorporate sustainability issues into our ownership policies and practices". On behalf of all its insurance subsidiaries, Allianz SE enters into a dialogue with selected investee companies, where Allianz identifies systematic ESG risks and/or principal adverse impacts. The engagement aims to strengthen the investee company's management of ESG issues and spur improvements of its overall sustainability performance. Each engagement is monitored to track responsiveness of the company and progress against identified sustainability issues. Should a company's answers continue to prove insufficient, show no willingness to improve sustainability performance, or fail to respond to our engagement communications, our team recommends the restriction of all investments in the company. This recommendation is received and reviewed by the Chairperson of the Group Sustainability Board who subsequently approves the restriction of the company from all proprietary portfolios.

Our engagement community-keeps evolving as the need to magnify real-world impact on systemic issues such as climate change places more emphasis on investor-led collaborations. We have increased our collaborative engagement over the last years to amplify the positive impact of our efforts. Collaborative engagements can take the form of multiple investors addressing a single company or addressing multiple companies and their value chain in a single sector at the same time. Collaboration consolidates the efforts for the parties involved, allowing for more efficient and solution-oriented discussions at a greater level of detail. In 2022, we continued to take an active role in the Climate Action 100+ initiative by co-leading engagements and continued to drive sector and asset manager engagements activities as part of the AOA. We likewise continued to expand our engagement with our asset managers on sustainability consideration and particularly their decarbonisation efforts. For more details see Allianz Group Corporate Sustainability Report 2023 section 02.2.

For 2023 reporting, we are following the new reporting approach as outlined in the 2023 Allianz Sustainability Report, which includes the total number of engagements conducted by Allianz entities for issuers in our proprietary investment portfolio. The total number of engagements conducted by the investment functions, AllianzGI, and PIMCO was 663. Including all Allianz entities in this figure greatly expanded the breadth and diversity of topics raised with companies, which explains the high number of engagements captured under “other” in the table below.

Sustainability engagement – bilateral/multilateral: overview

		2023	2022	2021	2020
Number of active engagements	#	663	57	61	68
thereof active bilateral engagements	#	655	n.a	n.a	n.a
thereof active multilateral engagements with lead/co-lead	#	8	n.a	n.a	n.a
Engagement outcomes					
closed successfully	#	35	2	21	3
closed with restrictions	#	7	0	2	8
on-going	#	621	55	38	57

Engagement topics include principal adverse impact indicators such as:

- PAI Theme GHG emissions and management (fossil fuels, decarbonization pathways)
- PAI Theme Social and employee matters: Health & safety topics, Human rights controversies, UNGC compliance breaches
- PAI Theme Waste and Water: Waste and water management
- PAI Theme Biodiversity: Biodiversity and land use

Sustainability engagement – bilateral/multilateral: topics (multiple topics per engagement possible)

		2023	2022	2021
Climate Change	#	446	48	48
Own Workers, Workers in Value Chain, and Affected Communities	#	377	10	17
Pollution	#	47	4	6
Biodiversity & Ecosystems	#	92	3	4
Other	#	2031	5	5

As indicated above, Allianz internal asset managers AllianzGI and PIMCO conduct ESG-specific engagements on behalf of their assets under management, including Allianz proprietary investment assets. For example, in 2023, AllianzGI continued to build out its thematic focus within its engagement activities. Therein, key thematic engagement projects included net-zero transition, with a focus on high-emitting sectors, biodiversity, human rights, and gender diversity. For more information on AllianzGI's engagement, please see here. For more information on PIMCO's engagement, please see here.

Voting: No Voting rights are exercised by AllianzGI nor external asset managers managing equity mandates on the Allianz Life Luxembourg's behalf. Details on the AllianzGI's voting policy and voting records for Allianz Group can be found here.

References to international standards

We believe collaboration and long-term partnerships are instrumental in delivering positive change. Addressing global challenges like climate change and human rights requires collective action involving business, governments and civil society. Allianz Life Luxembourg is part of the Allianz Group, which is a member of a wide range of sustainability-related initiatives and principles on behalf of its operating entities. Allianz' reporting on progress to these initiatives and principles partially overlaps with the PAI metrics. In particular the GHG emissions related PAI indicators are reflected in a multitude of climate related commitments and disclosures of Allianz. Allianz[18] is committed to the Principles for Responsible Investment (PRI) since 2011. The PRI guide our approach to responsible investment and drive continuous improvement across our businesses. Allianz reports annually to the PRI as an asset owner. The latest and past PRI Transparency Reports can be found on our profile on the PRI website. In the next paragraphs, we highlight our approach to Human Rights and Climate Change.

A complete list of all memberships and partnerships can be accessed in the Allianz Group Corporate Sustainability Report 2023 section 06.3.4.

[18] Allianz SE and Allianz Investment Management SE jointly prepare Allianz's disclosure to the PRI as an asset owner, while AllianzGI and PIMCO each prepare a PRI Report as asset managers.

Human Rights

Allianz is committed to respecting human rights in line with various human rights standards such as the United Nations (UN) Guiding Principles for Human Rights, International Bill of Human Rights and as set out by the Labor Standards of the International Labor Organization (ILO). Allianz recognizes the importance of human rights, as both a value-based issue and a business issue. As such, Allianz has integrated human rights aspects based on the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and has been a participant in the UN Global Compact (UNGC) since 2002. Allianz reports on the implementation of the UNGC's Ten Principles every year in its annual Sustainability Report and the UNGC Communication on Progress. For further details, please see the Allianz SE profile on the UNGC website. Human rights are relevant for Allianz across its various roles – as an insurer and investor, as an employer, as a company (including in our supply chain), and as a corporate citizen. Allianz has different processes in place for each of these dimensions and continuously aims to improve the incorporation of human rights into its business. In 2021, Allianz collaborated with a third-party consulting company to perform a Human Rights Impact Assessment based on UNGP's methodology to identify gaps in our approach and continue to improve human rights integration in our core business and organization. We also strengthened our approach by publishing our Human Rights Approach embedded in the Allianz Sustainability Integration Framework. Allianz SE has been subject to the German Supply Chain Due Diligence Act (GSCA) since 1 January 2023. GSCA applies to large Germany-based companies and their "own business area." The own business area of Allianz SE (as the holding company of Allianz Group) generally encompasses entities that are part of the Allianz System of Governance, irrespective of location. Therefore, Allianz GSCA risk management covers those Allianz entities and their suppliers worldwide. The GSCA risk management framework that was established in 2023 consists among others of the following due diligence processes: regular and ad hoc risk analyses in own operations and supply chains, the results of which are communicated to all relevant decision-makers; appropriate preventive/remedial measures for risks/violations identified in own operations and supply chains; a policy statement on our human rights strategy that is updated at least annually; and monitoring of risk management through the function of a human rights officer. For more details, please see the Allianz Human Rights Policy Statement and Allianz Group Corporate Sustainability Report 2023 section 04.2.

Integrating human rights into our core business

As a corporate insurer and investor, Allianz has developed a human rights due diligence process as part of its overall ESG approach, which is integrated into our broader risk management system. We use a combination of sector- and country-specific approaches to identify human rights risks. Allianz has developed ESG guidelines for sensitive business sectors, which include a sector-specific human rights guideline (see Allianz Sustainability Integration Framework section 03.4.7). Thus, relevant human rights aspects are reviewed as part of the overall risk assessment for any investments into non-listed asset classes in the respective sector.

In addition, Allianz has developed a watch list for sensitive countries where systematic human rights violations occur. For business transactions located in these countries, we carry out explicit due diligence in accordance with our Human Rights Guideline that covers various human rights violations. We also review the Human Rights situation in a country with the Allianz Human Rights Risk Score, which was developed in 2022. Based on the United Nations Universal Declaration of Human Rights (e.g., right to liberty, equality, education, prohibition of torture, etc.), Allianz experts assess countries' human rights risk exposure, using NGO information as well as in-house research. We restrict investments in sovereign bonds from countries associated with severe human rights concerns and significant issues managing those. Also, sovereign issuers below the scoring threshold on the Allianz Human Rights Risk Score are excluded for new investments and a divestment plan is developed for existing investments. In terms of our corporate investments, if we identify an issuer in our listed investment portfolio that is flagged for human rights issues by our external sustainability data provider, we prioritize this issuer for a systematic engagement (see Allianz Group Corporate Sustainability Report 2023 section 02.2). In 2022 Allianz carried out a review of the human rights guideline and sensitive countries approach across all business lines and core processes dealing with insurance, investment and procurement decisions. Allianz engaged with NGOs and consulting companies specialised in human rights to understand external stakeholder expectations and perspectives. The work is still on-going and our updated approach to human rights is expected to be finalised in 2023.

Climate Change

We strategically consider climate criteria in all our business lines. Allianz is an active member of various climate-related industry associations and initiatives, advocating for ambitious decarbonization strategies and financing by industry. As a supporter of Task Force on Climate-related Financial Disclosure (TCFD), Allianz specifically reports on the carbon indicators and strategies for the Group portfolio in its comprehensive TCFD disclosure (see Allianz Group Corporate Sustainability Report 2023 section 3). As an AOA founding member Allianz SE commits long-term to transitioning its proprietary investment portfolios to net-zero GHG emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge including the findings of the Intergovernmental Panel on Climate Change (IPCC), and regularly reporting on progress, including establishing intermediate targets every five years in line with the Paris Agreement. With climate related policies, targets and a multifaceted engagement approach Allianz SE strives to supports those taking action to decarbonise their operations and mitigate climate change in the real economy. Supporting real-world decarbonization is also an imperative for us because climate change poses a real threat to the insurance offerings that we provide to businesses and society.

In line with the NZAOA Target-Setting Protocol, Allianz will assist, incentivize and require our portfolio companies to embark on decarbonization pathways consistent with the 1.5°C objective of the Paris Agreement. In alignment with this commitment, Allianz Investment Management is an active member of CA100+ which aims to engage with the world's largest corporate GHG emitters to set GHG emission reduction targets, strengthen climate-related financial disclosures and improve governance on climate change. Our effort has included introducing the CA100+ Net-Zero Company Benchmark to the companies we engage with and supporting the initiative's broader roll out of this measurement and tracking tool. The Benchmark covers critical indicators to measure company progress against a 1.5°C aligned pathway, and to transparently report on their progress.

We use leading academic climate scenarios like the ones used for the reports by the Intergovernmental Panel on Climate Change (IPCC) to determine alignment with our goal. Targets are based on IPCC 1.5-degree Celsius "no" or "low" over-shoot climate scenarios. They do not backload emissions reductions by assuming the world can massively remove carbon from the atmosphere using technologies currently unavailable or unproven at scale. For real estate, our aim is to align with the 1.5°C decarbonization pathways for the global real estate sector published by the Carbon Risk Real Estate Monitor (CRREM).

Among the efforts of the AOA is driving the availability of operationalizable scenarios and pathways by being fully science-based in all that it does and by promoting the OECM model, the IPCCs no/low overshoot scenarios and the IEA's NZE2050. In addition Allianz is actively contributing to Open Source Climate, a group of corporates to jointly built a „pre-competitive layer" of modeling and data that is globally shared and accessible. We are also actively contributing to specialized initiatives that focus on decarbonization, including Science Based Targets initiative (SBTi) and Transition Pathway Initiative (TPI). One key effort of these initiatives and Allianz is to develop (forward-looking) climate performance indicators across asset classes and assessment tools to monitor portfolios' alignment with the 1.5°C objective of the Paris Agreement. For further details see Allianz Group Corporate Sustainability Report 2023 section 2.2. and 3.

Historical comparison

The first PAI statement including quantitative disclosures in the format of Annex I SFDR RTS was published in June 2023, hence historical comparison is possible from June 2024 onwards. The Article 4 SFDR disclosure as of June 2023 can be found following this link .

Alternatively, another solution to document historical disclosures could be to maintain a dedicated PDF document with all the changes and historical versions on the website.].

Allianz is a global leader in insurance and financial services provision. It is present in over 70 countries, employing more than 157.000 people serving 125 million* customers. Allianz is the no. 1 insurance brand in the 2023 Interbrand Global Brands Ranking and has been recognized as a sustainable insurer by the Dow Jones Sustainability Index 2023. In the Benelux, Allianz offers a broad range of insurance products and services for individuals, the self-employed, SMEs and large companies through its network of insurance brokers. In Belgium and Luxembourg, Allianz

serves more than 950,000 customers, employs close to 740 people and collects 1.5 billion euros. In the Netherlands, Allianz serves over 910.000 customers with the help of distribution partners. Allianz employs approximately 770 people in the Netherlands and collects 1.9 billion euros in gross premiums in that country.
Would you like more information? Then visit www.allianz.lu.

Any complaint relating to the contract or to a malfunction of Allianz Life Luxembourg may be addressed to the Complaints Department of Allianz Life Luxembourg S.A. by post to Service Complaints - Allianz, 14, Boulevard F.D. Roosevelt L-2450 Luxembourg, by e-mail to: Plaintes_ALL@allianz.lu, or via our website: www.allianz.lu.

If you do not receive a satisfactory response, you may:

- request a second analysis by Allianz Management or its delegate;
- follow the out-of-court dispute resolution procedure with the Commissariat aux Assurances (CAA), Allianz's supervisory authority, subject to a waiting period of 90 days from the date on which the claim was sent to Allianz, and foreclosure after a period of one year from the date on which the claim was submitted to Allianz.

The request for out-of-court settlement may be submitted in Luxembourgish, German, French or English in written form, either:

- by post to CAA (11, rue Robert Stumper, L-2557 Luxembourg),
- by fax to CAA (22 69 10),
- by e-mail (reclamation@caa.lu),
- online on the CAA website (FR, EN, DE form).

* Including non-consolidated entities with Allianz customers.